

# Minutes

## Newport Schools Forum

Date: 19<sup>th</sup> Jan 2023  
Time: 3:30pm  
Venue: Microsoft Teams

### Present

D Curtis (DC), D Evans (DE), D James (DJ), Cllr D Davies (DD), D Probert (DP), D Gurney (DG), E Jones (EJ), J Beckett (JB), K Knight (KK), N Brain (NB), R Drew (RD), S Foster (SF), S Rayner (SR), J Bell (JB), P Garland (PG), E Jones (EJ), A O'Brien (AOB), A Godfrey (AG)

### Officers in Attendance

K Bevan (KB), E Bosch (EB), C Clegg (CC), S Davies (SD), M Evans (ME), R Green (RG), S Morgan (SM), K Rees (KR), D Weston (DW),

## 1. Apologies for Absence

Tracey Jarvis (TJ)

## 2. Minutes of meeting held on 20 October 2022

Attached



Schools Forum  
Minutes 20th Oct 20

FM asked for update on review of supply insurance scheme.

LAO confirmed that work was underway, however group had not met to review data and update will be provided in July meeting.

FM advised that their attendance was not shown in the last meeting minutes and wanted this corrected.

Forum agreed the minutes were a true and accurate reflection of the meeting held on 20<sup>th</sup> October 2022.

## 3. Matters Arising

None

### 4. Update on Final Settlement – Rob Green

### Verbal Update



Budget  
Consultation 2023-2

LAO discussed the current budget consultation for 2023/24. Discussion focused on current budget gap of £33m and the budget proposals presented to the public and cabinet for review to fund this gap which included a number of key pressure areas, such as:

- High inflation – increased prices for goods and services
- Pay awards – higher than expected pay levels
- Energy crisis – significant cost increases for utilities
- Cost of living crisis – increased demand for services
- Increasing demand for services – e.g., homelessness
- Lasting impact of the pandemic

Cabinet proposals are addressing three main areas to address the funding gap.

- Service savings of £11.5m have been submitted – 66 proposals incl. non-service
- 27 proposals totalling £5.6m are being consulted.
- Council Tax – 9.5% increase (original base assumption was 4%)

Further breakdown of these proposals can be found within the attached presentation.

Discussion focused on school's position. The presentation advised of a £10.3m pressure within schools, which can be broken down as:

- Pay - £5.1m
- Inflation - £3.9m
- Pupil number growth - £785k
- Other - £566k

The proposal is also consulting on a cash increase on schools' budgets, based on NCC funding 50% of pay pressures and pupil number linked pressures, and Schools to absorb the remaining pay pressure and other inflationary pressures in full.

All pressures will be under review until the budget is finalised and, therefore, the pressure figures for schools and the associated saving are subject to change.

The timetable of the public consultation runs until 2<sup>nd</sup> February 2023. Feedback will be considered before cabinet meeting on 15<sup>th</sup> February, where final budgets proposals are agreed before the overall budget is agreed on 28<sup>th</sup> February 2023.

A final Welsh Government settlement is expected early March 23.

LAO to issue final 23/24 school budgets before 31<sup>st</sup> March.

FM asked for clarity if the figure includes the 2.4 extra billion announced for schools by government. LAO UK make announcement and Welsh Government (WG) receive the consequential, they then take a view on how to distribute and it is passed onto the LA via the Revenue Support Grant (RSG) which is un-hypothecated. Unless WG issue as a specific grant, decisions are taken at a local level.

### **Appendix 3 – Schools Forum Minutes**

FM asked if the £1.951m investment is on top of the £10.395m pressures identified

LAO advised that this was included and is noted on page 42 and 43 of MTFP report.

FM asked for clarity on proposal that school pick up 50% of pay increases, and what year is included in the pay award figure

LAO confirmed that the proposal is still out for consultation however the pressure identified reflects 5 months of 22/23 pay award and 7 months of 23/24 pay award for teachers and 23/24 pay award for NJC staff.

FM asked if energy inflation would be passed onto schools

LAO advised that consultation is on schools absorbing the pressure in full.

FM asked about pension contributions increase, is the figure 2023 or 2024 financial year.

LAO advised it has been included in 22/23 to be prudent however, as it needs further investigation.

FM Requested that schools are provided with their indicative budgets as soon as possible to help with planning.

LAO confirmed they are aiming to get indicative issued by half term and the final copy out by the end of March.

FM What do the planning figures show going forward for future years? Will the reserve of £10million disappear next year?

LAO explained how some schools are in a more difficult situation than others. The LA has undertaken a modelling exercise, but it is difficult as using old information/spend plans and we don't know at this stage how able schools are to respond to the pressures.

LAO Confirmed that current in year over/under spends were used excluding any one-off spend to determine future reserve balances.

FM said it was useful to be sent out inflation costs to incorporate in budgets and asked if it was correct that 24/25 energy costs were due to rise further for 24/25 was it 50% for energy on top of the 150% increase for 23/24?

LAO explained the different effects of energy price rises. Inflation figures were based on external advice provided, should not make assumptions on inflation returning to normal levels.

### **5. 23/24 Budget Proposals – Rob Green**

### **Electronic Copy Issued**

Looking at cost base, consideration being given to widening cost charged against the SLA to ensure full cost recovery.

Alternative funding sources could also be considered.

### **6. Questions**

FM asked in the SLA agreement was currently 3 years.

LAO Under normal circumstances we have a 3-year SLA, however the current agreement is only 1 year to allow for the new finance system.

FM queried if they should build in inflation to other SLA charges

### **Appendix 3 – Schools Forum Minutes**

LAO confirmed that yes and schools will be able to check the inflationary increased form their SLA pack and their Finance Business Partner (FBP) can assist with calculation of the inflation figures.

FM asked if others were happy to meet up as a sub-group before the next meeting in July to discuss the possible change to the SLA.

LAO will send invitation for expressions of interest to attend the subgroup

Meeting called to a close at 16:25

### **Date of next meeting(s) – Microsoft Teams**

Thursday 13th July 2023