

Leighton Andrews AC / AM  
Y Gweinidog Addysg a Sgiliau  
Minister for Education and Skills



Llywodraeth Cymru  
Welsh Government

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Christine Chapman AM  
Chair  
Children and Young People Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA

15 November 2011

Dear Christine,

Thank you for your letter of 1 November, following my appearance before the Children and Young People Committee for scrutiny of the Education and Skills MEG Draft Budget.

### Capital

The Education and Skills capital budget has seen a reduction of some 40% in line with the reductions imposed by the UK Government on the Welsh Government's capital budgets as a whole. Despite the reduction in capital funding to the Welsh Government, every project which has been approved by my Department under the transitional stage of the 21st Century Schools Programme is going ahead in 2011/12 and over the subsequent 2 years until these projects are completed.

Furthermore, in response to these reductions in capital funding available, my department now operates a single capital investment fund. Implementing this single fund has involved rationalising all the separate single capital funds streams that were operating and deploying capital investment in education on a more strategic and prioritised basis.

The 21st Century Schools programme is a priority which we remain committed to delivering. As a programme of capital investment it will build upon the £415.2m that is already being invested in the schools infrastructure under the transitional funding arrangements. In summary, the first tranche of transitional funding supported 32 projects across Wales with over £77m of Welsh Government grant. These projects are largely completed. Under the next two phases, over £337m of Government support has been committed for a further 34 projects from the Vale of Glamorgan to Anglesey and from Pembrokeshire to Monmouthshire. These projects are underway

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and include 26 new schools and 15 Further Education learning centres which have received grant support of £75m.

The first stage in developing the 21st Century Schools Programme was the submission of Local Authorities' Strategic Outline Plans (SOPs). Due to the reductions in capital, we asked Local Authorities in August to re-visit these plans based on the grounds of affordability and revise them based on a 50% Welsh Government intervention rate and against other prioritisation criteria. The revised plans will be submitted on 18th November. As a first stage in implementing the programme, the running order of the first wave of outline programmes will be announced in early December. These outline programmes will then need to be backed by more accurate costed proposals as they develop through the stages of the HM Treasury 5 Case Business Case model.

My department's capital budget in the indicative plans from 2013-14 onwards will be circa £100m. Therefore, in determining the running order of the programme, a planning envelope of £600m (based on the Welsh Government intervention rate of 50%) will be applied to this initial outline programme planning stage. This will assist Local Authorities significantly in their forward planning and goes far beyond the capital planning of the former Schools Buildings Investment Grant (SBIG) that largely operated on a formulaic and annualised basis. The transitional funding arrangements alone have seen funding deployed over a three year timescale - a period much more realistic to support the delivery, for example, of a large secondary school.

The planning envelope to be applied to this first wave of 21st Century Schools will provide Local Authorities with greater assurance of funding over a longer time period. It will also allow for a more realistic timescale for them to secure funding from alternative sources in addition to the Welsh Government grant support, such as the realisation of capital receipts and improved revenue savings to increase their borrowing capacity.

You refer in your letter to the capital allocation to local authorities. My department's capital programme (as described above) will support Local Authorities' programmes of investment and those projects outlined in their plans for the first wave of investment. The capital allocation announced by the Minister for Local Government and Communities is an unencumbered 'general allocation' and, whilst there is a share allocated to the Education and Skills MEG, it is the responsibility of my colleague to announce his plans to the authorities concerned.

I believe this demonstrates the strategic vision behind our capital programme and the practical steps we are taking to deliver major improvements at a time of significant budget cuts by the UK Government.

### **14-19 Learning Pathways**

I am pleased to tell you that all but eight schools are already meeting the full requirements of the Measure and I am confident that all schools will be compliant by the September 2012 implementation deadline. Securing wider choice for all learners will necessitate schools and colleges working together to provide common local curricula and this in turn is likely to mean that some learners will need to undertake

study at more than one setting in order to follow their chosen course. I do not think that we should underestimate the added benefit that this can bring to learners in terms of the opportunities to study in other learning settings, learning with young people from other schools and colleges and undertaking courses that would not be viable to run at individual institutions.

However, it is important that learner travel is kept to an absolute minimum and the movement of learners should be the last rather than first resort and should only be considered once all other options, including the use of modern technologies and the possibility of the teacher/ lecturer travelling have been considered. Where learners will be required to travel we expect it to be restricted to the start and end of the school/college day to minimise its impact on the learners. I know that some local authorities are working to develop integrated transport solutions and to maximise the use of all available transport resources available to them.

The Committee may wish to consider the results of research which was undertaken last year on behalf of the South West Wales Integrated Transport Consortia (SwwITCH) into the impact of 14-19 Learning Pathways on transport. The report on the research identifies examples of good practice, both within the region and in other local authority areas. The research concluded that a more efficient delivery of 14-19 Learning Pathways could be achieved by ensuring that there was a robust mechanism to integrate transport planning throughout the decision making process to develop and implement learner timetables and course options.

The report has been shared with all 22 Local Authorities and officials continue to work closely with networks to support them in ensuring that the impact of travel is kept to a minimum.

To access the 14-19 Learning Pathways grant funding, the regional consortia will have to develop Regional Network Development Plans, which have to be agreed by the Welsh Government before any funding is released. The development of regional working, like collaborative working, is an evolutionary rather than a revolutionary process, that will take a number of years to mature.

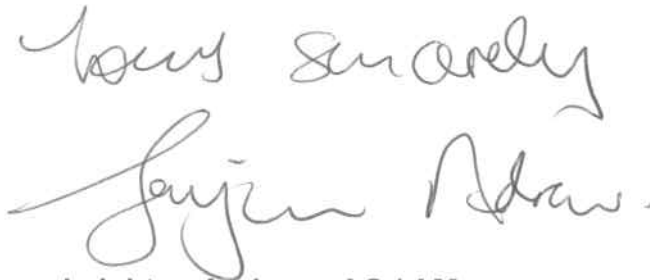
I am certain that the move to regional working will provide a greater focus on collaboration during the planning process on both inter authority and cross-boarder collaborative working. The savings being made from the Learning Pathways BEL will be incorporated into the School Effectiveness Grant and this, as I mentioned in my evidence to the Committee, will be available to those local authorities which are prepared to co-operate in regional consortia working.

DFES grant funding will continue to act as a lever for the development of collaborative working. My officials are working closely with local authorities to help reduce unnecessary duplication, unsustainable class sizes and ensure that as much funding as possible is directed to front-line services. For the reasons outlined above I do not foresee that there will be a need to use the powers available to me under the Measure to compel local authorities, schools and colleges to collaborate; but I will do so should the need arise.

## **Nursery Education**

I wrote to you separately on the additional information requested at Committee in my letter of 2 November.

I trust that this provides you with the clarification requested by the Committee on 19 October.

A handwritten signature in black ink, appearing to read 'Leighton Andrews', written in a cursive style.

**Leighton Andrews AC / AM**

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Minister for Education and Skills