

### **APPENDIX 3 - EXTRACTS FROM SCHOOLS' FORUM MINUTES**

The Schools' Forum believes that the 'cash flat' 2018/19 budget proposal for Schools will be harmful for all Primary and Secondary Schools. With inflation for December 2017 at 3%, this means a real term reduction in the budget. At a time when Schools are being requested to improve outcomes by the Welsh Government and Estyn, the proposals in the Newport City Council budget will not help. Further pressures will undoubtedly impact on standards and Estyn are stating, in a recent report, that improvements need to be made in Mathematics and Numeracy.

Cabinet should be clear about the detrimental effect on attainment, attendance, exclusions and the culture that will be left with no support for the most vulnerable pupils. It is the opinion of the Forum that further cuts in 2018/19 will have an inevitable impact on Students' life chances. It will affect present and future pupils alike. It will also affect the morale of staff who are dedicated and want the best for future generations of pupils who are taught in Newport Schools. It is also concerning that applications for Headteacher posts is in decline. This obviously shows that pressures of this nature are impacting on senior staff.

The Forum is fully aware that Newport City Council have been hit with heavy cuts imposed as a result of austerity. However, it is the opinion of the Forum that one of the top priorities of the Authority should be the education of our children and their future life chances.

It is noted from the 2016/17 Statement of Accounts that the Council has a general reserve of £6.5M, a Pay Reserve of £1.4M, an Invest to Save Reserve of £11M that includes an increase of £5M last year, and a Friars Walk Development reserve of £10M that increased by £3.8M last year. The Forum would request that the Cabinet look at these reserves with a view to increasing the Schools budget in 2018/19.

The Cabinet's budget report states that School funding has increased by 7.3% over the past five financial years. The Forum discussed this but the information in the report does not state the breakdown between individual School budgets and Grants. It would have been useful if demographic pressures were provided for each year. Total Reward would also need to be factored in to provide transparency and clarity in respect of the figures.

The Forum would argue that Schools have collectively absorbed significant and sustained real term cuts over the past five years. In fact, a conservative estimate would be that the actual school funding position, when pay awards, employer costs, incremental drift and external factors are considered over this same period, has decreased by approximately 5% per annum in real terms.

Over three years since 2016/17 the Cabinet report states that the cumulative increase in the number of children in Primary Schools is 765 pupils which equates to almost £1.5M in 2018/19 alone.

Many Primary Schools are already unable to meet the advisory Foundation Phase staff ratio in Early Years. The Foundation Phase Grant does not cover the true cost and Schools use their main budget to support the shortfall.

**End of Financial Year 2018-2019**

<b>Primary School Examples from across the City</b>	<b><u>MODEL A</u></b>	<b><u>MODEL B</u></b>	<b><u>MODEL C</u></b>
	No changes to existing staff	Reduction in support staff/TLR No/limited intervention Groups for Literacy and Numeracy	Loss of PPA Cover = <b>Closing School for 0.5 Day per week</b>
1 Form Entry	<b>-£38 063</b>	<b>-£29 556</b>	<b>£19 069</b>
2 Form Entry	<b>-£41 320</b>	<b>-£19 080</b>	<b>-£10 411</b>
3 Form Entry	<b>-£81 000</b>	<b>-£1 000</b>	<b>£54 591</b>
<p><b>Figures do not account for reduction in EIG Funding</b>  <b>In order to maintain standards and support for pupil's, schools will opt for Model C</b></p>			

It was announced by the Welsh Government recently that over £150M would be reallocated from existing grants to Local Authority budget settlements. The majority of this related to existing school funding. Clarity is needed as to whether it has been reflected in the proposed School budget settlement.

The Forum would point out that Schools have been informed that there will be significant reductions in grant funding from the EAS and the Education Improvement Grant will be reduced by 11.2%. There will also be a cut of 6.9% in Post 16 funding. The Forum would like the Cabinet to be aware that it is predicted that all Secondary Schools will have 'in year' deficit budgets at the end of the present financial year with two over £350K. Similarly, with the exception of three, all Primary Schools will have 'in year' deficit budgets at the end of the financial year. As the Scheme for Financing Schools states, licenced deficit budgets are supported by cumulative School reserves. It is a real possibility that collective balances will not be able to support such requests in the upcoming financial years and that there will be very little or no School reserves at the end of the next financial year.

It is envisaged that School Balances at the end of this year will reduce from £4.8M to £1.8M. It is accepted that, at this stage of the financial year, predictions cannot be completely accurate and an adjustment of £0.4M has been applied to lessen the projected reductions in balances.

Schools have planned on 1% pay inflation. Cabinet will be aware that a proposed pay rise for Support Staff will need to be factored into the forthcoming School budgets. A modelling exercise has been carried out which suggests this will equate

to a 3.6% increase in pay across non-teaching staff in Schools. At the Forum meeting on 16 January it was not known what the Teachers' pay award will be in the coming year.

Governors and Headteachers do not just sit around hoping budget pressures will go away. Many Secondary Schools have undertaken extensive reviews of the curriculum to accommodate cuts that have been imposed on them. Some Schools have undergone numerous re-structures over the past three to four years resulting in numerous job losses and, in these cases, there is nothing left to cut. Cabinet should also be aware that other Schools had to restructure last year losing several staff. The Forum are concerned that these Schools and others in both Secondary and Primary Sectors will have to make staff cuts to ensure that budgets are not exceeded.

In a report that was recently presented to the Forum it indicates that Newport Schools AWPU are in the lower half of the 22 Wales Authorities over the period 2013/14 to 2016/17. Below you will see the trend is that Newport is falling in the table for all AWPU age groups between these financial periods.

**In 2013/14**

Nursery AWPU in Newport was 13<sup>th</sup>.  
Reception AWPU in Newport was 15<sup>th</sup>.  
Years 1 and 2 AWPU in Newport was 14<sup>th</sup>.  
Years 3, 4, and 5 AWPU in Newport was 13<sup>th</sup>.  
Year 6 AWPU in Newport was 15<sup>th</sup>.  
Year 7, 8, and 9 AWPU in Newport was 14<sup>th</sup>.  
Year 10 AWPU in Newport was 15<sup>th</sup>.  
Year 11 AWPU in Newport was 14<sup>th</sup>.

**In 2016/17**

Newport was 16<sup>th</sup>.  
Newport was 19<sup>th</sup>.  
Newport was 16<sup>th</sup>.  
Newport was 16<sup>th</sup>.  
Newport was 17<sup>th</sup>.  
Newport was 17<sup>th</sup>.  
Newport was 18<sup>th</sup>.  
Newport was 16<sup>th</sup>.

There was a slight increase in the overall Schools' Budget of £1.1M last year but this was more than taken up by new schools. It is pleasing to note that this amount has been left in the Schools' budget but it is feared that, with a 'cash flat' budget for 2018/19, Newport AWPU will go even further down the positions in the table. It is also pleasing that it has been pointed out that the current proposal is for all costs associated with the Schools' reorganisation programme will be fully funded by the Authority.

The Forum would also draw your attention to URN EDU1819902. The consolidation of the educational psychology team will have a devastating affect on Schools and we would request that this is not part of the budget cuts. These members of staff are doing a magnificent job and with the increasing number of pupils that have ALN it is a necessity that we keep these staff especially with the dwindling amounts in the Schools' Budget. The Forum would point out the comments made by the Children's Commissioner for Wales in a recent interview about the lack of support for these pupils.

The Forum would also request that URN EDU181904 is withdrawn from the budget cuts as this would put additional pressure on Primary and Secondary Schools at a time when they can least afford it.