



CITY AND COUNTY OF SWANSEA
DINAS A SIR ABERTAWE

Mr P S Williams
Chair of School Budget Forum
Pontybrenin Primary School
Glyn Rhosyn
Gorseinon
Swansea SA4 6HX

Please ask for: Councillor Rob Stewart
Gofynnwch am: (01792) 636141
Direct Line:
Llinell
Uniongyrochol:
E-Mail / E-Bost: cllr.rob.stewart@swansea.gov.uk
Our Ref / Ein Cyf: RS/SH
Your Ref / Eich
Cyf:
Date / Dyddiad: 16 February 2016

If you require this or any other information in another format e.g. Braille, audio tape or a different language, please contact me

Dear Mr Williams

Response to Budget Consultation by School Budget Forum

Thank you very much for the response to the formal budget consultation being undertaken by the Council in respect of Revenue and Capital Budgets for 2016/17.

I am pleased that you welcome the positive recognition that we as a Council have tried to express in recent weeks regarding the achievements in outcomes for Swansea Schools, and of course as a corollary we are delighted to be on a position whereby the ongoing excellent work in Schools allows that recognition to take place.

The position regarding the overall Council finances is well documented and we have been very open with the forum regarding the financial pressures that the Council faces both now and in the future.

The Cabinet report as presented on the 10 December 2015 forecast a funding position for the Council for 2016/17 (a deficit of £35.050m) which was unprecedented in terms of scale even taking into account the last two years.

As you are aware, since that date the Council has received a better than expected draft Revenue settlement from Welsh Government and, in line with the Council's priorities, has immediately moved to improve the Schools funding position from that outlined in December to a position whereby the Cabinet report on the 15 February recommends a cash increase in schools delegated budgets of £3.2m, reflecting the Ministers funding guarantee for Schools plus an increase based on projected pupil numbers.

COUNCILLOR/Y CYNGHORYDD
ROB STEWART
LEADER / ARWEINYDD

CABINET OFFICE, THE GUILDHALL, SWANSEA, SA1 4PE
SWYDDFA'R CABINET, NEUADD Y DDINAS, ABERTAWE, SA1 4PE

☎ (01792) 636141

✉ cllr.rob.stewart@swansea.gov.uk www.swansea.gov.uk



CITY AND COUNTY OF SWANSEA
DINAS A SIR ABERTAWE

- 2 -

I appreciate the fact that this funding increase is not projected to cover all spend pressures for 2016/17 which, unfortunately, have been largely imposed by decisions made by the Chancellor in Westminster, particularly the costs in relation to increased National Insurance costs due to the introduction of the Universal State Pension, together with increased employer contributions to the unfunded Teachers Pension Scheme.

These represent an effective cost shunt directly from the UK Government to the local taxpayer in Swansea.

Your comments regarding services provided from the non-delegated education budgets is noted. However, as stated above, we have tried to explain fully to forum members the scale of reductions that the Council faces and the real difficulties that the Council faces in determining where budget reductions occur. This is not a decision taken lightly and in many cases is the least bad option rather than the best.

The ***Behaviour Review*** is indeed a major transformational strategy and hence the need for its delivery as part of a continuing one Education medium term budget strategy to maximise the benefits that can be delivered over time.

Your concerns regarding the impact of essential changes to the Music Service and the review of the Ethnic Minority Achievement Service and Business Support review are also recognised. Once again the delivery of changes as part of a coherent medium term strategy should allow for risks to be managed and impacts monitored.

At Cabinet on the 15 February 2016 I made specific proposals to delay the reductions in the Music Service until September 2016, which, if accepted by Council, will mean that we can better explore alternative provision by that date.

COUNCILLOR/Y CYNGHORYDD
ROB STEWART
LEADER / ARWEINYDD

CABINET OFFICE, THE GUILDHALL, SWANSEA, SA1 4PE
SWYDDFA'R CABINET, NEUADD Y DDINAS, ABERTAWE, SA1 4PE

☎ (01792) 636141

✉ cllr.rob.stewart@swansea.gov.uk www.swansea.gov.uk



CITY AND COUNTY OF SWANSEA
DINAS A SIR ABERTAWE

- 3 -

We will continue to work with you and your representatives in order to determine and deliver best outcomes in this area. The Council has available a transformation Fund which can be used, subject to a bidding process, to fund some of the costs of transformational change and where appropriate submissions to this fund can be made.

The Council's Business Support Review, in particular, is not focussed solely around service reduction. It is far more focussed around defining outcomes on a Council wide basis and establishing how best to deliver those outcomes through rationalising similar functions carried out across the Council into one function carried out once on behalf of all, and by better joining up processes across the Council.

You will appreciate I am sure that reductions to the Council's overall budget have to be made and programmes such as the Business Support Review in particular are intended to produce better outcomes with less resource.

Finally, your comments in respect of School facilities are noted. We continue to commit Council funds towards meeting our share of the QEd programme and will be pressing Welsh Government to develop proposals to deliver school improvements beyond 2020. The Capital budget proposals for the first time includes an additional sum of £1million to deliver additional works to address priority issues that have been identified but which fall outside of both the Council's annual structural repair and maintenance programme and the Welsh Government's 21st Century Schools Programme. This is intended to augment the Capital Maintenance provision that exists for the Council's estate as a whole, and although small in comparison to the scale of premises needs that we know exists is again being offered against the background of minimal funding levels being offered by Welsh Government for overall Capital purposes.

I am pleased that there appears to be a continuing willingness to engage fully on further detailed discussions which is welcome and reciprocated.

COUNCILLOR/Y CYNGHORYDD
ROB STEWART
LEADER / ARWEINYDD

CABINET OFFICE, THE GUILDHALL, SWANSEA, SA1 4PE
SWYDDFA'R CABINET, NEUADD Y DDINAS, ABERTAWE, SA1 4PE

☎ (01792) 636141

✉ cllr.rob.stewart@swansea.gov.uk www.swansea.gov.uk



CITY AND COUNTY OF SWANSEA
DINAS A SIR ABERTAWE

- 4 -

I am pleased that there appears to be a continuing willingness to engage fully on further detailed discussions which is welcome and reciprocated.

Lastly, your comments on the league table of School funding is noted. We will of course not know the outcome for Swansea in terms of the current budget round across Wales but our commitment to meet minimum funding guarantees together with funding increased pupil numbers may well improve our overall standing.

We remain concerned, as you do, around the levels of delegated funding now provided through Pupil Deprivation Grant and Education Improvement Grant and the dependency that this creates in terms of funding decision that are beyond the control of this Council.

Yours sincerely

COUNCILLOR ROB STEWART
LEADER OF THE CITY & COUNTY OF SWANSEA

COUNCILLOR/Y CYNGHORYDD
ROB STEWART
LEADER / ARWEINYDD

CABINET OFFICE, THE GUILDHALL, SWANSEA, SA1 4PE
SWYDDFA'R CABINET, NEUADD Y DDINAS, ABERTAWE, SA1 4PE

(01792) 636141

✉ cllr.rob.stewart@swansea.gov.uk www.swansea.gov.uk

PONTYBRENIN PRIMARY SCHOOL
HEADTEACHER/PRIFATHRO: Mr P S Williams



Glyn Rhosyn
Gorseinon
SWANSEA
SA4 6HX

Tel/Ffôn: 01792 891151
Fax/Ffacs: 01792 891053

Email/E-bost: Pontybrenin.Primary@swansea-edunet.gov.uk
Web Site/Gwefan: www.pontybreninprimary.com

Monday 25 January 2016

Councillor Rob Stewart
City and County of Swansea
Civic Centre
Oystermouth Road
Swansea
SA1 3SN

Dear Councillor Stewart,

School Budget Forum Response to Budget Consultation

As always, the School Budget Forum has sought to support the discussions that have already been held and which will be held over the coming weeks. **As a statutory consultative body, the Forum expects that the points made will be carefully considered as part of any forthcoming corporate discussion of future revenue and capital budgets.** The School Budget Forum represents a considerable body of statutory provision meeting the needs of a great many pupils, families, schools and communities within Swansea.

The School Budget Forum recognises the scale of the continuing financial challenges facing the Council. Nevertheless, it has a responsibility to seek to ensure that the full implications of any budget proposals on schools and the wider education service are properly recognised by the Council before any decisions are taken.

We welcome the positive recognition over recent weeks of the outcomes achieved by schools in Swansea against the relevant benchmarks, together with significantly positive Estyn outcomes and school bandings. These positive outcomes have been achieved in spite of very challenging financial settlements, notwithstanding the Welsh Government uplift guarantees of recent years. These outcomes should be the foundation for future excellence and should not be jeopardised by forthcoming Council budget decisions.

We also welcome the latest proposals to honour the Ministerial funding commitment for the coming year and pass on a cash increase to schools, albeit at a lower level than would be required to meet the cost pressures facing school budgets. So, whilst this still represents a real terms cut for schools, it is considerably better than previous proposals and the Forum is appreciative of the way the Council has listened to its concerns over recent months. Nevertheless, if other Authorities also follow the Ministerial commitment the relative funding position of Swansea schools will at best remain as it is currently.

Swansea schools do not fare well financially. As has been stressed in previous years, they suffer a double blow. The Council can do nothing about the fact that the settlement it receives from the Welsh Government is relatively poor, ranking it around 18th out of the 22 authorities. However, due to choices made by the Council, the education budget as a whole ranks even lower at 20th in 2015, and £350 per pupil less than the Wales average – a difference of around £11.9m. In 2014 Swansea ranked 19th and was £200 per pupil less than the Wales average and has worsened this year as a result of the 5% real terms cut in the delegated budget. Other authorities do better, including the large urban authority of Cardiff.

Schools' funding within Swansea is significantly lower than that of all of our ERW partners, thus putting the city's schools at considerable disadvantage as regionalisation gathers pace.

We have appreciated the positive response in Council Budgets over recent years to some of the recommendations previously made by the Forum, particularly:

- The recognition of the essential contribution of the Education service to the achievement of wider Council priorities
- The recognition of the severe financial pressures facing school delegated budgets and other statutory Education services

Through working closely with the Authority, schools have been better able to manage the significant pressures and increasing expectations placed upon them and to mitigate the effects of large scale redundancies on the Council.

Nevertheless, the impact of further real terms cuts proposed for 2016/17, exacerbated by expected further cuts in specific grants, and the 5% (or £6.3m) real terms cut in 2015/16, presents an extremely challenging position for schools. Schools have become reliant on grant funding to maintain key elements of provision. There is further uncertainty for future years, a cause of concern when set alongside changes in demographics, increasing pupil numbers and growing numbers of pupils with ALN. These pressures come as we enter a period of significant change and challenge for schools as we prepare for the design and implementation of a new curriculum for Wales 'Qualified for Life'.

Significant work has been undertaken previously to model and evaluate the likely serious implications of the potential funding scenarios facing schools. Even with the Ministerial protection for 2016/17, it will be extremely challenging for schools to continue to set a balanced budget each year, whilst continuing to meet their growing range of statutory duties, and further cuts to provision would be necessary which would undermine nursery provision, the local anti-poverty strategy, and wider learning opportunities of pupils. There is clear evidence of increased class sizes, mixed age group classes, nursery classes without qualified teachers and an increase in headteachers' teaching commitment. There will be an inevitable impact on other Council services, particularly where schools provide significant support (for example safeguarding whereby schools provide significant support for social services and health, incurring hidden costs) or find themselves unable to continue to support corporate services through service level agreements.

In short, the Forum is extremely concerned that, given the very poor position of Swansea schools in funding terms, it is difficult to see how further savings of any scale can be achieved. **The Forum urges the Administration to recognise the importance of making proper revenue provision for schools every year as a matter of course**, not merely because it has been required to do so by the Minister. The Forum accepts the proposed areas of additional delegation of funding for 2016/17. It is important to note that additional delegation results in additional responsibilities for schools and headteachers (many of which detract from their core purpose). There are increased charges to schools for new and existing SLAs as central services seek to rationalise their provision and make their own efficiencies.

Non Delegated Education Budgets

The Forum has supported a fundamental review of base budgets during 2013, 2014 and again in 2015 in order to ensure that we have the correct starting points. The Forum still feels that lessons could be learned from the One Education Budget Strategy, both in terms of the transparency of the process and also the rigour of the structured challenge and review undertaken over recent years, which has then been reflected in the Council's Medium Term Financial Plan, and delivered. This continues to require difficult spending choices, challenging savings targets and robust management action, moving towards a largely statutory and regulatory 'core' minimum provision within the department.

As such, the Forum continues to recognise the attempt to develop a more engaging wider corporate budget process, although it feels that the Cabinet Report fails to provide a fully transparent and accurate picture of the potential implications of the proposals. Consequently, it is unlikely that the responses to this stage of public consultation will be adequately informed. Moreover, the Forum has previously expressed concern that the questions asked in the public consultation do not allow for any responses with regard to the potential impact of proposals on education services, whilst encouraging concerns to be raised regarding other areas of Council services, some of which are discretionary. Consequently, the Forum considers the basis of the public consultation to be inadequate and that proper and due weighting should be given to the response from the Forum as it represents the collective views of Swansea's headteachers, schools and governing bodies.

The Forum remains gravely concerned where the proposals would result in drastic cuts to a wide range of services currently provided from the non-delegated Education budget. These are not simply 'management and administration' but provide core support for statutory and regulatory duties of the Council. The Forum urges the Council to bear in mind the pressures on the non-delegated budget when setting the quantum of the education budget as a whole.

The Forum appreciates that no services can be protected from cuts but it does feel strongly that the full implications of the very significant cuts proposed, on top of the existing challenging medium term financial strategy cuts targets, which will impact severely on front line provision for pupils through the inevitable indirect strain on delegated school budgets, need to be recognised and fully transparent. Areas of particular concern include the following:

Behaviour Review Outcomes

- The Forum fully supports changes to the way in which support for pupils is provided to facilitate more flexible earlier intervention, as local as possible. However, it would stress that this is an extremely challenging transformational strategy requiring major cultural change within all schools and *would urge the Council to consider additional funding to facilitate the major cultural and service changes required* - which will deliver major future benefits once these are progressively embedded across all year groups.

Changes to Music Service through restructure, changes in delivery and charges

- The Forum recognises the need to review the service and as far as possible remove the remaining Council funding support, whilst also recognising the valuable learning opportunities that are provided to pupils. It is hoped that any increase in charges will not reduce access for the most disadvantaged pupils.

Review of Ethnic Minority Achievement Service

- The Forum recognises the need to review all areas of current 'subsidy' to such areas of support, and this area in particular in view of the likely loss of Welsh Government funding. However, the Forum would wish to see further detailed discussion prior to implementation of any further changes in order to ensure that the loss of front line support for pupils is as far as possible minimised.

Business Support Review

- Whilst such areas clearly need challenge and further rationalisation, the scale of cuts proposed, on top of progressive cuts over the last 3 years, represent far more than efficiency savings or cuts to 'overheads' and 'management and administration'. Schools recognise the need to work increasingly collaboratively, but the loss of so many areas of professional support will seriously exacerbate the already unmanageable pressures on headteachers. There is clear evidence that applications for headship are decreasing whilst cases of stress within the profession are rising.

Whilst the continuing support for investment in school facilities through the QEd programme is welcome, the vital importance of the Corporate Structural Repair and Maintenance programme cannot be exaggerated with the scale of Health and Safety/compliance issues affecting school premises.

There is a continuing willingness to support and contribute constructively to the further detailed discussion regarding the implications and implementation of budget proposals through the appropriate Task and Finish Groups.

We trust that you will seriously consider these points as you decide future Council budget allocations. We invite you to attend the next School Budget Forum to respond to the issues raised in this letter.



Gethin Sutton
Vice Chair, School Budget Forum