

SCHOOL BUDGET FORUM MEETING – 31ST JANUARY 2023

THE COUNCIL'S DRAFT 2023/24 REVENUE BUDGET STRATEGY – PHASE 2 CONSULTATION

Extract from the minutes

BUDGET CONSULTATION 2023/24 (PHASE 2)

With the aid of a PowerPoint Presentation, the Service Director – Finance and Improvement Services provided Members with an update in respect of the Council's Budget Consultation 2023/24 and covered the following areas: Introduction – 2023/24 Draft Revenue Budget Strategy; The Council's Current Financial Position (2022/23); Phase 1 Budget Consultation – Headlines; Provisional Local Government Settlement 2023/24 – Headlines/Implications for Rhondda Cynon Taf; Cabinet Proposed Budget Strategy 2023/24; and Next steps and key dates.

Following the overview by the Service Director, Forum Members were informed that their feedback would be considered by Cabinet, alongside feedback received from all other stakeholders, as part of Cabinet meeting later in February 2023 to finalise its recommended Budget Strategy.

Forum Members were requested to provide feedback on the following questions.

Council Tax

The majority of Members indicated that the Council Tax level proposed within the budget (3.50% increase) was reasonable. One Member commented that due to the pressures on School Budgets, the Council Tax level should be increased further to offset this pressure.

Schools Budget

Members of the Forum recognised the protection given to School budgets by the Council and fed back that in light of the level of inflation and efficiency saving requirement, 2023/24 will be challenging for schools.

One Member fed back that within the context of the challenging operating environment, it is difficult to see how schools can continue to make efficiency savings and protect service delivery over the long term.

Another Member fed back that they could not support the school budget proposals and that the current levels of service could not be maintained. In respect of the school efficiency saving requirement, the Forum Member noted that the efficiency percentage was applied to the total budget compared to the pay award percentage uplift applied to the employee budget.

Forum Members sought clarity on the pay awards and whether these would be funded by the Council. The Service Director confirmed that the 2022/23 pay award is fully funded as part of the proposed 2023/24 budget strategy and a modelled pay award for 2023/24 has been built in based on the forward planning assumption for 2023/24 recommended by the Independent Welsh Pay Review Body. A Forum Member also sought clarity in respect of the current industrial action and, if the outcome resulted in an increased teacher pay award for 2023/24, whether this would be funded by the Council. The Service Director fed back that the Council's proposed budget strategy has aimed to maximise the level of funding allocated to schools, within the parameters of the resources available, and should the 2023/24 teachers pay award be increased, Rhondda Cynon Taf will need to engage with Welsh Government to seek additional funding to cover the additional cost.

Efficiencies

Forum Members agreed with the Council's approach to efficiency savings for 2023/24.

Fees and Charges

Forum Members agreed with the standard increase of 5%, in the context of the current rate of inflation being 10.5%, and the proposed treatment of specific areas.

Use of Reserves

Forum Members noted the use of reserves and agreed with the approach taken by the Council.

One Forum Member sought clarity on how the proposed £5M one-off energy reserve would be used. The Service Director fed back that the one-off reserve would be used to smooth the forecasted spike in energy costs for 2023/24, with the current forecast for energy expenditure levels to be lower for 2024/25 and more in line with the on-going / base budget funding that is proposed to be put in place for the forthcoming year. The Service Director added that this will continue to be a volatile area and will be closely monitored.

The Service Director– Finance and Improvement Services thanked Forum Members for their time and feedback and advised on next steps and key dates. The Service Director also noted the budget consultation event that had taken place in Ysgol Nantgwyn that morning and thanked all that were involved.

The meeting closed at 3.05 pm

Cllr R Lewis
(Chair)