

Y Pwyllgor Plant, Pobl Ifanc ac Addysg Children, Young People and Education Committee

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



Huw Lewis AM
Minister for Education and Skills
Julie James AM
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Technology

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29 October 2014

Dear Ministers

Welsh Government draft budget 2015-16

Thank you for attending the Children, Young People and Education Committee's meeting on 23 October 2014 to discuss the Welsh Government's Draft Budget for 2015-16.

The purpose of this letter is to highlight the key issues the Committee has identified during the course of its scrutiny.

This letter will be shared with the Finance Committee to aid its overarching scrutiny of the Draft Budget. The Committee would welcome receipt of the further information requested in this letter as soon as possible in order to inform the final debate on the Welsh Government's Draft Budget 2015-16.

Prioritisation and PDG

1. The Committee notes the "clear prioritisation" to break the link between under-attainment and poverty and that a significant part of your budget allocation is being used to address this issue. **The Committee requests further information on any assessment you have made on the impact of your decision to prioritise the PDG on your other two leading priorities.**

2. The Committee notes that the allocation for the PDG in 2015-16 has been increased to £82.046 million. As a consequence, the amount each school receives per pupil eligible for free school meals will increase from £918 to £1,050. This per pupil amount will increase further to £1,150 in 2016-17.

3. Your paper states that, of the total amount allocated to the PDG, £3.8 million has been allocated to extend the programme to children under 5. **The Committee would welcome further information on who will be eligible for this provision e.g. reception class pupils, nursery class pupils, or children in other Early Years settings and the basis for the calculation of the £3.8m costs.**

4. During our scrutiny session, you reiterated your commitment to ‘clawing back’ PDG money that has been used inappropriately. The Committee notes that a draft report on the evaluation of how the PDG programme is being interpreted and implemented, as well as its impact on pupil performance and school practice, was published on 22 October. **The Committee requests an explanation in due course on the process for recovering PDG funds and an update on whether or not you have deemed it necessary to do so.**

1% funding protection for schools

5. The Committee notes the explanation provided in the documents accompanying the budget of how this Programme for Government Commitment is being met. The Committee also welcomes your commitment to produce and publish an analysis of the different funding elements that make up the 1%.

6. In your paper, you state that:

“Local Authorities are required through the monitoring returns to evidence that their budgeted spending on schools increases in line with the Local Government funding element of the 1% protection (net of specific grants and allowing for adjustments in pupil numbers). The monitoring data received from Local Authorities up to 2014-15 demonstrates that all Local Authorities have either met or exceeded the 1% commitment.”

7. We note that the draft budget information for 2015-16 demonstrates an increase of 0.83% (£72.0 million) in the funding contained in the local government RSG between 2010-11 and 2015-16 for this purpose. **The Committee requests an explanation from you about the work you are undertaking with Local Authorities so that they continue to meet the 1% commitment and how you will ensure that the 1% commitment is not being undermined by reductions in other “indirect” support for schools (i.e. by introducing charges for services, such as swimming, that were previously free).**

‘Pupil Offer’

8. The Committee notes your announcement of a “pupil offer” during our meeting, consisting of programmes offered by organisations (such as the Arts Council of Wales) and match-funded by Welsh Government. However, the Committee could not find any reference to the “pupil offer” in your paper and no reference to how it will be funded. **The Committee requests an update on the “pupil offer”, including information on the funding available to associated programmes or projects.**

Rationalising of grants into one ‘Education Improvement Grant’

9. There are several movements within resource budget Actions which your paper explains are a consequence of a new Education Improvement Grant being established. This follows the rationalising of a number of local authority grants. The Education Improvement Grant is contained in a new BEL within the Education Standards Action.

10. The Committee notes your view that the ‘new simplified grant system’ will ‘lead to more flexibility and ultimately better outcomes for learners. However, the Committee is concerned that, while the number of grants has been reduced, the number of objectives they were designed to achieve has not reduced. **The Committee considers that there is a potential risk that some of the objectives of those original grants will not be given appropriate consideration under the new approach. The Committee requests further information from the Minister on how he will ensure that key objectives of previous grants are not “lost” in the new system.**

11. The Committee also notes your comments relating to in-year changes to the 2014-15 budget, including reductions to a number of grants. **The Committee requests an update on this issue, including information about: which grants are affected and to what degree; how these changes might impact on the 1% protection for schools; and how these reductions are reflected in the 2015-16 draft budget.**

Sufficiency of resources to deliver Qualified for Life

12. The Committee notes your comments that, in relation to the funding available to deliver Qualified for Life, “The current envelope of spend has to be the resource we use in order to implement the plan”. **The Committee would welcome further, detailed information on how you anticipate Qualified for Life being delivered, based on the funding that is available and what processes you have in place to assess value for money.**

13. **The Committee requests further information on the funding that is in place for what you called “a complete remodelling of Initial Teacher Training”.**

14. The Committee notes your comments that the £1m funding allocated in the budget for the implementation of the Donaldson review is “seedcorn money for the very beginning of the process”. Donaldson is, in your view, likely to recommend profound changes to the curriculum and the Committee is concerned that implementing such changes will be costly. The Committee notes that there is no indicative budget for 2016-17 due to a Comprehensive Spending Review before then. **The Committee requests further information from you on how you are planning to meet the costs of implementing the Donaldson review.**

Post-16 education

15. The Committee would welcome further information on the following:

- a breakdown of the WGLG BEL;
- an update on the EMA scheme; and
- the availability of funding to mitigate impact on part-time / 19+ education.

Additional Learning Needs (Wales) Bill

16. The Committee notes that paragraphs 78-79 of your paper says that any costs associated with the legislation will be met from existing resources. This Bill is a significant piece of Welsh Government legislation and is intended to ensure reform of the Special Education Needs framework. **The Committee requests further information on the ways the content of the Bill has been influenced by the funding available and which, if any, proposals in the White paper have not been taken forward as a result of a lack of available funding.**

Other Issues

17. The Committee did not have the opportunity to ask questions on two specific areas of concern due to a lack of time. The Committee would be grateful if you could provide a written response to the following -

21 century schools

- Clarification of what the £43m in the ‘General Support’ BEL is for;
- The process by which business cases for projects are reviewed as and when local authorities’ financial positions change;
- How the impact of the programme can be maximised by using such schools for community purposes, particularly in the context of significant pressure on local authority resources.

Cross cutting issues / impact assessments

- Whether a Welsh language impact assessment has been carried out specifically in relation to Education and Skills;
- An explanation of how you have given 'due regard' to children's rights during the draft budget setting process, given that no Children's Rights Impact Assessment has been published.

Yours sincerely

A handwritten signature in black ink that reads "Ann Jones". The signature is written in a cursive style with a large initial 'A' and a long, sweeping underline.

Ann Jones AC / AM
Cadeirydd / Chair