

Children, Young People and Education Committee

From: Welsh Government

Date: 8 November 2018

Time: 09:00 – 10:30

Title: Evidence paper on the Draft Budget 2019-20 - Education Main Expenditure Group (MEG)

Introduction

1. This paper provides information to the Children, Young People and Education Committee on the Education Main Expenditure Group (MEG) proposals outlined in the draft Budget 2019-20¹, which builds on the plans that we published last year. The outline budget (stage 1) was published on 2 October followed by the detailed budget (stage 2) on 23 October. It also provides an update on specific areas of interest to the Committee.

Background

2. The draft Budget 2019-20 provides a one year plan for revenue investment and a two year plan (2019-20 and 2020-21) for capital investment in the provision of education in Wales. The table below provides an overview of indicative plans for the Education MEG published in draft Budget 2019-20.
3. The 2018-19 First Supplementary Budget figures, published on 19 June 2018, represent the year on year comparator. The 2019-20 plans published in 2018-19 final Budget, on 19 December 2017, have also been included as the baseline figure for draft Budget 2019-20.

Education - Summary	£000s			
	2018-19 First Supplementary Budget	2019-20 Plans as per 2018-19 Final Budget	2019-20 Changes	2019-20 Draft Budget New Plans
Resource	1,648,670	1,623,909	38,095	1,662,004
Capital	203,627	176,674	29,809	206,483
Total DEL	1,852,297	1,800,583	67,904	1,868,487
Resource AME	-97,234	-126,399	24,414	-101,985
Capital AME	661,816	816,483	-15,015	801,468
Total AME	564,582	690,084	9,399	699,483
Total – Education MEG	2,416,879	2,490,667	77,303	2,567,970

¹ Within this paper, '/' refers to an academic year which spans the period from 1 August to 31 July and '-' refers to a financial year which spans the period from 1 April to 31 March.

Resource

4. The Resource budget for the Education MEG has increased by £38m (2.35%) when compared to the indicative plans for 2019-20, published in 2018-19 final Budget (December 2017). The changes, broken down by revenue (fiscal) and non-cash (non fiscal) resource, is summarised below.

Education: Resource budget	£000s				%	
	2018-19 First Supp Budget	2019-20 Plans as per 2018-19 Final Budget	2019-20 Changes	2019-20 Draft Budget New Plans	% change from 2018-19 First Supp Budget	% change from 2019-20 previous plans
Revenue (Fiscal)	1,541,631	1,516,870	37,980	1,554,850	0.86%	2.50%
Non Cash (Non Fiscal)	107,039	107,039	115	107,154	0.11%	0.11%
Resource Total	1,648,670	1,623,909	38,095	1,662,004	0.81%	2.35%

5. The increase of £38m is made up of a number of allocations from Welsh Government Reserves, summarised below.

Education: Resource budget Allocations from Reserves	BEL	2019-20 £000
Minority Ethnic and Gypsy, Roma and Traveller learners	School Improvement Grant	8,700
PDG Access	Pupil Development Grant	3,554
Schools	Teacher Development & Support	15,000
School Sixth forms	Further Education Provision	2,620 ²
Youth services - mental health and resilience support	Youth, Engagement & Employment	2,500
EU Transition Fund tranche 1 - Global Wales II	HEFCW Programme expenditure	1,382
EU Transition Fund tranche 1 & 2 – Ford, Airbus and other automotive component manufacturers	Employability and Skills	3,150
Teachers' pay award – school sixth forms element (from total £14.8m)	Further Education Provision	1,074 ³
Qualifications Wales – QiW database (non-cash)	Qualifications Wales	115
Net Resource increase		38,095

Capital

6. The Education capital budget stands at £206.5m for 2019-20 and £179.6m for 2020-21, an increase of £29.8m and £24.8m respectively, compared to the indicative plans for 2019-20 published in 2018-19 final Budget. The changes, which include the detail of transfers to/from Welsh Government Reserves, are summarised in the tables below.

² To restore funding levels for school sixth forms to 2018-19 levels, an additional £9.827m has been allocated, of which; £7.207m from *Prosperity for All* funding allocated to the Education MEG in final Budget 2018-19 and the balance of £2.620m was made available from Reserves to reverse the cut in full.

³ Total teachers' pay award announced by UK Government was £23.5m over two years. For 2018-19, £8.7m will be made available via a specific grant within the Education MEG. For 2019-20, funding of £13.7m has been included in the Revenue Support Grant (RSG) for maintained schools from nursery to year 11, with £1.074m allocated as a specific grant for teachers in post-16 education (school sixth forms).

Education: Capital Budget	£000						
	2018-19 First Supp Budget	2019-20 Plans as per 2018-19 Final Budget	2019-20 Changes	2019-20 Draft Budget New Plans	2019-20 Plans as per 2018-19 Final Budget	2019-20 Changes	2019-20 Draft Budget New Plans
Traditional capital	203,627	176,674	30,000	206,674	154,750	25,000	179,750
Financial transactions ⁴	-	-	(191)	(191)	-	(195)	(195)
Total Capital	203,627	176,674	29,809	206,483	154,750	24,805	179,555

Education: capital budget Allocations from/to Reserves	2019-20 £000	2020-21 £000
Education Community Hubs	5,000	-
21 st Century Schools and Education Programme	25,000	25,000
Financial Transaction repayments – Coleg y Cymoedd Aberdare Campus	(191)	(195)
Capital DEL – net increase	29,809	24,805

Annually Managed Expenditure (AME)

- The Annually Managed Expenditure (AME) budget is related to student loans which are demand led and sensitive to interest rate and other macro-economic factors and therefore difficult to forecast. This budget is agreed with the Treasury each year and is fully funded. The budget has increased by £9.4m in 2019-20.

Transparency of budget presentation

- As requested by the Committee, a commentary which explains in further detail the changes to each Action within the Education MEG relevant to this Committee is provided at **Annex A**. A transparent narrative explanation has been provided to explain increases and reductions, where not covered in the evidence paper, and confirmation of where the transfers have been allocated to and from.
- The detailed budget plans for the Education MEG were published on 23 October. To aid transparency a breakdown of changes to the Education MEG by Budget Expenditure Line (BEL) for 2019-20 and 2020-21 (capital only) is provided at **Annex B**. The report provides detail on 2018-19 First Supplementary Budget allocations, 2018-19 forecast outturn and 2017-18 final outturn.

Education Priorities

- This budget is committed to the success and well-being of every learner, regardless of background or personal circumstance. To deliver on this, we must combine equity with excellence as we raise standards across the Welsh education system, a commitment that is shared across Government.

⁴ Financial transactions capital is part of the capital DEL settlement that can only be used for loans and equity investments to third parties. In the main, the funding must be repaid to HM Treasury. For the Education MEG, repayments relate to funding of £4.5m allocated to Coleg y Cymoedd in 2016-17 for Aberdare campus.

11. The Education portfolio is responsible for taking forward a number of the priorities set out in *Prosperity for All*, primarily under the key theme of Ambitious and Learning. The detailed draft Budget published on 23 October sets out how all portfolios, including Education, align with the four themes and six priority areas set out in *Prosperity for All*.
12. By working across boundaries we can be confident of a prosperous Wales where education from the earliest age will be the foundation for a lifetime of learning and achievement. *Our National Mission*, which was published just over a year ago, is fully designed to support the delivery of Ambitious and Learning. It is our action plan for educational reform in Wales; it reflects a drive for self-improvement that reaches right across our education system, to support all of our young people to reach their potential. My priorities are clear: raising standards for all, reducing the attainment gap and delivering an education system that is a source of national pride and public confidence.
13. Securing delivery of a transformational curriculum is at the heart of *Our National Mission*, with the introduction of the new curriculum that will be ready for statutory roll-out in September 2022. The success of the new curriculum is dependent on our teaching profession. That is why, I am finalising proposals to invest £15m to schools in 2019-20 which will provide well-resourced professional learning opportunities to prepare practitioners for the implementation of the new curriculum - this will be in addition to funding I will be providing this financial year. I will make a further announcement on this funding shortly.
14. This builds on our current investment of £10m for curriculum reform, which supports our network of pioneer schools (curriculum; professional learning; and digital) that are playing a central role in the development of our new curriculum.
15. The ten priorities for education that I agreed with the First Minister, remain key priorities for my portfolio, and feature as commitments in *Taking Wales Forward*. In this Budget we are continuing to prioritise funding in 2019-20, including:
 - investing in reducing infant class sizes by making £5m revenue and £5m capital available as part of our overall £36m commitment over this Assembly term;
 - the Pupil Development Grant (PDG), with close to £94m being made available from the PDG in 2019-20 to improve outcomes for our disadvantaged learners. In addition, investment in PDG Access is doubling to £3.554m taking the total investment for the PDG BEL to £97.3m and further delivering on our commitment to expand the PDG;
 - allocating £2.5m to the Small and Rural Schools Grant, as part of our total investment of £10m, to encourage innovation, support greater school to school working, reduce the administrative burden on head teachers and increase community use of school buildings;
 - investing £1m for our new National Academy for Educational Leadership, which will identify, support and inspire leaders across the entire system; and

- remaining on course to fully implement the Welsh Government response to the Diamond Review. We have already made amendments to the student finance system from 2018-19 and full and part time undergraduate students now have access to support equivalent to the national living wage whilst they study. Post graduate students will also be able access this support from 2019/20 and plans for re-distribution of resources to fund Government priorities in higher education are on schedule.

Resources / Value for Money

16. Clarity over how we use our resources effectively is central to delivering the priorities set out in *Taking Wales Forward* and *Prosperity for All*. Once expenditure is planned in line with my priorities, I have well-established processes in place to ensure that resources are used effectively for the purposes intended. The governance and monitoring procedures in place reflect the nature of our relationships with delivery partners.
17. These budget proposals reflect my continuing commitment to protect and prioritise investment that supports preventative measures as far as possible. The spending decisions have not only considered how best to meet the current demand for services but have also focused on supporting interventions that are able to prevent problems arising in the future. This preventative approach is an important part of our planning for public services, both now and in the future.
18. From the outset of my Budget preparations, I have focused on how best to meet the growing needs of key service areas within the MEG in the face of another challenging budget. Over successive years, prioritising preventative spending has been a way of avoiding more costly interventions at a future point and improving the quality of people's lives over the long term.

Budget monitoring

19. Building on work undertaken for previous budgets, we have continued our line by line review of budgets to ensure that funding is prioritised to support our key commitments. Against a backdrop of continued financial constraint, our priorities for education in Wales remain unchanged and our published spending plans for 2019-20 continue to reflect this.
20. All budgets have been, and continue to be, monitored and challenged on a monthly basis during 2018-19, to consider the latest forecasts and budget movements as necessary. I receive regular financial updates on the forecasts for the Education MEG to ensure that budgets remain on track to deliver the priorities for Wales.
21. I continue to have meetings with the Cabinet Secretary for Finance to discuss both in-year and future year pressures affecting my portfolio and to consider the cross-cutting impacts of our spending plans.

Second Supplementary Budget 2018-19 – Transfers

22. There are a number of provisional transfers planned for the Second Supplementary Budget 2018-19 from Reserves, and these are summarised in the table below.

Transfer	BEL	£000
Teachers' pay award – nursery to year 11	Teacher Development & Support	8,069
Teachers' pay award – school sixth forms	Further Education Provision	631
Universal Credit - Free School Meals	Food and Nutrition in schools	4,000
Minority Ethnic & Gypsy, Roma & Traveller learners ⁵	School Improvement Grant	3,700
EU Transition Fund tranche 1 - Global Wales II	HEFCW Programme expenditure	787
EU Transition Fund tranche 1 – Ford & Airbus	Employability and Skills	1,350
Total		18,537

Impact of Brexit

23. The impact of Brexit on our budgets and programmes will be considerable but we have made clear our determination to hold to account the campaign promises that Wales, outside the EU, would not be a penny worse off than it would otherwise have been within the EU.
24. In a statement to Parliament on 24 July 2018, businesses, universities and local organisations were assured by HM Treasury that any funding they secure through EU programmes, including Structural Funds, Horizon 2020 and Erasmus+, from now until the end of 2020, will be guaranteed by the UK government even in a 'no deal' scenario. Welsh Treasury and Welsh European Funding Office officials are liaising with counterparts in the UK Government to seek further clarity and reassurances with regard to the guidance on the guarantee.
25. Any participation in the Horizon Europe and Erasmus schemes from January 2021 will depend on the Future Economic Partnership with the EU, and the UK Government securing Third Country participation in these programmes on behalf of the UK. In its July 2018 White Paper the UK Government stated that it "is open to exploring participation in the [Erasmus] successor scheme" and it "wishes to explore association in research and innovation programmes, including Horizon Europe".
26. In the event a transition deal is agreed between the UK and EU, officials are seeking opportunities to utilise any remaining Structural Fund funding made available from exchange rate fluctuations or underspends across the programmes. It is also likely that existing flexibility within the programmes is maintained, allowing officials to continue to realign projects with emerging priorities through to December 2023.
27. We have said from day one that it is our role as a government to do all we can to help sectors prepare and adapt to the challenges ahead. This is why the First Minister established the EU Transition fund earlier this year. The £50m fund has been designed in collaboration with the organisations and businesses it is

⁵ This is in addition to £5m allocated for Minority Ethnic and Gypsy, Roma and Traveller learners in First Supplementary Budget 2018-19.

intended to help. It will provide tailored financial support and advice for businesses to thrive outside the EU.

28. The Welsh Government policy papers, *Regional Investment in Wales after Brexit* and *Reforming UK Funding and Fiscal Arrangements after Brexit*, discuss EU programmes' financial support for international research and mobility and reiterate the wish to participate in Horizon 2020 and Erasmus+ successor programmes after Brexit. They highlight the importance of Structural Funds in helping to level the playing field within the UK, by investing in building the capacity needed to support universities applying for competitive research funds.
29. The Welsh Government continues to make clear that EU funding that is currently spent in Wales must be repatriated to the Welsh Government without any claw back or top slicing by the UK Government and that higher education in Wales also needs to continue to access wider EU sources of funding and opportunities provided by current EU schemes. The papers highlight that we need institutions across the UK to work together to maximise the opportunities for joint research and innovation and joint promotion of Wales and the UK as a great place to study and research.
30. EU student finance arrangements have been confirmed through to the 2019/20 academic year whether or not the Withdrawal Agreement is concluded. The position on the 2020/21 academic year needs to be confirmed as soon as possible to provide certainty for both students and institutions and, at the latest, by the summer of 2019 if any changes are to be made.
31. Both HEIs and the NUS have expressed concerns about past UK Government delays in announcing decisions on EU student finance. As Cabinet Secretary I share their concerns and I urge the UK Government to progress quickly with planning for 2020/21 and to fully share its thinking with us.
32. Post-Brexit arrangements on tuition fees and finance after the end of any transition period for those EU students coming to Wales after "the specified date" will depend on the nature of the Future Economic Partnership with the EU negotiated by the UK Government.
33. The Education MEG is expecting to receive £54.33m European Social Fund receipts in 2019-20 via the React, Jobs Growth Wales, Apprenticeships and Traineeships projects. This funding will be used to support delivery of the Working Wales and Apprenticeships programmes in 2019-20. In line with the Treasury guarantee, which will guarantee all funding currently approved in the event of a 'no deal' scenario, all £54.33m for 2019-20 is expected to be part of the guarantee.
34. Within my portfolio officials undertook a European Social Fund exit strategy in 2016 which looked at the implications of European Social Fund expiring in 2018, 2020 and 2023 on the Taking Wales Forward commitments to reshape employability support and deliver 100,000 new Apprenticeships. These informed discussions, reconfiguration of existing projects and extensions with the Welsh

European Funding Office, which led to revised approvals to support delivery of Prosperity for All commitments within the Education MEG.

Costs of Legislation

35. The budget continues to take account of our current legislative programme.
36. Assessing the costs of legislation and the impact on those it affects is an essential part of the policy development process. I recognise there cannot be a blank cheque for legislation and that every new commitment in this MEG will have to be paid for by a reduction elsewhere.
37. This is why every bill is subject to a robust assessment of costs and benefits, achieved through consultation and engagement with our stakeholders in the development of the regulatory impact assessments (RIAs) prepared for Government Bills. This is to ensure our decisions are informed by the people who will be affected by them.
38. Steps are being taken to improve the clarity and consistency of RIAs but changes to the bill during scrutiny and other factors will inevitably result in some variances between estimated costs at the published RIA stage and actual costs during implementation. In accordance with the commitment given by the Cabinet Secretary for Finance to the Finance Committee, a year on year table showing the cost of legislation falling to the Welsh Government was provided at Annex C of the detailed draft Budget published on 23 October.
39. Any costs associated with the delivery of legislation associated with the Post Compulsory Education and Training reforms will have to be met from within existing resources within Higher Education (BELS – Student Support Grants, Student Loans Company / HMRC Administration Costs and Targeted Student Support Awards).

Higher Education Wales Act (2015)

40. The full implementation period for the HE regulatory system began legally on 1 August 2017. In preparation for this, during 2015-16 and 2016-17, HEFCW began the process of developing and implementing the regulatory processes. Funding was expended by HEFCW prior to April 2015 which is not accounted for here as they comprise difficult to quantify costs relating to the initial deliberations on what implementation work would be necessary as well as the cost of considering and responding to the consultation and the draft legislation.
41. The total estimated cost to HEFCW of implementation, including legal costs, is:

Year	Total staff costs £	Legal costs £	Total costs £
------	------------------------	------------------	------------------

2015-16	12,825	35,984	48,809
2016-17	247,029	16,991	264,020
2017-18	239,774	4,208	243,982
2018-19	79,688	0	79,688
Total	579,316	57,183	636,499

42. Activities covered as staff costs include formal consultation events and meetings, and work relating to:

- development of the Quality Assessment Framework, including consultation, liaison with HEFCE, re-establishment of Quality Assessment Committee (QAC), developing guidance on partnership arrangements; European Quality Assurance Register (EQAR) Review; governance quality statements; student charters and gateway processes;
- Fee and Access planning 2017/18, 2018/19 and 2019/20, developing the guidance, consultation, analysis, assessment, iteration and approvals. Development of arrangements with SLC, including records of partnership and fee levels;
- the Financial Management Code, with Council consideration, consultation, iteration with the sector and Welsh Government officials and National Assembly legislative processes;
- development and consultation on transitional and final statements of intervention;
- development and consultation on new HEFCW complaints procedures;
- liaison with HEFCE, Office for Students, Office of the Independent Adjudicator, Charities Commission, Competition and Markets Authority, Estyn, QAA and OFFA, as well as regular updates and formal meetings with Welsh Government; and
- Seminars and events with HE sector; FE sector, NUS Wales, Universities Wales and Colegau Cymru.

43. In order to provide the fullest possible picture of the costs of implementing the HE Wales Act across the HE sector, we have requested information from Universities Wales on the costs arising for HE institutions. This will be provided when it is received.

Additional Learning Needs and Education Tribunal (Wales) Act 2018

44. The costs associated with the Additional Learning Needs and Educational Tribunal (Wales) Act 2018 and the wider ALN Transformation Programme are set out in the Act's RIA. The RIA was revised in November 2017. The breakdown of costs for the various strands of the transformation programme was set out in my letter to the Chair of the Finance Committee, in December 2017.

45. The total proposed expenditure on the ALN transformation Programme is £5.736m per year between 2018-19 and 2020-21. It covers activities including:

- grant funding for the ALN transformation leads, to coordinate the delivery of regional, multi-agency training and professional development on the new

- legislative framework and its implications for all those involved in supporting learners with ALN;
- workforce development activities including grant funding for local authority specialist services skills development (for example, specialist advisory teachers for learners with hearing impairment, visual impairment or multi-sensory impairment), educational psychologists, and the new ALN Co-ordinator role; and
- the development of materials and resources to raise awareness of the new system targeting practitioners, children, young people, families and the public.

Information on the impact of any relevant UK Parliament legislation

46. There is currently no UK Parliament legislation that impacts education in Wales.

Financial Implications arising from any subordinate legislation in 2019-20

47. There are no financial implications arising from any subordinate legislation in 2019-20.

Children's rights and other cross-cutting considerations

48. Under the Rights of Children and Young Persons (Wales) Measure 2011, we have given balanced consideration to the rights set out in the UNCRC. A separate Children's Rights Impact Assessment for the Education MEG has not been published separately, but forms part of the wider Strategic Integrated Impact Assessment. This has again enabled us to give full consideration to socio-economic disadvantage, children's rights, Welsh language and sustainable development, in addition to the focus on equality and tackling poverty.
49. A Strategic Integrated Impact Assessment was published alongside the outline draft Budget 2019-20 (Annex C) and the detailed draft Budget 2019-20 (Annex D). This provides an assessment of the impact of the budget on schools, Post-16 Education and Higher education under the area of Ambitious and Learning.
50. As part of my budget bilateral meetings with the Cabinet Secretary for Finance I was asked to consider, where appropriate, using the new integrated impact assessment tool. This has been done for a number of budget lines within the MEG, however, this has been a transitional period and for a number of areas impact assessment were completed using the previous templates.
51. We are committed to using the *Well-being of Future Generations (Wales) Act 2015* to improve how we make decisions about the social, economic, environmental and cultural well-being of Wales. Our goal is to ensure we reflect the sustainable development principle and our spending plans aim to achieve a balance between short and long-term priorities. We recognise the need to collaborate with our partners and to use our collective resources effectively to plan for the tough choices ahead.

52. The four purposes of the curriculum, which describe the planned outcomes for all learners in Wales, support the shared purpose and future of the Act for the long term economic, environmental and social wellbeing of Wales. We have ensured that other policies and programmes reflect our commitment to sustainability, by considering investment that we can make now to prevent more expensive action in the future.
53. *Prosperity for All* sets the aims of this Government and provides clarity about how we want Government and delivery partners to be part of a new approach to delivering priorities. The *Well-being of Future Generations (Wales) Act 2015* supports the Welsh Government and delivery partners in making these important changes to the way we work.
54. The strategy sets out 12 well-being objectives and the steps we propose to take to meet them. Together with the well-being statement published alongside the strategy, these objectives set out the areas where the Welsh Government can make the greatest contribution to the seven well-being goals for Wales and provide the basis for strong partnerships with others.

Specific areas

55. This section provides an update on specific areas requested by the Committee.

Funding for school budgets

An assessment from the Cabinet Secretary of the sufficiency of provision for school budgets in 2019-20 and information on any ways in which the Welsh Government is seeking to protect school budgets, including any change between 2018-19 and 2019-20 in the amount of money in the Local Government Settlement notionally allocated for school budgets

56. As the Committee notes, the main funding the Welsh Government provides for schools is to Local Authorities through the Local Government Settlement Revenue Support Grant (RSG) contained within the Local Government and Public Services MEG. The Welsh Government details within the settlement a Standard Spending Assessment (SSA) for each local authority. This is the Welsh Government's notional calculation of what each local authority needs to provide a standard level of service, given the level of funding available and including an assumption on income to be generated through council tax. A breakdown of the changes between 2018-19 and 2019-20 in the amount of funding notionally allocated for 'school services' in the settlement is attached at **Annex C**.
57. It is important to note that SSA's are not spending targets. Local Authorities are entirely responsible for determining how much funding is allocated to each individual school, and in line with their statutory function to provide appropriate education provision for all learners in Wales. Each Local Authority sets its own formula for funding schools in consultation with schools through their schools budget forum, and in line with the legislative framework provided by the *School Funding (Wales) Regulations 2010*.

58. The formula for agreeing funding allocated to Local Authorities through the RSG is agreed with Local Government through the Finance Sub Group, which is part of our statutory partnership scheme with local government in Wales. Within the system, there exists the potential to make significant changes to the funding formula, but this must be done with the collective buy-in from local government, through the partnership arrangements in place. To date, we have not received a consistent message on this from local government.
59. When indicative plans for 2019-20 were published it was recognised that despite the measures we had taken to protect local government from the full impact of austerity felt elsewhere, local government in Wales was still facing a 1% cash reduction in 2019-20 compared with 2018-19. In this draft budget, we have made a number of allocations for schools as part of the local government settlement to mitigate this reduction. This includes £7m funding for free school meals as a result of the introduction of Universal Credit and £13.7m to support the school teachers' pay award.
60. While the unhypothecated settlement is the largest single source of funding available to local government by the Welsh Government, it is not the only source of funding we provide or that is available to Local Authorities in Wales. We provide significant additional grant funding through for example: the Pupil Development Grant; the Regional Consortia School Improvement Grant, which includes the Education Improvement Grant (EIG) for Schools; our Pioneer Grants; and our support to Local Authorities for small and rural schools and for class sizes. My officials have been working to streamline our regional grant funding to consortia. This year there are two grants, directing over £230m through to the front line. This represents a significant reduction in the number of individual grant arrangements over time. We intend to take a similar approach to our Local Authority grant funding over the next financial year and have begun this process already, supporting the wider local government agenda of continuing to encourage Local Authorities to streamline services.
61. We must continue to protect our schools from the impact of successive years of austerity measures and we will continue to call for additional resources to be spent on schools. That is why we are finalising proposals to invest an additional £15m for schools, through the Education MEG, in 2019-20. This will be in addition to funding I will be providing this financial year. I will make a further announcement on this funding shortly.
62. As a result in this draft Budget, funding of £8.7m has been made available from Reserves for Minority Ethnic and Gypsy, Roma and Traveller learners in 2019-20, maintaining this funding at 2018-19 levels. I have also taken the decision to use *Prosperity for All* funding totalling £18.3m to support the EIG and School Sixth Forms:
- EIG - £11.093m; and
 - School Sixth forms - £7.207m, which when combined with the additional funding from Reserves of £2.620m, totals £9.827m.

Implications arising from uplifts to teachers' pay and any budget provision to reflect this

63. We are allocating all of the £23.5m announced by the UK Government on 13 September to fund the school teachers' pay award. For 2018-19, £8.7m will be made available as a specific grant within the Education MEG, and the funding will be formalised in the Second Supplementary Budget for 2018-19. In 2019-20, £14.8m funding has been made available, of which:
- £13.726m has been included in the RSG within the Local Government and Public Services MEG, for maintained schools from nursery to years 11; and
 - £1.074m has been allocated to the Further Education Provision BEL within the Education MEG, to be allocated for teachers in school sixth forms.

An update on the level of school reserves, including the number of schools exceeding the monetary thresholds set out in the School Funding (Wales) Regulations 2010, over which local authorities may direct schools to spend or recover surplus funds (including a breakdown by local authority). Information on any cases where local authorities have used these powers in the past two years

64. An update on the position of school reserves as at 31 March 2018 was published by StatsWales⁶ on 17 October. The headline position shows that the overall level of reserves held by schools in Wales was £50m at 31 March 2018, the equivalent of £111 per pupil. This represents an increase of 10% or £4.4m compared with the previous year.
65. The Welsh Government does not collect information from Local Authorities on whether they have used the powers outlined in the *School Funding (Wales) Regulations 2010*. However from our engagement with local authority finance officers we understand that authorities prefer to work with schools to address issues through ongoing engagement wherever possible. Powers to direct schools to spend and to recover surplus budgets are one of several tools available to Local Authorities to support schools in good financial management. Through our business manager and community business manager pilots, the Welsh Government and participating local authorities are jointly supporting schools to improve business management capacity and realise opportunities to focus more of their head teacher and senior management time on teaching and learning.

Funding for school improvement

Detailed breakdown of how the £100m additional investment in schools standards, which the Welsh Government has committed to over the lifetime of this Assembly, is to be allocated and used in 2019-20. An update on how

⁶ <https://gov.wales/statistics-and-research/reserves-held-schools/?lang=en>

expenditure of the £100m is being profiled throughout this Assembly and what it is being used for.

66. A provisional breakdown of the £25.5m allocated to the Raising School Standards BEL in 2019-20, as part of our £100m commitment, is outlined at **Annex D**.
67. Following the Committee's report on draft Budget 2018-19, an internal audit of the commitment, and in consideration of a number of key developments since its introduction, including the publication of *Our National Mission*, I have asked my officials to undertake a review of the £100m commitment. This is in progress, including consideration of the allocation of funding over the next two financial years to make sure it continues to reflect our key priorities and drives forward the commitments in *Prosperity for All*. As a result the figures outlined in the table are subject to my final agreement and will be informed by the outcome of the review.
68. By the end of 2019-20, I will have invested £75m into Raising School Standards, with the remainder due for allocation in 2020-21.

A list of budget expenditure lines (BELs), on both an individual and aggregate basis, within the Education MEG which predominantly finance the raising of school standards, for 2016-17, 2017-18, 2018-19 and 2019-20 (in line with Recommendation 31 of our inquiry report, On the money? Targeted funding to improve educational outcomes).

69. In my response to the Committee's *On the Money?* Report of 25 September, I set out my position in relation to Recommendation 31 and confirmed that a breakdown would be provided as part of this paper. A breakdown of all BELs within the Education MEG that contribute to the raising of school standards for the period 2016-17 to 2019-20 is summarised at **Annex E**.

Reducing the impact of deprivation and poverty

How the Education MEG reflects the Welsh Government's long-term commitment to tackle the impact of deprivation and poverty and its impact on educational achievement.

70. We are continuing to invest unprecedented amounts – over £190m this year and next from the Pupil Development Grant BEL which includes all elements of PDG, including PDG Access, to support the improvement in outcomes for our disadvantaged learners. Breaking the cycle of disadvantage and poverty is a long term commitment. We remain committed to the PDG for the remainder of this Assembly term.
71. Since its introduction in 2012, the PDG has supported the equivalent of over 450,000 learners. I agree that we must ensure return on investment. There is no quick fix when it comes to narrowing the attainment gap. It is an international problem rooted in social history. I am clear that we must hold the course and continue to prioritise support for our disadvantaged and vulnerable learners.

72. The Welsh Government continues to provide the Educational Maintenance Allowance which enables students from the lowest income households to continue their studies into further education. From 2018/19 students in higher education will have the most equitable and progressive living costs package in the UK. It guarantees students support equivalent to the national living wage whilst they study and provides non repayable support to those students most at need. This will open up higher education to people who would not have been able to consider going to university in the past.

How the recommendations of our inquiry report, On the money? Targeted funding to improve educational outcomes, have influenced the allocation of the 2019-20 Education MEG.

73. I am grateful to the Committee for its recommendations and was pleased to have been able to accept the vast majority.
74. I decided in March this year to agree schools' PDG allocations for two years - 2018-19 and 2019-20. This was to provide schools with some certainty in terms of their funding during a time of significant financial challenge and unpredictability. This decision was also linked to the rollout of universal credit; fixing allocations for a two year period will provide time to consider the implications of universal credit on future PDG allocations.

An update on the PDG Access fund and how it is being allocated and distributed, including how many families are benefitting.

75. Before the summer we announced the expansion of the PDG with the introduction of PDG Access. Funding of £1.777m was allocated in the First Supplementary Budget of 2018-19 to support the fund. My officials worked closely with local government during the summer to ensure families could access the grant in good time ahead of the start of the new academic year.
76. As part of this draft budget, we have allocated £3.554m in 2019-20 to double the amount of funding for PDG Access, to support parents and families across Wales. My officials are currently considering the options for targeting this additional funding and will be working with partners to develop our approach.
77. PDG Access is more flexible and relevant to the needs of disadvantaged learners. We have: extended eligibility, by including those starting education as well as those moving into secondary school; widened the range of items that can be purchased; and increased the amount of funding per child to £125 (from £105 under the previous School Uniform Grant).
78. It is too early to know at this stage what the impact is or how many families have been supported – this information will be provided by local authorities in due course.

Education workforce

Details of budget allocations to finance the Welsh Government's reforms of Initial Teacher Education and Training (ITET) and development of a national professional learning offer for the education workforce, and the new professional standards for teachers.

79. Approximately £0.160m has been made available from the ITE Policy budget within the Teacher Development and Support BEL in 2018-19 and 2019-20 to finance the Welsh Government's reforms of Initial Teacher Education (ITE).
80. Our new Iaith Athrawon Yfory Welsh medium incentive scheme commenced in September, targeted at students undertaking an eligible postgraduate secondary ITE programme enabling them to teach through the medium of Welsh. We have allocated costs of up to £0.376m for academic year 2018/19 from the Training and Teaching Grants budget within the Teacher Development and Support BEL to support the new incentive scheme.
81. In May I announced proposals for a new, nationally provided, part-time PGCE for academic year 2019/20. This will include a highly prestigious, new national Employment Based Route (EBR), to form part of a coherent suite of high quality alternative routes into teaching. We have allocated up to £0.9m in 2018-19 and 2019-20, from our Employment Based Initial Teacher Training budget within the Teacher Development and Support BEL, to develop and deliver these proposals.
82. Up to £0.2m has been allocated in 2018-19 and 2019-20 for a communications and marketing campaign for Teaching in Wales, met from our Training and Teaching Grants budget within the Teacher Development and Support BEL.
83. A further £0.563m has been made available in 2018-19 to support the work of implementing the new professional teaching and leadership standards, and for the development of professional standards for support staff and challenge advisors. The intention is to allocate approximately £0.460m to schools, via regional consortia, through existing pioneer grant funding streams to support school-based professional learning and research focused on SLO (Schools as Learning Organisations) and PTLs (Professional Teaching and Leadership Standards). The remainder of the funding will support the development of support staff and challenge advisor standards and to undertake communications and engagement activity on all standards.

Information on any funding provided by the Welsh Government to the Education Workforce Council.

84. The Education Workforce Council (EWC) administers a number of activities on the Welsh Government's behalf where funding is provided via an annual grant to support these activities. Funding of up to £6.025m has been made available to the Education Workforce Council in 2018-19 to support this work, including;

- the administration and notification of Qualified Teacher Status (QTS); Induction, appeals and certification;
- the administration of the Induction, Early Professional Development (EPD) and Masters in Educational Practice (MEP) Programmes.
- the administration, maintenance and development of the Professional Learning Passport (PLP);
- Bespoke development of the PLP;
- contribution towards the registration fee for practitioners that are required to register with EWC; and
- the administration and notification of Initial Teacher Education (ITE) Accreditation.

Budget provision for the National Academy for Educational Leadership.

85. The establishment of the National Academy for Educational Leadership (NAEL) is a specific objective within Ambitious and Learning, to support our school leaders of the future who will be the driving force behind our reforms. We have set aside £1m per annum from the Raising School Standards BEL to support the new academy, which became operational from September.
86. The budget for the NAEL's first financial year of operation and a three year remit letter are currently being agreed. I will be issuing a written statement in November once the plan is approved. The remit letter will set out objectives for the use of their funding for 2018-19 including; the development of the NAEL as an organisation; making an impact on the availability and quality of leadership provision across Wales and securing their place as a strategic thought leader within the middle tier.

Information on any financial implications from the supply teaching cluster pilots and other ongoing consideration of relevant reforms

87. The School-based Supply Teacher Cluster pilot project is being funded from the Raising School Standards BEL. £2.7m was allocated across three financial years (2017-18 to 2019-20) to meet the costs of the pilot across two academic years (2017/18 and 2018/19).
88. Grant offer letters were issued to participating local authorities across Wales in November 2017. The grant is payable against actual salary and on-cost expenditure incurred to support the employment of 50 supernumerary teachers within schools to: cover planned and unplanned teacher absences, rather than using agency staff; raising standards and providing continuity of learning for pupils; and consistency of employment for recently qualified teachers. The aim of the pilot is to offer schools a sustainable and viable alternative approach to meeting their absence cover needs while adding value and building capacity across the school clusters.
89. The pilot is currently being evaluated by ARAD research to measure its effectiveness. This includes the cost benefit and providing supporting evidence such as case studies so that schools and local authorities, as the employers of

teachers, can consider the benefits of this type of direct employment model approach.

Curriculum for Wales

An update on funding to support the development and design of the new Curriculum for Wales.

90. We have allocated a total of £20m over the two year period 2018-19 and 2019-20 to support the development and implementation of the new curriculum in preparation for its introduction in 2022. This funding has been met from the Curriculum Review BEL (£5.4m per annum) and the Teacher Development and Support BELs (£4.5m per annum). Through our collaborative Pioneer schools approach we have invested in schools' and practitioners' expertise and experience as we collectively develop and rollout the new curriculum. Schools will continue to be the main beneficiary of our curriculum reform funding in 2019-20.

Planned future funding for the new curriculum, given it is a long-term programme of work, and how the Welsh Government is ensuring the sustainability of the funding.

91. We are investing in the transition to a new curriculum for Wales through our reform budgets and pioneer programme. Professional learning is key to the successful future sustainability of our new curriculum for Wales and we are investing in our teachers' and school practitioners' teaching and learning through the pioneer programme.

Infant class sizes

An update on the budget provision for reducing infant class sizes; how many schools, classes and pupils will benefit in 2019-20 and 2020-21.

92. Funding totalling £36m (£16m capital and £20m revenue) has been made available over this Assembly term to reduce infant class sizes. For 2019-20, we have set aside £5m revenue (£2m from Raising School Standard BEL and £3m from School Improvement Grant BEL) and £5m capital from the Education Infrastructure BEL to support this commitment.
93. The criteria for the Reducing Infant Class Sizes Grant is infant classes of 29 or over in schools which have at least one or a combination of:
- significant levels of eligibility for free school meals;
 - significant levels of SEN;
 - where Welsh/English is not the first language; and/or
 - below average outcomes - where the school is categorised as Red or Amber in the School Categorisation system.

94. Over 90 additional teachers and 18 Higher Level teaching assistants are being appointed in over 90 schools across Wales through the revenue element of the grant. 34 schools will benefit from the creation of over 50 additional classrooms through the capital element of the grant where this is necessary to reduce infant class sizes. This will mean around 100 schools will receive funding of capital and/or revenue enabling them to reorganise resulting in smaller infant class sizes. This will benefit over 400 infant classes within these schools, which equates to around 10,700 infant pupils attending these schools who will derive benefit from the grant funding.

An update on allocations of the £16m revenue and £20m capital funds.

95. The £16m revenue element of the grant has been distributed to local authorities on a formula basis weighted:
- 60% in relation to the Nursery and Primary School Teaching and Other Services Indicator Based Assessment (IBA) element of the SSA and
 - 40% in relation to the number of infant classes of 29 and over in each local authority.
96. Local authorities are administering the grant on behalf of the Welsh Government and were required to submit a business case evidencing how their proposal meets the fundamental aim of reducing infant class sizes in schools that meet the target criteria. All 22 local authority business cases have now been approved. A breakdown of revenue allocations over the lifetime of the grant is included at **Annex F**.
97. The £20m capital element of the Grant was subject to a bidding process - 17 local authorities submitted bids, where reducing infant class sizes in schools that meet the criteria is dependent on the creation of additional classrooms. All 17 bids have been approved in part or in total with projects totalling £17.9 m approved to date.

Detail of how the Welsh Government will assess the value for money of the investment in reducing infant class sizes, how it will measure the success of the funding, and what targets or desired outcomes are being set.

98. Local authority business cases for the revenue element of the grant were required to include a range of data detailing existing support being provided to the schools targeted, data on infant class sizes, numbers of pupils with FSM, additional learning needs, teacher/pupil ratios, performance and attendance. They were also required to provide detail of anticipated outcomes in line with the criteria for the grant.
99. This baseline data will be used to monitor progress on outcomes over the four years of the grant. With regards to the measure of success, we expect to see a reduction in infant class sizes in the schools targeted. We will be monitoring the number and percentage of pupils in classes of 29+, together with the number of teachers appointed through the grant.

100. We expect to see an improvement in outcomes for infant pupils in the schools targeted. We will monitor the performance of these schools in terms of overall Foundation Phase Outcomes and the performance of pupils eligible for Free School Meals and those with SEN. Where these classes have high levels of FSM we would expect to see a reduction in the gap between these children and their peers and anticipate seeing fewer of these schools in Red or Amber categories. We will also be looking at the overall package of support that schools are receiving to raise standards in order to measure the impact of the funding.
101. Along with quantitative benefits we would also expect to see a reduction in teacher workload in the schools targeted, increasing both the quantity and quality of time that teachers spend with individuals with a related increase in the well-being of both teachers and pupils. The Welsh Government will evaluate the grant at the end of the grant period.

Surplus places and small/rural schools

An update on the small and rural schools grant, how it is being allocated and what it is being used for.

102. A total of £10m (£2.5m per annum) has been invested in the Small and Rural Schools Grant, from the Raising School Standards BEL, over the period 2017-18 to 2020-21. The grant is allocated to local authorities on a formula basis incorporating factors for sparsity and school size as follows:
- 70% by reference to sparsity (based on the population in each local authority outside settlements above the thresholds of a specified population from the 1991 Population Census); and
 - 30% by reference to the number of primary schools maintained by the local authority with fewer than 90 pupils.
103. The key purposes of the grant funding are:
- to encourage innovation e.g. the use of new digital technologies to combat the issue of professional isolation (including virtual classrooms);
 - to support greater school to school working, including collaboration and federation;
 - to provide additional administrative support where the head teacher has a significant timetabled teaching commitment (over 10% of the timetable); and
 - to increase the community use of school buildings, where there is evidence of demand, whether this is for educational or non-educational purposes.
104. Almost all proposals include an element of school to school working, this includes teachers/head teachers working together across schools on personal development and areas of mutual interest, sharing of specialist posts, schools working together to develop shared policies and procedures and some schools developing more formal federations under one governing body. There are also examples of schools appointing administrative staff to reduce the administrative burden on head teachers, in some cases these posts are shared across schools.

Some schools are using the funding to increase community use of school buildings, for example to build a changing room to facilitate use by the community of a school's football pitch. To date around 400 schools are benefitting from the grant.

How the grant is being evaluated for value for money.

105. The key purposes of the grant themselves reflect value for money considerations. For example, federations allow schools to come together under one governing body sharing best practice, expertise, staff and resources for the benefit of all schools in the federation. Whilst the overall aim is to improve outcomes this often results in cost savings for the school. Opening up school premises to the wider community can generate income for the school, helping to ensure schools remain viable within their communities.
106. Local authorities are responsible for administering the grant and are required to submit costed proposals. Payment of the grant is subject to receipt and approval of a satisfactory progress report. Value for money considerations are taken into account as part of the approval process.

Information on any budget provision associated with the issuing of a new School Organisation Code and any policy changes it encompasses.

107. The draft School Organisation Code⁷ was laid before the Assembly for 40 days on 17 September 2018, in accordance with the requirements of the *School Standards and Organisation (Wales) Act 2013*. The policy changes encompassed in the revised School Organisation Code are set out in the Explanatory Memorandum⁸ which accompanies the draft Code. There is no budget provision for the Education MEG associated with the issuing of the revised Code, as costs are staff related.

Education Improvement Grant (EIG)

Information on budget provision in 2019-20 and comparison with previous years.

108. Based on previously published plans, the EIG for Schools was projected to reduce by £11.093m in 2019-20. In our draft Budget for 2019-20, I have utilised our *Prosperity for All* funding (allocated in final Budget 2018-19) to reinstate this funding. This change does not constitute a removal of funding that the Education MEG contributed to the Local Government and Public Services MEG in last year's draft budget, as reflected in the BEL tables at **Annex B**.

⁷ [SUB-LD11730 - School Organisation Code](#)

⁸ <http://www.assembly.wales/laid%20documents/sub-ld11730-em/sub-ld11730-em-e.pdf>

109. As a result of this change, we will continue to make available more than £118m through the EIG in 2019-20, which will provide additional resources to regional consortia and local authorities in delivering against national and regional priorities. We will continue to protect the Foundation Phase delivery element of the grant.

A copy of the outcomes framework used by the Welsh Government for monitoring the impact of the EIG and any guidance issued to or by regional consortia.

110. My officials have been working to streamline our grants to regional consortia, providing just two main grant awards in 2018-19: the Pupil Development Grant and the Regional Consortia School Improvement Grant. The Regional Consortia School Improvement Grant encompasses the EIG.
111. In December 2017 my officials wrote to consortia Managing Directors providing them with a funding letter, confirming the indicative grant allocations and expectations for 2018-19. The letter asked consortia to take account of our priorities and actions outlined in *Our National Mission* in their business plans, both in their high level published plans and in their detailed supporting planning. A revised funding letter was issued to consortia Managing Directors in March along with the draft outcomes framework and grant award. The regional consortia outcomes framework and business plans are made available on their websites.

Allocations to each regional consortia for each year since 2015-16 and planned allocations for 2019-20.

112. The EIG allocations to consortia for the years from 2015-16 to 2019-20 (indicative) are included in the table below. The figures are presented net of any LA match-funding.

Consortium	£000				
	2015-16	2016-17	2017-18	2018-19	2019-20 indicative
CSC	43,461	41,359	41,210	35,607	35,591
GwE	30,920	29,398	29,186	26,638	26,629
ERW	39,978	38,079	37,752	33,609	33,604
EAS	26,661	25,446	25,134	22,285	22,314
Total	141,021	134,282	133,282	118,138	118,137

Confirmation of the purposes the Welsh Government expects the EIG to be used for and any assessment available on how much is spent on each of these respectively.

113. The purpose of the Regional Consortia School Improvement Grant, of which the EIG is part, is to support the regional consortium and the related authorities within the consortium in delivering our aspirations and priorities for schools and education outlined within *Ambitious and Learning* from our national strategy, *Prosperity for All*, and our plan of action for education, *Our National Mission*.

114. The funding letter issued to Consortia in December 2018 is formalised within two formal grant awards to regional consortia, the Pupil Development Grant and the Regional Consortia School Improvement Grant.
115. The funding letter outlines our overarching national priorities for 2018-19 and how these should be delivered in the context of *Our National Mission*. The funding must support consortia to deliver against our national priorities for education, at the centre of which is a transformational curriculum and a focus on four key enabling objectives which their action will support:
- Developing and delivering a high quality education profession
 - Inspirational leaders working collaboratively to raise standards
 - Strong and inclusive schools committed to excellence, equity and well-being
 - Robust assessment, evaluation and accountability arrangements supporting a self-improving system.
116. The outcomes will be supported by a range of measures and key performance indicators, as outlined in consortium business plans and will form part of the Education Outcomes Framework approach.
117. The EIG is one of several funding streams supporting our national priorities and whilst there is scope for it to be used flexibly, it remains predominantly focused on the Foundation Phase and teaching and learning in schools.

Information on the guidance the Welsh Government is issuing to consortia and local authorities on use of the EIG.

118. My officials engage regularly with consortia Managing Directors and the Welsh Government outlined our priorities and asked consortia to structure their business plans around the overarching and enabling objectives in *Our National Mission*. My officials discussed a number of expectations with consortia Managing Directors and shared information intended for the grant award, such as the continued need to work towards the Foundation Phase ratios; reduce administration spend where possible and take a school-focused approach to determining their spending plans, maximising the funding delegated to schools.
119. The terms and conditions of grant also require the grant to be organised around a number of pre-requisites and requirements including:
- Policy requirements and expectations including for Learning in a Digital Wales
 - Sustainability and citizen-focused action
 - National Model for Regional Working
 - Joint consortia working
 - Equity of approach
 - Cluster working where appropriate
 - Challenge Adviser support and School Development Plans
 - Value for Money and additionality of funding

- Maximising funding to schools
- Minimising administration and management costs
- Support for Design and Development of the new curriculum
- Welsh language
- EIG - Foundation Phase; Support for Welsh in Education Strategic Plans; and Local Authority match funding

Support for Minority Ethnic and Gypsy, Roma and Traveller learners

An update on the latest position for the method of funding support for Minority Ethnic and Gypsy, Roma and Traveller learners and the total amounts of funding provided.

120. The decision in 2018-19 to include support for minority ethnic and Gypsy, Roma and Traveller learners in the prioritisation of funding to Local Government reflects the Welsh Government's intention that these learners should be supported through core local education services; it should not be an add on.
121. However we listened carefully to the concerns raised subsequently and agreed an additional £8.7m in 2018-19 to support all Local Authorities in providing support for these learners. This funding recognised that transitioning the service to one which is more sustainable for the long term takes time.
122. For 2019-20, £8.7m has been allocated from Reserves to the School Improvement Grant BEL, to support all 22 local authorities in the continued development of a sustainable model.

How the use and impact of this funding is being monitored and evaluated.

123. Use of the funding will be monitored in line with our general principles for grant monitoring.
124. Alongside this, I am keen that my officials work with local government to consider potential models for the future, including considering best use of funding and mechanisms for monitoring and evaluating.

The formula used to allocate the £8.7m transitional funding in 2018-19 and the intended approach for 2019-20.

125. The allocations for 2018-19 were based on PLASC data 2017 for non-white British learners, resulting in the allocations outlined in the table at **Annex G**. I expect a similar approach will be used to allocate the funding for 2019-20.

Regional consortia

Details of how much Welsh Government funding is channelled via the regional consortia, including a breakdown (where possible) of the different funding streams and which BELs they are financed from.

126. As confirmed my officials wrote to consortia in December 2017, outlining the funding available for the 2018-19 financial year via the PDG and the Regional Consortia School Improvement Grant. Structured against the overarching and enabling objectives in *Our National Mission*, the funding letter provides detail on the following funding streams:

- PDG (Pupil Development Grant BEL)
- EIG (School Improvement Grant BEL)
- Pioneer grants (Curriculum Review BEL)
- Raising School Standards grant to consortia (Raising School Standards BEL)
- Learning in a Digital Wales (LiDW) Phase II CPD grant (Supporting Digital Learning in Education BEL)
- Global Futures Modern Foreign Languages support (Curriculum and Assessment BEL)
- GCSE grant (funding stream comes to a close at the end of 2018-19)
- National Numeracy Test Support (Literacy and Numeracy BEL)

Information on how much of the funding received by consortia is retained centrally by the consortia and how much is passed on to local authorities and schools.

127. My officials are currently undertaking a review of consortia funding, recognising the percentage of our Education MEG schools budget delivered to and through consortia has increased over time. The review will focus predominantly on the EIG and the Looked After Children element of the PDG. Our intentions are clearly outlined in the grant award, that the majority of funding should be delegated to schools. In line with the National Model for Regional Working, the core costs of regional working are a matter for Local Authorities and should be funded from the core contributions they provide to regional working. For example, the EIG requires 80% of the grant funding stream is delegated to schools. The PDG is almost entirely delegated to schools with exceptions around some areas including for Looked After Children.

Any update on any assessments that have been made of the consortia's impact and value for money.

128. A number of external exercises to assess the consortia's impact and value for money have been undertaken since the consortia were first established in 2012. These reviews have been fundamental in supporting the development of regional school improvement services and providing direction on next steps. These are:

- Joint review by Estyn and the Wales Audit Office (WAO) on "*Achieving Improvement through Regional Education Consortia*" 2015 (including development of an inspection framework for the regional consortia);

- Estyn inspection of regional consortia in 2015 and follow up visits in 2017;
- The Organisation for Economic Development (OECD) reviews of the Welsh education system in 2014 and 2016 were both supportive of the approach to regional school improvement services in terms of the economies of scale and increased levels of collaboration that they provide. They made recommendations that the infrastructure should be further strengthened to support school improvement going forward.

129. These reviews have helped the Welsh Government and the consortia to refine and improve the efficacy of its work. We continue to keep this under review. Under proposed evaluation and improvement arrangements, we are considering how to make the most of peer-reviewed, validated self-evaluation to inform ways of making the consortia more effective and improving value for money.

Estyn

Information on the process for determining Estyn's budget allocation, including what discussions are held with the inspectorate on their required levels of funding.

130. Officials in Welsh Government are in regular contact with Estyn to discuss both in-year financial issues and future year budgets. This includes capital and non-cash allocations. The indicative budget for Estyn for 2019-20 has been reviewed after feedback from Estyn officials around their ability to effectively deliver on their functions with the budget reduction of £0.597m that was proposed in last year's budget. There has also been a reduction of £0.2m to reflect Estyn's revised non-cash requirement. As a result, the Estyn Programme Expenditure (resource) BEL, within the Local Government and Public Services MEG has increased by a £0.397m in draft Budget 2018-19, bringing Estyn's total resource budget to £10.853m in 2019-20.

Any implications for Estyn's budget or for Welsh Government budget lines from Professor Donaldson's report, A Learning Inspectorate, and the Welsh Government's response.

131. My officials are working with Estyn to consider the recommendations from the report and their implications for the education reform process and will also explore any cost implications for Estyn and Welsh Government if the recommendations are taken forward

Qualifications

Allocation to Qualifications Wales and how this compares with previous years.

132. The allocation of grant funding to Qualifications Wales for 2019-20 and previous years as approved by the National Assembly for Wales is set out in the table below. Whilst there are no changes to the grant in aid funding for Qualifications Wales in 2019-20, there is an increase to the non cash budget (for depreciation and amortisation) of £0.115m, to reflect the costs associated with the Qualifications in Wales database.

	2016-17 £000	2017-18 £000	2018-19 £000	2019-20 £000
Grant in Aid	8,304	8,042	8,042	8,042
Non-Cash	100	100	100	215
Total	8,404	8,142	8,142	8,257

Information on the process for setting Qualifications Wales' budget, including what discussions are held with the regulator on their required levels of funding.

133. By the end of November, before the financial year to which it relates, the Welsh Government issues Qualifications Wales with a draft grant allocation letter. This is followed by a final grant allocation letter issued as soon as possible, and normally no later than one month, after the National Assembly for Wales has approved the final budget. This letter includes the voted grant allocation figure and any related budgetary control totals.
134. The grant allocation letter reflects the degree of independence that Qualifications Wales has, in that the letter does not contain a list of objectives expected to be achieved with the funding granted. The Welsh Ministers may, however, direct Qualifications Wales to have regard to particular aspects of government policy or other matters and request Qualifications Wales to provide the Welsh Ministers with information or advice on particular matters relating to any of its functions.
135. The Sponsorship Branch within Welsh Government is the main point of contact for Qualifications Wales and liaises regularly with them to review the organisation's financial performance against budget. The Branch monitors the propriety of Qualifications Wales' activities by observing both Board and Audit and Risk Committee meetings.

Welsh-medium education

Budget provision to support the Welsh Government's Welsh-medium education strategy and local authorities' Welsh in Education Strategic Plans (WESPs).

136. The Welsh in Education Strategic Plans provide a basis for the planning of Welsh-medium education across Wales. This also includes bilingual and Welsh language education. Their development is a statutory requirement for local authorities.
137. Local authorities use funding from a number of sources to implement their Welsh in Education Strategic Plans (WESPs) including activities supported and delivered through the 21st Century Schools Capital programme and the Regional

Consortia School Improvement Grant (RCSIG). In the delivery of their RCSIG, the regional consortia are asked to ensure that the programme of activities funded reflect the priorities set out in the local authorities' WESPs.

138. Aled Roberts was appointed to establish an Advisory Board to review the legislation underpinning Welsh-medium education planning, specifically the WESP current regulations (The Welsh in Education Strategic Plans and Assessing Demand for Welsh Medium Education (Wales) Regulations 2013). The WESP Advisory Board met for the first time on 17 May. A budget of £0.1m has been allocated from the Welsh in Education BEL to support this activity.
139. The Welsh in Education BEL also supports the WESPs through programmes to support the informal use of the language, the development of the language skills of practitioners through the Sabbatical Scheme, and the commissioning of teaching and learning resources.
140. A fund of £30m Welsh Medium Capital Grant with additional support from the Childcare Offer Capital Grant programme was established for capital projects to support the growth in Welsh medium education. Local authorities were invited to bid for funding and applications from all 22 local authorities were received. The bids have undergone detailed assessment and prioritisation and the announcement was made on 19 September by the Minister for Welsh Language and Lifelong Learning that the total funding commitment of £46m will deliver 41 projects across 16 local authorities and create 2,818 school and childcare places for Welsh medium learners.

How will the Welsh in Education budget Action support the Welsh Government's Welsh Language Strategy and its target of one million Welsh speakers by 2050?

141. The Welsh Government's strategy *Cymraeg 2050: A million Welsh speakers* was published in July 2017 and includes a cross-government commitment to reaching a million Welsh speakers by 2050. The education system has a key role to play in achieving this aim, and there are a number of transformational changes that will be required in order to meet the targets.
142. For 2019-20 a budget of £29.361m has been allocated within the Welsh in Education BEL to support the educational elements of Cymraeg 2050. As the Welsh language is a cross cutting theme, in addition to this budget allocation, other departments support the development of Welsh within the education system. Although not easily quantified, the total monetary support for the Welsh language in education is significantly higher.
143. The budget allocation provides support across all stages of education, from childcare and early years provision to the provision of Welsh for Adult courses via the funding of the National Centre for Learning Welsh.
144. The Welsh in Education BEL also provides support to develop the language skills of practitioners through the Sabbatical Scheme and a programme of support to encourage the informal use of the language in schools and by young people.

There is also a commitment to support an ongoing programme to commission Welsh-medium and bilingual teaching and learning resources in support of the curriculum and post-16 vocational qualifications.

145. In addition, the Education Directorate leads on the implementation of activities and actions in response to the education priorities identified within the strategy, for example increasing the number of teachers, curriculum development and support for learners with additional learning needs. The Education MEG will continue to provide support for these activities in 2019-20.

The time profile of the £4.2m announced by the Cabinet Secretary in July 2017 to increase the Welsh-medium capacity of the teaching workforce (funded from the Raising School Standards BEL in 2018-19) – Is this being repeated in 2019-20?

146. The funding for professional learning activity to support the teaching and learning of Welsh is continuing, with £5.030m allocated from the Raising School Standards BEL in 2019-20 to support the development of Welsh in the education system and the delivery of the Action Plan, published in December 2017. This has increased annually since the original allocation of £4.2m in 2017-18. The allocation for 2018-19 is £4.785m.

Additional Learning Needs

The financial implications of the Additional Learning Needs and Education (Wales) Act 2018 in the draft budget 2019-20.

147. As outlined under the legislation section, the total budget allocation for the ALN Transformation Programme is £5.736m in 2019-20, to be drawn from both the Additional Learning Needs BEL (5115) and the Raising School Standards BEL (5511). The costs associated with implementation of the Act itself is outlined in the detailed draft Budget (Annex C) published on 23 October. Any associated administrative costs can be met from the EPS running costs budget.

Budget provision to support the ALN Transformation Programme.

148. The costs associated with the Additional Learning Needs and Educational Tribunal (Wales) Act 2018 and the wider ALN Transformation Programme are outlined under the legislation section of this paper.
149. For 2019-20, £3.2m of the transformation programme budget will be drawn from the Raising School Standards BEL to fund the Regional ALN Transformation Leads. The remaining £2.536m will be met from the Additional Learning Needs BEL to fund: implementation/transition support; workforce development; awareness raising; and supporting policy.

An update on the arrangements for funding the training of educational psychologists in Wales.

150. The Welsh Government currently awards a grant to Cardiff University which pays fees and bursaries for 10 students per year on their three year Doctorate in Educational Psychology professional training programme. I have decided to continue with this arrangement and strengthen it by linking a minimum number of bursaries to students who can already, or have the potential to work through the medium of Welsh, and by encouraging students to stay and work in Wales immediately after graduation.

Emotional and mental health of children and young people

The financial implications for the Education MEG of the Welsh Government's response to the Committee's recommendations in its Mind Over Matter report, including the call for a ring-fenced resource for schools to become community hubs of cross-sector and cross-professional support for emotional resilience and well-being.

151. In September 2018, the Cabinet Secretary for Health and I jointly established a ministerial task and finish group to consider the issue of a whole school approach to health and wellbeing, with a focus on mental health and addressing the specific education recommendations contained in Mind Over Matter. So far we have agreed dedicated funding up to a maximum of £300,000 per annum (pro rata for the 2018-19 part year) to resource the work, split equally between the Education MEG and Health and Social Services MEG. Any further financial implications will be considered as the detailed work-programme develops.
152. Currently the Community Learning Centres and Community Hubs Task and Finish Group is looking at ways to maximise community use of school facilities by providing guidance and examples of good practice. £15m has been made available to promote community hubs and proposals for funding will be considered by officials representing a range of policy areas including those covering health and wellbeing. This is being funded from the Education Infrastructure BEL, with £10m allocated in 2018-19 and the remaining £5m in this draft budget for 2019-20.

Information on the funding for school counsellors and other school-based staff supporting pupils' emotional and mental health needs.

153. As stated in an earlier section of this paper, the vast majority of the funding provided by the Welsh Government to Local Government, including for schools, is unhypothecated through the RSG. Local Authorities may determine how they use this funding, alongside other income streams, to fulfil their statutory duties and meet local needs and priorities. It is, therefore, not possible to say how much funding is provided for counsellors and school-based staff supporting pupils' emotional and mental health needs.

Youth work

Information on budget provision within the Education MEG to support Youth Work

154. For 2019-20, there is a budget of £7.3m within the Youth Engagement and Employment BEL to support youth work. This includes an additional £2.5m allocated from Reserves for improving mental health services. The Minister for Welsh Language and Lifelong Learning has clearly signalled her commitment to securing the strategic direction of youth work in Wales, and the additional funding acknowledges the role that youth work service can play in emotional and mental health both in school and in the community.
155. The additional £2.5m for 2019-20 will be targeted specifically at improving services for young people, focusing on wellbeing, resilience, and emerging mental health issues. It will be informed by the youth work pedagogical approach, which aims to support young people's personal, social, and emotional development, and which is well placed to help address emerging mental health and well-being issues.
156. To ensure it forms part of our overall approach to youth work in Wales, it will be considered and embedded as part of our new Youth Work Strategy. This is being developed in partnership with young people and the sector and will be guided by our new Interim Youth Work Board.

Any changes which have occurred to the allocation of £3.5m allocated for 2018-19 and 2019-20 as a result of the review of Margaret Jervis's work on Extending Entitlement, as referred to in the Draft Budget paper 2018-19.

157. Margaret Jervis' work forms a crucial part of the evidence base, which will be considered by the Interim Youth Work Board, and has already played a vital role in informing the early stages of the development of the new Youth Work Strategy for Wales. This has helped ensure a focus on the importance of:
- a long-term strategy encompassing the breadth of youth work delivery in Wales;
 - being 'opportunity focused' rather than 'problem oriented', with young people guaranteed a meaningful voice in the design and delivery of services;
 - partnership working and a detailed understanding of how youth work is best resourced in the future;
 - robust training and development frameworks to ensure a skilled workforce; and
 - mechanisms for assessing the quality of youth work practice in Wales.
158. The Interim Youth Work Board will build on this evidence to inform how we realise these ambitions as part of the new strategy.

How the impact of the 10% reduction to the Youth Support Grant to £2.5m in 2018-19 has been monitored, as referred to in the Draft Budget paper 2018-19. What has the impact been?

159. In our draft Budget for 2018-19 the Welsh Government took a whole-Government approach to prioritise funding to Local Government for front line schools and

social care delivery. As part of this exercise, a transfer out of £0.385m to central Reserves was identified, which included a 10% reduction to the Youth Support Grant.

160. However, following engagement with our partners we recognised that, despite the measures we had taken to protect local government from the full impact of austerity, the challenges it brought to key areas of activity, including youth work, presented a risk to delivery. Additional funding was identified through the re-prioritisation of resources within the Education MEG, with an allocation made available to Local Authorities via the WLGA to support action they could take, including bringing forward work to minimise the impact of the cuts in 2018-19. This enabled them to make targeted investments, aimed at reducing the impact on service delivery as a result of the reduction in the grant awarded. The amounts made available were commensurate with each local authority's reduction to their Youth Support Grant allocations in 2018-19. We continue to work both with the Welsh Local Government Association, and the Principal Youth Officers, including via our grant funding mechanisms, to monitor delivery of work plans in line with the aims of the grant.

Allocations for the following grants and information about how these allocations have been informed by the reviews of them, reported to the Welsh Government in summer 2017 and referred to in the Draft Budget paper 2018-19. Please also provide information about the longer term intentions in respect of these grants.

- The Youth Work Strategy Support Grant
- The Welsh Government's Annual Grant to the Council for Wales of Voluntary Youth Services (CWVYS)
- The Welsh Government's Annual Grant to Education and Training Standards Wales (ETS Wales)
- The National Voluntary Youth organisation (NVYO) Grant
- How young people have been involved in informing the decisions about the allocations for youth work in the Draft Budget.

161. The table below provides a summary of youth support grant allocations for 2018-19, funded from the Youth Engagement and Employment BEL, to support statutory and voluntary youth services in Wales. The allocations for 2019-20 will be subject to final approval by the Minister for Welsh Language and Lifelong Learning after the final Budget is published in December.

Grant	2018-19 allocation £000
Youth Support Grant (includes £1.1m base allocation and £2.470m formula share)	3,470
Council for Wales Voluntary Youth Services (CWVYS)	100
Education and Training Standards Wales (ETS)	35
National Voluntary Youth Organisations Grant (NVYO)	679
Total	4,287

162. It is not possible to provide information about the longer term intentions in respect of these grants while a new strategic approach is actively being developed, and given that provisional budgets have not been set beyond 2019-20. However, the reviews undertaken into these grants have proved important in ensuring we maintain consistency during the development of our new strategic approach, allowing us to make changes (where appropriate) to the way in which they are administered, and forming part of the evidence base for the Interim Youth Work Board as they work with us to develop the new Youth Work Strategy for Wales. By way of example:

- The Review of the **Youth Work Strategy Support Grant** (since renamed the Youth Support Grant), confirmed the positive contribution the grant made to securing the delivery of youth work provision in Wales. It has shaped monitoring discussions with local authorities about the strategic impact of the grant - rather than focusing on outputs, helped us make clearer links with the National Indicators for Wellbeing, and is informing discussions around the needs analysis that underpins strategic choices, as well as the concept of ensuring 'sufficiency of provision';
- The Review of the Welsh Government's annual grant to the **Council for Wales of Voluntary Youth Services (CWVYS)** indicated that overall there was a positive impact resulting from this funding. Its findings and recommendations have helped shape the regular discussions that take place between Welsh Government Officials and CWVYS representatives in respect of the monitoring of this grant;
- The Review of the Welsh Government's annual grant to **Education and Training Standards Wales (ETS Wales)** indicated that this investment represented value for money. Also that ETS Wales fulfilled the roles that it is funded to provide, and did so very effectively, with strong support from the sectors who are represented in its membership. The report will continue to inform discussions around the objectives and targets associated with grant funding in 2019/20; and
- The Review of the **National Voluntary Youth organisation (NVYO) Grant** indicated the importance of the NVYO grant and the positive impact it has on national voluntary organisations' capacity to deliver youth work provision to young people across Wales. We have fulfilled the recommendation to continue to provide core funding through this grant but are not currently able to develop longer term funding cycles (more than the current two years) given the uncertainty about our future budget beyond 2019-20. We have offered advice and support to those organisations that were unsuccessful in applying for funding, as recommended by the review, and will continue to implement the recommendations identified in future rounds of funding where possible to do so.

163. Whilst young people have not been involved directly in decisions about the allocations for youth work in this budget, they have been involved and consulted as part of the majority of reviews undertaken and published, including through focused discussions led by Margaret Jervis and youth work stakeholders to inform her report 'Our Future'. Further, a number of our grant criteria require that young people are consulted and involved in the implementation of funding proposals, and this has contributed to their resulting impact on outcomes for young people. They have, therefore, indirectly informed the draft Budget,

including our decision to maintain consistency during the development of our new strategic approach.

Childcare offer

An updated assessment of the implications for the Education MEG of the Welsh Government's childcare offer, for example Foundation Phase grant funding, capital funding and relationship with funding in the RSG.

Capital

164. We have allocated £60m of capital funding from the Education Infrastructure BEL of the Education MEG over the three year period (2018-21) to fund the Childcare Offer. This funding is to support the co-location of existing Foundation Phase provision with the new childcare offer provision on a single site, wherever possible, and to ensure there is sufficient childcare in the right areas, with a specific focus on developing new provision in areas that currently lack childcare services, in particular in rural and disadvantaged areas.
165. Formal and detailed applications were received at the end of September. Early indications suggest that bids received will be considerably more than the money available. Discussions are taking place with the individual Local Authorities regarding their proposals and many are looking to use the opportunity to develop childcare facilities, alongside their Band B proposals for 21st Century Schools and as part of their plan to increase the number of Welsh speakers, by combining projects funded from the Welsh Medium Capital Grant. The outcome of bids for the Welsh Medium Capital Grant was announced recently and included projects that combine funding from the Childcare Offer Grant. By combining these grants together we have been able to fund projects that meet the criteria and policy objectives of both, thereby maximising the value achieved from the funding available. As with the Welsh Medium Capital Grant, the money remaining from the Childcare Offer Grant will be allocated in order of each bid's score against the criteria for the Grant up to the allocation available. Bids falling under the allocation line will be held on a waiting list, if further funding becomes available, or in circumstances where successful bids fail to come to fruition or are delivered for less than allocated.

Foundation Phase

166. We are continuing to assess the emerging evidence of the impact of the early implementation of the Childcare Offer. Significant funding to support the Foundation Phase is already provided through the RSG and the EIG for schools.
167. In September, I published statutory guidance on the delivery of the Foundation Phase for three and four year old learners to local authorities which sets out their legal duties in terms of ensuring the quality of early education.

168. We will continue to keep this area under review as the Childcare Offer continues to be rolled out across Wales and will be assessing, and acting on, any potential impacts which might adversely affect the delivery of the early education offer.

Capital funding for school and college infrastructure

Information on budget provision for 21st Century Schools and progress of the programme to date, including expenditure and numbers of projects completed/approved to date.

169. Band A of the programme will deliver in excess of £1.4 billion of investment, with the Welsh Government providing 50% of the funding. To date the Welsh Government has approved funding for 167 projects of which 107 have been completed and 49 are in construction. The projects approved have committed funding of £736.6m up to 2020-21 in line with approved budgets. Up to 2017-18, the Welsh Government provided funding of £539.3m.

Clarification of the timescales for Band A will be complete by April 2019 and the timeframe of Band B, including expenditure and numbers of projects completed/ approved to date.

170. Most Band A projects will be completed by April 2019. A few projects have been delayed for a variety of reasons but will still be eligible for funding. To compensate for this, and to ensure that funding is used as efficiently as possible, some early start Band B projects have been progressed.

The latest position regarding the use of the Mutual Investment Model for Band B and the impact this will have on the money available.

171. Band B includes the capital equivalent of £500m to be delivered via the Mutual Investment Model (MIM) and we are working with our partners to ensure that this expenditure is profiled effectively. MIM schemes will include a capital element, for items such as furniture, fittings and equipment, and this has been accounted for in our budget.

Further education

A detailed breakdown of the Further Education BEL into its constituent funding lines including the sums for the first (remaining 2018/19 FEI commitment), second (6th Forms), third (sum to derive FEI allocations) and additional calls on it.

Whilst the BEL allocations have been published, specific amounts of funding per activity have not yet been agreed.

Details of the planning process and how the budget settlement will meet the Welsh Government's statutory obligations in respect of provision of education to 16 – 19 year olds under the Learning and Skills Measure 2009 and those pursuant to achieving the Wellbeing Goals.

172. The 2018/19 FEI grant funding letters now include a requirement for all FEIs to confirm their 2019/20 local curriculum offer data on Careers Wales Online and checks will be made to ensure compliance with the Learning and Skills (Wales) Measure 2009.
173. The Learning and Skills Measure 2009; ensures that all post 16 institutions must offer all students a minimum of 30 courses, at least 5 of which must be vocational. The vocational courses must fall across at least 3 domains, one of which has to be in the mathematics, science and technology domain.
174. Officials will continue to engage with the 14-19 co-ordinators in consortia and college representatives to ensure all schools and colleges meet the requirement of the measure.
175. The funding methodology that works in tandem with the planning process recognises the increased statutory obligation on 16-19 year olds and changes in demographics that already influence the School Sixth Form allocations are being considered for the FE funding methodology as well.

Copies of the most recent two years of Further Education Financial Forecast Planning Assumptions guidance issued to FEIs.

176. The most recent two years of Further Education Financial Forecast Planning Assumptions guidance issued to FEIs is attached at **Annex H**.

Details regarding the intended planning baseline to be used to allow the 2019/20 FEI sector-wide aggregated core funding allocation to be derived.

177. The funding allocations for FE for 2019/20 will be based upon the baseline funding that colleges received for 2018/19; which was £293.443m. That figure will then be amended for demographic shift and other changes introduced by the new FE funding formula. Details on that will not be available until after the final budget for the 2019-20 financial year published in December 2018.

Details of any intended 2019/20 (or if undecided yet, the resource available in the 2019-20 budget for) allocations to FEIs beyond 'core funding' including details of all non-core and hypothecated funding (including the FEI led work-based learning contracts).

178. It is not possible to calculate allocations to FEIs beyond the core funding at this point in the year, however, to give an illustration the 2018-19 equivalent is shown below:

Activity	Budget £000
Skills Development Fund	6,700
Junior Apprenticeships	502
Employment Bureau	40
REACH	634

179. Almost all FEIs are involved in the delivery of Work Based Learning (WBL) provision; either as a direct contract holder, a consortium member or a sub-contractor. The income that FEIs receive from WBL contracts was £81.533m (based on 2016-17 data). The budget available for WBL contracts in 2019-20 is greater than that available in 2016-17. It is, therefore, expected that the WBL funding received by FEIs will also increase.

Details of the intended general “unit rate” (core-funding) increase to be applied for 2019/20 with rationale for the uprating figure and an assessment as to its sufficiency, taking into consideration the contents of the relevant Further Education Financial Forecast Planning Assumptions, including the likely sector-wide pay award.

180. At the time of writing the outcome of the post-16 sector pay award is unknown and, therefore, it is too early in the budget setting process to determine whether the unit rate will change.

The rationale for any deviation or intended deviation between the planning assumptions FEIs are asked to make in their forecasts and the intended “unit rate” increase (core-funding) for 2019/20, particularly any assumptions relating to highly fixed-cost base items such as staffing, pay-awards and pensions.

181. The financial forecasts are currently for five years in advance, but due to change to three from 2018-19, and are a key source of information to enable the Welsh Government’s monitoring of financial health and financial planning of Further Education Institutions. Assumptions are provided to ensure robust and comparable forecasts, however these are not set in stone. It is important to note that these forecasts are solely for the purpose of financial monitoring and any assumptions provided for their preparation by the Welsh Government do not provide indication or commitment of any future funding decisions. These assumptions are shared in March, which, for example, is before pay negotiations have begun.

Details of the indicative FEI allocation for 2020/21 and 2022/23 in-line with the intended 3 year indicative settlement within the Post 16 Planning and Funding Framework as recommended by the Auditor General for Wales in the report published February 2017. If this is not available, a rationale for why three-year indicative settlements have not been introduced.

182. Whilst our aim is to publish a budget for a three year horizon, which would give our FE Colleges greater certainty in planning for a longer budget period, this can only be achieved with greater clarity about the revenue resources available to Welsh Government from Westminster.
183. We recognise – and are sympathetic to – the calls from our public sector partners for budgeting over a longer period whenever possible in order to support forward financial planning. Despite the very real uncertainties we have faced in recent years, we published two-year revenue plans last year and capital plans for the three years for which we have a settlement.

184. Our ambition to publish plans for longer than 12 months must however be balanced with our ability to provide realistic and sensible planning assumptions. The continuing fiscal uncertainty; ongoing pursuit of austerity by the UK Government and the considerable uncertainty surrounding the shape and nature of the negotiations for the future deal with the EU, mean we have taken the decision to publish revenue plans for 2019-20 only, with capital plans for the next two years – 2019-20 and 2020-21.
185. To support financial planning beyond these years, the Chief Economist's report, which is published alongside the draft Budget, provides an analysis of the medium-term fiscal projections, which will help to inform scenarios for future resource spending in Wales.

Details of the anticipated split in core and non-core funding between full-time and part-time FE provision including an updated assessment of how the budget settlement to FEIs will support the lifelong learning policy imperative which according to Welsh Government “has never been more important” [Prosperity for All pg. 18]. How has Welsh Government assessed the level of part-time funding to ensure it is sufficient to make reasonable progress toward the Prosperity for All well-being objectives and key themes relating to learning and lifelong learning?

186. The FE Funding methodology is currently being reviewed and the split of FT and PT funding is one element of that. Officials are working closely with the sector but changes introduced by the new FE funding formula will not be available until after the final budget for the 2019-20 financial year published in December 2018.
187. This new approach, inspired by the Wales Audit Office report in February 2017 and subsequent Public Accounts Committee inquiry, will complement the parallel new Working Wales scheme, Diamond fees and maintenance support arrangements to provide employability and skills support for learners in work and out of employment.

Details of the intended uplift for delivering provision in sparse and deprived areas for 19/20.

188. There is currently an allowance within the funding model to recognise the additional costs of delivering in educationally deprived areas and also to learners living in rural areas. These allowances are currently under review and will likely be applied from 2019/20 once the final budget is confirmed in December 2018.
189. Officials have been working closely with the FE sector in reviewing the sparsity and educational deprivation allowances.

An assessment regarding the sufficiency of the sparsity uplift taking into consideration representations made by two FEIs within the 2017 WAO report that it does not cover the cost of delivering provision in these areas.

190. The review of the sparsity allowance has been undertaken in close working partnership with those colleges that deliver in the most rural areas to ensure that full consideration of the additional costs have been taken into account. This work forms a part of the overall funding review, the details of which should be confirmed in December 2018.

Details of the intended uplift for delivering provision through the medium of the Welsh Language and bilingually for 2019/20.

191. The Welsh Medium uplift within the funding model is also being reviewed. However, it is not anticipated that the outcomes of this review will be completed in time for the 2019/20 academic year, and therefore the Welsh medium uplift allocations will remain unchanged from those in 2018/19.

Details of any capital funding to FEIs.

192. The question is not time specific, however Further Education Institutions have been award the following funding under the different programmes.

Programme	Time Period	Intervention rate	WG Funding £000
21 st Century Schools and Education Programme – Band A	2014-2019	50%	49,950
'Have a Go' Equipment	2015-2017	100%	370
2016/17 Capital Grant	2016-2018	50%	9,620
2016/17 IT & Equipment Grant	2016-2018	100%	11,380
FE Maintenance Grant	2018-2020	100%	10,000
Skills & Equipment Grant	2018-2020	100%	10,000
Total committed to date			91,320

193. Under Band A of the 21st Century Schools and Education Programme the FEIs have had £101.9m of projects approved, across the sector as shown below:

Further Education Institution	£000
Coleg y Cymoedd: Railway Training Centre	3,080
Coleg y Cymoedd: Aberdare Campus	22,000
Grŵp Llandrillo Menai: Engineering Centre	13,590
Grŵp Llandrillo Menai: Basic Skills Centre Llangefni	2,530
CAVC: City Centre Campus	45,800
Coleg Cambria: Bersham Rd Campus	8,250
Pembrokeshire College: Learning Campus - Vocational Centre	6,600
Total	101,850

194. In addition to the above funding, under 21st Century Schools and Education Programme – Band B, indicative envelopes of £191m capital and £131.4m Mutual Investment Model have been allocated to FEI's across wales.

Consolidated financial forecast for FEIs over the next three years.

195. The forecasts from FEI's are collected to inform financial health monitoring as part of the funding agreement. This is third party information collected by the

Welsh Government and it is not appropriate to share this information with the committee as FEI's are not public sector bodies.

Details regarding the Adult Community Learning allocation and an assessment on whether the previous Welsh Government strategy of protecting the funding for Adult Basic Education and ESOL remains relevant and why.

196. The Community Learning Grant for 2018-19 is £4.3m. The grant is allocated to local authorities on the basis of a financial settlement established in 2000.
197. A consultation on proposals to restructure the delivery and funding of adult learning in Wales has just ended. A summary of consultation responses will be published in due course and they will feed into a revised policy determining the funding and delivery of adult learning.
198. According to the latest evidence from the National Skills Survey (2010) 12% of adults in Wales have Entry level literacy skills and 51% have Entry level numeracy skills. Whilst these issues remain such a problem in Wales, the Welsh Government continues to see them as priorities. The Adult Learning in Wales policy was published in July 2017 and reaffirmed the provision of Essential Skills, ESOL and Digital Literacy as the priorities of the Welsh Government.
199. An updated ESOL Policy for Wales reaffirms the commitment to fund ESOL as an Essential Skill and will be published shortly.
200. Our Digital Literacy support follows the Essential Digital Literacy Skills framework designed by Qualifications Wales.
201. Provision includes courses focused on older learners, families and unemployed people to help them to access online services and support in a safe and secure manner.
202. Courses range from Entry Levels through to ECDL (European Computer Driving License) and are free to the learner at the point of delivery.
203. Providers work within their communities and adult learning partnerships to ensure provision meets local demand and is coordinated with wider support through the Digital Communities Wales programme.
204. Whilst Essential Skills and ESOL remain priorities, then it is vital that we continue to protect this funding for adults.

Higher education

A consolidated financial forecast for the HE sector over the next three academic years from 2018/19:

205. This information is provided to HEFCW in confidence by HEIs and the Council do not publish this level of information at a sector level as there are so few

institutions in Wales. I understand that the Funding Council are currently in the process of collating the forecast information that was provided at the end of July. This information will be considered by HEFCW's Audit and Risk Assurance Committee in October and the Council in November.

206. As it is not within the Welsh Government's gift to release this information, the Committee should contact HEFCW with this request and for a fuller explanation about their processes.
207. However, for information I attach at **Annex I**, a copy of the written evidence that I provided to the CYPE committee for the HE/FE scrutiny meeting in October. This includes a Welsh Government summary of the income levels of the Higher Education sector in each financial year since 2012, with forecast income levels for each financial year up until 2021/22.

Details of the indicative 2019/20 HEFCW allocation including details and sums of any hypothecated elements of this allocation.

208. The Welsh Government's funding to HEFCW is allocated on a financial year basis and is un-hypothecated. It is then a matter for HEFCW to determine the allocation of those resources taking account of government priorities which are set out in my annual remit letter. The 2019-20 remit letter, which will be issued before the end of March 2019, will also set out the financial resources allocated to HEFCW for the 2019-20 financial year, following Assembly approval of the Budget.
209. The Draft Budget proposes the following allocation to HEFCW for the 2019-20 financial year:

Allocations	2019-20 £000
HEFCW Revenue Expenditure	141,052
HEFCW Depreciation	90
HEFCW Capital	10,000
Total	151,142

210. By comparison, the final allocations provided to HEFCW in the last three financial years (2017-18 to 2018-19) were as follows:

Allocations	£000		
	2016-17	2017-18	2018-19
HEFCW Running Costs	2,491	n/a	n/a
HEFCW Revenue Expenditure ⁹	87,575	114,242	122,216
For Our Future	30,168	n/a	n/a
HEFCW Receipts	- 2,798	n/a	n/a
HEFCW Depreciation	82	90	90
HEFCW Capital Expenditure	n/a	5,900	10,000

⁹ With effect from the 2017-18 financial year the HEFCW Revenue Budget consists of an amalgamation of the For Our Futures, HEFCW Running Costs and HEFCW Receipts budget lines that were in place in previous years.

Total	117,518 ¹⁰	120,232	132,306
-------	-----------------------	---------	---------

Details of the call on the 2019-20 Education MEG for the Apr-Jul portion of the 2018/19 academic year HEFCW allocation, and an indication of whether this deviates from HEFCWs indicative 2019-20 allocation. We understand that HEFCW has already used an indicative 2019-20 budget forecast to derive its 2018/19 funding.

211. The Welsh Government's funding to HEFCW is allocated on a financial year basis and is un-hypothecated. It is then a matter for HEFCW to determine the allocation of those resources taking account of government priorities which are set out in my annual remit letter. My understanding is that HEFCW convert their financial year allocation into an academic year budget in order to determine their allocations for the coming academic year. They do this by using a proportion of one year's budget (usually around 60%) with the balance (40%) being derived from their indicative allocation for the following financial year.
212. It is for the Council to determine the distribution of funds allocated to it by the Welsh Government. The committee should contact HEFCW with this request for information and for a fuller explanation about their processes.

Details regarding any indication as to how the sector intends to apply the £12.5m 2018/19 cut in funding which will impact one or more of the funding lines for QR, Expensive Subjects and credit-based PT provision, and if the 2019-20 budget makes provision to restore this funding in the latter part of the 2018/19 academic year? If so, please provide details regarding the basis (terms and conditions etc.) by which the funding will be allocated to HEFCW.

An assessment of the impact of the £22.5m 2017/18 HEFCW cut and £12.5m 2018/19 HEFCW cut had and will have on the Welsh Government's agreement in principle to maintain QR funding in real-terms for five years in response to the Diamond Review.

213. As the funding provided by Welsh Government is un-hypothecated, it is therefore a matter for HEFCW to determine the distribution of the funding allocated and to determine how to manage any reductions in its funding. My understanding is that the Council took a decision to apply a funding adjustment to its 2017/18 and 2018/19 academic year's allocation on a pro-rata basis across all of its budget lines. This reflects a decision taken by the Council that their funding for QR, postgraduate research, part-time undergraduate teaching and expensive subjects are of equal strategic priority. In their view, this approach allows HE providers to make their own decisions as to where and how the funding reduction should be applied within their own institutions. HEFCW expect that decisions about allocations to departments and courses will be made strategically by institutions in the light of local circumstances and priorities and with due regard

¹⁰ In addition to the funding allocations listed, in 2016-17 HEFCW received additional funding of £4.178m to support a range of activities including: funding to enhance capacity building in educational research; funding to alleviate the impact of budget reductions on HEFCW's Expensive Subjects premium; funding to increase collaboration between HE and FE; and an adjustment to take account of a shortfall in HEFCW's anticipated receipts.

to the potential impact of allocations in terms of their statutory responsibilities, including for equality and diversity as well as other Welsh Government priorities.

214. As outlined in **Annex I**, between 2010/11 and 2016/17, income from funding body grants decreased by around £242m (from £416m to £174m), but income from full-time tuition fees increased by around £435m (from £229m to £664m). Overall, income to the sector has therefore increased by more than £200m over the period, and is projected to continue to increase in the future.
215. Information provided by HEFCW at a recent CYPE committee session suggested that income had actually fallen between 2015/16 and 2016/17 academic years. Whilst this is confirmed in the latest official data, which suggests a slight drop (around £25m) in income at a sector level, the financial year information (which is used in all Welsh Government statistical and budgeting information) shows a continuation of an increase in income in that year.
216. My remit letter for 2019-20, which will be issued by the end of March 2019, will set out my priorities for the coming year and will look to the Council to continue to prioritise support for part-time provision, expensive subjects and research.

Details of how institutions have deployed the funding provided by the Interim Masters support package allocated to HEFCW for 2018/19.

217. In October 2017, I announced that the Welsh Government would be providing funding to Welsh institutions (via the Higher Education Funding Council for Wales (HEFCW)) to offer additional support to eligible postgraduate students who choose to study in Wales. A total of £10.9million has been made available over three financial years. The aim is to help incentivise student progress and encourage Welsh students to return to Wales to study, in line with our response to the Diamond Review. HEFCW set out the details of the scheme in a circular¹¹ published in January:
218. The funding allocated to HEFCW was calculated on the basis of around £4,000 for each student – based on an initial estimate of the number of students that would apply for support in 2018/19. However, in order to remain within budget, and to take account of possible variances in the number of applications, HEFCW's approach to calculating allocations was based on £3,416 per student. Details on the background, design and rationale for the scheme and the method for calculating allocations to institutions is provided in HEFCW's circular. Whilst institutions were given discretion to determine their own method for distributing the funds allocated to them, the circular made clear that awards must be given only to those students eligible for loans set out in the 2017/18 Postgraduate Masters Degree Loans regulations.
219. In order to monitor the use of these funds, HEFCW have asked providers to provide details of the support being offered and how it is being advertised to prospective students. These details are included at **Annex J**.

¹¹https://www.hefcw.ac.uk/documents/publications/circulars/circulars_2018/W18%2001HE%20Interim%20Postgraduate%20Taught%20PGT%20Masters%20support%20package%20for%20AY%202018_19.pdf

Whether the £10m Fee Mitigation Funding HEFCW intends to release for 2018/19 will be continued into future academic years and details of any amounts in the 2019-20 budget that relate to fee mitigation funding beyond 2018/19.

220. The £10m fee mitigation funding was allocated to HEFCW as £5m in 2018-19 and £5m for 2019-20 to help institutions deal with the short term planning implications of the announcement. There are no plans at the present time to supplement this funding beyond the commitments made to implement reforms to higher education and student finance and I would have expected institutions to have planned on that basis.

Details regarding the projects agreed with HEFCW and undertaken by institutions using the Strategic Change Fund of £20m.

221. Details are provided in HEFCW's Strategic Change Fund outcomes circular¹².

Details of any sums in 2019-20 intended for delivery of Degree Apprenticeships considering HEFCW's statement that the 2019/20 funding round for Degree Apprenticeships will be "more comprehensive".

222. HEFCW received additional funding in 2016-17 to support the development of investment in higher level apprenticeships and to enable institutions to develop degree level qualifications which could in the future be incorporated into apprenticeship frameworks. A further £3m has been allocated in 2018-19 and £5m in 2019-20 to support the provision of degree apprenticeships by Welsh institutions.
223. I wrote to HEFCW in May confirming that I had asked officials to prioritise Degree Apprenticeships funding within their budget considerations for future years in order to meet the ongoing commitment linked to the estimated costs to support the delivery of Degree Apprenticeships in Wales.
224. Initial estimates for the delivery of degree apprenticeships were around £20m over the first three years of its operation but these figures are dependent on the level of uptake by employers and individuals.

Diamond and Reid Implementation

In its last budget scrutiny submission to this Committee, Welsh Government forecast that the cost of the Tuition Fee Grant (TFG) would drop from £223m for 2018-19 to £129.9m for 2019-20. Please update this information for 2019-20 and beyond, and account for the use of any savings in TFG costs in the 2019-20 budget. In particular provide details of any

¹²https://www.hefcw.ac.uk/documents/publications/circulars/circulars_2018/W18%2022HE%20HEFCW%20Strategic%20Change%20Fund%20Outcomes.pdf

sums that are (sometimes known as the Diamond Dividend), and are not to be, 're-invested' into the HE sector and where they have been re-allocated.

225. An updated forecast for the cost of the full-time undergraduate tuition fee grant is provided in the table below.

Forecast cost of the full-time undergraduate tuition fee grant

Forecasts of financial year costs

	£000			
	2018-19	2019-20	2020-21	2021-22
Tuition fee grant	223,000	134,000	59,000	14,000

Source: Higher Education Division internal analysis, Welsh Government

226. The majority of the savings from the removal of the tuition fee grant will be used to fund the continued phase-in of the enhanced maintenance grants for undergraduates and the contribution to costs grant for postgraduate Masters students. Forecasts for the costs of these policies are provided in response to the request for information on the new grants below.
227. The draft 2019-20 budget contains an increase in revenue funding for the HE sector, via HEFCW. Additional allocations have also been made to HEFCW's budget for the continuation of the postgraduate interim bursary scheme and degree apprenticeships. No funding has been allocated outside of Higher Education, but there remain areas of uncertainty within budget requirements. For example, the funding required by Student Loans Company for continued implementation of the student finance reforms (e.g. postgraduate support for new students from 2019/20) is not yet known and the costs to student finance budgets could exceed current forecasts. It is likely that this will mean that transition phase between the new and old system will be more expensive than operating the old system – this is likely to be the case for 2017-18, 2018-19 and possibly 2019-20.

Details of any amounts within the 2019-20 budget intended to fund the second and third recommendations of the Reid report. If no funding has been allocated toward the Reid recommendations, please provide a rationale for doing so and an assessment of how any delay in funding the review recommendations might impact on research and innovation funding in Wales and the sectors call for rapid progress on the report recommendations.

228. At this moment in time, there is no additional funding planned in 2019-20 to support the second and third Reid recommendations. We agree that, working across sectors, Government can do more to increase the visibility and influence of Welsh research and we accepted all the recommendations in principle. Recommendations two and three relate to future resources, beyond existing budgets. We welcome the direction of travel set out in these recommendations, having already committed to accept, in principle, the relevant recommendations from the Diamond Review. We recognise, however, that policy and funding decisions from the newly-formed UK Research and Innovation (UKRI) are still emerging and we remain committed to influencing and responding to these changes on behalf of Wales and Welsh research and innovation.

229. The continuation of funding at current levels is not likely to have any impact on the performance of the research and innovation (R&I) community in the short term.
230. In relation to Reid's second recommendation, part of this was the endorsement of the Diamond Review recommendation regarding the reinstatement of research funds for the HE sector. This budget confirms that we are progressing with the reforms of higher education and student finance and in line with the Government response to the review this extends to considering additional support for research funding in future financial years as appropriate.

Forecast expenditure in 2019-20, 2020-21 and 2021-22 on providing Masters Loans and Doctoral Loans.

231. Updated forecasts for the cost of the postgraduate support packages available to Masters and doctoral students are provided in the table below.

Forecast cost of the postgraduate student support policies

Forecasts of financial year costs

	£000			
	2018-19	2019-20	2020-21	2021-22
Postgraduate Masters				
Contribution to costs grant [1]	0	11,000	19,000	23,000
Contribution to costs loan	40,000	45,000	47,000	51,000
Contribution to costs loan at RAB	-1,000	1,000	2,000	2,000
Postgraduate doctoral				
Doctoral loan	1,000	2,000	4,000	4,000
Doctoral loan at RAB	0	1,000	1,000	1,000

Source: Higher Education Division internal analysis, Welsh Government

[1] Excludes funding provided to HEFCW to operate an interim bursary scheme for new students in the 2018/19 academic year, prior to the implementation of the Welsh Government response to the Diamond Review from 2019/20.

Forecast expenditure in 2019-20, 2020-21 and 2021-22 on the Diamond Maintenance Grant and Basic Maintenance Grant, including forecast expenditure for students who will study in non-Welsh UK institutions.

232. Updated forecasts for the costs of the grants being made available to undergraduate and postgraduate students, in response to the recommendations of the Diamond Review, are provided in the table below. These forecasts include both the universal (non-means-tested) and means-tested elements of the grants.

Forecast cost of grants following the Diamond Review recommendations

Forecasts of financial year costs

	£000			
	2018-19	2019-20	2020-21	2021-22
Full-time undergraduate maintenance grant	162,000	199,000	231,000	252,000
Of which, students:				
in Wales	98,000	120,000	140,000	152,000
elsewhere in the UK	64,000	79,000	91,000	100,000
Part-time undergraduate maintenance grant	7,000	15,000	20,000	22,000

Of which, students:				
in Wales	7,000	14,000	18,000	21,000
elsewhere in the UK	0	1,000	1,000	1,000
Postgraduate contribution to costs grant		11,000	19,000	23,000
Of which, students:				
in Wales		9,000	15,000	18,000
elsewhere in the UK		2,000	4,000	5,000

Source: Higher Education Division internal analysis, Welsh Government

233. Full-time undergraduates from Wales have the greatest cross-border flow, with around 60% remaining in Wales to study and 40% attending an institution elsewhere in the UK. In contrast, the vast majority (over 90%) of part-time undergraduates study at an institution in Wales. Just over three quarters (76%) of postgraduates are expected to study at an institution in Wales. These location splits are reflected in the forecast costs above.

Student Support General

Forecast expenditure in 2019-20, 2020-21 and 2021-22 on the remaining Welsh Government student support grants including Welsh Government Learning Grant Further Education (WGLG FE) and Education Maintenance Allowance (EMA).

234. Updated forecasts for student finance policies not covered above are provided in the table below. Costs are expected to remain quite static over the next few years.

Forecast costs of targeted grants for HE students and support for FE students

Forecasts of financial year costs

	£000			
	2018-19	2019-20	2020-21	2021-22
Targeted grants and allowances [1]	19,000	19,000	19,000	19,000
Education Maintenance Allowance (FE)	18,000	18,000	18,000	18,000
Welsh Government Learning Grant (FE)	5,000	5,000	5,000	5,000

Source: Higher Education Division internal analysis, Welsh Government

[1] Includes Grants for Dependents, Disabled Students Allowances and Travel Grants.

Summary

235. The Education MEG Draft Budget for 2019-20 is presented to the Committee for consideration.

Kirsty Williams AM
Cabinet Secretary for Education

Eluned Morgan AM
Minister for Welsh Language and Lifelong Learning

Action level summary

As requested by the Committee, a summary of draft budget changes by Action relevant to this Committee is provided below. As outlined in the paper, the summary reflects changes from the First Supplementary Budget figures for 2018-19 (as the year on year comparator) and the 2018-19 final Budget (as the baseline figure).

Literacy and Numeracy Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
7,456	6,556	-	6,556

- The budget funds a range of interventions to support the agenda of improving literacy and numeracy skills of children and young people. Funding within this Action specifically supports the implementation of actions set out in the National Literacy and Numeracy Programme. The budget also supports the development and delivery of the National Reading and Numeracy Tests and the phasing in, over a three year period, of online personalised assessments.
- Literacy and numeracy are however embedded across the delivery of education policies. The support offer for literacy and numeracy is already delivered in an effective and efficient method by consortia through the Regional Consortia School Improvement Grant, which has within its remit the priorities of literacy and numeracy. This adds substantially to the total support offered for these skills in schools.
- Invest to Save funding totalling £8.5m has been approved, covering the period 2016-17 to 2019-20, with repayments following for a further five years from 2020-21 until 2024-25. This represents approximately 75% of the estimated costs for developing and delivering the online adaptive tests. The budget for Literacy and Numeracy includes Invest to Save allocations of £3m for 2018-19 and £2.1m for 2019-20. There are no changes to the plans previously published for 2019-20.

Curriculum Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
13,517	13,233	(1,403)	11,830

- This Action is made up of the Foundation phase BEL (policy work only, the delivery funding now sits in the Education Improvement Grant within the Education Standards Action), the Curriculum and Assessment BEL and the

Curriculum Review. The budget decreases by £1.403m compared to previously published plans for 2019-20.

- The reduction relates to the Progress for Success (PfS) ESF project, based on the ESF income profiled for 2019-20. The ESF grant for 2019-20 covers all expenditure for the current Programme, and as a result, no additional match funding is required from the Foundation Phase BEL to support this project. The reduction will therefore not impact on this work – if the business plan is approved the ESF grant will support the extension to the West Wales and Valleys programme and capacity within the Childcare, Play and Early Years budgets (within the Health and Social Services MEG) will allow us to provide similar provision in East Wales to facilitate a National programme.
- The plans for 2019-20 include the reductions actioned in last year's draft budget to reflect; the planned reduction in support for Techniquet and Techniquet Glyndwr (£0.220m) and the end of the First World War Education commemoration programme (£0.054m).
- The budget also includes £1m to support Music Priorities in 2018-19 and 2019-20 as part of the two-year Budget agreement with Plaid Cymru.

Teaching and Leadership Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
18,804	18,664	15,000	33,664

- The budget supports the funding for Initial Teacher Education (ITE) and continuing professional development for teaching professionals, including the Pioneers network of schools. This includes funding for teacher training incentives (both HE and FE), the Graduate Teaching Programme (GTP), together with the new part-time Post Graduate Certificate in Education (PGCE), to provide a high quality alternative to full-time ITE study, and the new Employment Based Route (EBR), which will see a student teacher employed by a school from the outset. It also funds the Education Workforce Council for administration of Qualified Teacher Status and the Induction Programme in schools, including distribution of funding to support NQT mentoring and support.
- The budget increases by £15m, compared to previously published plans for 2019-20, as a result of the additional £15m allocated in the 2019-20 outline draft Budget for schools.
- The baseline budget for 2019-20 includes a reduction of £0.2m for the Masters Programme, actioned in last year's budget, as a result of the contract coming to a natural end.

Qualifications Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
8,142	8,142	115	8,257

- The *Qualifications Wales Act 2015* established Qualifications Wales as the independent regulator for qualifications in Wales and gives the organisation principal aims and a range of functions in relation to the qualification system and qualifications awarded in Wales. Qualifications Wales is funded via a grant from the Welsh Ministers.
- The budget has increased by £0.115m for 2019-20, to reflect the increased non-cash costs for the amortisation of the Qualifications in Wales database. This increases the total non-cash budget for Qualifications Wales to £0.215m. There are no changes to the grant in aid budget for Qualifications Wales for 2019-20 which remains at £8.042m.

Post-16 Education Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
408,946	400,819	19,492	420,311

- This Action includes funding for learning in local authority sixth forms, Adult Community Learning (ACL) venues, and Further Education Institutions (FEIs). A small amount of the resource is used to support new initiatives and quality improvement activities; as well as funding to support the delivery of the Seren networks that supports progression to Sutton Trust universities for the most able and talented of our learners.
- The decreased value of £8.127m between 2018-19 Supplementary budget and Final budget 2018-19 plans are as follows:
 - reduction to Sixth Form funding of £9.827m; and
 - a net increase of £1.7m for industrial skills.
- The budget for the post-16 Education Action has increased in 2019-20 compared to the 2018-19 Final budget by £19.492m. This is made up of the following:
 - a transfer in of £1.591m from the Supporting Digital Learning in Education BEL for JISC;
 - a £7.207m transfer from Reserves as part of the £18.3m funding for Prosperity for All, which combined with the additional £2.620m from Reserves in draft Budget 2018-19, fully reverses the cut of £9.827m for school Sixth Forms actioned in last year's budget;
 - an increase of £7m from reprioritisation within the Education MEG, to provide support for a predicted 2.5% demographic increase of 16-19 learners; and

- an allocation in from Reserves of £1.074m to fund the school teachers' pay award, specifically for teachers in school sixth forms, which will continue to be funded outside of the local government settlement.

Higher Education Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
121,519	129,760	11,382	141,142

- The increase of £8m between 18-19 Supplementary budget and Final budget 18-19 plans are as follows:
 - an increase of £5m as a decision to freeze tuition fees; and
 - an increase of £3m in respect of degree apprenticeships.
- The budget for the Higher Education Action has increased by £11.382m in 2019-20 compared to the 2018-19 Final budget. This is made up of the following transfers:
 - £5.0m from the Work Based Learning BEL in respect of degree apprenticeships;
 - £5.0m from the Student Support Grants BEL to fund the continuation of the postgraduate interim bursary scheme; and
 - £1.382m from Reserves to cover the Global Wales funding under the first tranche of EU Transitional Funding
- As part of the budget agreement with Plaid Cymru, funding in the budget for 2018-19 and the baseline budget for 2019-20 includes £20m funding to support Higher Education and Further Education which will allow the sectors to prepare for the implementation of the Welsh Government response to the Diamond review. In line with the findings of the Diamond review, this money will encourage closer collaboration between the sectors in preparation for reforms to Post Compulsory Education and Training (PCET).
- The budget within the HEFCW capital BEL (Depreciation) of £0.090m has been maintained at 2018-19 levels.

Education Standards Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
152,889	137,296	19,757	157,053

- Based on previously published plans, the EIG was projected to reduce by £11.093m in 2019-20. The full reduction of £11.093m has been reversed in this budget, through transferring part of the *Prosperity for All* funding (totalling £18.3m) allocated in final Budget 2018-19.
- A further £8.7m has been allocated from Reserves to the School Improvement Grant BEL in 2019-20 for minority ethnic, Gypsy, Roma and Traveller learners, to support local authorities' continued development of a sustainable model. An additional £8.7m has also been allocated for 2018-19, of which £5m was actioned in the First Supplementary Budget 2018-19. The remaining £3.7m will be formalised in the Second Supplementary Budget 2018-19.
- The School Governance BEL has reduced by £0.036m, which represents the removal of funding from the BEL in its entirety from 2019-20. This follows the planned reductions in last year's budget of £1.088m for Governors Wales (£0.282m), Independent Investigation Service (£0.106m) and School Uniform Grant (full grant of £0.7m). The remaining £0.036m is no longer required following the decision to cease the Independent Investigation Service contract at the end of July 2018. The replacement of the School Uniform Grant, PDG Access, is now funded from the Pupil Development Grant (PDG) BEL.
- There are no changes to the Raising School Standards BEL, which includes an allocation of £25m for 2018-19 and £25.5m for 2019-20, as part of our £100m investment over this Assembly term.

Pupil Development Grant Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
95,523	93,746	3,554	97,300

- The Pupil Development Grant (PDG) BEL has increased by £3.554m in 2019-20 following the allocation from Reserves to maintain and further expand PDG-Access, to support parents and families across Wales. In the First Supplementary Budget for 2018-19, £1.777m of funding was transferred to support PDG-Access from the start of this academic year.
- There are no changes to the budget for PDG grant in 2019-20.

ICT and Information Management Systems Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
6,609	6,609	(2,139)	4,470

- This Action supports the delivery of the curriculum through providing access to a range of high quality digital teaching tools and resources, including: Hwb through the Learning in Digital Wales (LiDW) programme; the Unique Learner Number project; and in house data management systems.
- There has been a reduction of £2m to this budget as a result of two transfers within the MEG as a result of administrative changes:
 - £1.591m to the Further Education Action (Further Education Provision BEL) for JISC, a UK shared service network for post 16 education; and
 - £0.548m to the Employment and Skills Action (Employability and Skills BEL) for Application Maintenance and Support.

Wellbeing of Children and Young People Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
18,997	18,997	-	18,997

- The majority of this Action funds the specialist residential college placements for post 16 students with severe learning difficulties (Post 16 Specialist Placements BEL). This funding is statutory and demand led in accordance with Welsh Ministers duties under the Learning and Skills Act. There have been no changes to the budget for 2019-20 which remains at £12.481m. Specialist FE provision is essential in ensuring that those disabled young people whose needs cannot be met in their local college are able to access further education and training suitable to their needs.
- We have continued to protect funding within the Food and Nutrition in Schools BEL for the School Milk Scheme in the Foundation phase and at Key Stage 2 at a subsidised rate.
- There are no changes planned to the Additional Learning Needs BEL for 2019-20, in order to support our ambitious programme of ALN reform.

Post-16 Learner Support Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
582,988	563,172	(10,561)	552,611

- The budget for the Student Support Grants BEL sits within this Action. This budget includes the demand led statutory student support programme accounts for Higher Education (HE) and Further Education (FE). The budget supports Part-Time Grants and Fees, Student Loan Company (SLC) Targeted Grants, Student Support Grants, Tuition Fee Grant and the Education Maintenance Allowance.
- There has been a reduction from the 2018-19 final Budget of (£10.561m). The elements that contribute to the net decrease are:
 - £5.0m transfer to the HEFCW Expenditure BEL to fund the continuation of the postgraduate interim bursary scheme; and
 - a reduction of £5.561m to be reprioritised within the Education MEG and based on the latest estimate of student numbers entering and the continued demographic trends in HE. This will not disadvantage any student as legal entitlement to support is enshrined in legislation.
- We have maintained our commitment to provide financial support to students from the lowest household incomes into 2018-19 and 19-20 by continuing to provide most support to students who need it most. .

Pupil Engagement Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
515	515	-	515

- This Action funds activities aimed at small projects and improving outcomes for vulnerable/ disadvantaged learners through improving wellbeing, behaviour and attendance in schools; engaging families and communities; reducing exclusions; improving the quality of provision for learners education other than at school.
- There are no changes to the Tackling Disaffection BEL of £0.515m for 2019-20.

Youth Engagement and Employment Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
8,154	8,154	2,500	10,654

- This Action funds a number of youth support grants to support statutory and voluntary youth services in Wales and delivery of activity to support the continued implementation of the Youth Engagement and Progression Framework (Youth Engagement and Employment BEL). In addition, the Action also provides funding to Her Majesty's Prison and Probation Service (HMPPS) to support the provision of prisoner learning and skills in adult prisons. Funding is also available for innovative pilot projects which support the offender learning agenda, and to support essential skills delivery for those serving sentences in the community (Offender Learning BEL).
- An additional £2.5m has been allocated from Reserves in this budget to the Youth Engagement and Employment BEL for youth work and improving mental health services. Further information on this allocation is outlined in the evidence paper.

Welsh in Education Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
31,361	31,361	(2,000)	29,361

- Welsh in Education, supports the implementation of *Cymraeg 2050*, which includes the:
 - planning of Welsh-medium education;
 - delivery of practitioner training through the Sabbatical Scheme;
 - delivery of Welsh-language training through the National Centre for Learning Welsh;
 - commissioning of teaching and learning resources;
 - research, evaluation and marketing in respect of the strategy; and
 - funding for the Coleg Cymraeg Cenedlaethol.
- The budgets for 2018-19 and 2019-20 include a total of £6.5m per annum as a result of the two year Budget agreement with Plaid Cymru, with funding for:
 - £0.5m for improved provision of bilingual education resources;
 - £1m for Mudiad Meithrin; and
 - £5m for Welsh language funding (recurrent).
- The reduction of £2m to the Welsh in Education Action does not represent a cut in funding for Welsh language. It relates to a transfer of £2m to the Welsh

Language Action to promote the Welsh Language, building on activities which commenced in 2017-18. This forms part of the £5m Welsh language funding agreed with Plaid Cymru.

Welsh Language

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
6,964	6,964	2,000	8,964

- This Action supports activities and programmes under theme 2 (Increasing the use of Welsh) and theme 3 (Creating favourable conditions) of the strategy.
- The Welsh Language BEL within this Action, which has an allocation of £5.913m, supports the Welsh Government's strategy *Cymraeg 2050*, which includes a cross-government commitment to reaching a million Welsh speakers by 2050. The budget has increased by £2m in 2019-20, which reflects a transfer from the Welsh in Education Action of an element of the £5m Plaid Cymru Budget agreement funding to promote the Welsh language.
- There are no changes to the Welsh Language Commissioner (WLC) BEL of £3.051m to support the work of the WLC in a wide range of functions and powers which include:
 - ensuring compliance with the Welsh language standards;
 - promoting and facilitating the use of Welsh;
 - conducting investigations into allegations of interference with individuals' freedom to use the Welsh language with one another; and
 - Develop Welsh language terminology.

Delivery Support Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
1,570	1,501	-	1,501

- This Action funds marketing and communications, research and the International Education Programme (IEP). There are no changes proposed to this budget for 2019-20. This baseline budget for 2019-20 includes a number of reductions actioned in last year's budget, including:
 - £0.045m for the Strategic Communications BEL, as a result of the Remploy Programme coming to a natural end (£0.028m) and by making greater use of digital resources and developing in-house campaigns (£0.017m); and
 - £0.024m for Evidence and Research budget based on the profile of payments for PISA 2018.

Prosperity for All

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018-19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000
0	18,300	(18,300)	0

- In final Budget 2018-19, as a result of additional funding available following the UK Budget, the Education MEG was allocated an additional £18.3m to support the delivery of Prosperity for All. This was allocated to a new BEL within the MEG until final decisions were made on the deployment of this funding.
- In this draft budget, the funding of £18.3m has been allocated as follows:
 - £11.093m to the School Improvement Grant BEL to reverse the full reduction to the Education Improvement Grant actioned in last year's budget; and
 - £7.207m to the Further Education Provision BEL, which combined with the additional £2.620m from Reserves in draft Budget 2018-19, to fully reverse the cut of £9.827m for school Sixth Forms actioned in last year's budget.

Capital – Estates and IT Provision Action

2018-19 Supplementary Budget June 2018 £000	2019-20 Allocations as per 2018- 19 Final Budget £000	2019-20 Changes £000	2019-20 New Plans Draft Budget £000	2020-21 Allocations as per 2018- 19 Final Budget £000	2020-21 Changes £000	2020-21 New Plans Draft Budget £000
203,627	176,674	29,809	206,483	154,750	24,805	179,555

- This budget supports the 21st Century Schools and Education Programme which represents a strategic investment in our education infrastructure. It is being delivered through two waves; Band A and Band B. The budget will also be used to support any capital funding requirements to deliver our education priorities, including class sizes. The budget also includes capital funding for the Childcare offer of £60m over three years (2018-2021).
- The funding allocated in draft Budget 2018-19 for: HE Estate Rationalisation (£10m per annum in 2018-19, 2019-20 and 2020-21); support for FE essential maintenance (£5m per annum in 2018-19 and 2019-20); and FE industry standard equipment (£5m per annum in 2018-19 and 2019-20) continues to be included in this budget.
- In draft Budget 2019-20 we have allocated an extra £29.8m and £24.8m in 2019-20 and 2020-21. The purpose of the additional allocations is outlined in the evidence paper.

EDUCATION MAIN EXPENDITURE GROUP (MEG)							
RESOURCE BUDGET							
Action	BEL Description	2017-18 Final Outturn	2018-19 Supplementary Budget June 2018	2018-19 Forecast (Period 6)	2019-20 Plans as per 2018- 19 Final Budget	Changes	2019-20 New Plans Draft Budget
Literacy and Numeracy	Literacy & Numeracy	6,290	7,456	6,513	6,556	0	6,556
Total Literacy and Numeracy		6,290	7,456	6,513	6,556	0	6,556
Curriculum	Curriculum & Assessment	4,750	6,566	6,498	6,282	0	6,282
	Curriculum Review	5,190	5,400	6,100	5,400	0	5,400
	Foundation Phase	1,663	1,551	148	1,551	-1,403	148
Total Curriculum		11,603	13,517	12,746	13,233	-1,403	11,830
Teaching and Leadership	Teacher Development and Support	16,366	18,804	30,624	18,664	15,000	33,664
Total Teaching and Leadership		16,366	18,804	30,624	18,664	15,000	33,664
Qualifications	Qualifications Wales	7,211	8,142	8,265	8,142	115	8,257
Total Qualifications		7,211	8,142	8,265	8,142	115	8,257
Post-16 Education	Further Education Provision	409,876	408,946	412,168	400,819	19,492	420,311
Total Post-16 Education		409,876	408,946	412,168	400,819	19,492	420,311
Higher Education	HEFCW-Programme Expenditure	114,572	121,429	122,216	129,670	11,382	141,052
	HEFCW Capital	90	90	90	90	0	90
Total Higher Education		114,662	121,519	122,306	129,760	11,382	141,142
Education Standards	School Governance	1,010	36	78	36	-36	0
	School Improvement Grant	155,592	126,659	130,359	110,566	19,793	130,359
	Raising School Standards	20,147	25,000	25,000	25,500	0	25,500
	School Standards Support	2,290	1,194	1,194	1,194	0	1,194
Total Education Standards		179,039	152,889	156,631	137,296	19,757	157,053
Pupil Development Grant	Pupil Development Grant	91,982	95,523	96,250	93,746	3,554	97,300
Total Pupil Development Grant		91,982	95,523	96,250	93,746	3,554	97,300
ICT & Information Management Systems	Supporting Digital Learning in Education	6,551	6,609	4,970	6,609	-2,139	4,470
Total ICT & Information Management Systems		6,551	6,609	4,970	6,609	-2,139	4,470
Wellbeing of children and young people	Additional Learning Needs	2,405	2,786	2,758	2,786	0	2,786
	Food & Nutrition in Schools	3,293	3,730	7,312	3,730	0	3,730
	Post 16 Specialist Placements	13,084	12,481	13,537	12,481	0	12,481
Total Wellbeing of children and young people		18,782	18,997	23,607	18,997	0	18,997
Post-16 learner support	Student Support Grants	448,981	455,980	446,110	436,303	-10,561	425,742
	SLC/HMRC Administration Costs	12,518	13,862	14,411	13,723	0	13,723
	Student Loans Resource Budget Provision	327,900	106,849	106,849	106,849	0	106,849
	Targeted Student Support Awards	6,784	6,297	6,600	6,297	0	6,297
Total Post-16 learner support		796,183	582,988	573,970	563,172	-10,561	552,611
Estate and IT Provision	Education Infrastructure	43	0	-98	0	0	0
Total Estate and IT Provision		43	0	-98	0	0	0
Pupil Engagement	Tackling Disaffection	371	515	467	515	0	515
Total Pupil Engagement		371	515	467	515	0	515

Youth Engagement & Employment	Offender Learning	3,996	3,328	3,331	3,328	0	3,328
	Youth Engagement & Employment	5,135	4,826	4,562	4,826	2,500	7,326
Total Youth Engagement & Employment		9,131	8,154	7,893	8,154	2,500	10,654
Welsh in Education	Welsh in Education	27,206	31,361	29,050	31,361	-2,000	29,361
Total Welsh in Education		27,206	31,361	29,050	31,361	-2,000	29,361
Welsh Language	Welsh Language	6,181	3,913	6,224	3,913	2,000	5,913
	Welsh Language Commissioner	3,051	3,051	3,083	3,051	0	3,051
Total Welsh Language		9,232	6,964	9,307	6,964	2,000	8,964
Delivery Support	Strategic Communications	781	662	718	617	0	617
	Research Evidence and International	884	908	912	884	0	884
Total Delivery Support		1,665	1,570	1,630	1,501	0	1,501
Work Based Learning	Work Based Learning	128,736	115,709	115,709	111,113	-29,000	82,113
Total Work Based Learning		128,736	115,709	115,709	111,113	-29,000	82,113
Delivery Support - Skills	Marketing Skills	1,304	648	648	648	0	648
Total Delivery Support - Skills		1,304	648	648	648	0	648
Skills Policy	Skills Policy Engagement	887	1,061	1,219	1,061	0	1,061
Total Skills Policy		887	1,061	1,219	1,061	0	1,061
Employment & Skills	Employability & Skills	20,307	28,498	27,322	28,498	27,698	56,196
Total Employment & Skills		20,307	28,498	27,322	28,498	27,698	56,196
Educational & Careers Choice	Careers Wales	19,050	18,800	18,944	18,800	0	18,800
Total Educational & Careers Choice		19,050	18,800	18,944	18,800	0	18,800
Prosperity for All (Additional Education Allocation)	Prosperity for All	0	0	0	18,300	-18,300	0
Total Prosperity for All (Additional Education Allocation)		0	0	0	18,300	-18,300	0
EDUCATION - TOTAL RESOURCE BUDGET		1,876,477	1,648,670	1,660,141	1,623,909	38,095	1,662,004

CAPITAL BUDGET										
Action	BEL Description	2017-18 Final Outturn	2018-19 Supplementary Budget June 2018	2018-19 Forecast (Period 6)	2019-20 Plans as per 2018- 19 Final Budget	Changes	2019-20 New Plans Draft Budget	2020-21 Plans as per 2018- 19 Final Budget	Changes	2020-21 New Plans Draft Budget
Estate and IT Provision	Education Infrastructure	133,929	203,627	203,441	176,674	29,809	206,483	154,750	24,805	179,555
Total Estate and IT Provision		133,929	203,627	203,441	176,674	29,809	206,483	154,750	24,805	179,555
Higher Education	HEFCW Programme Expenditure	5,900	0	0	0	0	0	0	0	0
Total Higher Education		5,900	0	0	0	0	0	0	0	0
Qualifications	Qualifications Wales	69	0	0	0	0	0	0	0	0
Total Qualifications		69	0	0	0	0	0	0	0	0
Post-16 learner support	SLC/HMRC Administration Costs	5,556	0	0	0	0	0	0	0	0
Total Post-16 Learner Support		5,556	0	0	0	0	0	0	0	0
EDUCATION - TOTAL CAPITAL BUDGET		145,454	203,627	203,441	176,674	29,809	206,483	154,750	24,805	179,555

RESOURCE BUDGET - Annually Managed Expenditure							
Action	BEL Description	2017-18 Final Outturn	2018-19 Supplementary Budget June 2018	2018-19 Forecast (Period 6)	2019-20 Plans as per 2018- 19 Final Budget	Changes	2019-20 New Plans Draft Budget
Post-16 learner support	Student Loans - AME	-115,084	-109,234	-120,344	-138,399	24,414	-113,985
Total Post-16 learner support		-115,084	-109,234	-120,344	-138,399	24,414	-113,985
Educational & Careers Choice	Careers Wales AME	-2,784	12,000	12,000	12,000	0	12,000
Total Careers Wales AME		-2,784	12,000	12,000	12,000	0	12,000
EDUCATION - TOTAL RESOURCE AME BUDGET		-117,868	-97,234	-108,344	-126,399	24,414	-101,985

CAPITAL BUDGET - Annually Managed Expenditure							
Action	BEL Description	2017-18 Final Outturn	2018-19 Supplementary Budget June 2018	2018-19 Forecast (Period 6)	2019-20 Plans as per 2018- 19 Final Budget	Changes	2019-20 New Plans Draft Budget
Post-16 learner support	Student Loans - AME	504,793	661,816	656,271	816,483	-15,015	801,468
Total Post-16 learner support		504,793	661,816	656,271	816,483	-15,015	801,468
EDUCATION - TOTAL CAPITAL AME BUDGET		504,793	661,816	656,271	816,483	-15,015	801,468

EDUCATION - SUMMARY	2017-18 Final Outturn	2018-19 Supplementary Budget June 2018	2018-19 Forecast (Period 6)	2019-20 Plans as per 2018- 19 Final Budget	Changes	2019-20 New Plans Draft Budget	2020-21 Plans as per 2018- 19 Final Budget	Changes	2020-21 New Plans Draft Budget
Resource	1,876,477	1,648,670	1,660,141	1,623,909	38,095	1,662,004			
Capital	145,454	203,627	203,441	176,674	29,809	206,483	154,750	24,805	179,555
Total Resource & Capital	2,021,931	1,852,297	1,863,582	1,800,583	67,904	1,868,487	154,750	24,805	179,555
Resource AME	-117,868	-97,234	-108,344	-126,399	24,414	-101,985			
Capital AME	504,793	661,816	656,271	816,483	-15,015	801,468			
Total AME	386,925	564,582	547,927	690,084	9,399	699,483	0	0	0
EDUCATION - TOTAL BUDGET	2,408,856	2,416,879	2,411,509	2,490,667	77,303	2,567,970	154,750	24,805	179,555

Standard Spending Assessment (SSA) for 'School Services', by Unitary Authority, for 2018-19 and 2019-20 (provisional)

Unitary Authority	£'000s				
	2018-19 School Services	2018-19 School Services adjusted for transfers	2019-20 School Services	Change in 2019- 20 over 2018-19	Change in 2019- 20 over 2018-19 (adjusted)
Isle of Anglesey	51,293	51,601	51,610	317	9
Gwynedd	88,639	89,142	89,248	609	105
Conwy	76,672	77,075	76,773	101	-302
Denbighshire	74,746	75,141	75,393	647	252
Flintshire	110,307	110,865	111,208	901	343
Wrexham	93,614	94,115	94,232	618	117
Powys	94,000	94,476	93,811	-189	-665
Ceredigion	51,078	51,368	51,517	439	149
Pembrokeshire	87,457	87,930	87,723	266	-207
Carmarthenshire	135,972	136,706	136,993	1,021	286
Swansea	163,624	164,506	164,947	1,324	441
Neath Port Talbot	102,181	102,760	103,341	1,159	581
Bridgend	101,575	102,134	102,060	485	-74
The Vale of Glamorgan	95,539	96,018	97,007	1,468	989
Rhondda Cynon Taf	179,096	180,097	181,591	2,496	1,495
Merthyr Tydfil	42,200	42,444	42,813	613	369
Caerphilly	136,018	136,763	136,946	929	183
Blaenau Gwent	46,311	46,587	46,699	388	112
Torfaen	68,247	68,619	69,321	1,074	702
Monmouthshire	57,728	58,018	58,289	561	271
Newport	111,948	112,581	114,227	2,279	1,646
Cardiff	237,841	239,206	241,334	3,493	2,128
Total unitary authorities	2,206,082	2,218,151	2,227,082	21,000	8,931

Source: Tables 4b and 4c from the Welsh Local Government Revenue Settlement 2018-19 and 2019-20

£100m Raising School Standards commitment – provisional breakdown for 2019-20

Raising School Standards – Activity	2019-20 £000
Support for a transformational curriculum <ul style="list-style-type: none"> • Primary LNF Oracy Scheme • School-employer engagement • Coding and Digital skills 	1,700
Developing a high quality education profession <ul style="list-style-type: none"> • Teacher Education Accreditation Board (TEAB) • Teacher/workforce supply • Welsh medium & Graduate Training Programme • Test alternative supply mechanisms for recently qualified teachers • Higher Level Teaching Assistants (HLTA) • Professional Teaching Standards • National Networks of Excellence for Science and Technology and Mathematics • Foundation Phase Excellence Network (FPEN) • Welsh Professional Development • Recruitment to attract more teachers to the Welsh sector and to teach Welsh as a subject • Additional Learning Needs • Digital Competence • Infant class sizes 	13,600
Inspirational leaders working collaboratively to raise standards <ul style="list-style-type: none"> • Establishing the Leadership Academy • National Professional Qualification for Headship (NPQH) • Academy Associates Programme • Future Leadership 	3,200
Strong and inclusive schools committed to excellence, equity and wellbeing <ul style="list-style-type: none"> • Education and Health joint wellbeing programmes for CAHMS in school pilots and promoting a whole school approach to health and wellbeing. 	500
Robust assessment, evaluation and accountability arrangements supporting a self-improving system <ul style="list-style-type: none"> • Supporting evidence based practice across the regions • Research & Evaluation capacity • Research into Welsh language frameworks • Develop schools as learning organisations • Support collaborative working and help develop regional capacity • Extend the impact and depth of Federations • Small & Rural grant scheme • Expand use of business managers • Post 16 A Level support • Accountability development 	6,500
TOTAL	25,500

Budgets supporting the raising of school standards within the Education MEG - 2016-17 to 2019-20

£'000s

Budget Expenditure Line (BEL)	2016-17 Second Supplementary Budget	2017-18 Second Supplementary Budget	2018-19 First Supplementary Budget	2019-20 New plans Draft Budget
Literacy & Numeracy	4,946	6,956	7,456	6,556
Curriculum & Assessment	10,021	6,434	6,566	6,282
Curriculum Review (includes Schools Challenge C	20,400	7,100	5,400	5,400
Foundation Phase	1,851	1,511	1,551	148
Teacher Development and Support	21,192	20,731	18,804	33,664
Qualifications Wales	8,404	8,142	8,142	8,257
School Governance	1,353	1,124	36	0
School Improvement Grant	134,711	136,282	126,659	130,359
Raising School Standards	4,470	20,000	25,000	25,500
School Standards Support	1,249	1,394	1,194	1,194
Pupil Development Grant	89,246	93,746	95,523	97,300
Supporting Digital Learning in Education	6,935	6,659	6,609	4,470
Welsh in Education	18,267	27,247	31,361	29,361
Total	323,045	337,326	334,301	348,491
Increase on 2015-16	15,187	29,468	26,443	40,633
Change over 4 years				111,731

**Reducing Infant Class Sizes Grant – Revenue Allocations
2017-18 to 2020-21**

Local Authority	Revenue Allocation
Anglesey	£ 306,504
Blaenau Gwent	£ 338,108
Bridgend	£ 747,436
Caerphilly	£ 961,983
Cardiff	£ 2,095,766
Carmarthenshire	£ 870,490
Ceredigion	£ 284,125
Conwy	£ 512,256
Denbighshire	£ 486,569
Flintshire	£ 796,576
Gwynedd	£ 530,722
Merthyr Tydfil	£ 303,532
Monmouthshire	£ 426,384
Neath Port Talbot	£ 686,951
Newport	£ 908,923
Pembrokeshire	£ 569,373
Powys	£ 540,652
Rhondda Cynon Taff	£ 1,384,904
Swansea	£ 1,202,923
Torfaen	£ 566,002
Vale of Glamorgan	£ 722,417
Wrexham	£ 757,404
TOTAL	£ 16,000,000

**Minority Ethnic and Gypsy, Roma and Traveller learners
Funding allocations for 2018-19**

Local Authority	2018-19 Allocation (£)
Isle of Anglesey	35,045
Gwynedd	87,195
Conwy	69,423
Denbighshire	66,919
Flintshire	117,151
Wrexham	312,497
Powys	74,513
Ceredigion	63,749
Pembrokeshire	76,765
Carmarthenshire	132,838
Swansea	1,237,900
Neath Port Talbot	85,527
Bridgend	96,207
Vale of Glamorgan	180,649
Rhondda Cynon Taff	121,656
Merthyr Tydfil	49,230
Cardiff	4,072,474
Caerphilly	76,265
Blaenau Gwent	31,791
Torfaen	56,489
Monmouthshire	46,310
Newport	1,609,407
Total	8,700,000

FURTHER EDUCATION FINANCIAL FORECAST ASSUMPTIONS 2016/17

Note: These assumptions are for planning purposes only to ensure comparability between institutions and are not to be taken as indicative funding forecasts or advice on future pay agreements.

They are on an advisory basis and if any college feels that they are not appropriate to their own circumstances alternative assumptions can be used.

These assumptions should be read in conjunction with any publications from Welsh Government giving specific advice on other funding streams.

Welsh Government grant funding

Institutions should use the final allocations for 2016/17 and 2017/18 academic years that have been notified. Assume a cash flat allocation for future years.

Pay

Assume a 1% pay award for each year.

Pensions should take into account of any known increases in employer contributions to the Local Government Pension scheme.

Employers' National Insurance contributions should reflect the increase as a result of contracting out changes and removal of the 3.4% rebate from April 2016 and the apprenticeship levy from 1 April 2017 if applicable.

European funding

European funding should be based on an individual institution assessment of the projects that they have ongoing. It is deemed appropriate that any new European schemes are considered to be cost even.

Capital

All planned and approved capital projects should be included. Assume no maintenance funding will be available.

Work Based Learning

Institutions should plan on the basis of existing WBL contract allocations.

Cost inflation

The GDP deflator can be viewed as a measure of general inflation in the domestic economy. The latest GDP deflator, as at March 2017 is

2017-18	1.63
2018-19	1.56
2019-20	1.66

2020-21	1.88
2021-22	1.92

Institutions should use these rates for increases in non pay costs unless they have more specific information.

Bank base rate

The current bank base rate is 0.25%. If this is increased or decreased prior to the completion of the forecasts please use the most up to date value.

Pension liabilities

Institutions should assume no movement in the pension liability unless specific further information is known from actuarial reports.

Targets

Institutions should take account of learning targets that have been set and associated clawback if targets are not met.

Sensitivity analysis

Due to the lack of information at the current time over the Welsh future budgets we are recommending sensitivity analysis of 2.5% and 5% in recurrent funding.

FURTHER EDUCATION FINANCIAL FORECAST ASSUMPTIONS 2017-18

Note:

- 1. These assumptions are for planning purposes only to ensure comparability between institutions and are not to be taken as indicative funding forecasts or advice on future pay agreements.**
- 2. They are on an advisory basis and if any college feels that they are not appropriate to their own circumstances alternative assumptions can be used provided they are disclosed within the forecast.**
- 3. These assumptions should be read in conjunction with any publications from Welsh Government giving specific advice on other funding streams.**

Welsh Government grant funding

Institutions should use the final allocations for 2018-19 and 2019-20 academic years that have been notified. Assume a cash flat allocation for future years.

Pay

Assume a 2% pay award for each year.

Pensions should take into account of any known increases in employer contributions to the Local Government Pension scheme.

European funding

European funding should be based on an individual institution assessment of the projects that they have ongoing. It is deemed appropriate that any new European schemes are considered to be cost even.

Capital

All planned and approved capital projects should be included. Assume no maintenance funding will be available.

Work Based Learning

Institutions should plan on the basis of existing WBL contract allocations.

Cost inflation

The GDP deflator can be viewed as a measure of general inflation in the domestic economy. The latest GDP deflators, as at March 2018, are:

Financial Year	%
2017/18	1.86
2018/19	1.52
2019/20	1.57
2020/21	1.66
2021/22	1.74
2022/23	1.84
Source: OBR forecasts March 2018	

Institutions should use these rates for increases in non pay costs unless they have more specific information, stating the exceptions.

Bank base rate

The current bank base rate is 0.5%. If this is increased or decreased prior to the completion of the forecasts please use the most up to date value.

Pension liabilities

Institutions should assume no movement in the pension liability unless specific further information is known from actuarial reports, which should be disclosed.

Targets

Institutions should take account of learning targets that have been set and associated clawback if targets are not met.

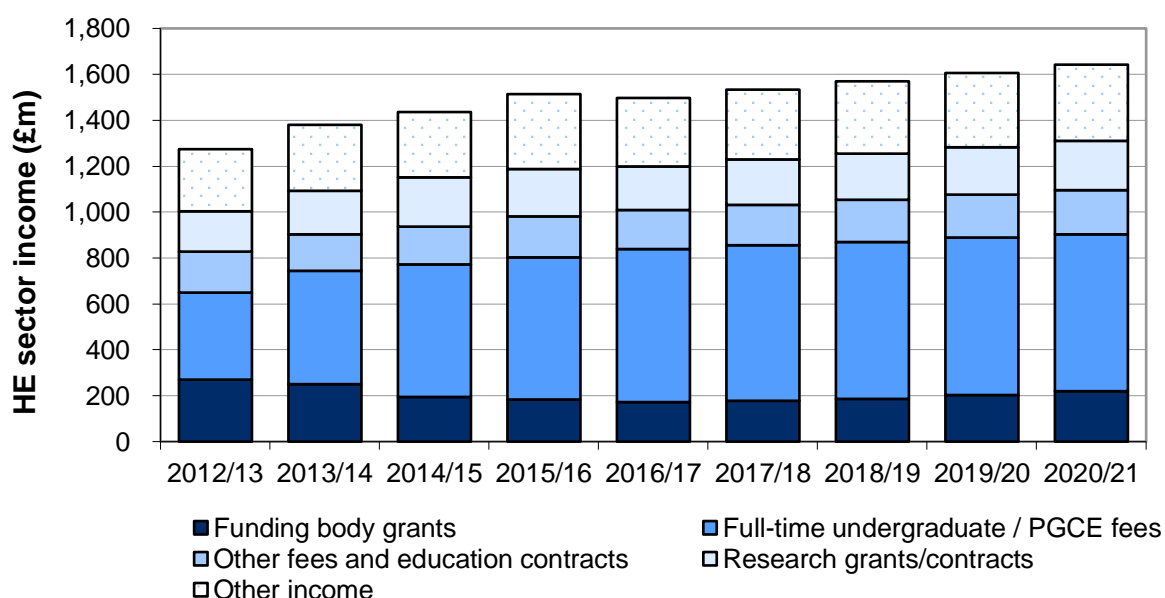
Sensitivity analysis

Due to the lack of information at the current time over the Welsh future budgets we are recommending sensitivity analysis of 2.5% and 5% in recurrent funding.

Financial position of the HE sector

As illustrated by the chart below, the financial position of the HE sector in Wales has improved significantly since 2012, despite policy changes and a challenging economic environment.

Income to the Welsh HE sector in cash terms, by academic year



Source: HESA Finance Record and Higher Education Division internal analysis, Welsh Government

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Funding body grants	416	395	269	249	195	184	174	178	187	202	220
Full-time undergraduate / PGCE fees	229	241	381	494	576	619	664	678	684	686	684
Other fees and education contracts	180	191	179	159	167	180	172	176	182	187	193
Research grants/contracts	165	170	175	192	214	205	190	196	202	208	214
Other income	254	278	271	285	284	328	296	304	314	323	332
Total	1,244	1,275	1,274	1,379	1,436	1,514	1,496	1,533	1,569	1,606	1,642

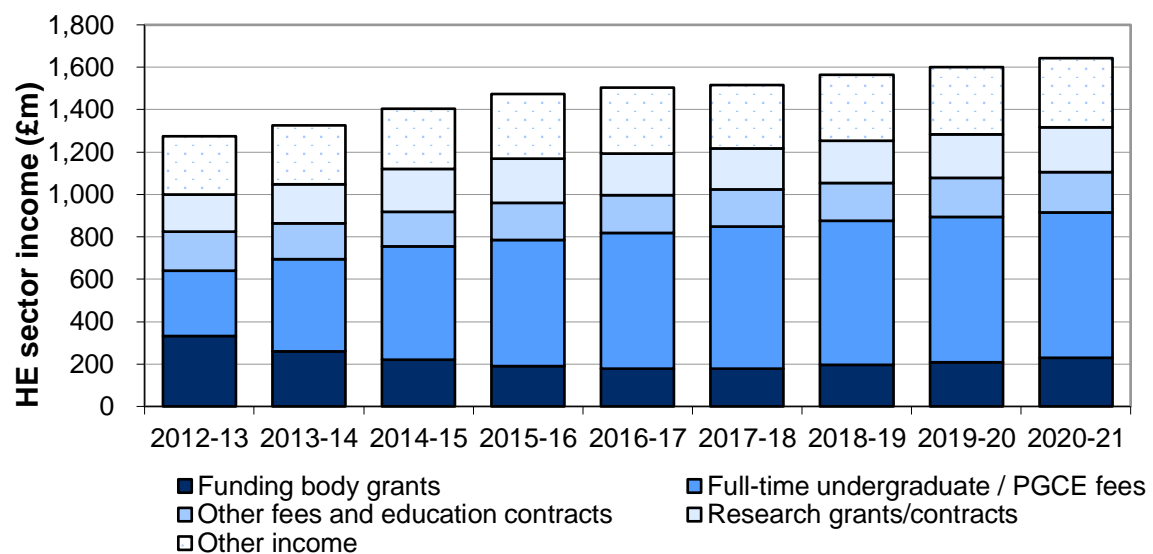
Source: WAG forecasts, HESA finance record and student numbers projected forward

Between 2010/11 and 2016/17, income from funding body grants decreased by around £242m (from £416m to £174m), but income from full-time tuition fees increased by around £435m (from £229m to £664m). Overall, income to the sector has increased by more than £200m over the period, and is projected to continue to increase into the future.

Information provided by HEFCW at a recent committee session suggested that income had actually fallen between 2015/16 and 2016/17 academic years. Whilst this is confirmed in latest official data, which suggests a slight drop (around £25m) in income at a sector level, the financial year information (which is used in all Welsh Government statistical and budgeting information) shows a continuation of an

increase in income. The chart below illustrates an ongoing increase in HE sector income, on a financial year basis.

Income to the Welsh HE sector in cash terms, by financial year



Source: Higher Education Division internal analysis, Welsh Government

Projected income of Welsh HEIs, with average known fees and tuition fee grant, cash terms (Financial Year)											£Million
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Funding body grants	428	405	332	259	222	189	179	178	195	209	230
Full-time undergraduate / PGCE fees	225	235	309	436	534	597	641	671	681	685	685
Other fees and education contracts	166	186	185	169	163	173	176	174	179	185	190
Research grants/contracts	163	167	172	183	202	209	198	193	199	205	211
Other income	248	266	275	278	285	305	312	300	309	318	327
Total	1,230	1,259	1,273	1,325	1,406	1,474	1,505	1,516	1,563	1,602	1,643

Detail of how institutions have used the funding provided by the interim Masters support package allocated to HEFCW for 2018/19

Given that the institutions were given the discretion as to the internal distribution of these funds, the format and level of detail in their responses, varies greatly between institutions.

USW

The University of South Wales is utilising these funds to offer support to postgraduate students in 2018/19 via two new schemes, as follows:

- USW Postgraduate Fee Bursary for 2018-19 entry
- They are using a combination of this HEFCW fund and University funds to offer a fee bursary of £3000 to UK and EU students undertaking taught masters on a full-time or part-time basis.
- USW Postgraduate Living Costs Bursary 2018-19 entry
- They are using this HEFCW fund to also provide a Living Costs Bursary of £500 to new full-time and part-time Welsh and EU students starting an eligible taught masters course at a USW campus during the 2018/19 academic year.

Further information about both of these bursaries, including FAQs, is available here <https://www.southwales.ac.uk/study/fees-and-funding/postgraduate-fees-and-funding/> (click on 'University Scholarships and Bursaries').

In addition to the web information above and communications with applicants, the University is promoting this opportunity to prospective students in a number of other ways, this includes our recent Information Fair, upcoming postgraduate open evenings, and targeted communication to final year students

Aberystwyth University

Aberystwyth are providing information about the support on their website at :

[http://www.aber.ac.uk/en/postgrad/fees-finance/uk-eu/taught/#postgraduate-loan-\(wales\)](http://www.aber.ac.uk/en/postgrad/fees-finance/uk-eu/taught/#postgraduate-loan-(wales))

“In addition to the Postgraduate Loan, HEFCW will provide an additional £3,416 grant for full-time students commencing on eligible PGT Masters courses in September 2018 and who would be also eligible for the loan. This will be pro-rated for part-time students. This is a one-off grant for the academic year 2018-2019 only as the recommendations of the Diamond Review will not be fully implemented until 2019-2020. The grant will be in the form of a fee waiver. Applicants must apply for the grant, where the deadline is 4pm on 31st May 2018.

A reference to this will also appear in their Funding Calculator at:
<http://www.aber.ac.uk/en/postgrad/fees-finance/calculator/>

Bangor University

Bangor University is using its allocations to provide –

1. A £1,000 Fee Waiver for all Wales / EU domiciled PGT students.
2. An additional £5,000 for Wales only domiciled PGT students with an income below £40,000 or receiving DSA, carers or care-leavers in the form of maintenance support. This sum can be used to offset fees or be received as a payment from the University.

This is currently being promoted on their website; see below; at postgraduate fairs; via European agents and via a poster campaign and e-mail message to existing students.

<https://www.bangor.ac.uk/courses/postgrad/study-with-us/postgraduate-student-finance/en>

Cardiff University

Use of the support allocation

Cardiff are offering a tuition fee discount of £3,400 to all eligible students as defined in the 2017/18 Postgraduate Masters Degree Loans Regulations.

Advertising activity to promote the funding

Cardiff are undertaking a wide range of activities to promote the funding support to eligible postgraduate applicants and have stated:

- They have established a dedicated web page:
<http://www.cardiff.ac.uk/study/postgraduate/funding/welsh-government-masters-funding-for-2018-19>
- The funding support is featured on the University home page.
- They have added adverts for the financial support across the postgraduate study section of the website.
- They have added regular posts about the financial support on the dedicated postgraduate study social media channels.
- They have emailed details of the funding to our prospective postgraduate newsletter database and applicants.
- Details of the support has been Included in a newsletter to all of the current final year students.

- The financial support has been advertised on digital signage for across campus.
- They will shortly be promoting the funding on screens at the Capitol building in Cardiff city centre.
- They have included details of the support in our staff briefing notes on postgraduate funding.
- They have produced flyers for circulation to the current student cohort.
- They include details of the support in their funding talk to prospective students.
- They have redesigned their adverts for the Master's Excellence Scholarship scheme to include details of the financial support.
- They have included details of the scheme in a dedicated email sent via the advertising company prospects.ac.uk
- They have included details of the financial support on their postgrad-search.com profile page.
- They are currently exploring how we can communicate the funding support to alumni who would be eligible to receive the support.

University of Wales Trinity Saint David

The information about the UWTSD approach has been published on their website under the scholarships and bursaries page (<http://www.uwtsd.ac.uk/bursaries/>)

A summary is as follows:

Welsh Government Master's Bursaries 2018/19

UWTSD will offer bursaries of £3,400 to eligible students who accept an offer of a place to study a master's course at one of UWTSD's campuses in Wales.

The Welsh Government Master's Bursaries will be open to both Full time and Part Time students (pro-rata for the continuation of their studies). UWTSD will offer 32 FT bursaries and 139 PT bursaries.

Bursaries will be awarded as a Fee Reduction

Eligibility:

The eligibility criteria for the bursaries are the same as for the Welsh Postgraduate Loan:

- Welsh/EU domiciled students.

- Under the age of 60.
- Available to those who do not already possess a master's level qualification (PGCert and PGDip holders are eligible for the loan).
- Non means tested (not dependent on your family's income).
- Both taught and research master's courses are eligible, including MA, MSc, LLM, MRes, MPhil, MA by Research, and MSc by Research courses. (PGCE, PhD, Integrated masters and PG Diplomas will not be eligible)

Applications will be subject to formal funding approval by the Welsh Government.

Bursary recipients are also eligible to apply for the Welsh Postgraduate Loan.

Bursary recipients will also be eligible to apply for the UWTSD PG Bursary and PG Childcare Bursaries.

Students who receive the WG Master's Bursary will not be eligible for the UWTSD Postgraduate Distance Learning Bursary.

Swansea University

Swansea have provided a link to where they are advertising the additional support in 18-19 <http://www.swansea.ac.uk/postgraduate/scholarships>. They are also promoting this at Open days and student recruitment activity.

In terms of their approach they have decided on making the funding available to all UK and EU students who accept an offer of a place to study at Swansea. It will be administered on a first come first served basis to help boost PGT numbers. They have rounded the offer given to students to £3,400. The remainder (£16.00) will help ensure they can support a few more additional students.

As the scheme is for one year only, Swansea decided a simple approach is required and that this would also be easy for students to understand. A means-tested style approach was not considered as this type of scheme would be quite complicated to pull together in the limited time that we had available and also require additional resources. Giving all students the opportunity to access the funding was the fairest way to do this for this interim arrangement.

Glyndŵr University

The support available is summarised below.

1. Postgraduate Support Bursary and Postgraduate Scholarship 2018/19 Welsh Domiciled and EU Students

Wrexham Glyndŵr University Alumni who are Welsh and EU domiciled students (under 60 years of age) will be eligible for the Wrexham Glyndwr University Alumni

Postgraduate Support Bursary and Postgraduate Scholarship based on undergraduate achievement.

The below model shows the cost of study to these students once the Alumni Postgraduate Scholarship and Welsh Government Support Bursary have been applied for Full Time and Part Time study;

Mode of study	Fee - 2018/19	HEFCW support – administered by WGU	Balance after HEFCW support	Degree classification	WGU Alumni discount	Total cost of study	Alumni discount as % of total
Full Time	£5,750.00	£3,400.00	£2,350.00	1st	£2,350.00	Nil Cost	41%
Full Time	£5,750.00	£3,400.00	£2,350.00	2.1	£1,350.00	£1,000.00	23%
Full Time	£5,750.00	£3,400.00	£2,350.00	2.2	£600.00	£1,750.00	10%
Full Time	£5,750.00	£3,400.00	£2,350.00	3rd or lower	Nil	£2,350.00	0%

Full Time Scholarship awarded:

41% for graduates with a first degree

23% for graduates with a 2:1

10% for graduates with a 2:2

(Please note that part-time values below are per year of study)

Mode of study	Fee - 2018/19	HEFCW support – administered by WGU	Balance after HEFCW support	Degree classification	WGU Alumni discount	Total cost of study	Alumni discount as % of total
Part Time	£2,825.00	£1,700.00	£1,125.00	1st	£1,125.00	Nil Cost	40%
Part Time	£2,825.00	£1,700.00	£1,125.00	2.1	£625.00	£500.00	22%
Part Time	£2,825.00	£1,700.00	£1,125.00	2.2	£250.00	£875.00	9%
Part Time	£2,825.00	£1,700.00	£1,125.00	3rd or lower	Nil	£1,125.00	0%

Part Time Scholarship awarded:

40% for graduates with a first degree

22% for graduates with a 2:1

9% for graduates with a 2:2

Eligibility:

- The scholarship cannot be used in conjunction with any other scholarship, bursary or other fee discount package offered by the University.
- The scholarship is in the form of a fee-waiver as per tables above. No cash equivalent will be paid
- Students in receipt of a scholarship are responsible for the difference in fees between the value of the scholarship and the full fees for the programme, together with any additional costs associated with, and applicable to, the programme for which they enrolled.
- The scholarship is available for 1 year full-time or 2 years part-time programmes of study
- Students who do not complete their programme within the normal programme duration will be liable for the full amount of any additional fees associated with the continuation of their study.
- Students previously enrolled for a postgraduate award at the University, but who have not successfully completed their intended programme of study, will not be eligible for this scholarship.
- The scholarship cannot be retrospectively applied to previous academic years.
- Programmes included in the Scholarship: MA;MSc (1Yr full time, 2yr part time)
- Programmes of study not listed (including the Executive MBA, MA Human Resource Management, MRes courses, PGCE and top-up) are not covered by this scholarship scheme.
- There are a limited number of bursaries available and they will be awarded on a first come first served basis to eligible students who accept their offer of a place to study a MA:MSc programme at Wrexham Glyndwr University by 30 July 2018.
- The Scholarship is available only to students undertaking their studies at: Wrexham Glyndwr University Wrexham; Wrexham Glyndwr University Northop; Wrexham Glyndwr University St Asaph; and the Advanced Composites Training and Development Centre.
- Students must be in attendance for the full academic year.

Please note: This is not applicable to students studying at Franchise or partner institutes

2. WGU Postgraduate scholarship 2018/19 Non Welsh and EU domiciled students

The WGU Postgraduate scholarship is being awarded to non Welsh and EU domiciled alumni students undertaking a full or part time postgraduate taught degree programme to contribute towards the tuition fees. Students are required to be in receipt of an unconditional offer of a relevant course and meet all entry requirements. Please note there is an application deadline. See website for further details.

Full and Part Time Scholarship awarded:

50% for graduates with a first degree

25% for graduates with a 2:1

10% for graduates with a 2:2

Mode of study	Fee - 2018/19	Degree classification	WGU Alumni discount	Total cost of study	Alumni discount as % of total
Full Time	£5,750.00	1st	£2,875.00	£2,875.00	50%
Full Time	£5,750.00	2.1	£1,437.50	£4,312.50	25%
Full Time	£5,750.00	2.2	£575.00	£5,175.00	10%

(Please note that part-time fees below are per year of study)

Mode of study	Fee - 2018/19	Degree classification	WGU Alumni discount	Total cost of study	Alumni discount as % of total
Part Time	£2,825.00	1st	£1,412.50	£1,412.50	50%
Part Time	£2,825.00	2.1	£706.25	£2,118.75	25%
Part Time	£2,825.00	2.2	£282.50	£2,542.50	10%

Eligibility:

- The scholarship cannot be used in conjunction with any other scholarship, bursary or other fee discount package offered by the University.
- The scholarship is in the form of a fee-waiver covering 50% of the home fee for the intended programme of study for a first class degree, 25% for a 2:1 and 10% for a 2:2. No cash equivalent will be paid
- Students in receipt of a scholarship are responsible for the difference in fees between the value of the scholarship and the full fees for the programme, together with any additional costs associated with, and applicable to, the programme for which they enrolled.

- The scholarship is available for the normal duration of the programme of study (usually, but not exclusively 1 year full-time or 3 years part-time). Students who do not complete their programme within the normal programme duration will be liable for the full amount of any additional fees associated with the continuation of their study.
- Students previously enrolled for a postgraduate award at the University, but who have not successfully completed their intended programme of study, will not be eligible for this scholarship.
- The scholarship cannot be retrospectively applied to previous academic years.
- Programmes included in the Scholarship: MA; MBA; MSc; Postgraduate Certificate (excluding PGCE); Postgraduate Diploma.
- Programmes of study not listed (including the Executive MBA, MRes courses, PGCE and top-up) are not covered by this scholarship scheme.
- The Scholarship is available only to students undertaking their studies at: Wrexham Glyndwr University Wrexham; Wrexham Glyndwr University Northop; Wrexham Glyndwr University St Asaph; and the Advanced Composites Training and Development Centre.
- Students must be in attendance for the full academic year.

Please note: This is not applicable to students studying at Franchise or partner institutes

Open University

Below is a summary of the PG Interim Financial Support that OU are offering to eligible Open University in Wales students in 2018/19.

Interim Financial Support: £5,000 non-repayable bursary to students with household income under £25,000

Website details: <http://www.open.ac.uk/postgraduate/fees-and-funding/postgraduate-bursaries-wales>

Promotion:

- Paid social campaign from mid-May
- Communication to UG students in Wales who are completing their UG qualification in Summer 2018 or who have already completed
- Information, Advice and Guidance provided at Open Weeks, PG Fairs and relevant events (please see copy of leaflet distributed)

- Inclusion in communications to key partners/stakeholders eg Unions, Learning & Work Institute etc

Cardiff Metropolitan University

Welsh Government Master's Bursary 2018

The award has been advertised as providing students with a contribution of £3,400 towards their tuition fees.

- The award is open to those students who will be studying in September 2018 a full or part time taught postgraduate Masters and Research Masters course such as MSc, MA, Mphil, MRes, LLM, MLitt, MD, MFA, MED or MBA at a Welsh University.
- They have confirmed that eligibility for the Masters Bursary is the same as the eligibility for the Welsh postgraduate loan for Masters' study
- <https://www.studentfinancewales.co.uk/postgraduate-students/postgraduate-master-s-course/eligibility.aspx>
- The award will be made to the first number of eligible students who accept their offer of a place to study a masters course at Cardiff Metropolitan University.

Cardiff Metropolitan University - Terms & Conditions

- You must be a Welsh or EU domiciled student. Please refer to the eligibility criteria on Student Finance Wales, Welsh postgraduate masters course information, under the section Nationality and Residency. (link)
- You must be under the age of 60 at the start of the course. Please refer to the age eligibility criteria on the Student Finance Wales website (link).
- You must have a confirmed place and be enrolled on a full or part time taught postgraduate Masters or Research Masters course at Cardiff Metropolitan University for September/October 2018. Please refer to the course eligibility criteria on the Student Finance Wales website (link).
- The bursary is available to applicants applying for a full time (normally one year) and part time (normally two years) course. Three year courses are eligible if no full time course exists.
- PGCE, Postgraduate Diploma and NHS funded courses are not eligible for the bursary.
- You must be privately funded.
- The bursary will be automatically allocated to the first number of eligible students who accept their offer of a place to study a master's course at Cardiff Metropolitan University, starting in September 2018. Applicants will be notified

of receipt of the award once they have replied and tuition fee reduction will be dependent on successful enrolment at the University.

- Bursaries will be awarded based on the information held by the Admissions Department. Students are therefore advised to send in proof of degree qualifications as soon as possible.
- The bursary will be deducted from the tuition fees for your chosen course.
- Students choosing to pay the fees by instalments will automatically have the tuition fee amount reduced with the award, before being informed of payment for each instalment.
- Part time students will need to successfully pass their course each year and progress in order to receive the award and for the tuition fees to be reduced.
- Students awarded the bursary who defer or suspend their studies after beginning the course will not be able to defer the award.
- A reserve list will be put in place so that the award can be allocated to another applicant in case of a withdrawal prior to the start of the course.
- Those who receive the bursary are still eligible to apply for either Cardiff Met's Postgraduate Scholarship scheme or Cardiff Met's Alumni Discount, as long as the eligibility criteria is met.
- Those who receive the bursary are also eligible to apply for the Welsh Postgraduate Loan.
- Cardiff Metropolitan Employees will be considered for the award provided the eligibility criteria are met.
- There are a limited number of bursaries available.