

COUNCIL

25 JANUARY 2024

NOTICE OF MOTION 2

Proposed by: Councillor Rodney Berman

Seconded by: Councillor Robert Hopkins

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This council notes that:

- 1) In financial year 2023-2024, one special school, 35 primary schools and two secondary schools set deficit budgets at the outset.
- 2) Many other schools were able to set a balanced budget only through the one-off use of their reserves.
- 3) The proportion of schools having to set a deficit budget is unprecedented.
- 4) Given the concerns expressed about the significant budget gap for the council as a whole in 2024-2025 and warnings given to the council's school budget forum, there are widespread fears that the situation will only worsen with even more schools falling into deficit.
- 5) Employee costs account for between 80% and 90% of schools' budgets.
- 6) Schools are still continuing to work hard to recover from the Covid-19 pandemic and are dealing with multiple demands and pressures as a result. These demands include the need to: improve attendance which at the end of the 2023 academic year was 6% below pre-pandemic levels in secondary schools and 5% in primary schools; engage with families to increase support for vulnerable pupils; improve help for the mental health and well-being of children and young people.
- 7) Schools' leaders and teachers are heavily involved in the implementation of curriculum reform and reform to the provision for pupils with additional learning needs.
- 8) The current Medium Term Financial Plan places the council on a continuing trajectory of significantly increasing its level of borrowing together with associated revenue costs, whilst the Cabinet has also recently committed to

fund around half of its agreed £27.3 million capital contribution towards the planned new Indoor Arena through undertaking additional borrowing, and this is having a significant knock-on effect on the availability of revenue funding for key council services including for schools' delegated budgets. £1.5 million of annual revenue funding is already contained within the council's base revenue budget to cover borrowing costs associated with the Indoor Arena project and the Cabinet has now agreed that the revenue provision for this borrowing in the budget should increase to £2.9 million a year during the construction phase and early years of the project.

This council believes that:

- 1) All schools must have the resources necessary to maintain a high quality of education.
- 2) This requires a level of delegated funding that will avoid damaging job losses and safeguard the capacity of schools to meet the needs of all their pupils.
- 3) The Welsh Government should develop a longer-term Covid-19 recovery plan that recognises the impact that the pandemic has had, and continues to have, on each and every school.
- 4) Action is needed if Cardiff is to protect its status as the UK's first city to be awarded Child Friendly City Status.
- 5) A situation where schools increasingly need to rely on setting deficit budgets to operate is simply not sustainable.

This council calls on the Cabinet to bring forward a funding strategy as part of the council's future budget consideration that ensures Cardiff's schools can be more adequately funded in order that the proportion of the city's schools that need to set deficit budgets can be substantially reduced.