Minutes of the meeting of the Ceredigion Schools Budget Forum held remotely via Teams on Tuesday, 23 June 2026

PRESENT: Councillor Wyn Thomas, Cabinet Member for Schools, Lifelong Learning and Skills (Chair); Enid Brophy, Head Teacher: Ysgol Gynradd Gatholig Padarn Sant; Carol Davies, Head Teacher: Ysgol Dyffryn Cledlyn; Carys Morgan, Head Teacher: Ysgol Bro Pedr and Dorian Pugh, Head Teacher: Ysgol Henry Richard.

OFFICERS PRESENT: Elen James, Chief Education Officer and Executive Corporate Lead Officer: Schools, Lifelong Learning and Culture; Carys Fowles, Finance Manager: Schools and Customer Contact and Neris Morgans, Democratic Services Officer.

(4.17pm – 4.49pm)

1. **Apologies**
   i. Peter Leggett, Head Teacher: Ysgol Gynradd Rhydypennau and Catryn Lawrence, Head Teacher: Ysgol Penrhyn-coch and Ysgol Penllwyn apologised for their inability to attend the meeting.
   ii. Duncan Hall, Executive Corporate Lead Officer: Finance and Procurement and Section 151 Officer apologised for his inability to attend the meeting.

2. **Disclosure of personal interest**
   There were no disclosures of personal interests.

3. **To confirm the Minutes of the Meeting held on 20 November 2025**
   It was **RESOLVED** to confirm the minutes of the meeting held on 20 November 2025 as a correct record.

4. **Matters arising from the Minutes**
   None.

5. **Update on Council-wide financial position – 25/26 Outturn**
   The Finance Manager presented an update on the Council-wide financial position. From a Revenue perspective, the report for quarter 3 25/26 reported an underspend of £107k; however, the final overall revenue outturn position for 2025/26 was an improved underspend of £278k, against a 2025/26 Budget of £209.2m. This equated to a variance of 0.13% and the underspend would be moved into General Balances. It was noted that the Section 151 Officer was of the view that there was a low risk of a Section 114 notice needing to be issued in the short to medium term in contrast to some other local authorities, provided at all times that the Council continued to pass a balanced budget, as was legally required, by the 11th of March each year.

   The Chair welcomed the report and thanked the Finance and Procurement Service for ensuring the local authority was in a stronger financial position, compared to others.

   It was **AGREED** to note the information.

6. **Update on School Balances position as at 31/03/26 - Ceredigion & Provisional National Data**

The Finance Manager presented information on school balances. The data indicated a healthy position on average for Ceredigion's school balances; however, overall reserves had decreased from £3.8m in April 2025 to £3.1m by March 2026. As of March 2026, Ysgol Gynradd Talgarreg had successfully regained a positive position, whilst two of Ceredigion's schools remained in deficit, totalling £36k. Officers continued to work closely with both schools along with other schools experiencing difficulties in setting balanced budgets. Provisional National Data suggested school reserves across Wales had decreased by £50m, and over 50% of local authorities had a deficit in the overall school balances. Collaboration between Officers and schools, together with appropriate challenge where required, was key to ensuring that the local authority did not reach a similar position.

The Chief Education Officer explained that once a school entered a deficit position, the deficit often increased year on year.. She expressed disappointment that Estyn did not reference the management of school budgets within their reports and suggested this should be considered. The Chair agreed with the Chief Education Officer.

Enid Brophy, Head Teacher: Ysgol Gynradd Gatholig Padarn Sant raised concerns with low admission numbers/large year 6 leaving and decreasing school reserves, and as things stood, the only option left was to reduce the number of teachers. She explained that it was a challenge to meet various obligations such as health and safety. She congratulated the local authority; however, the decline in pupil numbers remained a concern and was expected to impact schools next year.

Dorian Pugh, Head Teacher: Ysgol Henry Richard echoed Enid Brophy's concerns and noted that the support and leadership from the Finance and Procurement Service was excellent. He expressed concerns in relation to grants and added that staff were increasingly required to find creative ways to maintain schools. It was evident that the reserves of many schools were decreasing, and the additional challenges some schools could face soon due to a continued reduction in pupil numbers. He stated there was a limit to how much schools and the local authority could do due to limited funding. There were challenges and, from a leadership perspective, staff were required to cover lessons more due to staff absence such as work-related stress, and as the costs of supply cover had increased significantly.

The Chair acknowledged the challenges raised by the Head Teachers present, adding that the concerns were a common theme with Head Teachers across Ceredigion and nationally. He noted that the close and constructive relationship between the Schools Service and Schools was evident, and both parties were willing to share concerns and take action where possible.

The Chief Education Officer confirmed that the Chair, in his role as the Cabinet Member for School, Lifelong Learning and Skills together with the Finance Manager, the Executive Corporate Lead Officer: Finance and Procurement and herself, raised concerns with the Welsh Government on the challenges and the inadequate funding for schools at any given opportunity, although no additional funding had been received to date. Additional funding had been allocated to

Schools by Ceredigion's Cabinet/ Full Council; however, the challenges continued. In addition, it was very disappointing that the Additional Learning Needs (ALN) consequential funding had been allocated to fund broader priorities by the Welsh Government, rather than directly to support ALN.

The Chair echoed the Chief Education Officer's disappointment and added that the funding settlement from the Welsh Government was inadequate.

It was **AGREED** to note the information.

7. **Middle East Conflict – Financial Considerations**
The Finance Manager explained that a regular update on key matters, including potential financial impacts stemming from the Middle East conflict, was provided to the Leadership Group, Leader of the Council, Cabinet Members and Group Leaders on a weekly basis. One consequence was HMRC's announcement that the mileage rate would increase to 55 pence per mile. The revised rate for employees' and Members' business mileage had since been approved by Full Council and would be backdated to 1 April 2026. There would be no short-term significant impact on electricity costs as the Council was able to purchase it in advance. Funding had been transferred to the Cost and Inflationary Pressure reserve to assist with mitigation where required, such as school transport. The tender for school transport was due to open soon.

It was **AGREED** to note the information.

8. **Estyn National Report - Thematic Report - LA Support for school budgets**
The Chief Education Officer congratulated the Finance and Procurement Service on being recognised twice in the national report produced by Estyn on local authority support for schools to manage their budgets.

The Chair also congratulated the service and commended the collaboration between the Chief Education Officer, the Executive Corporate Lead Officer: Finance and Procurement and the Leadership Group as a whole.

The Finance Manager extended her thanks to the Head Teachers and Business Managers interviewed by Estyn.

It was **AGREED** to note the information.

9. **Changes to School Finance Regulations (coming into effect April 2027)**
The Finance Manager provided an update to the Forum on the impact of the new School Funding, Budget Statements and Outturn Statements (Wales) Regulations 2026. She explained that the report would be considered by the Council's Leadership Group tomorrow. As outlined in the report, the Regulations would require the local authority to make changes to the Delegated Schools Formula Funding, Scheme for Financing Schools and the Budget and Outturn Statements (Section 52).

There were several key deadlines to meet to ensure formal consultation was undertaken with Head Teachers and Governors on the relevant aspects, as well as following the normal governance routes through the Forum, Learning Communities Overview & Scrutiny Committee and final approval from Cabinet – all to be finalised and in place by February 2027. As outlined in the current timetable, the aim was to present draft proposals (pre-consultation) to the Forum for discussion on 15 October 2026 and to return in early December following the formal consultation to consider the responses.

In response to the Chair’s question on whether many schools were cash-free, the Finance Manager confirmed that this was the case, and therefore the use of Corporate Credit Cards would enable schools to pay for any purchases immediately, as opposed to being invoiced and following the current procurement processes.

The Chief Education Officer explained that Officers intended to meet with the Secondary and Through Age Schools’ Business Managers from mid-September onwards to discuss the changes.

It was **AGREED** to note the impact of the new School Funding, Budget Statements and Outturn Statements (Wales) Regulations 2026 including the associated programme of work required and the timescales involved.

10. Any Other Business
None.

11. Date of next meeting
15 October 2026 at 4.30pm via Teams.

The Chair extended his thanks to all school staff and Officers for their work.