



REPORT TO THE JOINT COMMITTEE

6 July 2016

Report by: John Davies – Head of Education, Wrexham

Subject: The Finance and Resources Network

1.0 Purpose of Report

1.1 To update GwE Joint Committee on the activity of the above Network.

2.0 Background

2.1 The Network was established to provide the GwE Management Board with financial information and guidance specifically on matters related to School Funding and Regional Grants. However, other aspects of Education Funding are also covered as and when necessary.

2.2 The Network also provides financial information related to collaborative developments and in order to secure consistent policies.

2.3 The Network has a permanent focus of identifying ways to reduce financial bureaucracy for schools, whilst maintaining the financial integrity of school accounts.

3.0 Regional Grants

3.1 Education Improvement Grant (EIG) 2016/17

3.1.1 This is the second year of the EIG following its inception in 2015/16 through the

amalgamation of eleven previous specific grants (including Local Authority match funding contributions as appropriate) which included the School Effectiveness Grant, Welsh in Education Grant, 14-19 Network Grant and Foundation Phase Grant. This initial amalgamation process also included a funding cut of £3.4million (10%) on the previous year's allocations.

3.1.2 The Network was involved in discussions with Welsh Government (WG) officials regarding the content of the Terms and Conditions for the new EIG and made the case that a reduction in financial bureaucracy for schools was needed. We were very pleased to find that this had been implemented when the Terms and Conditions were received through not having to track actual spend on the significant delegated grant element thus allowing schools to focus on delivery and outcomes.

3.1.3 For 2016/17 the total grant for North Wales is £29,398,348 following a further cut of £1.5million (4.9%). The compulsory match funding requirement is also expected to reduce by £129,400 (4.9%) to £2,500,672 however we currently await the final Terms and Conditions for confirmation of this.

Total gross spend on the EIG for 2016/17 is therefore estimated to be £31,899,020, of which over £27 million (85%) is delegated to schools.

3.1.4 The distribution method of the EIG between the LA's remains predominantly based upon the historical basis of how the previous eleven grants were received from WG, which has remained the basis that WG currently uses to distribute the EIG.

3.2 Pupil Deprivation Grant (PDG) 2016/17

3.2.1 Funding for pupils entitled to free school meals (eFSM) for the 5-15 age range increases from £1,050 per head in 2015/16 to £1,150 per head in 2016/17, whereas funding per 3 and 4 year old eFSM pupils remains at £300 per head. The various total amounts, therefore, are:

- £14,877,550 5-15 age range schools (2015/16 £13,803,300)
- £806,700 3-4 age range schools (2015/16 £836,100)
- £61,500 3-4 age range non-maintained (2015/16 £70,800)
- £671,600 looked after children (2015/16 £661,500)
- £108,400 pupil referral units (2015/16 £0)

- **£16,525,750 Total (2015/16 £15,371,700)**

3.3 GwE provides full support to schools on their use of the EIG and PDG, whilst also having responsibility to monitor and challenge their use of this funding.

4.0 Future work programme

4.1 **EIG** – consider and develop a consistent North Wales distribution method between schools (once WG have released results of their review into their Consortia distribution method)

4.2 **PDG** – instigate further discussions with WG officials and other networks with a view to removing the completely unnecessary financial bureaucracy within the PDG

4.3 **Non Teaching Staff in Schools** – support HR colleagues in their review of terms and conditions of employment across North Wales LA's

4.4 **Any other 'Task and Finish' exercises received from the GwE Management Board**

5 Matters for consideration

5.1 None.

6.0 Recommendations

6.1 None.

7.0 Financial implications

7.1 None.

8.0 Equality impacts

8.1 None.

9.0 Implications for personnel

9.1 None.

10.0 Consultation undertaken

10.1 N/A

11.0 Annexes

11.1 None

STATUTORY OFFICERS' VIEWS

Monitoring Officer:

No observations in relation to propriety.

Statutory Finance Officer:

I have collaborated with the author in preparation of this report and I confirm the accuracy of the content.