

## Cyfarfod y Cabinet 13eg Chwefror 2023

### Y Pwnc: Cyllideb Partneriaeth 2022 -2023

#### Y Pwrpas:

- Sicrhau cymeradwyaeth y Cabinet o'r Gyllideb Flynyddol gyntaf ar gyfer Consortiwm Addysg Ranbarthol Partneriaeth yn unol â gofynion y Cytundeb Cyfreithiol
- I nodi'r gyllideb flynyddol gyntaf (2022-23) ar gyfer y Partneriaeth, gan gynnwys cyfraniadau pob Cyngor ac i'r Cabinet nodi'r rhagdybiaethau a'r amcangyfrifon a wnaed wrth lunio'r gyllideb ar gyfer 2022-23.

#### Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

- Mae'r Cabinet yn nodi'r rhagdybiaethau a'r amcangyfrifon a wnaed wrth lunio'r Gyllideb Flynyddol gyntaf ar gyfer 2022-23 ac yn cymeradwyo'r Gyllideb Flynyddol gyntaf ar gyfer y Consortiwm Addysg Ranbarthol Partneriaeth, gan gynnwys cyfraniadau pob Cyngor sydd wedi'u cyfrifo yn unol â thelerau'r Cytundeb Cyfreithiol.
- Mae'r Cabinet hwnnw'n nodi bod y Cyd-bwyllgor wedi cytuno yn ei gyfarfod ar 29 Ebrill 2022 bod Swyddog Arweiniol Cyllid Partneriaeth (Swyddog Adran 151 y Cyngor Arweiniol sydd â chyfrifoldeb am gyllid) wedi'i awdurdodi i wneud diwygiadau i'r Gyllideb Flynyddol gyntaf ar gyfer 2022-23 wrth i ragdybiaethau ac amcangyfrifon gael eu cadarnhau ac mae'r Cabinet yn cymeradwyo hyn.

#### Y Rhesymau: Cymeradwyo Cyllideb Flynyddol gyntaf Partneriaeth yn unol â gofynion y Cytundeb Cyfreithiol.

Angen i'r Cabinet wneud penderfyniad **OES**

Angen i'r Cyngor wneud penderfyniad **NAC OES**

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO:- Cyng. Darren Price, Arweinydd a'r Cyng. Glynog Davies, Addysg a'r Iaith Gymraeg

#### Y Gyfarwyddiaeth:

##### Enw Pennaeth y Gwasanaeth:

Gareth Morgans

##### Awdur yr Adroddiad:

Gareth Morgans

##### Swyddi:

Cyfarwyddwr Addysg a Gwasanaethau Plant

Rhifau ffôn: 01267 246522

##### Cyfeiriadau E-bost:

EDGMorgans@sirgar.gov.uk

# EXECUTIVE SUMMARY

# Subject: Partneriaeth Budget 2022 -2023

## 1. Introduction

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 20th April 2022 (“the Legal Agreement”).

The Legal Agreement provides 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 the 29th of April 2022.

## 2. Assumptions and Estimates

A number of assumptions and estimates have had to be made to create the first Annual Budget and should be considered throughout. The assumptions and estimates for the first Annual Budget, based on the alliance of the three Councils, are:

- The assumptions and estimates are subject to change as they are confirmed.
- 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 2022-23 (It was paid direct to Councils in 2021-22).
- 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 directors group using agreed formulas in the future.
- 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).
- All posts for 2022-23, 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 (SLA’s)- the 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 2022-23.
- £20k has been included for laptop replacements, to ensure technology is fit for purpose especially as remote working is to continue.

### 3. Partneriaeth Budget 2022-23 Council Contributions

The total contributions of the three Councils for 2022-23 will be £300,000, following a request by the Lead Education Director (Currently Gareth Morgans, Carmarthenshire) to reduce the contributions from 2021-22 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:

- 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*
- the number of schools within each Council area as a pro rate 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-

Local Authority	2019-20	2020-21	2021-22	2022-23
	ERW Contribution £	ERW Contribution £	ERW Contribution £	Partneriaeth Contribution £
Powys	33,535	81,934	34,139	-
Pembrokeshire	33,895	79,898	79,898	65,370
Carmarthenshire	53,167	123,998	123,998	107,160
Swansea	69,998	150,785	150,785	127,470
Ceredigion	18,692	43,741	-	-
NPT	40,713	0	-	-
<b>Total</b>	<b>250,000</b>	<b>480,356</b>	<b>388,820</b>	<b>300,000</b>

The increase in contribution levels for 2020-21 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 remained in ERW until 31 August 2021 and contributed £34,139 for 2021-22 (5/12th's), they have received no services from 1<sup>st</sup> September 2021. Neath Port Talbot County Borough Council left ERW on 31 March 2020 and Ceredigion County Council left ERW on 31 March 2021.

## Service Level Agreements (SLA's)

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 an SLA and the associated costs are rechargeable to the Partneriaeth. The Annual Budget presented within this report include the rechargeable Lead Council costs associated with the SLA's as set out below.

SLA's	2021-22 ERW £	2022-23 Partneriaeth £
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 (Pembrokeshire)	20,000	6,000
Information Technology (Pembrokeshire)	24,000	31,000
Procurement (Pembrokeshire)	20,000	20,000
<b>Total Budgeted SLA's</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 Central Team, but it was deemed prudent for them to be included in the Finance SLA in order to provide a level of resilience in their absence.

The reason for the reduction in the HR SLA is due the reduced size of the Partneriaeth structure but a 0.8 FTE HR Manager still being retained by Partneriaeth.

For the purposes of the budget, the SLA's have been rounded to the nearest £k.

There continues no charge being made for the services of the Partneriaeth Lead Chief Executive, Partneriaeth S151 Officer, Partneriaeth Monitoring Officer or the Partneriaeth Lead Education Director.

## Partneriaeth Annual Budget 2022-23

Budgeted Expenditure	Core Funded £'000	Grant Funded £'000	Total £'000
<b>Staffing Costs</b>			
Salaries, Secondments, Specialists		1,930	1,930
Travel, Subsistence, Training & Development		15	15
IT Hardware & Mobiles	8	12	20
	<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
Stationary, Telephone & Photocopying	5		5
Translation		40	40
Software & Marketing	26		26
Service Level Agreements	214		214
External Audit	15		15
Business Plan Objectives		3,058	3,058
	<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>Estimated Total Expenditure</b>	<b>300</b>	<b>5,055</b>	<b>5,355</b>
Budgeted Income	Core Funded £000	Grant Funded £000	Total £000
Local Authority Contributions	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		55	55
<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.

**DETAILED REPORT ATTACHED?**

**NO**

# IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: Gareth Morgans, Director of Education and Children's Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>

## Policy, Crime & Disorder and Equalities

Approval of the first Annual Budget for Partneriaeth is required to comply with the requirement of the Partneriaeth Legal Agreement.

## Legal

There are no legal issues arising from this report.

## Finance

It should be noted that the Regional Consortium School Improvement Grant (RCSIG) indicative figures for 2022-23, have now been confirmed and the funding will be paid direct to Partneriaeth.

## Risk Management Issues

Continued reliance on grant funding was a risk for ERW and remains a risk for Partneriaeth.

Partneriaeth currently has no working balance or reserves, however, it is anticipated that a working balance and reserve will be created following the cessation of ERW, utilising any ERW reserve or balances. If there are no balances following the cessation of ERW, consideration would have to be given how to fund a Partneriaeth working balance or reserve, e.g., specific contribution from each Council.

It is anticipated that the costs of any redundancies from the cessation of ERW will be met from ERW balances, however, should there be insufficient balances, the costs would have to be funded by Councils in accordance with the ERW Joint Agreement.

## Staffing Implications

The HR issues, e.g., pay increases for 2022-23, have been included in the body of the report.

## CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Gareth Morgans, Director of Education and Children's Services

<b>1. Scrutiny Committee request for pre-determination</b>	N/A
<b>If yes include the following information: -</b>	
<b>Scrutiny Committee</b>	
<b>Date the report was considered:-</b>	
<b>Scrutiny Committee Outcome/Recommendations:-</b>	
<p><b>2. Local Member(s) - NA</b>  <b>3. Community / Town Council - NA</b>  <b>4. Relevant Partners - NA</b>  <b>5. Staff Side Representatives and other Organisations – NA</b></p>	
<b>CABINET MEMBER PORTFOLIO HOLDER(S) AWARE/CONSULTED- YES</b>	<b>Cllrs Darren Price and Glynog Davies are supportive of this approach.</b>

**Section 100D Local Government Act, 1972 – Access to Information**  
**List of Background Papers used in the preparation of this report:**

**THESE ARE DETAILED BELOW**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
<b>Partneriaeth Legal Agreement</b>		<b>Available from Carmarthenshire County Council</b>