
GwE JOINT COMMITTEE

19 February 2025

Attendance:

Councillors: Phil Wynn – Chair of this meeting only (Wrexham County Borough Council), Dafydd Roberts (Isle of Anglesey County Council), Diane King (Denbighshire County Council), Marek Eastwood (Flintshire County Council) and Dewi Jones (Cyngor Gwynedd)

Non-voting Co-opted Members: Manon Williams – Primary Schools' Representative

Non-voting Officers: Marc Berw Hughes (Isle of Anglesey County Council), Claire Homard (Flintshire County Council), Dr Lowri Brown (Conwy County Borough Council) and Dafydd Ifans (Wrexham County Borough Council)

GwE Officers: Rhys Williams (GwE Head of Service – Professional Learning), Euros Davies (GwE Head of Service – School Improvement) and Bethan Roberts (GwE Performance Management Manager)

Host Authority Officers: Ffion Madog Evans (Statutory Finance Officer – Gwynedd), Hywyn Lewis Jones (Education and Economy Accountant – Gwynedd), Gwion Jones (Senior Accountant – Gwynedd), Sion Huws (Propriety and Elections Manager – Gwynedd), Geraint Owen (Corporate Director – Gwynedd) and Lowri Haf Evans (Democracy Services Officer – Gwynedd).

1. APOLOGIES

Apologies were received from Cllr Julie Fallon (Conwy County Borough Council), Karen Evans (Wrexham County Borough Council), Geraint Davies (Denbighshire County Council), Gwern ap Rhisiart (Head of Education – Cyngor Gwynedd) and Dewi Morgan (Head of Finance – Cyngor Gwynedd)

Cllr Dewi Jones was congratulated on his appointment as Cyngor Gwynedd Cabinet Member for Education and welcomed to the meeting.

Marc Berw Hughes (Isle of Anglesey County Council) was thanked for his contribution and support to the Joint Committee over the years and was wished all the best in his new role.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair accepted the minutes of the previous meeting of this committee held on 27 November 2024, as a true record.

5. GwE BUDGET 2024/25 – REVIEW UP TO THE END OF JANUARY 2025

Submitted - a report by the Head of Finance for Cyngor Gwynedd, updating members on the latest financial review of GwE's revenue budget for the 2024/25 financial year and the projections towards the end of the financial year. The Assistant Head of Finance – Accounting and Pensions (Cyngor Gwynedd), explained that the report was based on information at the end of January 2025 with the picture in terms of redundancy costs and pension release costs clearer.

It was explained that the redundancy costs and pension costs were based on the highest possible ones, thus giving the Joint Committee the worst-case scenario, so that the maximum potential funding gap could be seen. It was reiterated that the hope was that the figures would not be as high and that it would be possible to offer jobs to staff who were outside the TUPE system, i.e. those who were transferring to the Local Authorities (although no promise of that could be given).

Reference was made to a breakdown of the final position with the projections, following the end of January 2025 review, suggesting that the financial position for 2024/25 would be an overspend of £919k by the end of the financial year.

The main issues were highlighted:

- Employees – by now, after taking into account redundancy and pension costs, an overspend of £1.1 million was forecast on this heading. It was explained that GwE's budget for the current year was established based on the number of staff back in February 2024. It was highlighted that savings had been realised after some GwE staff members left their jobs, along with the receipt of a grant which had been used to fund jobs. It was noted that the figures also incorporated the Joint Committee's decision on 1 August 2024, including a restructuring of the Senior Management Team.

It was reiterated, after receiving the latest information, that the financial review included an estimated current maximum redundancy cost of around £1.7m for staff who would not transfer to the authorities. A Welsh Government contribution of £738k (£123k received per authority) was expected towards the cost.

Reference was made to the Accounting regulations which required pension costs to be accounted for in the financial year in which a letter had been issued to staff. With the intention of issuing a letter to GwE staff at the beginning of March, a financial commitment had to be secured with those costs having an impact in the current financial year.

- Rent – an overspend of almost £90k. £10k of this was in line with the historical trend as a larger space had been rented in Caernarfon, which had been above budget levels. In addition to this, in winding up GwE, it was highlighted that costs of terminating office leases needed to be addressed, mainly for the Mold office.
- Transport – the picture remained consistent with previous reviews with an underspend of £34k on the transport heading, as travel costs had fallen as a result of new ways of working in recent years.
- Supplies and Services – an underspend of almost £19k was anticipated here as no contribution would be made to the information technology renewal fund.

It was clarified that, in the context of the financial situation, it needed to be taken into account that the reserves of £221k were being fully used to reduce the overspend.

Attention was drawn to the Newly Qualified Teachers Fund which had accumulated, and now stood at £455k. It was noted that this funding had been earmarked for a specific purpose, and that an application had already been made to the Welsh Government to enquire whether this fund could be used as a contribution towards the costs incurred. However, until there was confirmation, it could not be used to reduce costs at this point.

Summing up the situation, it was anticipated that there was a maximum funding gap of £919k and that this gap would need to be closed. It was added that a letter had been sent to the Welsh Government requesting additional funding, but if the application was not successful, the individual Councils would have to fund it.

Thanks were expressed for the report and the staff were thanked for completing the work within a difficult time.

During the subsequent discussion, members submitted the following observations:

- Concern about building overspend – rent (including services). This was a significant overspend given digital/virtual usage. Was it possible to discuss/negotiate the terms of closure of the Colwyn Bay and Mold offices?
- That every penny needed to be scrutinised.
- That assurance of a high level of understanding was required.
- That assurance of expenditure was needed – a suggestion that the full analysis of final expenditure for 2024/25 be discussed/challenged in the Transitional Board with feedback to the next meeting of the Board.

In response to a question about the use of the Newly Qualified Teachers (NQT) Fund and whether this fund could be used to reduce overspending rather than see the money returned to the Welsh Government, it was noted that the money from this fund had accumulated over the Covid years and that the terms of use of the fund stipulated a specific use. However, it was highlighted that a letter had been sent to the Welsh Government requesting permission to use the fund against the overspend. It was reiterated that a letter had been received in response to a request from Cyngor Gwynedd for additional funding to fill the funding gap asking for a meeting with the Welsh Government's Deputy Director of Education to discuss the situation, and that the use of the NQT Fund was likely to be included in the discussion at that meeting.

It was proposed and seconded to approve the report.

RESOLVED:

- **To accept and approve the report on the review of GwE's budget up to the end of January 2025.**
- **Following discussions at the meeting of the Transitional Board, that an end-of-year position report, together with a full analysis of final expenditure for 2024/25, be submitted to the Joint Committee at the May meeting.**

6. GwE BASE BUDGET 2025/2026

The report of Cyngor Gwynedd's Head of Finance detailing a budget for GwE for the two months to the end of May 2025 was presented, following a slippage in the GwE termination timetable to 31 May 2025. It was noted that, as was the case for budgets in any year, a routine procedure of increasing the budgets to include necessary inflation rates and consideration of the pay settlement, etc. had been carried out. Following this,

it was reported that two months' worth of budget had been provided for relevant headings with some exceptions.

The following headings were highlighted:

- Employees – staffing costs based on the number of staff employed on 1 February 2025, so a two-month budget had been provided for them.
- Rent, travel costs, national programmes/commissioning – two months' worth of budget had been provided.
- Supplies and Services – there was no budget included on the Information Technology heading, as it was a contribution to a renewal fund, so for obvious reasons, there would be no budget for it.
- Audit Fees – Audit Wales would have to audit the accounts, and therefore a fee would have to be paid to them to carry out the audit. It was noted that the full amount had been included, but while this could not be guaranteed, it was hoped that it would be less.
- Host Authority Support Services Costs – two months' worth of budget had been set on these headings, with the exception of Finance, as there would be a statutory requirement to prepare a full set of accounts, although it would only need to be calculated for a period of two months. The budget therefore reflected this work and the work required by the Finance Department during the audit period with Audit Wales.
- National model and specific projects – no budget provided.
- Services commissioned by the Authorities – two months' budget had been set.

As a result of the projections above, the total expenditure budget was considered to be set at £1.2 million (12% of the 2024/25 budget, which was less than 1 in 6 in value, i.e. two months, which was 17%). In terms of funding these costs, reference was made to the core contributions and the relevant rates noted as the authorities' contributions, with two months' worth provided.

The Assistant Head of Finance – Accounting and Pensions (Cyngor Gwynedd) emphasised that this budget was only a projection, and that it was expected that only the necessary expenditure would be made until the end of May. It was confirmed that the claim would be made to the Authorities based on the true cost.

In the context of reserves, as the reserve had been used to fund the 2024/25 financial position, it was not available for 2025/26.

Thanks was expressed for the report.

During the subsequent discussion, members submitted the following observations:

- The budget was welcomed although more clarification/rationale was needed for some of the decisions – a suggestion that the matter be discussed/challenged in the Transitional Board with feedback to the next meeting of the Joint Committee.
- A delay by the Welsh Government in winding up GwE had led to additional costs – why then were the Councils facing the costs? A suggestion to write to the Government asking for clarity on the delay and a request to Cyngor Gwynedd (as the Host Authority) to discuss the matter in a meeting with the Welsh Government's Deputy Director of Education.
- To propose that a letter of support/political statement from the Joint Committee be submitted to the Host Authority supporting their concerns surrounding the additional costs to wind up GwE due to the delay by the Government in relation to the use of the Local Authority Education Grant (LAEG) to support Professional Learning.

In response to a question about receiving feedback from Cyngor Gwynedd's meeting with the Welsh Government's Deputy Director of Education, it was noted that no date or time had been confirmed at present, but the outcome of the meeting would certainly be shared with the Joint Committee. It was reiterated that time was short and that clarity and certainty of the financial situation were needed before the Joint Committee meeting in May.

It was proposed and seconded to approve the report.

RESOLVED:

- **To accept and approve the report.**
- **Feedback from the Host Authority meeting with the Welsh Government's Deputy Director of Education to be shared with the Joint Committee.**
- **That a letter of support/political statement from the Joint Committee be submitted to the Host Authority supporting their concerns surrounding the additional costs to wind up GwE due to the delay by the Government in relation to the use of the Local Authority Education Grant (LAEG) to support Professional Learning.**

7. CONTINUITY OF SERVICE 01/04/2025 to 31/05/2025

A joint report was submitted by the Head of Service - School Improvement, and GwE Head of Service - Professional Learning, setting out GwE's operating arrangements for the period 01/04/2025 to 31/05/2025. It was explained that the Chief Executives of the six Education Authorities had now confirmed the termination date of GwE as 31 May rather than 31 March 2025 which meant that the Service would continue beyond the current financial year, and the existing Commissioning Agreements and Business Plans, for a period of an additional two months. It was reiterated that the contracts of individuals on secondment or working on a commission to GwE terminated on 31 March and that this would affect the capacity of the Service. It was also noted that although it was a two-month period, the schools would only be open for six weeks during this period due to the Easter holidays and half term.

While it was not feasible to produce a Business Plan and Commissioning Agreement for this short period of time, it was reported that the Service would continue to support schools in line with the core requirements and that the Supporting Improvement Advisers would respond flexibly to schools' requirements ensuring a smooth and seamless service during this transitional period. This would include the routine visits to monitor and ensure the quality of teaching and learning in the schools. It was reiterated that if there was a shortfall that could not be met, the Service would consider commissioning headteachers by agreement with the Chief Education Officers and in accordance with what was agreed in the Joint Committee on 2 October 2024.

In the context of the National Professional Learning Programme Timetables, it was noted that some national training cohorts, which were the responsibility of GwE, would not be completed by the end of the 2024/25 financial year. In response, it was noted that the Welsh Government had made a verbal commitment to ensure that any national professional learning programme continued to its completion.

In the context of Local/Regional Training, it was noted that the timetable was limited to the 2024/25 grant terms and therefore it was not feasible to put together a Professional Learning offer for schools for a period of two months in 2025/26. Flexibility for GwE staff

to conduct sessions would depend on the need and capacity they have, given that GwE would have a limited team after Easter.

Thanks was expressed for the report.

During the subsequent discussion, members submitted the following observations:

- That there was a need to work with the Education Departments to ensure that there would be no further costs.
- That the Welsh Government, through Local Authorities, was committed to ensuring that colleagues working on programmes successfully completed them – continuity needed to be ensured.
- Costs beyond May 2025 – would the burden be shouldered by the Authorities or by the Welsh Government? Clarity was needed.

In response to a question regarding staff capacity it was stated that GwE would seek to secure support for schools with discussions held with individual Authorities to discuss the situations where there was the greatest need.

RESOLVED:

- **To accept the report and approve GwE's operating arrangements for the period 01/04/25 to 31/05/25.**
- **That clarity was needed on additional cost payments beyond May 2025. Would the burden be shouldered by the individual Local Authorities or by the Welsh Government?**

8. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following item due to the likely disclosure of exempt information as defined in paragraph 12, Section 4, Schedule 12A, Local Government Act 1972. This paragraph is relevant as the report contains information about specific individuals who have the right to privacy. At this point a decision is not being made, and the proposal needs to be discussed. There is no public interest that calls for disclosing personal information about these individuals that would outweigh the rights of these individuals. Consequently, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

9. VOLUNTARY REDUNDANCIES

A report was submitted by the Corporate Director of the Host Authority detailing the replies received from GwE officers to an invitation submitted to them to express an interest in being considered for voluntary redundancy terms in the face of the termination of GwE.

It was reported that 17 expressions of interest had been received and those individual applications had been considered in accordance with the criteria. Redundancy costs were submitted for each expression with a recommendation and the rationale behind the individual recommendations noted for information to the Joint Committee.

If the recommendations were to be approved, six officers would be offered voluntary redundancy terms. It was emphasised that this was a voluntary redundancy procedure and not a compulsory redundancy procedure.

Thanks were expressed for the report.

During the subsequent discussion, members submitted the following observations:

- That there was a need to ensure that there was no discrimination and that the process had complied with the Equality Act.
- A need to ensure that there were no missed opportunities to redeploy officers. Had a compromise agreement been considered given the circumstances?
- Was the redundancy notice sufficient?

In response to a question about annual leave entitlements and an expectation for officers to use them before leaving (to avoid additional costs beyond May), it was noted that officers were encouraged to use their leave before the end of May 2025, and that those officers transferring to the individual Authorities would need to hold a discussion about their leave entitlements.

In response to concerns about the possibility of a grievance/tribunal case arising from the process, who would deal with the grievance, and were there contingencies for the costs of proceedings, it was noted that Gwynedd as the Host Authority would lead any case against the redundancies.

It was proposed and seconded to approve the report.

RESOLVED:

- **To accept the report.**
- **To approve the recommendations for rejecting/granting individual applications.**
- **To approve addressing the cost of voluntary redundancies from the money that had been accumulated.**

The meeting started at 10:30 and ended at 12:05

CHAIR