

**Learning, Skills and Economy Scrutiny Committee
Scrutiny Observations to Cabinet on: School Funding Formula Review**

The Learning, Skills and Economy Scrutiny Committee met on the 18th June 2018 and considered the Cabinet Report on the School Funding Formula Review

The Group made the following observations to Cabinet in respect of the School Funding Formula Review on 10th July 2018.

The Learning, Skills and Economy Scrutiny Committee noted that the School Funding Formula Review was due to come to Cabinet for the following decision:

<i>Recommendation:</i>	<i>Reason for Recommendation:</i>
<i>That Cabinet approves the overall design of a revised funding formula for schools</i>	<i>To inform the next stage of detailed formula development</i>
<i>That Cabinet delegates the decision to proceed with full consultation with all schools to the Portfolio Holders for Learning and Welsh Language and for Finance</i>	<i>To ensure the project timeline provides for adequate consultation and a clear recommendation for budget setting</i>

Scrutiny make the following observations:

- The Cabinet report is light in detail in a number of fundamental places. It is understood that Cabinet will receive a verbal update on the detail regarding Block 1 of the Formula which will be considered at a meeting of the Formula Review Group on 29th June 2018 (part 4.3 of the report). Further, work on other blocks will be undertaken during July and August. Without this detail it has been impossible for scrutiny to be undertaken of this document and therefore meaningful observations cannot be made. In particular scrutiny are unable to comment on the ‘overall design of the revised funding formula’ and believe that Cabinet will only be in possession of information regarding one of the blocks of four at that meeting by way of a verbal update. This is not considered to be an appropriate level of oversight.
- The Cabinet report also acknowledges a risk ‘that there is a mismatch between the cost of the education schools expect to offer and the funding that is available’ (part 4.7 of the report) and that ‘it is likely that a formula designed to

adequately resource the current pattern of provision would require funding at a level that would exceed the current funding envelope' (part 6.4 of the report). This acknowledgement of risk is a position that scrutiny share particularly in light of the current deficit school budget projections that Cabinet recently received.

- Scrutiny remain to be convinced that the timeline proposed in relation to this review are achievable. This concern is made more acute in light of the fact that the majority of the remaining preparation time falls within the school holiday period.
- Scrutiny received an absolute commitment in their meeting that there would be a further opportunity for scrutiny of the School Funding Formula Review prior to the Formula being published for consultation.

Recommendations:

1. **That this paper be made available for scrutiny in early September prior to a decision being taken to proceed to full consultation with an opportunity available for scrutiny observations to be taken into account when this decision is made.**

Membership of the Learning, Skills and Economy Scrutiny Committee on 18th June 2018

County Councillors **P Roberts (Chair)**, M Barnes, G Breeze, K W Curry, B Davies, E Durrant, D O Evans, L George, D R Jones, E M Jones, G Jones, D Jones-Poston, K Laurie-Parry, I McIntosh, J Pugh, L Roberts, D Selby, R G Thomas and Parent Governor Representatives: N. Bufton, Mrs A Davies and Mrs S. Davies