



SPECIAL EDUCATION FOR LIFE SCRUTINY COMMITTEE

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH
ON TUESDAY, 15TH DECEMBER 2015 AT 5.30 P.M.**

PRESENT:

Councillor W. David - Chair
Councillor J. Pritchard - Vice-Chair

Councillors:

Mrs A. Blackman, J. Bevan, P.J. Bevan, H.R. Davies, C. Gordon, D. Havard, M.P.
James, G. Johnston, J.E. Roberts, R. Saralis.

Cabinet Member for Education and Leisure: R. Passmore.

Together with:

C. Burns (Interim Chief Executive), K. Cole (Chief Education Officer), B. Hopkins (Assistant Director for Education), S. Richards (Principal Finance Officer, Education), J. Southcombe (Financial Services Manager) C. Forbes-Thompson (Scrutiny Manager), A. Dredge (Committee Services Officer).

Also Present:

Co-opted Members: Mr A. Farina-Childs (Parent Governor), Mrs A Goss (Parent Governor), Mrs G Havard (NUT), Mr M. Western.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors C. Durham, Mrs G. Oliver, D.W.R. Preece, M.E. Sargent. Mrs P.J. Ireland (NUT).

2. DECLARATIONS OF INTEREST

At the commencement of the meeting, and with reference to the item on Community Centres Councillors J Bevan, P.J. Bevan, Mrs A. Blackman, W. David (Chair), H.R. Davies, D. Havard, G. Johnston, declared an interest. In that the interest was personal the Members were able to stay and take part in the discussion and voting thereon) Details are minuted with the respective items.

Clarification was sought with regard to declarations of interest as it was felt that most Members would have some form of interest in these items whether personally, professionally, through a family member or friend. Members were advised that as the items presented were only being discussed in general terms as part of the consultation process they should declare the interest but would not be precluded from taking an active part in the discussions. It is a matter for the individual Member as to whether they wished to declare an interest and leave the meeting.

3. WELCOME

The Chair welcomed Chris Burns, (Interim Chief Executive) to his first Education for Life Scrutiny Committee.

REPORTS OF OFFICERS

Consideration was given to the following reports.

4. UPDATED MEDIUM-TERM FINANCIAL PLAN AND DRAFT SAVINGS PROPOSALS FOR 2016/17

Chris Burns (Interim Chief Executive) presented the report, which provided Members with an overview of the updated Medium-Term Financial Plan (MTFP) and draft 2016/17 savings proposals that were presented to Cabinet on the 14th October 2015, and summarised the 2016/17 savings proposals for the Education and Lifelong Learning Directorate with an updated MTFP for Schools.

Members were reminded that on 25th February 2015 Council approved the Medium-Term Financial Plan (MTFP) that showed a potential savings requirement of £14.030m for the 2016/17 financial year and £12.105m for 2017/18. This position assumed a 3.4% cut for both years in the Aggregate External Finance (Revenue Support Grant (RSG) and Redistributed Non-Domestic Rates) funding received from the Welsh Government (WG). The UK Government has undertaken a Comprehensive Spending Review in recent months and it is anticipated that the financial outlook for Local Government in Wales will inevitably worsen, which will be exacerbated by the likelihood of WG continuing to offer a degree of protection to the NHS.

This Spending Review has resulted in a delay in the announcement of the WG 2016/17 Provisional Local Government Financial Settlement and this was expected on the 9th December 2015. However, as cuts are likely to be deeper than originally anticipated, the MTFP has now been revised to reflect a reduction in the Aggregate External Finance (AEF) of 4.3% for 2016/17 and 2017/18, which equates to a further cash reduction of £2.555m for 2016/17 and £2.360m for 2017/18 above the levels originally assumed (i.e. a total savings requirement of £31.050m).

The 2016/17 Draft Savings Proposals Report presented to Cabinet on 14th October 2015 included an updated MTFP based on a number of assumptions and adjustments (some of which have reduced the overall savings requirement). Full details of these were contained within the report. After all of the above adjustments have been factored into the updated MTFP the remaining projected savings requirement for the Authority are £14.321m for 2016/17, £11.441m for 2017/18 and £9.423m for 2018/19.

The budget strategy agreed by Council on 25th February 2015 included a number of principles to be followed throughout the process of identifying savings proposals. In following these principles, the work to identify savings proposals has been led by the Corporate Management Team in consultation with appropriate Cabinet Members. Heads of Service have been heavily involved throughout the process with support from colleagues in Finance. Service Managers have also been included to ensure that all options that are deliverable for 2016/17 have been considered.

Some of the approved savings for the 2015/16 financial year only had a part-year impact (totalling £1.980m) with the full-year impact now being available to support the savings required for 2016/17. These were summarised in Section 4.2.3 of the report. A high-level summary of the new proposed savings for the 2016/17 financial year by service area and totalling £12.432m was also included in the report. The total proposed savings of £12.432m along with the £1.980m full-year impacts is £91,000 higher than the anticipated total savings requirement of £14.321m for the 2016/17 financial year. This provides a small buffer which can be used to reconsider some of the savings proposals at the conclusion of the ongoing consultation process or alternatively the £91,000 can be set aside as savings in advance for the 2017/18 financial year.

The report presented to Cabinet on 14th October 2015 identified savings proposals totalling £8.661m across all service areas that do not have a direct impact on service users or the public. These proposals were categorised into a single line for each service area in the Appendices of the report. This is consistent with the approach adopted last year and the proposals consist in the main of vacancy management, structural reviews, budget realignment and minor changes to service provision.

The 2016/17 savings proposals were summarised for the Education and Lifelong Learning Directorate and amounted to £1.964m. Proposals amounting to £1.496m will have no direct impact on the public. The remaining proposals totalling £0.468m will have an impact on the public.

Members were referred to Appendix 1 of the report and provided with an update in relation to the Medium-Term Financial Plan for schools. The update assumes that the schools "pledge" will continue to be honoured but schools will be required to manage their own cost pressures and resulting savings requirements. Members noted that there is a shortfall of 2.92% for 2016/17, 0.49% for 2017/18 and 0.81% for 2018/19.

In addition to schools having to manage the projected shortfall of 2.92% for 2016/17 there will also be a financial impact on schools arising directly from 2016/17 savings proposals put forward by the Authority.

The WG provided an update on the 9th December and Mr Burns confirmed the proposed settlement offered, is better than expected. However, austerity is not over and there still remains a significant reduction in the budget.

During the course of the debate, reference was made to the proposed increase in council tax of 3.9%. It was noted that this was not a matter for the Scrutiny Committee to debate.

Members were informed that a seminar with WG will be held on 14th January 2016, where full details of the Local Government Financial Settlement will be made available.

Following consideration of the report, it was moved and seconded that the updated Medium-Term Financial plan and anticipated requirements (as outlined in the Officer's report) be noted, and that consideration and comment of the individual reports included on the meeting agenda relating to the draft savings proposals for 2016/17 take place. By a show of hands, this was unanimously agreed.

Members thanked Mr Burns for his report and agreed to consider the proposals for each of the service areas.

5. MEDIUM TERM FINANCIAL PLAN – SAVINGS PROPOSALS FOR 2016/17

Bleddyn Hopkins (Assistant Director for Education) presented the report and summarised the 2016/17 savings proposals within the Directorate of Education and Lifelong Learning to support the Authority's Medium Term Financial Plan (MTFP). As agreed, each proposal was considered and the views of Members and their support or otherwise was recorded.

Members were informed of the full year effect of proposals implemented in 2015/16. These were included in the budget strategy previously agreed by Members with the proposal to reduce the library service opening hours. These were implemented on the 1st October 2015 and as such would deliver a part year saving in 2015/16. The proposals will deliver additional savings in 2016/17 as a result of the full year effect. The additional savings resulting from this full year are £67k.

The total proposed savings of £1.964m include an amount of £1.496m that would have no direct impact upon the public. These savings can be achieved through a combination of budget realignment, structural reviews and vacancy management.

The remaining savings proposals of £0.468m will impact upon the public to varying degrees in relation to the following:

Library Book Fund Reduction £55k (Public Impact: Low)

It was noted that the lead officer for the Library Service is currently experiencing a period of ill health. Members wished it noted that their thoughts for a speedy recovery were passed on.

Members were informed that the County Borough Library Service proposes to reduce its book fund by a total of £105k between 2016 and 2018, amounting to £55k (2016/17) and a further £50k (2017/18) respectively. Following these proposed reductions, the remaining book fund budget will amount to £272k.

The proposed reduction protects public access to library facilities and all customer facing services and is considered a measured approach whilst offering a substantial contribution to the Authority's MTFP.

Members noted that the proposed reductions will weaken the Council's ability to meet the Welsh Government's Public Library Standards Framework 2014-2017, specifically, but at this stage the precise effect is unknown.

Caerphilly County Borough Council Libraries are adjudged currently as one of the best performing services in Wales based on its 2014-2015 annual update return.

Concerns were raised by Members regarding the proposed reductions. Mr Hopkins confirmed that the Authority has tried to protect front line services and to minimise the impact on a phased basis. He also confirmed that Caerphilly still has all of its libraries open unlike some of its neighbouring Authorities.

Members thanked the Officer and noted the report and acknowledged the overall assessment of the County Borough Council's Public Library Service for 2014-2015.

By a show of hands, and in noting there were 10 Members in favour and 2 abstentions, this proposal was supported by the majority present.

**Maintenance of school buildings – 50/50 funding with schools £329k
(Public Impact: Low)**

Members were reminded of the introduction of the Fair Funding regulations in 2000, whereby the Directorate retained a residual revenue budget to assist with lower value capital schemes. In recent years this budget has typically been used to enhance the core capital programme by offering assistance on a 50/50 basis to support school projects. Schools presently submit bids annually in the autumn term for consideration for the following financial year. This proposal will have little or no impact upon compliance with statutory maintenance but will adversely affect school condition survey works.

The proposal involves removing the budget of £329k in its entirety in 2016/17. It is acknowledged that this will have an adverse effect upon school buildings with the potential to accelerate their depreciation and worsen their general condition.

To mitigate this effect, it is proposed that consideration be given to utilising Local Management of Schools (LMS) contingency balances to support continued investment with schools in school buildings. It is specifically suggested that a sum of £750k be earmarked over 3 years (£250k per annum) to support schemes as bid/priorities with schools.

It was noted that the letter requesting bids from schools for 2016-17 projects have been sent out on the basis of 50/50 funding. It is therefore suggested that the 50/50 commitment is retained for 2016-17 but funded from LMS contingency and that notice is then given for the following 2 years, the split will be 70% (School) / 30% (Central Education).

This arrangement would have the benefit of still supporting school capital projects but utilising LMS contingency funds for the central education proportion, thereby fulfilling the MTFP proposals.

Members queried schools maintenance budgets and Officers confirmed that clawback arrangements are in place if schools do not spend their maintenance allocations.

During the course of the ensuing debate Members expressed their concerns in relation to the 70/30 split. The Committee would endorse a 50/50 split but would not recommend a 70/30 split during 2017/18 and 2018/19 to Cabinet.

By a show of hands it was unanimously agreed that this proposal was not supported.

**Community Centres £64k
(Public Impact: Medium)**

Councillors J Bevan, P.J. Bevan, Mrs A. Blackman, W. David (Chair), H.R. Davies, D. Havard, G. Johnston declared an interest in this item as being Members of Community Centre Management Committees. As it was personal and not prejudicial they were not required to leave the meeting.

Members were reminded of the Task and Finish group, made up of Members from the Scrutiny Committee that was established to review the Council's support of community centre provision throughout the County Borough and make any recommendations necessary under the Medium Term Financial Plan.

The group met on four occasions in the summer of 2015, and considered a range of issues, including:

- Community Centre locations
- Proximity of Community Centres
- Asset Transfer
- Operation and Performance of Community Centres including building condition and suitability for future delivery or local ownership and management by interested voluntary sector groups

The group subsequently made the following recommendations to achieve the MTFP savings target of £64k in 2016-2017:

- That the council cuts the budget for payment of water rates for community centres to achieve savings of £27k.
- That the council reduces its caretaking contribution from 12 hours per week to 11 hours per week for each community centre, and recharges each community centre for one hour per week to achieve savings of £14k.
- That up to three centres be put forward for closure, Rhymney Day, Tirphil and Channel View (Risca), to achieve savings of £18k.
- That miscellaneous items be cut from the Community Centre service budget to achieve savings of £5k.

Recommendations were presented to the Education and Lifelong Learning Scrutiny Committee on 22 September 2015. At that meeting Members moved the report with an amendment to Rhymney Day Centre being allowed more time to increase its use. The intention is to report this matter to Cabinet, early in the new year, for final determination.

By a show of hands and in noting it was unanimously agreed, this proposal was supported.

**Contribution to GAVO play programme £20k
(Public Impact: Medium)**

Members were informed of the MTFP proposal to reduce the Gwent Association of Voluntary Organisations (GAVO) contribution by £20k from its present £50k. The £50k annual grant funding of GAVO by CCBC Youth Service (since 2008) supports the employment of a full time Holiday Scheme Coordinator, whose function is to advise and support any groups considering the provision of School holiday period-specific activity for children and young people between the ages of 8-18. While less

effective in the first years of operation, this role has in the past 12 months developed more positively. Although a steering group to inform this role has been in place since inception, this has not completely enabled the role to be as focussed on holiday-specific support as first envisaged. However, in recent times the present incumbent has nevertheless provided the types of support necessary to a number of partner groups, both statutory and voluntary in nature.

The current proposal of reducing the £50k grant by £20k to £30k is intended to strike a balance between making the necessary savings and enabling, in part, the continued support of a partner group. The present medium impact assessment is not in relation to the impact on service users but an indication that this funding arrangement has been in place for 6/7 years and is the Youth Service's most significant example of external (voluntary sector) funding support. There will be minimal impact on service users, as the Youth Service would take up any shortfall in capacity.

During the course of the ensuing debate Officers confirmed reducing the budget to Summer/Play Programme, will impact on the voluntary sector as the funding is utilised for a specific post and not the play scheme itself and the suggestion of transferring this service came from the Youth Service, who will take over this service.

By a show of hands, and in noting it was unanimously agreed, this proposal was supported.

6. MEDIUM TERM FINANCIAL PLAN – SAVINGS PROPOSALS RELATING TO SCHOOLS FOR 2016/17

The Chair advised that when considering the proposals, as detailed in the report, it was his intention to debate and vote on each individually in order that Officers can be aware of the views of the Members and their support or otherwise on the proposed savings as detailed therein.

Keri Cole (Chief Education Officer) provided Members with details of 2016/17 savings proposals which impact on the Authority's Schools. Some of the proposals originate from other Directorates in the Authority. Consequently, these details are also included in other Medium Term Financial Plan Scrutiny Reports for the Authority, but for ease of access and consultation with School's, they are encompassed in the report, as follows:

Introduce charge to Schools for provision of sandwich places - £174k

Members were informed that the Catering Service provides a school meals service in 75 primary schools and in doing so currently sets out and clears away places for those pupils eating their own sandwiches, even disposing of any subsequent waste at the expense of Catering. It is proposed that a charge is introduced for this service which is currently provided free of charge amounting to 1 hour of staff time per day at each school. This amounts to approximately £2,200 per school each year.

It was explained that Schools may choose to make their own arrangements for setting out and clearing away sandwich places, in which case the Catering Service will be able to reduce staffing hours and realise the saving identified.

Members queried the 1 hour of staff time referred to in the report and were informed that the figure was provided by the Catering Service and is based on average per school. It was noted that the Local Authority are currently subsidising schools and the charge for the service is the responsibility of the school and not of the parents.

By a show of hands and in noting there were 9 Members in favour, 3 Members against and 2 abstentions, this proposal was supported by the majority present.

Reduce Operational Breakfast Clubs Staff Cover by 1 Hour per Day - £60k

This is a proposal to reduce the staffing hours by 1 hour per day in each breakfast club that the Catering Services operates within 68 primary schools. The operating times of the breakfast clubs would be unchanged but the level of supervision of pupils throughout the breakfast club provision would reduce. It is proposed that the level of supervision will continue to be suitable and reasonable considering any risks or individual pupil's needs. Staff cover is difficult to arrange at short notice and in any circumstances where safe levels of supervision cannot be maintained due to sickness levels or unauthorised absences, the breakfast club provision would be withdrawn until suitable staffing levels are able to be put in place. All current SLAs would need to be amended to incorporate this provision.

By a show of hands, and in noting there were 8 Members in favour, 2 Members against and 4 abstentions, this proposal was supported by the majority present.

Increase Price of School Meals at Secondary Schools - £24k (£48k over 2 years) and Primary Schools - £28k (£56k over 2 years)

Members considered both proposals as one item. It is proposed that the price of a Secondary school meal from September 2016 be increased by 10p from £2.15 to £2.25 and the price of a Primary school meal be increased by 10p from £1.90 to £2.00.

There will be some impact upon parent / carers amounting to an increased cost of 50p per week per child. However, Caerphilly CBC has one of the lowest prices for a school meal in Wales. The Caerphilly Catering school meal service is fully Appetite for Life compliant and relies upon pupils choosing to stay for a meal, ever increasing high street competition, schools not operating a closed gate policy and reduced lunch times all impact upon take-up.

Members noted the projected additional income of £24k (Secondary) and £28k (Primary) have been adjusted to account for an estimated 10% reduction in take up as a result of the price increase. The proposed increase would be implemented at the start of the school year in September 2016. There would therefore be an additional £24k and £28K in 2017/18 (i.e. £48k and £56k in total).

Concerns were expressed in relation to the proposed increases and the impact on families and Officers confirmed that the last increase of 10p was implemented in 2013/14.

By a show of hands and in noting it was unanimously agreed, these proposals were not supported.

Update HR SLA charges to Schools - £100k (£200k over 2 years)

Reference was made to the demands on the HR Service over the years in supporting Schools that has necessitated an increase in staffing levels. There are currently 13.6 FTE's supporting schools in all HR issues relating to 4,500 teaching and non-teaching staff.

Consequently, there is currently a gap of circa £300k between the cost of the service and the funding received from Schools through the SLA's. This differential is not sustainable in the current climate and whilst it is recognised that this creates a cost pressure for Schools the increasing demands on the service have driven costs up over a number of years.

Details of the proposals to reduce the funding gap were provided in relation to the SLA charges to schools and Officers confirmed the increase will still mean that the HR support to schools remains supported by the Authority.

A number of Members queried the consultation process and were informed that the Authority met with all Head Teachers as part of the consultation process and 100 per cent of all schools are prepared to pay for the service and support and will sign up to the SLA.

By a show of hands and in noting it was unanimously agreed, this proposal was supported.

School Crossing Patrol site reduction - £10k (£20k over 2 years)

Members were informed of the identified saving for school crossing patrol sites relating to the application of the national criteria and guidelines for the assessment of SCP sites (based on the number of children crossing and the number of vehicles recorded over a given time period am and / or pm). This is applied to requests for new sites or when sites become vacant through retirement or resignation. The £10k saving applies specifically to the latter case and has been applied over the last 2 years resulting in a reduction in the number of sites operated. There is sufficient turnover of sites which do not meet criteria to meet the £10k figure on a yearly basis.

Concerns were raised by Members in relation to this proposal with regard to the safety of children and questioned the level of standard in some areas. Officers confirmed that WG provided guidelines in relation to the criteria used that Members had received and endorsed previously and noted that they are guidelines and not requirements. The Local Authority fund positions, where the criteria is met. It was explained that Head Teachers have informed Officers that vacancies are very difficult to fill, due to weather conditions and hours of work etc.

By a show of hands, and in noting there were 12 Members in favour and 2 abstentions, this proposal was supported by the majority present.

Maintenance of school buildings – 50/50 funding with schools £329k

Members were reminded of the introduction of the Fair Funding regulations in 2000, whereby the Directorate retained a residual revenue budget to assist with lower value capital schemes. In recent years this budget has typically been used to enhance the core capital programme by offering assistance on a 50/50 basis to support school projects. Schools presently submit bids annually in the autumn term for consideration for the following financial year. This proposal will have little or no

impact upon compliance with statutory maintenance but will adversely affect school condition survey works.

The proposal involves removing the budget of £329k in its entirety in 2016/17. It is acknowledged that this will have an adverse effect upon school buildings with the potential to accelerate their depreciation and worsen their general condition.

To mitigate this effect, it is proposed that consideration be given to utilising Local Management of Schools (LMS) contingency balances to support continued investment with schools in school buildings. It is specifically suggested that a sum of £750k be earmarked over 3 years (£250k per annum) to support schemes as bid/priorities with schools.

It was noted that the letter requesting bids from schools for 2016-17 projects have been sent out on the basis of 50/50 funding. It is therefore suggested that the 50/50 commitment is retained for 2016-17 but funded from LMS contingency and that notice is then given for the following 2 years, the split will be 70% (School) / 30% (Central Education).

This arrangement would have the benefit of still supporting school capital projects but utilising LMS contingency funds for the central education proportion, thereby fulfilling the MTFP proposals.

Members queried schools maintenance budgets and Officers confirmed that clawback arrangements are in place if schools do not spend their maintenance allocations.

During the course of the ensuing debate Members expressed their concerns in relation to the 70/30 split. The Committee would endorse a 50/50 split but would not recommend a 70/30 split during 2017/18 and 2018/19.

By a show of hands and in noting there were 10 Members in favour and 1 abstention this proposal was supported by the majority present.

Teachers Performance Management - £154k (£264k over 2 years)

Members were advised that the budget provided funding for supply costs to allow for classroom observation and performance review. This funding was previously a Welsh Government Grant that transferred into the Authority's revenue support grant, over 10 years ago. To date it has continued to be allocated to Schools, based on the same allocation criteria but without any specific requirement for the school to evidence how this money is spent.

It was noted that the allocation per school is in respect of teacher numbers (circa £226 per teacher). It ranges from £1k (smallest school) to £5k (largest school) a year in our primary schools and £4k to £13k in our secondary schools.

Whilst it is recognised that this reduction in funding will impact on schools, it is also recognised that the ethos of this funding is embedded into the culture of schools. It is proposed that the impact of the reduction is tapered over 2 years, 7/12th in 2016/17 and 5/12th in 2017/18.

By a show of hands and in noting there were 9 Members in favour, 1 Member against and 1 abstention, this proposal was supported by the majority present.

Behaviour / ALN Advisory & Language Support Services - £226k

Consideration was given to these services that are largely discretionary but have been supporting schools for some statutory elements and some early intervention. As vacancies have occurred staff have not been replaced, as the statutory function could still be delivered. The emphasis is now upon building capacity within schools and the Authority has funded comprehensive training programmes to assist this process. Members noted that a recent £200k investment has been made in behaviour training for school based staff. This savings proposal relates to the non-filling of vacancies.

This approach will continue into 2017/18, with further proposals in these areas.

Officers confirmed that standards are continuing to rise in Primary schools and that during the consultation process schools have confirmed that they are on board with the proposals.

By a show of hands, and in noting there were 8 Members in favour, 2 Members against and 1 abstention, this proposal was supported by the majority present.

Community Focus Schools - £94k

Members were informed that the Connecting Communities Strategy provides a framework for working with both Primary and Secondary schools throughout the Borough. The Connecting Communities budget funds two full time members of staff to provide a platform for the development of a broad and progressive range of out of school hours learning for children, young people and adults. This is not a statutory provision and the proposal would see the complete removal of the service. Connecting Communities Officers have been very proactive in securing additional sources of funding with and for Schools.

By a show of hands, and in noting there were 10 Members in favour and 1 abstention, this proposal was supported by the majority present.

The Chair thanked the Officer for the detailed report and responding to the queries raised.

The meeting closed at 8.25 p.m.

Approved as a correct record, and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on the 23rd February 2016, they were signed by the Chair.

CHAIR