

**MINUTES OF A MEETING OF THE LEARNING AND SKILLS SCRUTINY
COMMITTEE HELD AT BY TEAMS ON MONDAY, 25 JANUARY 2021**

PRESENT: County Councillor P Roberts (Chairman)
County Councillors B Davies, S C Davies, D R Jones, L Roberts, R G Thomas,
K M Roberts-Jones, M Weale.
Co-Opted Members Mrs A Davies, Mrs S. Davies, Mrs M Evitts and G Robson

Cabinet Portfolio Holders In Attendance: County Councillors P Davies (Portfolio Holder for Education and Property) and A W Davies (Portfolio Holder for Finance and Transport)

Officers: Dr Caroline Turner (Chief Executive), Lynette Lovell (Chief Education Officer), Geraint Rees (Education Consultant), Wyn Richards (Scrutiny Manager and Head of Democratic Services), Jane Thomas (Head of Finance) and Mari Thomas (Finance Manager)

1.	APOLOGIES
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An apology for absence was received from County Councillor E Roderick.

2.	DECLARATIONS OF INTEREST
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There were no declarations of interest from Members relating to items for consideration on the agenda.

3.	DECLARATIONS OF PARTY WHIP
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The Committee did not receive any disclosures of prohibited party whips which a Member has been given in relation to the meeting in accordance with Section 78(3) of the Local Government Measure 2011.

4.	DRAFT 2021 - 22 BUDGET
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Documents Considered:

- Draft 2021 – 22 Budget including:
 - A copy of the Cabinet report to provide the overall context for the budget setting process
 - A copy of the Mid Term Financial Strategy and Finance Resource Model
 - A copy of Services' cost reduction proposals
 - A copy of the Fees and Charges Report which provides an overview to Service proposals for income generation
 - A copy of the Capital Strategy and the Treasury Management Strategy.
 - A copy of the Reserves Policy
 - A copy of the Future Proofing Powys Survey
 - Individual Impact Assessments relating to the proposals

Issues Discussed:

- The Portfolio Holder for Finance set out the background to the draft budget. There were no particular cost savings in relation to Education.

- There are two aspects to the revenue budget, some traditional spends such as catering and also the transferring of costs that the service has carried but are related to spends in schools e.g. licences, services for school trips.
- Reduce GDPR support to schools. The original budget relates to when GDPR was first introduced. Training is now undertaken virtually during the pandemic rather than on a face to face basis. Mandatory virtual training is also to be introduced for schools on cyber security and data protection.

- Questions:

If schools have specific issues, can they still have those questions answered	Yes the schools will be still able to access relevant officers for advice.
Will some of the cost for GDPR work be transferred to schools, whilst this is a saving for the Service, will increase the costs for schools.	Some of these are a spend for the Service which needs to be reduced. GDPR is no longer new and the demand for support was high in the early period. The Service has moved to a point where most of the training is now digital and the demand for support is low. This is about the Service itself contributing less for GDPR support than previously. The Service needs to pay less for what it needs which is less than previously and the second proposal for GDPR is that the cost that schools should pay for support will be delegated to schools. That will be reviewed to see whether it needs to be increased or reduced.
How are we going to reduce the central spend and how confident are you on delivering the saving	The main area of saving is by automating processes and digitisation of training. There is confidence that the saving can be achieved by doing training in a different way.
Is the saving on travel in respect of GDPR covered in overall travelling saving or is it separate.	No this is separate.

- Travel – the Service is proposing to save £63,000 by promoting agile working and reduce travelling by Service officers in line with the enhanced digital methods that have been developed during the pandemic. The Service is confident this can be achieved. This would include the work of school improvement officers, schools improvement advisory teachers, governors and governor support services, the ALN team and central services. Visits and cluster meetings as well as headteacher meetings are currently virtual meetings.

- Questions:

This should be supported as it saves time for headteachers, staff and governors. Engagement and attendance has also been excellent at meetings.	The Chief Education Officer and the Education Consultant meet chairs of governors weekly currently so cost savings include other aspects of meetings rather than just travelling.
Has any work been done on schools delegated budgets in terms of reductions in travelling and staffing costs. What contribution will this saving make to the reduction in the Council's carbon footprint.	Finance officers have been working with schools to identify those savings. These savings have not been stripped out of the school delegated budgets and are there for schools to manage. The financial cost is the lesser issue for schools, as the benefit is for headteachers not having to travel to meetings and assisting workloads.
This is an excellent example from the Service of looking at genuine transformation	With regard to the carbon footprint – it is probably easier to do this at the end of the financial year, and looking Council wide at reductions in claims and how this equates to a saving in the carbon footprint.
Some governors have had issues accessing remote meetings due to the equipment that they have. ALN – there are times when individuals need to go into schools to see how pupils are coping during the pandemic.	Agree that there are instances where face to face meetings need to happen particularly with ALN and school improvement. A budget has been retained for those visits to continue although there will be a lesser number visits. These visits are risk assessed visits with protective clothing provided where needed

- Proposals for Catering and Management provision – the proposal is a reduction by the Service to the Catering Management Team. As a result of school modernisation with the reduction in the number of schools from 8 to 4 (Welshpool and Llanfyllin areas) the allocation against these schools will be adjusted accordingly and reduced by 50% or £10,000. There is an adjustment also for setting out tables and chairs for pupils to have lunch, in relation to those closed schools which is a saving of £14,000.

- Questions:

Is this is a saving to the Council budget or just a saving to the Education Service budget.	It is a saving to the Education Service budget.
Sine the pandemic there are some schools who are not providing meals and pupils bringing in their own	No the Service continues to pay for the service at those schools.

meals. Has this had an effect.	
In Llanfyllin pupils eat their meals at the primary school. Is this still allowed for.	Llanfyllin continues to have its allocation for the schools as a whole rather than for the individual schools as previously.

- Allocation of compliance and systems spend to schools delegated budget – it is proposed that services dedicated to the allocation of services for schools be delegated to the schools delegated budget, such as copyright licences, Evolve support (school trips etc), Schools management information systems such as Teacher Centre, SIMMS, examination fees such as CATS fees paid centrally, and GDPR support.
- This is an apportionment of costs to where the costs are incurred. There is a contingency from the schools delegated budget which is retained centrally, where spending has been less in the current year than anticipated. Therefore it is possible at year end that funding will be available to offset the cost of transferring these costs over to schools.
- The Council has also committed to reviewing the schools funding formula, which has not been undertaken (other than the ALN element of funding) in the current year due to the pandemic. The apportionment of costs would be considered in that review.
- Questions:

This will not be painless and changes to the formula will not have a positive effect. Is this a bumping of cost to schools. There will also be no additional funding for schools.	The funding formula has not been addressed as yet. There has been a reduction in the number of schools, but this has not matched the reduction in the number of pupils. The expectation is what the contingency budget will cover the costs transferred to schools in the next year. The transformation programme will have an effect on the way the budget is allocated across the authority in future. Future budget should be based on the number of pupils in a school and then the governing body can work out how to spend it. In addition there is a need to see an increased development in the business manager role who can work across clusters.
The pressures which the Council is under are understood. Will each school get an appropriate amount of money or it will need to be paid from an existing school budget.	The funding formula is being reviewed at present. Other Councils do charge schools these costs. Funding from contingency pot can be transferred to schools for 2021-22 so individual schools will not have to fund this. From 2022 the formula will be revised and costs will

	be included in the formula and schools will get the appropriate level of funding that they need.
This is all predicated on the funding formula review being completed this year. Can the review be completed if we have a similar year this year as last year e.g. can virtual consultations be undertaken etc.	Part of the reason this has not been progressed was last summer the Service was not convinced that everything could be done virtually. Following the experience of virtual meetings during the pandemic, online consultation can work. Consultation with parents and remote learners is ongoing at the moment - 2500 responses in a week. The challenge is how do we have a funding formula which allows us to have the school estate of the future without breaking the school estate of the present. The formula needs to assist the change process.
It seems that there will be increase in the delegated budget for schools. Is there an opportunity for the Council to purchase licences which covers a greater number of users which could be less costly overall than each individual school purchasing their own licence. PAT testing for schools – can this service be purchased on an all county basis as well.	This is the way forward and the dialogue that is to be had with schools as there are benefits of bulk purchases. Some of the costs are strictly allocated per pupil. A calculation needs to be made of a per pupil cost and a per institution or a whole Council cost and this would be the subject of a discussion with the Schools Budget Forum.

- Delegated Budgets.
- The current pay settlement which is nationally agreed has not yet been agreed. There is provision for the pay award but there is risk if this increases above the expectation.
- Questions:

What contingency is there if there is a higher pay increase than expected	A provision has been made for a pay award in the budget assumption based on a 1% pay award. If the pay award is higher than that then it have to be found from either the risk budget or from reserves if the award was for one year only and that would be built into the base budget but would be an additional budget pressure.
If the pay award is higher than expected, does this mean the Council budget would pick up the cost rather than individual school	That would be a decision for Cabinet and Council to take.

budgets.	
What confidence is there in maintaining the position submitted in the 2020-21 budgets from schools	The estimated cost of pay awards has been calculated. The impact of pupil changes are also calculated and the impact on individual schools.

- Capital Programme.
- There is £147m capital expenditure allocated in the Capital Strategy for projects already approved by Cabinet and Welsh Government. The appendix details the schemes for the next four years as well as other projects coming under the 21st Century Schools scheme. This is what is financed under the capital strategy and the revenue budget.
- Questions:

The current plan goes to 2023-24 - how do you foresee the plan expanding in the future with costs of other schemes coming through in more concrete terms. There is concern that the Council is moving through the process of change without knowing the future fiscal implications.	The Council has a potentially ambitious capital programme. There is a business case for the projects over the next ten years. Additional projects will need to be added to that programme. Every consultation has a financial solution attached to it to make sure its deliverable. There needs to be an approach to this over a period of time that moves the agenda forward. What is included in the capital programme is what is forecast and has been consulted upon. This has to be made affordable and 21 st Century schools programmes are supported.
If we have consulted on a proposal it is financially viable – this may not be the case. Should the Cabinet set itself a cost per pupil for building a new school	A project needs to be affordable before the Council goes out to consultation.
Does the business case for projects include the revenue costs for the capital expenditure and borrowing.	What has to be factored into any project is the cost of not doing anything and the cost of the building maintenance backlog. The financial assessment does look at the short term costs and revenue saving, the saving on the buildings maintenance backlog, the scale of the investment and all of this information is included in the Cabinet report.
We're looking at budgets ten years in advance although the projects are not yet prepared. We're currently discussing where the first bilingual	This is a transformation issue. There is a need for a ten year plan for Welsh Language education in Powys. How the WESP is put

secondary school in Powys but in years to come we should be working out where the next bilingual schools will be. What assurance is there that officers and members working out where the next bilingual school will be.	together is key and linked to that will be a financial strategy for the WESP will need to be developed over the next nine months and then implement it.
How much of the scheduled capital expenditure has been spent this year and how much has been delayed due to the pandemic.	All of the budget has been fully committed and spent in the current year.

Scrutiny made the following observations:

- The Committee congratulated the Schools Service for adopting new methods of working such as virtual meetings with headteachers and governors and virtual training sessions and officer contact with schools. Members commented that virtual meetings were beneficial in terms of lessening time for headteachers away from school and the high numbers attending governor meetings, and had been a helpful development during the pandemic which has improved the communication between the Service and schools. The Committee was also pleased to note that it was the Service's intention to continue working in this virtual way in the future although there would be some face to face meetings as appropriate.
- Members asked if any work had been undertaken to calculate the reduction in the Council's carbon footprint and impact on school budgets due to a reduction in travelling being undertaken. It was recommended that at the end of the financial year a report be prepared for the Finance Panel on the efficiency saving due to a reduction in travelling and the impact on the Council's carbon footprint as a result.
- The Committee welcomed the proposal that there would be a review of copyright and other licences to see whether costs could be reduced by the purchase of bulk licensing agreements which included the requirements of all schools instead of individual schools purchasing separate licences.
- The Committee expressed concern regarding:
 - The transfer of costs from the Service to school budgets. It was explained that in 2021-22 the current contingency fund would be transferred to schools so that there would be no additional costs falling on school budgets. By 2022 a review of the Funding formula would have been completed and these additional costs would be included within the formula.
 - The affordability of the capital programme, whether projects were financially viable and whether the Cabinet should be considering setting a cost per pupil for any new capital projects as costs had escalated for some recent projects. It was explained that every proposal for transformation included a financial appraisal and all projects had to be affordable before the consultation exercise was undertaken.

Scrutiny's Recommendation

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| 1 | that at the end of the financial year a report be prepared for the Finance Panel on the efficiency saving due to a reduction in travelling and the impact on the Council's carbon footprint as a result |
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County Councillor P Roberts (Chairman)