

Minutes

Newport Schools Forum

Date: 20th January 2022

Time: 3:30pm

Venue: Microsoft Teams

Present:

Joanne Giles (JG), Nick Brain (NB), Dean Probert (DP), Dawn James (DJ), Cllr Deborah Davies (DD), Dean Curtis (DC), Julie Beckett (JB), Nicola Allan (NA), Stuart Foster (SF), Andi O'Brian (AB), Steve Rayer (SR), Eirian Jones (EJ), Dilwyn Gurney (DJ), Anna Godfrey (AG)

Officers in Attendance:

Clare Watts (CW), Charlotte Cregg (CC), Nicholas Lo Turco (NLT), Sarah Morgan (SM), Robert Green (RG), Karyn Keane (KK), Deborah Weston (DW), Katy Rees (KR)

4. Update on Final Settlement – Rob Green

Verbal Update & Presentation



Budget
Consultation 2022-2

LAO gave a verbal update & presentation (see attached) on the final settlement.

This presentation and discussion constituted the formal consultation with schools regarding the draft budget.

Key points:

Preparation of the 2022/23 budget continues to be set against the backdrop of the COVID-19 pandemic and uncertainty regarding the need to respond to and mitigate against the virus, including future variants.

Economic recovery is also uncertain, particularly when considering the impact of inflation, for example.

NCC are currently going through a senior management restructure, meaning the organisation is experiencing significant change.

Provisional Local Government Settlement not released until 21st December 2021, although a multi-year settlement provided.

Confirmation that the Hardship Fund will end as at 31st March 2022.

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Backdrop of challenging budgets in recent years and sustained need for savings.

WG in receipt of better than anticipated funding settlement from UK Government, following the Spending Review, including the consequential impact of the new Health & Social Care Levy.

Local Government, alongside Health, was prioritised as part of the WG Budget.

All Welsh councils received positive settlements (average 9.3% increase), with NCC's representing a 10.2% increase – 4th highest in Wales.

Years 2 and 3 – indicative funding increases of 3.5% and 2.4%, respectively.

Number of expectations outlined in accompanying letter – e.g. settlement to cover National Insurance (NI) increases, Real Living Wage (RLW), pay deals and provision for COVID-19 costs.

Council Tax, which for NCC is one of the lowest in Wales and only makes up 24% of the net budget, is proposed to be increased by 3.7%.

Due to the positive draft settlement received from WG, the budget proposal being consulted upon does not include any new savings.

Savings included as part of the overall budget are limited to those agreed as part of the 2021/22 budget and include:

- Council Tax Reduction Scheme - £280k
- Transformation of adult day services - £145k
- Closure of Cambridge House as a children's home - £85k
- Reduction in Child Protection legal costs - £150k
- City Services "Training within Industry" Programme - £100k

The Council is facing a range of financial pressures, some of which have been exacerbated by the impact of the pandemic. These include:

- Pay and pension pressures
- Other inflationary pressures
- Increasing demand on schools, including ALN
- Increasing demand on social care
- One of fastest growing populations in Wales

The positive settlement has enabled the main unavoidable pressures to be addressed, as well as providing scope for a higher pay award than in recent years.

In addition, the settlement has enabled Cabinet to propose new investments in a number of areas, including the following:

- ALN funding for schools
- Early intervention and prevention
- Committing to paying the Real Living Wage for Social Care staff

£8m investment in school budget overall – 7.3% increase.

This includes the impact of assumed pay awards, the NI increase and the pupil-number led demand pressures within schools. The effect of this funding is to preserve the average funding amount per pupil.

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£1.197m has been allocated towards the cost of supporting pupils with ALN. Decision made to bring forward this full allocation, which had initially been profiled at £399k per year, starting 2023/24.

£906k added as a general increase to the school budget and will benefit all schools.

Individual grant allocations have not yet been determined for schools, however, all-Wales grant figures have been released.

Most grants remain at the same overall level as 2021/22, with no general inflationary uplift applied. Some have changed, as follows:

RCSIG – reduced from £173m to £158m

PDG – increased from £111m to £123m

RRRS – reduced from £68m to £38m

FSM – new grant for £40m, increasing to £70m and then £90m

Details on the new FSM grant, including distribution basis is yet to be formally announced.

The consultation will run until Friday 11th February 2022.

Cabinet will continue to consider the potential allocation/use of the balance in hand.

Final budget proposal will be considered by Cabinet on Friday 18th February 2022.

Final settlement is due to be received on 1st March, which is the same day that Cabinet's agreed budget proposal will be considered by full Council.

It is not anticipated that there will be any material changes between provisional and final settlement.

Date of next meeting(s) – Microsoft Teams

3:30-5pm, 07 July 2022