
SCHOOLS' BUDGET FORUM

30.09.2024

Present:

Cabinet Members: Councillors Beca Brown (Education) and Paul Rowlinson (Finance)

School Headteachers:

Secondary: David Healey (Ysgol Friars)
Aled Williams (Ysgol Ardudwy)

Primary: Richard Derwyn Jones (Ysgol Chwilog) (Chair)
Gwion Owens (Cefn Coch and Talsarnau Federation)
Nia Puw (Ysgol Llanrug)
Alan Wynn Jones (Ysgol Cymerau)
Eleri Morgan Davies (Ysgol y Gorlan)

Governors: Councillor Ioan Thomas (Ysgol y Gelli and Ysgol Syr Hugh Owen)
Carys Meleri Fowles (Ysgol Penybryn and Ysgol Tywyn)
Councillor Gwilym Jones (Dwyfor – Ysgol Borth-y-gest)

Church Schools:

Special Schools:

Diocese:

Teachers' Unions: Clive Thomas (Ysgol Syr Hugh Owen)

Observers: Gwern ap Rhisiart (Head of Education Department)
Debbie Anne Williams Jones (Assistant Head: Corporate Services)
Kathy Bell (Schools Group Accountant)
Ffion Edwards Ellis (Assistant Head: Special Education Needs and Inclusion)

Officers: Huw Ynyr (Assistant Head of Information Technology) and Rhodri Jones (Democracy Services Officer)

1. APOLOGIES

Apologies were received from Dewi Morgan (Head of Finance), Councillor Gwynfor Owen (Governor of Ysgol Hafod Lon) and Joanna Thomas (Ysgol y Faenol).

David Healey (Ysgol Friars), Gwion Owens (Cefn Coch and Talsarnau Federation) and Nia Puw (Ysgol Llanrug), new members of the Forum, were welcomed to their first meeting. Councillor Ioan Thomas (Ysgol y Gelli and Ysgol Syr Hugh Owen) was welcomed back to the Forum as the representative of Arfon Governors.

Deepest sympathies were expressed to Arwyn Williams (Ysgol Brynrefail) and his family following their recent bereavement.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. MINUTES

The Chair signed the minutes of the previous Forum meeting held on 1 July 2024 as a true record, and received an update as noted below.

4. MATTERS ARISING FROM THE MINUTES

Item 10: Secondary Schools' Funding Formula – Reviewing Catering and Cleaning:

It was confirmed that a sub-group had been established from among secondary school headteachers to discuss the formulas. It was noted that the sub-group had already met and would hold its second meeting soon.

Minutes of the meeting of the Schools' Budget Forum held on 17 July 2023:

It was noted that the minutes of this meeting highlighted Estyn recommendations and priorities following their visit to the authority. It was explained that these related to strategic planning, attendance and inclusion. It was confirmed that there were currently no specific financial implications for these three fields and planning was underway to realise the recommendations and priorities. Reference was made to the progress report on this work which would be submitted to the Education and Economy Scrutiny Committee in October, stating that anyone could watch the webcast if they wished to receive a further update on the work.

5. ELECTION OF VICE-CHAIR

RESOLVED to elect Aled Williams (Headteacher of Ysgol Ardudwy) as Vice-chair of the Forum for 2024/25.

6. FORUM MEMBERSHIP

It was reported that officers had welcomed nominations from primary and secondary school headteachers following the last meeting. It was noted that one vacancy remained for a primary headteachers' representative and another vacancy for a representative from among secondary headteachers. It was explained that headteachers' Strategic Groups were being held shortly and it was hoped that there would be full representation on the Forum following that.

It was explained that there was one vacancy for representation from the Governors of the Arfon area. It was stated that the intention was for this vacancy to be filled by the next meeting.

It was also mentioned that there was a vacancy for Diocese representation. The intention to contact the Diocese to request a representative to the Forum was noted, and it was hoped that membership would have been confirmed by the next meeting.

7. SCHOOL BALANCES: 2023/24 FINANCIAL YEAR

The report was submitted by the Schools Group Accountant.

It was reported that individual schools' balance levels had been analysed for this Report. It was elaborated that the Authority's balances for schools had been noted up to 2017 so as to

compare the current situation with the situation prior to COVID-19. It was explained that schools' balances had increased during the pandemic period and that this could be seen nationally. However, it was emphasised that those monies saved during the pandemic were currently being used up very quickly. It was confirmed that the report only contained a snapshot of the balances as they were constantly changing. As a consequence, anyone assessing them should be very aware of their fluctuating nature before making decisions.

Three primary and three secondary schools were confirmed to be in financial deficit by the end of the 2023/24 financial year. It was explained that this was a small proportion of schools in deficit compared to other Authorities. It was emphasised that Finance and Education services were working with those schools to resolve debt and to plan so that the schools were in a better financial position in the future. It was noted that this could be developmental work to be realised over a few years.

It was considered how much of the balances had contributed to the development of a budget for 2024/25. An example was shared that most of the balances were earmarked as a large part of the following year's budget, resulting in a net low balance at the end of the financial year. In response, the Schools Group Accountant emphasised that the figures shown in the report were an update at the end of the financial year acknowledging that a large proportion of the funds were used for the establishment of new budgets on 1 April annually.

Secondary school balances were highlighted, and it was identified that different patterns could be found within the schools. It was noted that some schools' balances grew annually and others were using their balances more, resulting in relatively consistent figures on an annual basis. In response to the comments, the Schools Group Accountant confirmed that this stemmed from schools' individual plans and the needs that they had prioritised. It was also explained that an increase in staff numbers through temporary contracts during the pandemic had led to an increase in school staff across the county. It was elaborated that a large number of those contracts had now expired and in general there were fewer staff in schools. This was seen as having an impact on schools as fewer people were employed there but it helped them to stay within their budget.

A report on Ysgol y Moelwyn's balances was provided, noting that theirs had increased significantly in recent years. It was emphasised that there was no difference between this school and other schools in the county and it was not favoured in any way, except for local arrangements where the school was responsible for the public swimming pool. It was noted that officers would be in discussions with the school shortly to discuss their success with the balances so as to share good practice and strategies, if possible, with other schools in the County.

It was noted that in the past there was a requirement for schools with higher balances to spend these. However, it was thought prudent not to do so for schools with high balances at present as the information evidenced how quickly schools' situations could deteriorate. Instead, the emphasis should be on headteachers ensuring that the schools were scrupulously protected through the current period of financial uncertainty.

The need to look at these balances and compare them with the schools' pupil numbers was explained, to assess whether the largest schools had to make greater use of reserve balances to avoid debt, while the smaller schools could be run without using the balances.

It was assumed that schools' total balances would decline by the end of the current financial year to approach approximately £4million, returning to the position seen before the pandemic.

RESOLVED:

- **To accept the report, noting the observations made during the discussion.**
- **To receive a further update at the next meeting comparing school balances with pupil numbers. It was agreed to accept the total balances as a percentage of the schools' full budget as part of this report.**

8. SCHOOL GRANTS 2024/2025

The report was submitted by the Schools Group Accountant for information only.

It was explained that £96million was allocated to all schools annually. The Welsh Government grant allocation to Gwynedd schools for the 2024/25 financial year was £9.4million. It was elaborated that a Sixth Form Grant was received by the seven relevant secondary schools within the county, worth a total of £4.4million this year.

It was reported that grant funding financed staff pay, which had led to a challenge in recent years. It was explained that the grant amounts remained relatively similar from one year to the next but the rate of inflation of employing staff was increasing. It was confirmed that this led to a cut as the schools could do less with the money today than they could a few years ago.

It was confirmed that a new grant had been established for 2024/25 called the 'Standards Grant'. This Grant was recognised as replacing other previous grants such as the 'Education Improvement Grant – Foundation Phase and Other', 'Accelerating Learning (RRRS)' and '14-16 Learning Pathways'. It was emphasised that this change had resulted in a reduction of approximately £600,000 in the amount of grant money for Gwynedd.

It was noted that there was currently no suggestion of major changes to Welsh Government grants for 2025/26. It was confirmed that the Head of Education would update schools on any future changes to the grants if plans were brought forward by the Government to adapt them.

9. TECHNOLOGY SUPPORT

A verbal update was delivered by the Assistant Head of Information Technology.

Members were provided with an update on developments to the schools' management information system (MIS / SIMS) and an update on the Council's Digital Plan (CC2 Project – Improvements to the telephone provision).

Schools' Management Information System

It was explained that the management information system was the software used in all schools and was provided by the ESS company. It was stated that the company was losing its monopoly within the market due to the software getting older and the company having delayed for too long in introducing a successor to it. It was elaborated that new companies were currently providing similar software on the market, highlighting the risk that the company could stop administrating the software altogether. It was confirmed that the Council's agreement with the company would expire on 31 March 2026. It was emphasised that there was a need to ensure that a plan was in place from 1 April 2026 to make certain that there was suitable software in all schools.

It was reported that a working group had been established, with representatives from among primary and secondary heads, business representation and authority representation. It was explained that they were looking at options for suitable software for the future, such as renewing the agreement with the current provider or looking at an alternative provider. It was explained that a Chair would need to be appointed to the working group from among its member headteachers. It was updated that the working group had looked at three different

systems so far and was giving them all detailed consideration. Gratitude was expressed in receiving legal and commercial support from the Welsh Local Government Association (WLGA) on this issue.

The financial impact of this challenge was mentioned, emphasising that there would be an increase to revenue costs in 2026. It was elaborated that companies did not allow users to purchase the software for devices and instead, users leased the software on relevant platforms. It was confirmed that this was more costly to the Council than buying the software and installing it on its own infrastructure.

It was assumed that a new provider would need to be found unless the position of the ESS company changed. It was noted that this would be done according to the proper procedure by showing that different companies had had the opportunity to be providers to the Council and that there had been competition. It was elaborated that there would be migration costs on leaving ESS and that those would fall into the 2025/26 financial year. It was confirmed that the Assistant Head of Information Technology would submit a bid for funding to the Council to meet these costs when more detailed information came to light. It was also emphasised that consideration would be given to the costs and time for training school staff on changes to the software.

It was explained that the fee of introducing the software was consistent for all schools. It was elaborated that this presented a challenge in itself because the fee for introducing it to a school with fewer than 20 children was the same as the fee for introducing it to secondary schools. It was noted that this affected the financial element of the costs of finding a new provider.

It was anticipated that the costs of switching the software provider would result in approximately double the current cost and it was emphasised that the best decision in the interests of schools would be followed, and the decision would not be made on a purely financial basis.

The Council's Digital Plan

It was confirmed that the telephone provision was being changed. It was noted that all schools except for one primary school were currently on the corporate telephone system but it was emphasised that all schools would soon be on the same provision.

It was reported that the Council had formed an agreement with new providers and it was confirmed that the new system gave schools the opportunity to make more use of the available data if, for example, calls had been missed, availability to answer the phone and WhatsApp options, text messages, etc. It was acknowledged that all extension numbers would be modified and that significant work was ongoing to ensure this was done correctly. It was explained that the analogue systems were currently being changed and migrating to a new system would be easier as all schools would use the same provision.

It was stated that this transition was part of the Council's Digital Plan and was funded within that plan. It was assumed that phone costs would decrease by around 30% once this transition from analogue to digital was complete. It was clarified that fees would be allocated according to the number of extensions meaning that the service fees would vary from school to school. It was acknowledged that this difference would not be seen until the 2025/26 financial year, and it was confirmed that fees for this year would remain similar to previous years.

10. ADDITIONAL LEARNING NEEDS AND INCLUSION FUNDING 2025/25

The report was submitted by the Assistant Head: Additional Learning Needs and Inclusion.

It was explained that the report dealt with the funding of applications that reached the Moderation Panel for support for individual pupils.

The need to allocate the funding based on needs and formula rather than the Moderation Panel was identified, following the lead of a number of Local Authorities that had already taken this step. It was explained that this would lead to a fairer system because the same formula would be used for all schools. It was clarified that it was based on the use of existing data. It was felt that this change would provide greater security for schools resulting in secure jobs for assistants.

Work towards this change was confirmed to have started in 2019 following an external report which suggested the best way forward. It was acknowledged that there had been some delay in this work over the course of the pandemic, but that work was now underway to achieve this change as a priority.

This change was reported to be based on PLASC ALN data. Members were reminded that seven different models had been presented to this Forum in 2022 and that this had been the preferred one following that report. It was noted that work had proceeded to develop it and it was confirmed that this was the model currently being implemented in taking the transition forward.

In response to a query, it was acknowledged that no consideration had been given to the age of the children with ALN. It was noted that this was because it enabled schools to ensure that they made the best use of the budget for the benefit of the children while also ensuring that the formula to allocate funds did not become overly complicated.

It was stressed that the ALN budget had been frozen for 2024/25 due to tight deadlines and the need to release school budgets. It was emphasised that the exceptions to this were to provide individual support to any pupil who had come into the County during this year. It was confirmed that this had given officers the opportunity to look at the budget and the best way forward when considering the transition to a centralised system for all schools. It was elaborated that ALN numbers and intensity levels were assessed by using data inputted into the Individual Development Plan.

The scheme within the PLASC ALN was expanded upon, noting that it had been developed to look at the child's needs and did not take external support into account. It was also added that a budget worth 5% of the ALN budget had been earmarked for exceptions within the school year. It was explained that exceptions included a number of things such as a sudden deterioration in circumstances, or a child with ALN needs moving into the Gwynedd education area. It was also emphasised that the budget for supporting pupils with medical needs such as type 1 diabetes or epilepsy was removed from the budget before allocation. It was confirmed that any exception would be submitted to the Moderation Panel.

Earmarking a minimum budget for each school was considered, to ensure support was available although some schools did not have pupils with Authority IDPs at the start of the financial year. It was noted that this enabled the Council to provide provision to each school in accordance with pupil numbers and the numbers with ALN.

It was hoped to include ALN budget projections in December 2024 in preparation for the transition to the new model by March 2025.

RESOLVED to accept the report.

11. ANY OTHER BUSINESS

None to note.

12. DATE FOR THE NEXT MEETING

The intention was to hold the next meeting in early December. The Assistant Head: Corporate Services, Schools Group Accountant and Democracy Services Officer will discuss a suitable date for the next meeting as soon as possible.

RESOLVED to accept a report on how school budgets are allocated within the different sectors (primary, secondary and special schools) and other services as well as demographic details to identify challenges and share observations.

The meeting commenced at 3.45pm and concluded at 4.55pm.