

CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE.

Minutes of the Central South Consortium Joint Education Service. Meeting held on Thursday, 15 July 2021 at 10.15 am .

County Borough Councillors - Central South Consortium Joint Education Service. Members in attendance:-

Councillor J. Rosser (Rhondda Cynon Taf County Borough Council)
Councillor C. Smith (Bridgend County Borough Council)
Councillor S. Merry (Cardiff Council)
Councillor L. Burnett (Vale of Glamorgan)
Councillor L. Mytton (Merthyr Tydfil Council)

Council Officers in attendance:-

Mr E Cooper - Lead Chief Executive, (Merthyr Tydfil County Borough Council)

Mr L. Harvey - Lead Director of Education, (Bridgend Council)
Ms S Davies – Head of Finance, Education & Financial Reporting (Rhondda Cynon Taf County Borough Council)

Others in attendance:-

Ms C Seery – Managing Director (Central South Consortium)
Ms L Blatchford - Deputy Managing Director (Central South Consortium)

15 Welcome & Apologies

The Vice of the Central South Consortium Joint Education Service Joint Committee explained to Members that the Chair has had some technical difficulties and would join the meeting as soon as it was made possible, therefore it was agreed that the Vice Chair would continue to chair today's Meeting.

16 Declaration of Interest

In accordance with the Council's Code of Conduct, there were no declarations of interest made pertaining to the agenda

17 Minutes

It was RESOLVED to approve the minutes of the 27th May 2021 as an accurate reflection of the meeting of the Central South Consortium Joint Education Service Joint Committee.

18 CSC Grants Report

The Deputy Managing Director Central South Consortium provided Members of the Joint Committee with an update on the grants to be received by the Consortium in 2021/2022, for which notification have been received, and the methods of allocation of each.

Members put forward the views in respect of the 2021/2022 grant funding and following in depth consideration of the report Members **RESOLVED** to approve the distribution of the grants as detailed in section 5 of the report.

(**Note** Cllr Rosser joined the meeting at this point)

19 MEDIUM TERM FINANCIAL PLAN UPDATE (INDICATIVE 3 YEAR BUDGET - 2022/23 TO 2024/25)

The Head of Finance, Education and Financial Reporting informed Members of the Joint Committee that the purpose of the report is to allow Members to consider the Medium Term Financial Plan (MTFP) update for the 3 year period beginning 1st April 2022 and if agreement, instruct the Treasurer to notify the constituent local authorities of the recommended indicative 3 year budget to inform medium financial planning arrangements within each Council.

The Officer continued and highlighted that the current uncertainties around future public sector funding levels as a result of the on- going impact of the coronavirus pandemic and the implications of the next UK Central Government Comprehensive Spending Review scheduled for autumn 2021, reinforce the importance for robust medium term financial planning.

Members acknowledged that the Chief Executives of each local authority, the Managing Director and the Treasurer have all contributed to updating the Consortium's MTFP and have complied financial modelling scenarios for consideration by the Joint Committee.

The Head of Financial, Education and Financial Reporting explained that the following key assumptions in the construction of options were:

- 19** Employee costs based upon current structure with pay awards of 2% for the 3 years :
- 20** No change to the split of employee cost funding between grant and core;
- 21** No change to pension contribution rates
- 22** Using CPI inflation for the next 3 years for 1.9%, 1.8% and 1.9%.

Members of the Joint Committee considered the following five scenarios:

- 1** 0% increase in contribution levels for each of the 3 years;
- 2** 1% reduction in contribution rates for each of the 3 years;
- 3** 1% reduction for 22/23 then no change for the next two years;
- 4** 1 % increase for each of the 3 years; and
- 5** Increase in contributions equal to pay awards assumption @ 2%.

The Head of Financial, Education and Financial Reporting informed Members that between 2016/17 and 2021/22 budget savings of £854k have been delivered to meet reductions in core funding levels and have been met from areas that did not impact on frontline school improvement activities and include staffing saving, rationalisation of non- pay budgets and reductions in accommodation requirements and associated costs.

It was also explained that the Chief Executives of the constituent authorities reviewed the options and have collectively recommend option E. This option requires the consortium to absorb non pay related inflation and results in a cumulative budget gap of £28k over the three year period. It was also explained

that the Chief Executives recommendation results in annual increases in contributions of 1.72%, 1.73%, and 1.73% over each of the years covered in the MTFP period and values for each authority are shown in table 3 of the report.

In concluding her report the Head of Finance, Education and Financial Reporting explained that subject to the Joint Committee agreeing the Chief Executives recommendations:

- The Treasurer will notify the constituent LAs to take account of this within their own MTFPs, and
- The Managing Director and Treasurer will construct a draft Revenue Budget for the 2022/23 financial year and report back to Members in autumn 2021 in line with the timescales set out within Legal Agreement.

The Lead Chief Executive confirmed that Option E was the collective recommendation of the Chief Executives of the constituent authorities.

Members discussed the document in detail and agreed that option E of the Financial Modelling Scenarios would be the best option and **RESOLVED** to:

- Acknowledge the Medium Term Financial Plan update (2022/23 to 2024 /25) and instruct the treasurer to notify the constituent local authorities of the recommended indicative 3 year budget to inform medium financial planning arrangements with each Council.

20 URGENT BUSINESS

This meeting closed at 11.00 am

CLLR J ROSSER
CHAIR.