

<b>MEETING</b>	SCHOOLS BUDGET FORUM
<b>DATE</b>	3 November 2014
<b>HEADING</b>	Wales Government Education Grants
<b>PURPOSE</b>	Highlight the financial implications of recent Welsh Government announcements
<b>RECOMMENDATION</b>	Note the implications
<b>REPORT BY</b>	Owen Owens, Interim Head of Education
<b>CABINET MEMBER FOR EDUCATION</b>	Cllr Gareth Thomas

### 1. School Grants 2014/15

1. A letter was received from the Minister for Education and Skills, Welsh Government, dated 14 August 2014 explaining his intention to effect a retrospective cut to schools grants for 2014/15 and I wrote to schools at the beginning of September 2014 about the matter including a copy of the Minister's letter.
2. A further letter from the Minister was received dated 3 October 2014, confirming a reduction of £4.4m at an all Wales level, calculated against three specific grants namely School Effectiveness Grant, Ethnic Minority Achievement Grant and 14-19 Learning Pathways Grant.
3. As two of the three grants are distributed to the four Education Consortia in Wales, North Wales Authorities will have to agree on a distribution method and I estimate Gwynedd Councils reduction at £136,056.
4. The Minister has made an offer which would allow Authorities to consider other grants to accomplish the task and I have already responded confirming that Gwynedd Council will consider using that flexibility.
5. I am required to confirm implementation details by 7th November 2014 and am currently reviewing plans and commitments for the suite of grants in question.
6. Whilst considering the implementation options, my goal is to have as little impact as possible on our learners.

## **School Grants 2015/16**

7. The recently released 2015/16 Drafft Local Government Settlement includes some information regarding grants at an all Wales level.
8. The Minister has decided to combine 11 Education/Schools Grants under the name 'Education Improvement Grant for Schools'.
9. The information received at Wales level shows that the grants in question are reducing from £156.7m in 2014/15 to £141.0m in 2015/16, a reduction of £15.7m or 9.5% (and in real terms at least £17.3m or 10.9%).
10. The Minister specifically referring to *"Key outcomes and expectations for individual grants must still be met, including for example maintaining the ratios for the Foundation Phase."* and as the Foundation Phase is £97.9m out of a total of £156.7m in 2014/15, this could be interpreted that it will be on the other grants that the axe will fall, equivalent to a cut of over 25%, with destructive implications on Schools and Education Department plans.
11. There are other grants within the Education/Schools area outside the 11 referred to above e.g. Post 16 Provision in Schools, which are also likely to receive a funding cut.
12. The Pupil Deprivation Grant, based upon the number of pupils eligible for free school meals increases from £918 in 2014/15 to £1,050 in 2015/16 with the strict conditions continuing around the use of the grant.

## **2 Conclusion**

- 2.1 Schools will need to keep an eagle eye on every financial source available to them and be ready to immediately review future plans if/when prior notice of cuts is received, especially in the current financial climate.