

**SWYDDFA CYMORTH Y CABINET
CABINET SUPPORT OFFICE**

Cyf/My Ref:
Eich Cyf/Your Ref:

Dyddiad/Date: 15 February 2018

Sarah Griffiths
Chair, Cardiff Schools Budget Forum

Dear Sarah

Council Budget Proposals 2018/19

I would like to thank you for your letter following the meeting of the Cardiff School Budget Forum in December 2017. Having now attended a number of the forum's meetings, I am able to recognise the importance and relevance of the discussions held and value the input received from the representatives in attendance. The feedback received is of significant use to both myself and other Cabinet members and I have ensured that the views given are taken into consideration when Cabinet has been deliberating over its budget proposal for the forthcoming year. I have also considered the points raised in your letter and have addressed as many as possible in my response below.

With regard to the Cardiff 2020 Vision and Capital Ambition, I can assure you that Cabinet have taken into consideration the aims of both documents when deciding upon its budgetary priorities for both 2018/19 and the medium term. I appreciate that the forum recognises the budgetary challenges facing the Council over the coming years and this challenge, coupled with the ambitious aims for Education in Cardiff, has resulted in some difficult decisions having to be taken over the recent weeks and months.

The Cabinet has placed investment in schools as one of its key priorities for this particular budget and the continued commitment to provide as much growth as possible to schools is hopefully evidence of this. I am pleased that despite the hard choices we face in setting our budget, this year we are able to provide a cash increase of just over £7.2 million to the delegated schools budget.

Furthermore, the additional funding of £25 million allocated in the Capital Programme for the next five years, for the purpose of school asset renewal, is recognition that the school estate requires significant improvement and it is hoped that this, coupled with the ambitious Band B programme, will go some way towards improving the environments within which our pupils are educated.

The Cabinet recognises that the continuation of the 30% cap on school non-pupil number growth impacts upon individual schools and requires difficult decisions to be



Appendix 2b (ii)

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taken. However, the Cabinet encourages individual schools to work together to identify innovative solutions and share best practice in the hope that this will allow our pupils to continue to experience a high quality level of education.

Your letter also references the uncertainty that has been experienced in relation to a number of vital grant streams, particularly the MEAG and Gypsy & Traveller elements of the EIG and the Post-16 grant. Welsh Government (WG) have now afforded greater clarity around both streams and have confirmed the position in respect of 2018/19. In respect of MEAG and Gypsy & Travellers, a one-off transitional funding stream totalling £3m will be provided for 2018/19, which I am pleased to say enables a continuation of the overall amount provided to schools. Conversations with WG are continuing around the remaining shortfall of £1.1m, which is currently used to fund central services that provide additional support to individual schools. In respect of 2019/20, WG have indicated that there will be a further cut in respect of the remaining EIG elements. During 2018/19, detailed discussions with WG will be held around the future shape of the affected services, including consideration of delivery on a regional basis.

With regard to the Post-16 grant, it has been confirmed that Cardiff's allocation will reduce by £647,000, a reduction of approximately 5%. Clearly this will have a significant impact upon individual schools and I understand that discussions are ongoing between Council officers and school representatives. In addition, a further 10% reduction in the overall amount available at an all-Wales level has been confirmed for 2019/20. It is anticipated that this overall cut will result in a further reduction in allocation to Cardiff and reinforces the need for discussions around the future outlook for post-16 provision in the city.

Further to my earlier comments around the Band B programme and additional asset renewal, I can confirm that the Council is exploring every available opportunity to reduce the level of external borrowing undertaken to fund this expenditure. This includes an ambitious programme to generate capital receipts to the value of £25m for use in funding Band B. With respect to Additional Learning Needs (ALN) provision, you may be aware that Cabinet recently approved a report outlining a number of proposals for the next couple of years, many of which are currently being consulted on. Should these schemes go ahead, it will, in combination with certain Band B proposals, significantly increase the level of ALN provision within Cardiff and reduce the reliance upon more expensive out of county placements. I welcome the proposal to establish an innovation forum to discuss creative solutions to the asset challenges being experienced and understand that officers are considering ways to take this forward.

I hope that this response to your letter addresses the points you raised, however I am happy to have further discussions on any specific points, should you wish. I look forward to continuing to engage with the School Budget Forum, and value its views and contribution to the Council. I am aware of and understand the challenges facing schools, including the introduction of a new curriculum. I want to reassure you that the Cabinet is highly committed to investing in schools, whilst continuing to operate within difficult financial circumstances, and ensuring that individual schools are supported as they prepare for what will no doubt be a very challenging period.

Yours sincerely



Y Cynghorydd/Councillor Christopher Weaver
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