

**MEDIUM-TERM FINANCIAL PLAN**  
**SAVING PROPOSAL- BUDGET IMPACT ASSESSMENT**

DIRECTORATE:	Education & Corporate Services
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SERVICE AREA:	Education (Schools)
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**1. GENERAL INFORMATION**

SAVING PROPOSAL TITLE:	Schools ISB (Individual School Budget)
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BUDGET AREA:	Individual Schools Budget (Formula Funding)
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TOTAL BUDGET FOR THIS AREA:	Original Budget 2023/24 £132m
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TOTAL SAVING:	£3m
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PLEASE PROVIDE A BRIEF DESCRIPTION OF HOW THE SAVING CAN BE ACHIEVED:
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In 2024/25 the total cost pressures for schools is estimated at £8.283m. It is proposed that growth of £5.283m is provided to Schools as part of the Authority's Budget Strategy and that Schools themselves manage £3m of the estimated pressures. The £8.283m is based on, anticipated pay awards, general non-pay related inflationary pressures and pressures linked to service demand (e.g. increased pupil numbers in our special school and special resource bases). Schools are required under their delegated powers to balance their own individual budgets. How schools manage any financial pressures will vary from school to school. As part of normal financial planning and projections for future years, it had already been estimated that there could be a 1% reduction on the schools ISB in 2024/25.

As of 31st March 2023, school balances totalled £11m (this must be reviewed cautiously though as balances were not evenly shared across all 86 schools); 5 Primary & 3 Secondary Schools reported a deficit budget position. School balances are forecast to reduce by the end of financial year 2023-24 (currently forecasting balances of circa £4.6m as at 31.03.24), it is currently anticipated that 14 Primary Schools and 4 Secondary Schools will report a deficit balance at the end of the current financial year. Schools are supported through established processes.

## 2. PUBLIC IMPACT ANALYSIS

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE **IMPACT UPON THE PUBLIC** (where possible):

Consider the 5 ways of working think about the *long-term* implications for future generations and *preventative services* while recognising that savings now will secure future services. **NB\* IT IS IMPORTANT TO RECOGNISE THE SIGNIFICANT FINANCIAL CHALLENGE FACING THE COUNCIL.**

**Long-term guidance:** Consider the importance of balancing short-term needs with the need to safeguard the ability to meet long-term needs, including the future financial sustainability of the Council.

Since schools are responsible for setting their individual budgets, the impact will vary from school to school.

The Authority has established processes in place to support schools and any issues would be picked up as part of normal process.

**Prevention guidance:** Consider whether the proposed saving is affecting a preventative area that reduces future burdens and supports well-being and how this can be mitigated if the service reduces, or ceases.

### STATUTORY ASSESSMENTS

<p>DOES THE PROPOSAL HAVE THE POTENTIAL TO IMPACT MORE GREATLY ON PEOPLE WITH <b>PROTECTED CHARACTERISTICS</b>? (Please tick) (Reminder- AGE, DISABILITY, GENDER REASSIGNMENT, MARRIAGE or CIVIL PARTNERSHIP, PREGNANCY AND MATERNITY, RACE, RELIGION or BELIEF, SEX, SEXUAL ORIENTATION)</p>	<p><b>Yes?</b></p> <p>This will need to be considered at individual school level whilst setting the budget for 2024/25.</p>	<p><b>No?</b></p>
<p>DOES THE PROPOSAL IMPACT ON PEOPLE WHO FACE <b>SOCIO-ECONOMIC DISADVANTAGE</b>? (Please tick) (Reminder- LOW INCOME/INCOME POVERTY, LOW WEALTH/OR NO WEALTH, MATERIAL DEPRIVATION, AREA DEPRIVATION, SOCIO-ECONOMIC BACKGROUND, and CUMULATIVE IMPACT OF THEM)</p>	<p><b>Yes?</b></p> <p>This will need to be considered at individual school level whilst setting the budget for 2024/25.</p>	<p><b>No?</b></p>

DOES THE PROPOSAL HAVE AN IMPACT ON THE <b>WELSH LANGUAGE?</b> (Please tick) (Reminder- OPPORTUNITIES TO USE THE LANGUAGE, PROMOTE THE LANGUAGE and/or TREATING THE WELSH LANGUAGE LESS FAVOURABLY THAN THE ENGLISH LANGUAGE)	<b>Yes?</b>  This will need to be considered at individual school level whilst setting the budget for 2024/25.	<b>No?</b>
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**NB \*** If you answered ‘yes’ to the any of the above, please complete an Integrated Impact Assessment (IIA). For further advice and guidance please see the [Integrated Impact Assessment](#) page on the Intranet. This Budget Impact Assessment, or an IIA, if relevant, must be submitted to be included as hyperlinks to all decision reports related to the proposed savings. **IIAs are NOT required for nil public impact proposals.**

PLEASE DETAIL ANY CONSULTATION THAT HAS BEEN UNDERTAKEN IN CONSIDERING THIS PROPOSAL. Summarise any feedback received.  Consider the 5 ways of working, in particular, <i>involvement</i> .
<p><b>Involvement:</b> Consider whether you have involved people who have an interest in the service area, including service users and potential service users.</p> <ul style="list-style-type: none"> <li>• Headteacher meetings 30<sup>th</sup> November 2023 (Ty Penallta), Leader of Council, Cabinet Member, Director, Education SMT, Head of Financial Services &amp; S151 Officer.</li> <li>• Proposals discussed with Education SMT &amp; Director.</li> <li>• Consultation as part of the Authority’s 2024-25 budget consultation process.</li> </ul>

IS FURTHER CONSULTATION REQUIRED BEFORE THIS PROPOSAL CAN BE IMPLEMENTED?		<b>NO</b>
<b>NB*</b> Please seek guidance from the <a href="#">Insights and Intelligence Team</a> , who can advise on whether a formal consultation is required and adherence to the Gunning Principles.		

TAKING ACCOUNT OF THE ABOVE, THE IMPACT RATING DEFINITIONS, AND THE MITIGATION YOU ARE PLANNING, PLEASE INDICATE THE <b>PUBLIC IMPACT RATING</b> APPLICABLE TO THIS SAVING PROPOSAL (please tick):				
NIL IMPACT	MINOR IMPACT	MODERATE IMPACT	SIGNIFICANT IMPACT	CRITICAL IMPACT
		X		

Since schools are responsible for setting their individual budgets, the impact will vary from school to school. The Authority has established processes in place to support schools and any issues would be picked up as part of normal process.

### 3. ORGANISATIONAL IMPACT ANALYSIS

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE **IMPACT UPON THE ORGANISATION (where possible)** :

e.g. gradual reduction in service, alternative delivery models, managing demand, more efficient use of assets, income generation, transferrable skills of staff, commercialisation of the service etc.

In addition, consider the 5 ways of working, in particular, acting in *collaboration* with other service areas or partners.

**Collaboration guidance:** Acting in collaboration with any other service or partner to meet objectives where they may be able to deliver a broadly equivalent service.

- Since schools are responsible for setting their individual budgets, the impact will vary from school to school. The Authority has established processes in place to support schools and any issues would be picked up as part of normal process.
- Reduce the level of school balances.
- For those schools with low balances this could mean that more schools are reporting a deficit balances position by the end of financial year 2024-25.

PLEASE DESCRIBE YOUR PLANS TO MITIGATE THE **IMPACT UPON MEMBERS OF STAFF:**

- Since schools are responsible for setting their individual budgets, the impact will vary from school to school. The Authority has established processes in place to support schools and any issues would be picked up as part of normal process.
- The significant spend in any school is staffing related. Consequently, there could be a need to reduce staff hours / and or the staffing numbers for some. This will be reviewed and determined by each school with established support.

NUMBER OF **FULL-TIME EQUIVALENT (FTE)**  
STAFF IN THE PROJECT:

NUMBER OF **POSTS** IN THE PROJECT:  
(Reminder- PLEASE ENSURE YOU HAVE SOUGHT THE  
ADVICE OF PEOPLE SERVICES IN HOW TO MANAGE ANY  
STAFFING CHANGES)

PLEASE SPECIFY HOW THIS WILL BE MANAGED:	HOW MANY POSTS?
POST(S) ALREADY VACANT:	
VOLUNTARY SEVERANCE:	
RETIREMENT:	
REDEPLOYMENT:	
REDUNDANCY:	

PLEASE PROVIDE DETAILS OF WHEN THIS WILL BE IMPLEMENTED:	1 <sup>st</sup> April 2024
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WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER DIRECTORATE, SERVICE AREA OR TEAM WITHIN THE COUNCIL? (please tick)	<b>Yes?</b>  This proposal could impact a school's decision on how funds are spent, which could impact within the Authority.	<b>No?</b>
WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER PUBLIC SECTOR PARTNER, OR VOLUNTARY SECTOR PARTNER? (please tick)	<b>Yes?</b>  If a school's financial position is such that it is required to find a saving from within its budget allocation, then this could impact spend going forwards.	<b>No?</b>

If yes to either of the above, please consider the 5 ways of working, in particular *integration*.

PLEASE DESCRIBE HOW THE SAVING CAN BE ACHIEVED IN A WAY THAT WILL MITGATE THE IMPACT ON OTHER SERVICE AREAS OR PARTNERS (**where possible**)

**Integration guidance:** Consider how the proposal will impact on other service areas, or partners, and their ability to meet their objectives, recognising that the savings requirement on the Council may override some concerns.

- Each Head Headteacher & Governing Body will determine the spending plan / budget for the coming financial year. This planning is part of a schools Strategic Development Plan.

TAKING ACCOUNT OF THE ABOVE, THE IMPACT RATING DEFINITIONS, AND THE MITIGATION YOU ARE PLANNING, PLEASE INDICATE THE <b>ORGANISATIONAL IMPACT RATING</b> APPLICABLE TO THIS SAVING PROPOSAL (please tick):				
NIL IMPACT	MINOR IMPACT	MODERATE IMPACT	SIGNIFICANT IMPACT	CRITICAL IMPACT
		X		

#### 4. LINKS TO POLICY AND CORPORATE OBJECTIVES

DOES THE SAVINGS PROPOSAL LINK TO ANY OF THE FOLLOWING?

POLICY AREA	WHAT IS THE LINK?
CORPORATE PLAN and WELL-BEING OBJECTIVES (please state which objectives)	Impact at School level and will be different for each. Each school will make their own decisions in how they plan and set the budget for the new financial year.
STATUTORY DUTIES	
WELSH GOVERNMENT GUIDANCE or STRATEGY	

#### 5. OTHER RISK(S) AND SENSITIVITIES

HAVE ANY <u>OTHER</u> RISKS/SENSITIVITIES BEEN IDENTIFIED IN CONNECTION WITH THIS SAVING PROPOSAL?	Yes?	No?

PLEASE DESCRIBE ANY RELEVANT INFORMATION (Risks and Sensitivities) WHICH YOU FEEL HAS NOT BEEN CAPTURED.

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HEAD OF SERVICE: KERI COLE

DATE OF COMPLETION: 18<sup>th</sup> December 2023