



## Report of the Cabinet Member for Education and Learning

Cabinet – 20 October 2022

### Regional Education Consortium Budget for Partneriaeth 2022-2023

<b>Purpose:</b>	To seek Cabinet approval of the first annual budget (2022-2023) for the Partneriaeth Regional Education Consortium, including the contributions of each Council and for Cabinet to note the assumptions and estimates made in compiling the budget for 2022-2023.
<b>Policy Framework:</b>	Partneriaeth Legal Agreement National Model for Regional Working
<b>Consultation:</b>	Access to Services, Finance and Legal.
<b>Recommendation(s):</b>	It is recommended that:  1) Cabinet approve the first annual budget (2022-2023) for the Regional Education Consortium, Partneriaeth as set out in paragraph 3 below.
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#### 1. Introduction

- 1.1 The legal agreement relating to the Partneriaeth regional education consortium between (1) Carmarthenshire County Council, (2) Pembrokeshire County Council and (3) The Council of the City and County of Swansea was completed on 20 April 2022 (“the Legal Agreement”). The Legal Agreement provides that the following is a matter reserved for each of the Councils: ‘Approving the first Annual Budget of the Partneriaeth and any subsequent Annual Budget which would exceed the scope of the authority delegated to the Joint Committee within its terms of reference’. The Annual Budget is defined in the Legal agreement as “the itemised summary of intended income (to include Government Funding) and revenue and capital expenditure for each financial year”. It is therefore requested that Cabinet consider and

approve the first Annual Budget of Partneriaeth, which was endorsed by the Partneriaeth Joint Committee on 29 April 2022.

## **2. Assumptions and estimates**

- 2.1 The funding for the Regional Consortium School Improvement Grant (RCSIG) is indicative only and is subject to change by Welsh Government. It is assumed that it will be paid direct to Partneriaeth for 2022-2023 (it was paid direct to Councils in 2021-2022).
- 2.2 For budgeting purposes, where elements of the Regional Consortium School Improvement Grant (RCSIG) and Pupil Development Grant (PDG) are still to be confirmed, the funding level has been excluded as agreement will need to be made as to the distribution from Partneriaeth via the Strategic Group (Directors) using agreed formulae in the future.
- 2.3 No commissioning of Partneriaeth services by other Councils, including Neath Port Talbot, Ceredigion and Powys has been included within this budget, for prudence and due to the "TBC" status of these funding streams within the indicative funding, other than the Higher Level Teaching Assistant and future leaders programme for Neath Port Talbot (assumed £80k).
- 2.4 All posts for 2022-2023, both filled and vacant, have been included:
  - A 4.0% pay increase from April 2022 has been budgeted for anyone on the non-teaching pay grades.
  - Salaries for all other staff have remained the same for the period April to August 2022, as their increases do not come into effect until September 2022, with a 4.0% pay increase budgeted for September 2022 to March 2023.
  - Remote working will continue for this period due to uncertainty around Covid-19 and to reduce costs.
  - Service Level Agreements (SL's) costs have been re-calculated for the Partneriaeth structure when compared with the ERW structure, including the Principal Accountant and the Accounting Technician moving into the Finance SLA.
  - Audit Wales have yet to confirm their external audit service fees for 2022-2023.
  - £20k has been included for laptop replacements, to ensure technology is fit for purpose, especially as agile working is to continue.

## **3. Partneriaeth Budget 2022-2023**

- 3.1 The total contributions of the three Councils for 2022-2023 will be £300,000, following a request by Directors to reduce the contributions from 2021-2022 levels. The contribution of each Council is calculated by dividing the total contribution of the Councils on a pro rata basis between the Councils based on: (i) the number of learners in each Council's administrative areas as detailed in PLASC-20 figures as a proportion of the aggregate number of learners (used to calculate 80% of Council contributions); and (ii) the number of schools within each Council area as

a pro rata share of the total number of schools in the region (used to calculate 20% of Council contributions). The required contribution of each Council is shown in the table below: The increase in contribution levels for 2020-2021 was due to a requirement to fund the ERW structure following the review and reform work undertaken in 2019 as outlined in the report considered and approved by the ERW Joint Committee on 9 December 2019. Powys contributed £34,139 for 2021-22 (5/12ths), they have received no services from 1 September 2021. Neath Port Talbot County Borough Council left ERW on 31 March 2020 and Ceredigion County Council left ERW on 31 March 2021.

<b>Local Authority</b>	<b>ERW Contribution 2019-2020</b> £	<b>ERW Contribution 2020-2021</b> £	<b>ERW Contribution 2021-2022</b> £	<b>Partneriaeth Contribution 2022-2023</b> £
Powys	33,535	81,934	34,139	-
Pembrokeshire	33,895	79,898	79,898	65,370
Carmarthenshire	33,167	123,998	123,998	107,160
Swansea	69,998	150,785	150,785	127,470
Ceredigion	18,692	43,741	-	-
NPT	40,713	-	-	-
<b>Total</b>	<b>250,000</b>	<b>480,356</b>	<b>388,820</b>	<b>300,000</b>

### **Service Level Agreements (SLAs)**

In accordance with the Legal Agreement, a Council can be appointed by the Joint Committee as a Lead Council to discharge a certain function on behalf of the Partneriaeth. The discharge of those functions is to be covered by SLA and the associated costs are rechargeable to the Partneriaeth. The Annual Budget presented within this report includes the rechargeable Lead Council costs associated with the SLAs as set out below.

<b>SLAs</b>	<b>ERW 2021-2022</b> £	<b>Partneriaeth 2022-2023</b> £
Committee Services (Carmarthenshire)	5,000	5,000
Scrutiny (Swansea)	5,000	5,000
Finance (Pembrokeshire)	40,000	121,000
Internal Audit (Pembrokeshire)	25,000	26,000
Human Resources	20,000	6,000
Information Technology	24,000	31,000
Procurement	20,000	20,000
<b>Total Budgeted SLAs</b>	<b>139,000</b>	<b>214,000</b>

The reason for the increase in the Finance SLA is that the Principal Accountant and the Accounting Technician are now included. Previously they were part of the ERW Local Authority.

<b>Budgeted Expenditure</b>	<b>Core Funded £'000</b>	<b>Grant Funded £'000</b>	<b>Total £'000</b>
<b>Staffing costs</b>			
Salaries, Secondments, Specialists		1,930	1,930
Travel, Subsistence, Training & Development		15	15
IT Hardware & Mobiles	8	12	20
<b>Total staffing costs</b>	<b>8</b>	<b>1,957</b>	<b>1,965</b>
<b>Development and running costs</b>			
Rent and accommodation	25		25
General office expenses	7		7
Stationery, telephone and photocopying	5		5
Translation		40	40
Software and marketing	26		26
Service level agreements	214		214
External audit	15		15
Business plan objectives		3,058	3,058
<b>Total development and running costs</b>	<b>292</b>	<b>3,098</b>	<b>3,390</b>
<b>Estimated total expenditure</b>	<b>300</b>	<b>5,055</b>	<b>5,355</b>
<b>Budgeted income</b>	<b>Core Funded £000</b>	<b>Grant Funded £000</b>	<b>Total £000</b>
<b>LA contributions</b>	300		300
Grant Funding REGIONAL CONSORTIUM SCHOOL IMPROVEMENT GRANT		4,159	4,159
Grant Funding REGIONAL CONSORTIUM SCHOOL IMPROVEMENT GRANT EIG Retained		841	841
PDG Co-ordinator			
<b>Estimated Total Income</b>	<b>300</b>	<b>5,055</b>	<b>5,355</b>

The above does not include an estimate for Pupil Development Grant for Looked After Children, as this is 'TBC' by Welsh Government, however, 10% is usually retained to carry out work across the region in line with the Business Plan approved by the Joint Committee and the Looked After Children Plan approved by the Directors of Education. It is suggested that 10% be made available for this purpose once funding is confirmed.

The £80k from NPT outlined above is included in the £4.159m in the table.

## **4. Integrated Assessment Implications**

4.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

4.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

4.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

4.2 A full IIA report was completed in readiness for Cabinet in November 2021 when the draft Legal Agreement was approved. However, an IIA screening form was completed for this report and it was determined that a full IIA report was not required.

## **5. Financial Implications**

5.1 The core contribution from Swansea Council is £27k less than previous core contribution to education region.

## **6. Legal Implications**

6.1 The Legal Agreement for Partneriaeth requires that the first annual budget is approved at each of the Council's Cabinets.

**Background Papers:** None

**Appendices:** Appendix A – IIA Screening Form