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[The Children, Young People and Education
Committee](#)

13/01/2016

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are recorded in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Angela Burns	Ceidwadwyr Cymru Welsh Conservatives
Suzy Davies	Ceidwadwyr Cymru Welsh Conservatives
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Chair of the Committee)
Lynne Neagle	Llafur Labour
David Rees	Llafur Labour
Aled Roberts	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales
Simon Thomas	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

Jo-Anne Daniels	Cyfarwyddwr y Gyfarwyddiaeth Seilwaith, Cwricwlwm, Cymwysterau a Chymorth i Ddysgwyr Director, Infrastructure, Curriculum, Qualifications and Learner Support Directorate
Steve Davies	Cyfarwyddwr Safonau a Gweithlu Ysgolion Director, School Standards and Workforce
Huw Lewis AC	Aelod Cynulliad, Llafur (Y Gweinidog Addysg a Sgiliau) Assembly Member, Labour (The Minister for Education and Skills)
Huw Morris	Cyfarwyddwr y Gyfarwyddiaeth Sgiliau, Addysg Uwch a Dysgu Gydol Oes Director, Skills, Higher Education and Lifelong Learning Directorate

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Bartlett	Dirprwy Clerc Deputy Clerk
Michael Dauncey	Y Gwasanaeth Ymchwil Research Service
Marc Wyn Jones	Clerc Clerk

*Dechreuodd y cyfarfod am 09:30.
The meeting began at 09:30.*

Cyflwyniadau, Ymddiheuriadau a Dirprwyon Introductions, Apologies and Substitutions

[1] **Ann Jones:** Good morning, everybody. Happy new year to everybody. This is the first committee meeting of the Children, Young People and Education Committee of 2016. Before we start, can I say thank you to David Rees for stepping in as the temporary Chair whilst I was absent? You won't know how much of a great relief that was to me, and it allowed me to know that it was in safe hands and I didn't have to attempt to hurry back when I was not fit enough to come back. So, thank you very much. I've heard good reports, so I'll try and live up to the standard that you set at the back end of last term. But, seriously, thank you very much. I want that on the record, and to say thank you to the clerks as well, as ever, for the work that they do. Also, we've had a new member whilst I've been away. So, welcome, Rhodri, to the committee. I know you've been welcomed, but I'll do it as Chair. It's nice to see you. I think Rhodri and I have served on committees before, so that's nice.

[2] We've got apologies this morning from Keith Davies and from John Griffiths, and there are no substitutes. But, there we go, we'll see how we go.

09:31

Craffu ar Gyllideb Ddrafft Llywodraeth Cymru ar gyfer 2016–17—y Gweinidog Addysg a Sgiliau Scrutiny of Welsh Government Draft Budget 2016–17—Minister for Education and Skills

[3] **Ann Jones:** The only item on our agenda this morning is scrutiny of the Welsh Government's draft budget, and so I'm delighted to have the

Minister and his team with us. As I say, it's the only substantial item on the agenda, so I propose that, halfway through, we have a break. I take it most people will agree to that. I think we'll probably need tea or coffee by then. So, Minister, could I ask you to introduce your team, and then we'll go into questions?

[4] **The Minister for Education and Skills (Huw Lewis):** Of course. Thank you, Chair. Can I first of all welcome your return to the Assembly? It's good to see you back.

[5] **Ann Jones:** Thank you.

[6] **Huw Lewis:** I'm joined by Jo-Anne Daniels, director, infrastructure, curriculum, qualifications and learner support; Steve Davies, who is our director on school standards and workforce; Huw Morris, on my far left, the director of SHELL, which is higher education and lifelong learning; and we're also joined, over there, by Carla Lyne, who is our interim director of finance and corporate services.

[7] **Ann Jones:** Okay; thanks very much. Thank you very much for the paper. Can I say, I think it's been one of the best budget papers that we've received—certainly over this stretch of the five years? I think it's a very detailed paper, and I know officials worked hard, and you, yourself, worked hard on it, because we asked for a number of things. So, I think the detail in your paper is to be commended, and I hope that people who are listening out there realise the amount of work that's gone in, which will enable us to scrutinise this budget. So, I want to say 'thank you' to you for that. That might be where the consensus finishes, as we start the questioning. *[Laughter.]*

[8] There are a number of areas that we've got, so we'll just work through them, I suggest. We're looking at prioritisation and aligning objectives within spend; targeting funds at deprivation and/or low achievement; the programme of reform around curriculum review, new deal, and initial teacher training; then the education improvement grant; further education; higher education; capital funding, and any cross-cutting issues that we may consider at the end. So, we'll see how we go, but, as I say, we'll see where we go from there.

[9] On prioritisation and aligning objectives with spending, Simon, you've got the first set of questions on that. Do you want to—?

[10] **Simon Thomas:** Diolch yn fawr iawn, Gadeirydd. Croeso yn ôl, hefyd.

Simon Thomas: Thank you very much, Chair. And welcome back to you, too.

[11] **Ann Jones:** Thank you.

[12] **Simon Thomas:** A ydych chi'n dal o'r farn, gyda'r gyllideb ddrafft yma, Weinidog, bod Llywodraeth Cymru yn mynd i wario mwy ar addysg a sgiliau y pen nag yw'r Llywodraeth yn gyfatebol yn Lloegr—sef yr hyn sydd wedi cael ei ddweud yn gyson gan y Prif Weinidog?

Simon Thomas: Are you still of the opinion, with this draft budget, Minister, that the Welsh Government is going to spend more on education and skills per head than the Government in England—which is what has been said consistently by the First Minister?

[13] **Huw Lewis:** Well, the current figures do show that Wales spends 4 per cent more on education—these are Treasury figures—than is the case across the border in England. We do also, of course, have to set this in the context of this being the tightest squeeze, really, on public spending since devolution, for sure, with the Welsh Government's budget down by 11 per cent—or it will be down by 11 per cent by 2019–20, as compared with 2010–11. So, there has had to be some real prioritisation within my budget. I can say, though, with confidence, that we're going to see increases in spend through the 1 per cent protection extended to schools being, again, extended to this year. And, of course, we will see through student support a continuing rise in education spend in higher education, too. Of course, there is a lot of devil in the detail of all of that, as we'll no doubt work our way through.

[14] **Simon Thomas:** Wel, i droi at ychydig o'r glo mân yna, rydych newydd sôn am addysg uwch, ac mae'r gyllideb yma yn dynodi cost o £257 miliwn ar gyfer y grant ffioedd dysgu ar gyfer y flwyddyn dan sylw. Mae hynny'n rhan o'r gwariant rydych yn honni sy'n well yng Nghymru nag yn Lloegr. A wnewch chi gadarnhau bod dros £90 miliwn o'r gwariant hwnnw *actually* yn cael ei wario yn

Simon Thomas: Well, to turn to the nitty-gritty, as it were, you've just mentioned higher education, and this budget allocates a cost of £257 million for the tuition fee grant for the year in question. That is part of the expenditure you claim is better in Wales than in England. Could you confirm that over £90 million of that expenditure is actually spent in England and goes to English

Lloegr ar brifysgolion Lloegr?

universities?

[15] **Huw Lewis:** Well, this is a well-worn path, this particular line of argument, as we all know. I would describe that expenditure as an investment in the futures of the young people who take advantage of that level of student support, which is the best student support package anywhere in the UK—I'm very proud of that—leaving our students, if you take the whole package together, £22,000 better off, on average, than a student domiciled in England would be. So, I would regard that £90 million as an investment in the future of young people, which is what we're all about.

[16] **Simon Thomas:** I accept that you justify it in that way, and that's your political choice, but nevertheless, it means that a significant part of the budget that you say is higher in Wales per capita than in England is actually spent in England and actually goes to English institutions. I think that's a fact and a feature that we should bring out of this budget at this stage, as we do have reviews of HE policy coming on stream under the Diamond review. Clearly, you've chosen to defend this morning, but also to protect, that budget line in the budget. That's 16 per cent of your total departmental expenditure limit. That must have had an impact on the rest of the budget. What did you think was sacrificeable, if you like, and what would you have chosen, if you didn't have these cuts, to have protected, but have felt that you've had to make way for, for the protected areas in the budget—which seem to me, by the way, to be schools and the HE part?

[17] **Huw Lewis:** Yes, very broadly speaking, you've put your finger on the priorities of schools and higher education student support. Cuts have had to be made, and there's transparency within the budget. There are no hidden tricks or anything within this budget, as far as I'm aware. Members will see that there's a further reduction, for instance, in the budget of Careers Wales of £2 million, some decrease in financial contingency funds of just shy of £0.75 million, and there is, having said that there's protection around student support, a cut to the Higher Education Funding Council for Wales of £20 million in terms of that particular slice of higher education spend.

[18] **Simon Thomas:** Just on Careers Wales, as an example there you've given of where you've had to sacrifice for the priorities in the budget, this means, over the period of this Government, we've seen Careers Wales funding fall from £42 million to £20 million. Are you still confident that you can deliver a decent careers service with that kind of funding?

[19] **Huw Lewis:** It's a challenge, but it's possible, yes, and we're seeing this develop across the United Kingdom as a whole, actually—a move away, really, from bricks-and-mortar-based career advice to a much greater emphasis in terms of what's delivered online, and a much greater quality of what's being delivered online as well, and savings where we are sticking with bricks-and-mortar physical locations, if you like, through things like co-location, which I think is a very important agenda that Careers Wales is working its way through at the moment. So, yes, in many ways, this does fit, of course, with the way that young people increasingly expect to find information these days, which is more and more about an online environment. So, in some ways, it does fit with what young people might expect. This is a very real challenge to Careers Wales and to ourselves, and we're working together very closely to ensure that we keep that quality that people would expect.

[20] **Simon Thomas:** It's a challenge that's out of step, in a way, with other things that you're trying to do with young people to expand the choices they're making at 14 to 16, to expand the information that should be available—vocational courses, apprenticeships, and so forth. There's very weak, it seems to me, provision in the budget for support for young people, whether it's online or in bricks and mortar, in order to make those choices in an informed way and in a way that matches the skills that they have and the skills that the local economy may need to use them for. Are you absolutely confident that you've made the right priority here?

[21] **Huw Lewis:** Yes, I am. Cuts don't fit with my worldview of how the public services should be valued and should be delivered, but the UK Government has made these overall, global decisions about resource, and we're going to have to live with that. I'm confident that we can, particularly by taking examples from other parts of the UK, deliver a careers advice service that it really is worth the time and trouble of young people to consult.

[22] There are also, of course, ways in which other things are moving. For instance, the changing profile of how further education colleges are working with employers, which is an evolving area of improvement that means that there is a greater connection at a regional level between the young person and the opportunities that might be available to them, or the opportunities that they would be aware of being available to them.

[23] **Simon Thomas:** One of the signal features of this draft budget for all departments is that it's a one-year budget. There is no indicative spend for

years two and three, although we have had indicative spend at the end of other, previous administrations. If you were to choose one of your areas that you thought was extremely successful for the next Government to continue with, which would it be?

[24] **Huw Lewis:** It would be the tripartite reform programme around our schools. I think this is the single biggest strategic necessity for the young people of Wales, that we continue with those priorities around literacy, numeracy and closing the gap, but that also we enable the professionals, the teaching professionals within the system, to operate at a much higher level. So, those issues around the new curriculum, the new deal, and the new format of initial teacher training are at the core of everything in my view, and should be defended above all else.

[25] **Simon Thomas:** I'll bear that in mind after the election.

[26] **Huw Lewis:** Happy days. We shall see.

[27] **Ann Jones:** Rhodri and Suzy want to ask questions, but we'll return to further in-depth questions on higher education a bit later on.

[28] **Rhodri Glyn Thomas:** A gaf i ofyn cwestiwn ar flaenoriaethu cyllidebau? Mae'n ymwneud ag addysg uwch, ac rwy'n siŵr, hwyrach, y byddwn ni yn trafod y pwnc yma yn ddiweddarach. Pan sefydlwyd y Coleg Cymraeg Cenedlaethol yn 2011, roedd hynny wedi ei seilio ar gynllun hirdymor i adeiladu'r ddarpariaeth o ran cyrsiau drwy gyfrwng y Gymraeg, nifer y myfyrwyr byddai'n astudio pynciau trwy gyfrwng y Gymraeg, a'r nifer o ddarlithwyr fyddai ar gael i ddarlithio trwy gyfrwng y Gymraeg. Ond, am y tro cyntaf nawr, mae'r Coleg Cymraeg Cenedlaethol yn wynebu toriad eithaf sylweddol yn ei gyllideb. A ydych chi'n credu bod y toriadau yn 2016-17 yn debygol o effeithio'n andwyol ar y cynllunio

Rhodri Glyn Thomas: May I ask a question on prioritising budgets? It relates to higher education, and perhaps we will discuss this subject later on. When the Coleg Cymraeg Cenedlaethol was established in 2011, it was based on a long-term plan to build the provision in terms of courses through the medium of Welsh, the number of students who would study courses through the medium of Welsh, and the number of lecturers who would be available to lecture through the medium of Welsh. But, for the first time now, the Coleg Cymraeg Cenedlaethol is facing a rather substantial cut to its budget. Do you believe that the cuts in 2016-17 are likely to have a detrimental effect on that long-term

hirdymor hynny ar gyfer sefydlu planning for establishing a coleg
coleg cenedlaethol fyddai'n gweithio cenedlaethol that would work across
ar draws y sbectrwm o ran addysg the spectrum in higher education in
uwch yng Nghymru ac yn cynnig y Wales and provide those
cyfleoedd hynny i fyfyrwyr? opportunities for students?

[29] **Huw Lewis:** Yes. It's an important question. We are continuing support for the Coleg, and it's there in the budget, but you're quite right to point out that it's one of those areas that's going to come under pressure. My officials are already working with the Coleg in terms of how we meet that challenge. To my mind, there is going to have to be some kind of re-profiling of the way the Coleg itself spends its money. There are, to my mind, a number of areas in which, if we could persuade the HE community themselves to take on more of the burden here, in terms of making sure that this agenda is healthy, we could continue to operate the good work, and some really good work has been done, through the Coleg. We could continue that good work, despite the budget pressures that you've pointed out, which are real.

09:45

[30] **Rhodri Glyn Thomas:** Rŷch Rhodri Glyn Thomas: You chi'n cydnabod felly fod y toriad hwn acknowledge therefore that this cut yn 2016-17 yn gosod her a sialens in 2016-17 sets a challenge and is a ac, yn wir, bygythiad gwirioneddol i genuine threat to the development of ddatblygiad y Coleg yn y dyfodol. the Coleg in future.

[31] **Huw Lewis:** I wouldn't describe it as a threat, no. Not at all. The long-term commitment is there, but there are some rather obvious cost savings that could be undertaken without damaging service delivery, in terms of the expectations we've laid upon the Coleg. The key to this dialogue now, which is ongoing, is that higher education institutions themselves need to step up in order to make sure that the agenda is preserved.

[32] **Ann Jones:** Suzy.

[33] **Suzy Davies:** Just a very short question on the careers advisory point that we raised earlier. I do take your point about bricks and mortar, but did you receive, in making the decision to cut this particular budget, any representations from the sector that suggested that the face-to-face careers advice function of the service might come under threat?

[34] **Huw Lewis:** There will be face-to-face careers advice. It's not being done away with. I don't want to give Members the impression that, because we're spending a lot of time thinking about online delivery, that necessarily precludes face-to-face advice. Part of the agenda around—. One of the standout aspects of the way Careers Wales operates really was that—. One of the distinguishing things about it was that, compared to other parts of the UK, Careers Wales had standalone offices in much greater numbers and density than was the case in England and Scotland. That, to my mind, was an area where savings could be made, and that agenda is being pursued. There are obvious ways, for instance, with good dialogue with our FE colleges about co-location of Careers Wales activities, that could mean substantial savings in terms of that area of cost, which of course then would preserve the option of face-to-face advice. In fact, face-to-face advice would probably be much closer to the young people who actually need it.

[35] **Suzy Davies:** Okay, thank you.

[36] **Ann Jones:** And Enterprise and Business Committee are looking at Careers Wales in more depth. It's how the terms of reference of committees move. So, they're looking at that in terms of that. So, I'm sure you could feed some views into people to ask those questions there.

[37] **Suzy Davies:** Thank you.

[38] **David Rees:** Can I just ask on Careers Wales?

[39] **Ann Jones:** I've got Angela first and then—

[40] **David Rees:** On that point.

[41] **Ann Jones:** Is yours on Careers Wales? No. Go on then, David.

[42] **David Rees:** Just a specific point on Careers Wales. Twice you've mentioned that it 'may not preclude', and then you said 'options'. To me, face-to-face advice is essential and it should be not 'may not preclude', but 'should not stop'. It should not be an option, it should be available. So, I hope that your thinking is that, actually, face-to-face is a critical element of careers advice by specialists; not by, when I was in school, teachers who didn't really have a clue about careers.

[43] **Huw Lewis:** We all remember those careers lessons. I'll talk to you

about my anecdotes later on. There's no precluding of face-to-face advice, but of course the anticipation would be, if we have a much higher quality of product in terms of what's available online, there will be less burden on Careers Wales to deliver the face-to-face advice.

[44] **David Rees:** I understand that bit.

[45] **Ann Jones:** Okay, thanks. Angela.

[46] **Angela Burns:** Thank you very much, Minister, for your answers—particularly to Simon on the budget at a whole. What I'm particularly interested in understanding, though, is how, over the next year, you will follow the money. How will you ensure that the outcome that you seek, despite the cuts that you have made to various aspects of the budget, will actually be delivered, because I've not heard that really clearly? When I bear in mind items such as Estyn is going to be taking longer between each inspection of schools, and is extending its time frame, you know, Estyn's an obvious monitor of whether or not the money that you are investing in education is having a return. We are going through an enormous period of change with the very welcome curriculum review. You talk about the tripartite emphasis that you are placing. We've talked about the cuts that are going in to higher education, the effect it's having on FE, and the effect it's having on multiple smaller organisations—ranging from Techniquest, all the way through—all having to absorb these cuts. So, how will your department specifically monitor the effect that having less money in the system will have on the outcomes that you as a Government desire?

[47] **Huw Lewis:** Well, there are multiple forms of ensuring whether we are getting value for money in the education system, and it varies, of course, depending on which part of the system we are looking at. Estyn is, as regards schools, obviously the key accountability body, and it will still obviously be playing its role. We also have the Wales Audit Office. We have the oncoming Estyn inspections of local authorities and consortia, which will follow as well. Of course, in higher education, that's got its own system of accountability and quality control, which is very different.

[48] We also, incidentally—returning to schools just for a moment—have a system of categorisation around our schools now that I'm very proud of, and that I think is by far the most intelligent accountability system for parents, in particular, and for the wider public, around how our schools are doing, that there has ever been, anywhere in Britain. It's a co-production between the

professionals in the schools themselves, the local authority and the improvement services at a regional level. It's rigorous, it's intensive and, as you know, it rolls on year after year. To my mind, it is the most accurate and most incisive quality-control mechanism in a school system that there has ever been.

[49] **Angela Burns:** The concern I have is that, if you look across the piece, there are examples where systems that are set up to monitor are taking time, in themselves, to deliver. Look how long it has taken to get the regional consortia up and running. Only just before Christmas, when we had a review of the regional consortia, did we learn that some of them still aren't going at 100 per cent. Yet you, as a Welsh Government, are relying on the regional consortia to be one of your great checks and balances in the system, to ensure delivery, to ensure value for money, and to ensure the outcome that your policy is seeking. So, I have a real concern, when we look across—.

[50] When you look at the literacy and numeracy framework, yet again we've been hearing that that programme hasn't yet achieved. What I'm seeking from you is reassurance that you will not simply put in place a new policy and put in place the monitoring system, but say, 'We will revisit this in three years' time or five years' time'. Because, actually, that's another three years or five years too late. If everything takes as long as, for example, it has taken the regional consortia to start being able to get up and running, then we are: (a) throwing loads more money at issues where we don't know the outcome; and (b) wasting the opportunity of the young people who are currently in the system. If I was to level any complaints against, actually, any Government of pretty much any flavour, it is this: that they put great policies in place and put lots of money behind it, but the monitoring and the following through of that money, to ensure that that delivery actually gets the outcome, is always flaky. I am seeking that reassurance from you that this can be improved by Welsh Government.

[51] **Huw Lewis:** Well, we are seeing these outcomes improve. You know, it's the life chances of young people that we are dealing with here, and it is tremendously important that we do understand exactly what is working within the system and what needs to improve. We are seeing that through the raised GCSE results, which are at an all-time high, for instance. That is perhaps, many educationalists would argue, a crude measure, but it is an important measure, and it's very clear. The trend is very, very clear there. But, there's no question of putting programmes in place and then waiting three or four years to see what—you know, as if we were baking a cake and

waiting to see what comes out of the oven. For instance, Schools Challenge Cymru is a day-to-day, month-by-month intensive programme of school improvement that's delivered on an individual school level. The accelerated improvement boards, which are the nexus of discussion around the improvement of those challenged schools, are operating at, at least, a monthly cycle.

[52] It's important to realise also, to be fair here, that when we read reporting such as that of the review of the literacy and numeracy framework, that we realise that we do have to understand how education actually works: you don't put a child into a machine, push button 'A', and five seconds later they emerge with a changed educational set of prospects. Education takes time. That LNF review was catastrophically badly reported. It was essentially a snapshot of the LNF just a few months after it had been instituted. The reporting was rather like saying, 'Ferrari have developed a new racing car. That's what it looks like. It's done a few test drives and that's what the test drives look like, but it's absolutely disgraceful that this Ferrari hasn't won any races'. Well, the car hasn't actually been entered for any races as yet.

[53] We're now beginning to see, a couple of years on from the field work that that review was looking at, the fruits of our labours, for instance, in terms of the GCSE result uplift and the closing of the gap. To the best of my knowledge, for the first time in modern educational history, we have seen a measurable closing of the gap between children on free school meals and their peers at every stage of education, including GCSE results.

[54] **Angela Burns:** I'm very pleased to hear a robust defence, if you like, of the Ferrari because up until now—

[55] **Huw Lewis:** I've always wanted a Ferrari.

[56] **Angela Burns:** —one of the concerns that I've had is that there aren't monitoring processes in place. You may well have an excellent policy that isn't showing the results, but you're absolutely committed and you know that eventually it will. That is great—defend it and evidence it. That's what I'm asking because when you do look across the piece, there are an awful lot of areas where that rigour is not apparent and that's what I'm asking: that Welsh Government should take this hard-won money and apply that rigour in all areas, and that we follow the money and we follow the outcome rather than just putting it into a policy area and assuming. So, for example, with the LNF, you're going back, you're looking at it and monitoring it—tick. But with

things like the regional consortia, that didn't happen. So, there's good and there's bad and I'm urging you to do more of the good and less of the bad in terms of monitoring.

[57] **Huw Lewis:** I will challenge you on that because it is happening with consortia.

[58] **Angela Burns:** Now, yes.

[59] **Huw Lewis:** No, this was all programmed from the very beginning.

[60] **Angela Burns:** They started in 2012.

[61] **Huw Lewis:** I chair the challenge and review events where the consortia personnel are held to account, in a forum much like this where I'm being held to account. They are held to account by me and my officials and by the experts that we use for advice and so on. There is an all-day exposure of the consortium to questioning and cross-questioning about how they are doing. We've completed two rounds of those challenge and review events and they will continue.

[62] **Ann Jones:** Right, we're going to make some progress because that was only the first set of questions. On targeting funds at deprivation and/or low achievement, Lynne, do you want to start those off? Then Rhodri can come in at the end.

[63] **Lynne Neagle:** Thanks, Ann. Can I ask, first of all, how the purposes of expenditure on the pupil deprivation grant and Schools Challenge Cymru compare and relate to each other? Do you see them as mainly to overcome the impact of deprivation on attainment or to tackle low achievement in general?

[64] **Huw Lewis:** These two programmes are complementary, but they are distinct in their purpose. Schools Challenge Cymru is a school-based programme; it's targeted at the 40 most challenged schools and it arose for two reasons: one was the gauntlet that was thrown down to us by the Organisation for Economic Co-operation and Development, in terms of there being too many schools in Wales that were underperforming, and the second route of the challenge is, of course, the experience and learning from London, and the way in which London really has shown the whole of the UK, really, a lesson in how to do school improvement.

10:00

[65] The challenge is about the school as a whole; it's about challenging the professionals particularly within that school to offer better teaching and learning in every lesson, every day. The pupil deprivation grant is personalised to a particular child, and it operates in all schools, obviously, and it is about boosting the attainment and life chances of that particular child. These are children, obviously, from homes with lower incomes, and it matters not how that child is attaining in terms of the PDG. That child could be more able and talented and operating at a very high level of attainment, but the PDG is still theirs, because, at every level of attainment, we know that an experience of poverty diminishes the life chances of a child, even though they may be very, very able. So, it's about taking a young person, for instance, who may well be easily capable of going to university, and extending their ambition towards a Russell Group application, or an Oxbridge application, or whatever it might be, whereas before they might have settled for something less. Every part of the spectrum in terms of attainment is to be considered when it comes to the PDG, because we know that 30 per cent of our young people are held back by the circumstances and accident of their home life. That's a sufficient quantity, as we all know, to hold back the entire country. And so the PDG is unashamedly for an individual child. That should be spent on them.

[66] **Lynne Neagle:** Thank you. I've got some more questions about the PDG. The first is: how will you ensure that lessons learned from the former RAISE programme are taken forward in the way PDG funds are targeted?

[67] **Huw Lewis:** Well, RAISE was a little before my time, obviously. I think I've probably answered the bulk of your question. RAISE was a generalised programme—a targeting of money according to the proportion of children on free school meals in a particular school. To my mind, we've learned from that, moved on. We have to have very targeted interventions down to the level of the individual young person rather than that blanket approach being taken towards the school population as a whole.

[68] **Lynne Neagle:** Okay. Thank you. The PDG year 2 evaluation report said that a clearer message regarding the purpose of the PDG would be of value, and you have been very clear this morning. Do you think there's anything that can be done to better communicate that to people who are implementing the PDG?

[69] **Huw Lewis:** The communication has been relentless around this, you know, and we are seeing, in terms of the reviews of the PDG that we've recently received back, that headteachers now are well aware that the PDG is not a general fund to be dipped into for school purposes, but that it is targeted at a particular group of young people, that they will be held to account now through categorisation and that they will be held to account through Estyn inspections, as to how they focus the PDG and the results that they get from it, and, in fact, it has to be published annually now. As from September, headteachers will have to publish, in their school development plan, exactly their proposals for how the PDG is spent, so that that's in the public domain for every school.

[70] **Lynne Neagle:** Thank you. Just finally, then, on looked-after children, I have written to you recently raising some concerns about the transparency and also the effective targeting of PDG funds on looked-after children. Have you given any particular consideration to how Welsh Government could do more to ensure that those funds specifically reach the children who need them the most?

[71] **Huw Lewis:** As colleagues may know, this was identified as an issue, really, early on in terms of the development of the PDG. One of the reasons that was being flagged to me that there was an issue was that looked-after children can be very mobile—they can be changing addresses and changing local authority areas more than the general population of young people. And so what we've done there is to take the allocation of PDG up to the regional level so that the consortia now are responsible for tracking those young people, and ensuring that the money follows them.

[72] It would be difficult to conceive, I think, given the churn within the system, a system that was entirely perfect around this, but I'll be taking a very close look now and analysing how this shift to the regional level has improved matters. My qualitative report back is that it has improved things.

[73] **Lynne Neagle:** Thanks.

[74] **Ann Jones:** Okay. Aled, on this point, and then I'll bring Rhodri in.

[75] **Aled Roberts:** Ar y grant **Aled Roberts:** On the deprivation amddifadedd, mae yna bwyslais yn grant, there is emphasis in your eich tystiolaeth chi ynglŷn ag evidence on early intervention, and

ymyrraeth gynnar, ac wrth ystyried eich bod chi'n dweud eich bod chi'n hyderus bod yr ymyrraeth yma o ran y grant yn mynd i ddwyn ffrwyth, mae'r sefyllfa yma yng Nghymru, wrth gwrs, yn wahanol iawn o ran plant sydd o fewn dosbarth derbyn, gan mai'r grant amddifadedd blynyddoedd cynnar sy'n cael ei dalu ar hyn o bryd, sy'n £300 y plentyn. Yn Lloegr, wrth gwrs, mae'r *pupil premium* yn dechrau pan mae'r plant o fewn y dosbarth derbyn—rhyw £1,320 erbyn hyn. A ydych chi wedi rhoi unrhyw ystyriaeth, os ydych chi'n credu erbyn hyn fod y grant yn dwyn ffrwyth, i ymestyn y grant yna i'r dosbarth derbyn, fel bod yr ymyrraeth yn dechrau yn unionsyth unwaith mae'r plant yn dechrau yn llawn amser o fewn yr ysgol?

considering that you say that you're confident that intervention in terms of the grant will bear fruit, the situation here in Wales is, of course, very different in terms of reception-class children, as it's the early years deprivation grant that's currently paid, and that's £300 per child. In England, of course, the pupil premium starts when children are in reception class—about £1,320 by now. Have you given any consideration, if you believe that the grant is now bearing fruit, to extending that grant to the reception class, so that the intervention starts immediately once the children start full-time in school?

[76] **Huw Lewis:** There are differences between the way we do things and the way things are done in England with the pupil premium in this regard. It's worth saying, actually, that, to my mind, we have a more sensible approach to this. You know, although the figure of £1,300 is often held up as the spend on pupil premium in England, that's just for primary schoolchildren; it's only £900 for secondary schoolchildren. We've maintained a higher rate of £1,100 for primary and secondary, and as you say now, early years is £300.

[77] The other distinguishing element of the Welsh system is that we cover non-maintained settings with that money, too. So, the intention is that all young people in their early years in Wales are covered, whereas that's not the case in England; it's just state settings, really, in England that are covered.

[78] To get to the nub of your question, it's very early on in terms of the early years spend to make any kind of—. I think it's just one round of spend. But what we do hear is a chorus of approval from the professionals in the system in terms of the usefulness of the PDG, and any conversation with any headteacher will rapidly tell you, actually, that the PDG is enormously valued

and seen as having educational benefit. In fact, what you'll get as a complaint is that, perhaps, 'The proportion of young people that are eligible in my school is very low, and that's why I'm disappointed', but the disappointment doesn't surround any question around the educational uplift that we're talking about here.

[79] **Ann Jones:** I'm conscious that Rhodri Glyn had asked for this series, and there's a number of people jumping in and taking the questions. Simon, you've got a point on this, and then I'll come to Rhodri to finish the section off.

[80] **Simon Thomas:** Pwynt cyffredinol sydd gyda fi, achos rydym wedi bod yn trafod y gwahanol gynlluniau grantiau yma ac ymyrraeth gynnar ar gyfer cau'r bwlch, ac rydych chi wedi canolbwyntio ac wedi ffocysu ar y ffaith bod y bwlch cyrhaeddiad wedi cau rhywfaint yn ddiweddar yn y system, sydd yn rhywbeth i'w groesawu. Ond, wrth gwrs, mae mynediad i'r grantiau hyn i gyd yn troi o gwmpas teilyngdod i gael prydau ysgol am ddim. Rydym yn gwybod bod newid sylweddol ar y ffordd o du Llundain ynglŷn â'r credydau a budd-daliadau o bob math. Nid ydym yn siŵr eto ynglŷn â'r amserlen am hwnnw, achos mae gwahanol bethau yn cael eu dweud ar wahanol adegau. Ond fe fydd y ffordd y mae pobl yn cael eu hasesu i weld a ydynt yn gymwys ai peidio am brydau ysgol am ddim yn newid; mae hynny yn sicr. Pa gamau, felly, ydych chi'n eu cymryd, a'r Llywodraeth yn fwy eang—achos mae nifer o gynlluniau ynghlwm â hwn—i baratoi ar gyfer hynny? A fydd gennych chi, maes o law, yng Nghymru, rhyw ffordd Gymreig, os liciwch chi, o

Simon Thomas: I have a general point, because we have been discussing the different schemes and grants and early intervention for closing that gap, and you've focused on the fact that the gap in attainment has closed somewhat recently in the system, which is something to be welcomed. But, of course, access to these grants revolves around the right to have free school meals. We know that there is significant change on the way from London in terms of credits and benefits of all kinds. We're not sure entirely yet what the timetable for that will be, because different things are being said at different times. But the way that people are assessed as to whether they are eligible or not to have free school meals will change; that is certain. So, what steps are you taking, as a Government more widely—because there are a number of schemes associated with this—to prepare for that change? Will you have, in due course, in Wales, some Welsh way, if you will, of measuring this need so that it's possible to provide in future the grants that you

fesur yr angen yma fel bod modd have put forward today in the most
darparu yn y dyfodol y grantiau appropriate manner?
rydych chi wedi eu clodfori heddiw yn
y ffordd fwyaf priodol?

[81] **Huw Lewis:** That's a very important issue for all of us, and Simon's quite right to point out the worry and the uncertainty as to what the UK Government intend here. I have to say that, in terms of Government-to-Government dialogue on this, I'm no clearer as to how universal credit can translate into those other benefits like free school meals than I was at the very beginning. Our officials talk to officials in the Department for Work and Pensions, they talk to officials in the Department of Education in England, obviously, on an ongoing basis, and as far as I'm aware, the current picture is still as it was, that all will be unveiled at some point. It's difficult to imagine what's behind the curtain, because it will be extremely difficult to replicate the system as it is.

[82] We have done some modelling internally, within the department, in terms of what different allocations of PDG, for instance, or free school meal expenditure as well, might mean for us and for local authorities set at different proportions and income levels. We're probably going to have to have some kind of system that looks at gradations of income. I know the Scottish Government has done something similar. But we're still in an uncertain position, and it's intolerable, really, that something that's so important as regards fairness within the schools system is still not resolved after such a long development time surrounding universal credit.

[83] **Ann Jones:** Okay. Rhodri, we'll come to you to finish the section off.

[84] **Rhodri Glyn Thomas:** Diolch yn fawr iawn, Gadeirydd. Roeddwn yn gwranddo ar eich ymateb chi i'r cwestiynu ar y grant amddifadedd disgyblion, ac mae yna gydnabyddiaeth gyffredinol ei fod yn bwysig eithriadol o ran datblygiad y disgyblion hynny sydd yn dod o gefndir tlawd, ac rydych chi'n benodol wedi dweud mai dyna yw pwrpas y grant yma. Rydych wedi cyfeirio at yr adroddiadau chwedlonol
Rhodri Glyn Thomas: Thank you very much, Chair. I was listening to your response to the questioning regarding the pupil deprivation grant, and there's recognition in general that it is very important in terms of the development of pupils who come from poor backgrounds, and you have specifically said that that is the purpose of this grant. You've referred to the reports you say you get from headteachers regarding its

rydych yn eu cael oddi wrth importance, although they note, if I have understood correctly, that they are unhappy that so few pupils in their schools qualify for that grant. How do you ensure—? You have talked about the consortia tracking these pupils, you have talked about having a general overview of it; how will you ensure that you have the data to prove that the use of this grant is cost-effective and makes that significant difference to the attainment of pupils from poor backgrounds?

er eu bod yn nodi, os deallais yn iawn eu bod nhw'n anfodlon bod cyn lleied o'r disgyblion yn eu hysgolion yn gymwys ar gyfer y grant hwnnw. Sut ydych chi'n sicrhau—? Rydych wedi sôn am y consortia yn tracio'r disgyblion yma, rydych wedi sôn am fwrw gorolwg cyffredinol drosto; sut ydych chi'n mynd i sicrhau bod y data gennyh chi i brofi fod y defnydd o'r grant yma yn gost-ffeithiol ac yn gwneud y gwahaniaeth sylweddol hynny i gyrhaeddiad disgyblion o gefndir tlawd?

[85] **Huw Lewis:** Yes, well, it is always difficult in education to prove beyond a shadow of doubt that, if you push button A, the result is B, and that it is only because you pushed button A that you've got that result, especially when you're in the context of multiple programmes here around school improvement going on at the same time. There's Schools Challenge Cymru, as well as the PDG and so on. But we can be confident that we've got robust measures of what outcomes actually are. If you look, for instance, at the level 2 inclusive GCSE results last summer for children on free school meals, they're 3.9 per cent higher than they were the year before.

10:15

[86] Now, the general uplift across the school population was, if I recall, 2.5 per cent. So, we're seeing an uplift in the attainment of 15 and 16-year-old young people on free school meals, which is, first of all, unprecedented—they've never attained so highly—and, secondly, the improvement in their attainment is faster than it has been for the general school population. What's happened to make that happen? Well, to my mind, it's undeniable that the PDG is an indispensable tool for leaders in education to be able to produce results like that. School categorisation, which bars schools from a green category unless they're delivering for kids on free school meals as well as for other young people—that's had an effect. Of course, in some places the Schools Challenge has had an effect as well.

[87] As I say, at an individual school level, every Assembly Member, for instance, will be able now to take a look at exactly what the headteacher's plans are for the PDG and how it's being spent, and compare that with the educational outcomes, of course, which are already available and interrogated particularly through the categorisation model. So, for every school, we'll be able to ask those questions. The answer will always be a little more complicated than, 'Well, we've spent PDG, therefore, everything changed. *[Interruption.]* Yes. I'm reminded that, obviously, there is a target-setting requirement, as well, for headteachers and boards of governors in terms of the FSM attainment. So, all that's there for everyone through My Local School.

[88] **Rhodri Glyn Thomas:** Diolch yn fawr iawn, Weinidog. Rydym ni'n mawr obeithio bod y cymhorthdal yma'n mynd i gyflawni'r hyn yr ydych chi'n ei obeithio ac rydym ni i gyd yn ei obeithio. Un cwestiwn i orffen ynglŷn â Her Ysgolion Cymru: nid yw'n glir o'r gyllideb a ydy hyn yn mynd i gynnwys trydedd flwyddyn academaidd yn 2016–17, a beth yw'r oblygiadau ar gyfer hyn ar gyfer y flwyddyn 2017–18?

Rhodri Glyn Thomas: Thank you very much, Minister. We very much hope that this subsidy will achieve what you hope it will and what we all hope it will. One question to finish regarding Schools Challenge Cymru: it is not clear from the budget whether this is going to include a third academic year in 2016–17, and what are the implications for this for 2017–18?

[89] **Huw Lewis:** Right, yes. The simple answer: 'yes'. There's £15 million, I think, allocated in the budget for Schools Challenge Cymru, so that guarantees a year 3. I haven't made any commitment beyond a year 3. I think it would be unwise to do so, for two reasons. One, there's a great big hairy election coming, and making predictions beyond this academic year would be pretentious, in some ways, politically. But also we will want to compare—the third year will be very important in that it'll need to be a time of comparison. What kind of uplift are we seeing in attainment within those 40 schools after the three years? How does that compare with what happened in London, in particular? Is this programme actually delivering? Whoever is Minister towards the second half of year 3, I think, will have to be asking very, very considered questions about value for money, about whether, at that stage, the programme is to be modified in any way and whether the programme is fulfilling our ambitions.

[90] What we do know at the moment at this very early stage is that the experts involved in London and in the Manchester challenges look very favourably on the rate of progress here in Wales, to the extent that Mel Ainscow, actually, has commented that our rate of progress has been faster. But it is at a very, very early stage.

[91] **Rhodri Glyn Thomas:** Diolch yn fawr. **Rhodri Glyn Thomas:** Thank you very much.

[92] **Huw Lewis:** Croeso. **Huw Lewis:** You're welcome.

[93] **Ann Jones:** Thank you. Can we move on to the tripartite programme of reform? It's no slight, but can I just say that we have the Minister back in a fortnight's time to do general scrutiny of the policy areas? It's very difficult to try and split policy from budgets, I know, but this is supposed to be financial scrutiny of the budget so we can present something to the Finance Committee on the budget, so if we can try and keep policy areas for a fortnight's time when we have the Minister in again, or we'll have nothing to ask him, I'm sure—. David.

[94] **David Rees:** I'll try and keep off it, but, obviously, policy basically drives the budget. The curriculum review, Minister: you indicated last year that you allocated £1 million initially and then, in June of last year, you added to that another £2 million to increase it to £3 million. I have a quote here. Apparently, you indicated in that meeting in Plenary that:

[95] 'Three million pounds is not sufficient... £3 million is a down payment'

[96] Now, in your budget, you've only allocated £5.4 million—in your words, an additional £4.4 million, but, really, it's an additional £2.4 million. Based upon the importance of the curriculum review, based upon the fact that, if we don't get it right at the early stages, the cost of correcting it at later stages is going to be a lot more, are you confident that the figures you've allocated will start that process and deliver correctly, so that you don't incur additional costs later down the line? You've already indicated today that this is an important area for you.

[97] **Huw Lewis:** This is central, really. I mean, the review of the curriculum is an attempt to answer the questions posed to us by all those subject area reviews that went on, colleagues will remember, in terms of IT, in terms of

literacy, numeracy, sport, in terms of the cwricwlwm Cymreig, and so on. So, it's a comprehensive answer to those subject reviews, and, of course, it's tied up intimately with school improvement and the new kind of professional that we're aiming to train here in Wales, as well. So, you're quite right: you mess this up, you mess up quite a lot. It has to be got right first time.

[98] You're right to point out that £5.4 million is allocated now for this coming academic year. That figure's based on the best advice that we've received, particularly from Professor Graham Donaldson, in terms of what's required next. It's also, of course, based on our experience thus far in terms of how the programme has developed, and we do have a profile of spend predicted over the next couple of years, which—. I'm just wondering, is that in the public domain, the predicted—?

[99] **Ms Daniels:** No.

[100] **Huw Lewis:** No, it's not. Oh, well, then—

[101] **Rhodri Glyn Thomas:** It is now. [*Laughter.*]

[102] **Huw Lewis:** It might well be now. If I recall, that £5.4 million the following year we'd anticipate to rise to about £8 million, and the year following from that we'd probably be at peak spend and in the middle of the reform, which would be about £10 million. So, there we are; it's public now. That may well be for another Minister, of course, but we are very, very careful in terms of allocating resource to the review of curriculum and the profile of the allocation as well, to take account of the experience, most particularly, of Scotland, which went through a very, very similar process not so very long ago. Our process should be simpler, because the Scots also undertook a massive qualifications reform programme at the same time. We're not doing that. So, these are the best estimates coming from the Government at the moment.

[103] **David Rees:** Well, thank you for that. It's important for us to understand the projected figures that you have, because that has implications, obviously, for future priorities and future allocations.

[104] **Huw Lewis:** Yes.

[105] **David Rees:** But also, closely linked to that, clearly, is the new deal, to provide continuing professional development for staff. Not just teachers, but

all professional staff in the education sector now are covered under the Education Workforce Council. Again, clarification as to the allocation to the new deal, particularly relating to the development of staff to start working and delivering the curriculum, but also, in the meantime, the transitional period as well—. Do we have sufficient funding, because CPD is critical? We've always raised this issue in this committee. The funding for CPD is important and, taking away initial teacher training at the moment—we're talking about CPD—and the annual allocation also of the Education Workforce Council—. I couldn't see where that was in the budget line, by the way, so if you could clarify where that appears, it would be helpful and also whether that will be consistent, whether that will also be increasing progressively, as we move towards a new curriculum and an expectation of CPD to be increasing as a consequence of that.

[106] **Huw Lewis:** Sure, okay. Well, I can help, I hope, with following the money. There's an allocation of £5.65 million for the new deal pioneer schools in this budget. The budget line is—?

[107] **Ms Daniels:** I believe it's the teaching and leadership budget line.

[108] **Huw Lewis:** The teaching and leadership budget line. What distinguishes the new deal? Anyone who has been involved in teaching in this or a past life will know that, generally speaking, CPD was something that was bought in by a local authority—by a school—and was delivered to a body of teachers. What distinguishes the new deal—and this will be developing within the pioneer schools now—is that we want to draw a line under that way of working. It will be the job of the pioneer schools to collect evidence, first of all, about what the workforce actually needs and develop and deliver programmes of CPD themselves. So, in other words, this is about peer to peer, teacher to teacher professional development: those teachers that are working in an environment that is an exemplar of the very best pushing that best practice through the system as a whole, working with peers, with colleagues. So, it's an end, really, to the sort of PowerPoint presentations from A.N. Other person that's brought in to explain best practice to a body of professionals, and much more profound than that: professionals talking to each other about what constitutes best practice and how it should be delivered, and quality-controlling that professional development. Any teacher will tell you, certainly myself—I'll tell you, as an ex-teacher—that the variation in the quality of professional development was farcical, really; the sublime to the ridiculous. What we need to be born in these pioneer schools is, at the very least, packages of professional development that are

benchmarked against the best practice anywhere in the country—preferably, the best practice anywhere in this or any other country. That £5.65 million is the first allocation of resource for those schools to get on with that job.

[109] **Ann Jones:** Right. I've got Simon and Aled.

[110] **David Rees:** Chair, can I ask one other?

[111] **Ann Jones:** You can ask one, and then—.

[112] **David Rees:** Just on this point.

[113] **Ann Jones:** On that point. Okay, and then I'll fetch these two in.

[114] **David Rees:** With regard to Education Workforce Council, how much is it and where is it found in the budget line?

[115] **Huw Lewis:** I don't grant an Education Workforce Council—. A global figure?

[116] **Ms Daniels:** £6 million.

[117] **Huw Lewis:** £6 million.

[118] **David Rees:** In the budget line, can you tell me where it is?

[119] **Ms Daniels:** That's also in the teaching and leadership budget expenditure line, the same as the new deal.

[120] **Huw Lewis:** Sure. Colleagues will be aware, of course—if you'll allow me—that it's my intention that the workforce council should evolve to become the all-Wales professional body that quality-controls and advises professionals on their ongoing CPD needs. That's a stage of evolution that needs to be grown. It wasn't my predecessor's intent for the workforce council to be doing that, so we'll need to grow that.

[121] **Ann Jones:** Simon, and then Aled, and then—.

[122] **Simon Thomas:** Ie. Dau **Simon Thomas:** Yes. Two questions
gwestiwn ar— on—

[123] **Ann Jones:** Two? [*Laughter.*]

[124] **Simon Thomas:** Ie, sori.

Simon Thomas: Yes, sorry.

[125] **Ann Jones:** Go on, then. [*Laughter.*]

[126] **Simon Thomas:** Maen nhw'n gwestiynau penodol iawn.

Simon Thomas: They are very specific questions.

[127] **Ann Jones:** Go on, then.

[128] **Simon Thomas:** Yn gyntaf oll, ar y cwricwlwm newydd, ar hyn o bryd, yr ydych chi'n ariannu Techniquest i ddelifro gwasanaeth cefnogi yn y cwricwlwm ar gyfer pynciau STEM—gwyddoniaeth, mathemateg ac ati. Rwy'n deall bod y gyllideb yma yn golygu y bydd toriad sylweddol i arian Techniquest ac, yn y pen draw, yr ydych yn dod â'r arian hwnnw i ben. Os dyna'ch penderfyniad chi, ym mha ffordd, o dan y weithdrefn gwricwlwm newydd, ydych chi'n rhoi y gefnogaeth genedlaethol yna i bynciau mor bwysig â STEM os nad yw Techniquest yn darparu'r gwasanaeth ar ran y Llywodraeth?

Simon Thomas: First of all, on the new curriculum, at present you fund Techniquest to deliver a support service in the curriculum for STEM subjects—science, mathematics and so on. I understand that this funding means that there will be a significant cut to Techniquest funding and, ultimately, you will bring that funding to an end. If that is your decision, how, under the new curriculum regime, will you give that national support for subjects that are as important as STEM if Techniquest does not provide the service on behalf of the Government?

[129] **Huw Lewis:** Well, the answer is somewhat embedded in my answer immediately previous to this, in that we need to get to a situation where this sort of expertise, you know, is confidently delivered in a school setting. A self-improving school system will be more than well aware of what was required in terms of curriculum in those STEM subject areas and able to deliver, at the very highest level, every aspect of them. We are in a situation at the moment where there are other organisations, like Techniquest—and Sport Wales has also got a similar relationship with schools—that are providing a good-quality service, and there's no denying that, but are supplying that to a school system which in and of itself ought to be operating at a higher level, frankly, in this regard; primary schools, in

particular, when it comes to STEM.

10:30

[130] **Simon Thomas:** A ydych chi'n dweud bod ysgolion wedi troi bach yn bwdr, felly, o ran darparu'r gwasanaeth yma eu hunain? **Simon Thomas:** Are you saying that schools have become a little bit lazy, as it were, in providing those service themselves?

[131] **Huw Lewis:** No, I'm not accusing anyone of laziness. But, we all know that there's a shortage of specialist subject teachers in STEM subjects, particularly in primary schools. There aren't enough physicists there; not enough mathematicians and so on. With the situation as it is, organisations like Techniquest can do very valuable service in terms of addressing that structural issue, amongst other things. But, it is a fact, in any case, in a time of budgetary constraint, that Techniquest is overly dependent on public funds. It's not a sustainable position. It's got to be restructured. I know that Techniquest acknowledge that and I've asked officials to work closely with them now on a sensible re-profiling of what public support for Techniquest looks like. It's going to have to change. The budgetary atmosphere demands it.

[132] **Simon Thomas:** Yr ail gwestiwn penodol, a fydd yn gwestiwn byr, ond nid wyf yn gwybod a fydd yr ateb yn fyr— **Simon Thomas:** The second very specific question, it will be a brief question, but I'm not sure if the response will be brief —

[133] **Huw Lewis:** I'll try my best.

[134] **Simon Thomas:** Reit ar ddechrau'r cyfarfod, roeddech yn glir iawn eich bod yn meddwl bod y gyllideb yma wedi cadw'r cynnydd o 1 y cant ar gyfer ysgolion—ar gyfer yr oedran statudol, beth bynnag, pump i 16. Ond, rydym hefyd yn gwybod, yn ystod y flwyddyn y bydd y gyllideb yma'n gymwys ar ei chyfer, bod codiad cyflog penodol i athrawon yn mynd i ddigwydd o 1 y cant beth bynnag. Nid ydych yn gallu rheoli **Simon Thomas:** Right at the very beginning of this meeting, you were very clear that you believe that this budget has maintained that increase of 1 per cent for schools—for the statutory age, at least, five to 16. But, we also know that, during the year that this budget relates to, that there will be an increase in wages for teachers of 1 per cent. You cannot control this; it's decided on an England-and-Wales level. But, in

hynny; mae'n cael ei benderfynu ar lefel Cymru a Lloegr. Ond, yn ymarferol, ydych chi'n meddwl y bydd gwasgfa gyllidol ar ysgolion penodol oherwydd bod rhaid iddynt dalu am godiad cyflog athrawon allan o'r gyllideb—sydd wedi'i hamddiffyn i raddau, ond sydd ddim mewn unrhyw ffordd yn hael?

practical terms, do you believe that there will be budgetary pressure on specific schools because they have to pay that increase in teachers' wages out of the budget—which has been protected to some extent, but is not a generous one?

[135] **Huw Lewis:** I don't run specific schools. I don't run individual schools. Schools might find themselves in all sorts of different budgetary situations. What I can guarantee is that the 1 per cent protection of school budgets over and above the block from Westminster has been delivered, as was our commitment through this Assembly term. There's another £40 million in the budget lines there for 2016–17 to deliver it again; essentially, through the election period and through the academic year. It is there and it is for ourselves now to work very closely with the WLGA and individual local authorities to ensure that that money finds its way through to the schools. That doesn't mean that there's no pressure on schools, obviously. There is a relative protection with that 1 per cent. It has delivered £100 million over and above what might have been expected in the budgets of headteachers over the course of this Assembly term. I'm very proud of that. But, I'm not going to say that no school is going to find itself under budgetary pressure, as it wouldn't be fair to say that. It wouldn't be true.

[136] **Ann Jones:** Aled, briefly.

[137] **Aled Roberts:** Rwy'n meddwl eich bod chi wedi ateb rhan o'm cwestiwn. Rwyf eisiau eich cyfeirio at baragraff 33 o'ch tystiolaeth chi. Rydych yn ailgyfeirio cyllid o £2 filiwn ar gyfer cam gweithredu'r cwricwlwm. Rydych yn dweud bod hynny o feysydd sydd wedi cael eu cyllido'n benodol yn y gorffennol ac yn nodi ymarfer corff a gwyddoniaeth. A ydy hynny felly'n sôn am Techniquet a Chwaraeon Cymru? Pa raglenni eraill o fewn y £2

Aled Roberts: I think that you have answered part of my question. I want to refer you to paragraph 33 of your evidence. You are redirecting £2 million of funding to implement the curriculum action. You say that that is from areas that have been specifically funded in the past, and note physical education and science. Does that then refer to Techniquet and Sport Wales? What other programmes within that £2 million are you cutting? To be parochial, I

filiwn yna ydych chi'n eu torri? I fod yn blwyfol, rwy'n gwybod bod Techniquest Glyndŵr, er enghraifft, yn cael ei gyllido yn wahanol i Techniquest i lawr yma. A ydy hynny'n cynnwys Techniquest Glyndŵr?

know that Techniquest Glyndŵr, for example, is funded differently to Techniquest down here. Does that include Techniquest Glyndŵr?

[138] A gaf i hefyd ofyn i chi—? O ran Cyngor y Gweithlu Addysg, fe gafwyd esboniad nad ydych yn gallu dweud—digon teg—faint o ffioedd a fydd yn dod i mewn oddi wrth yr athrawon o fis Ebrill ymlaen, ac rydych wedi dweud eich bod yn barod i dalu unrhyw ddiffyg o goffrau'r Llywodraeth i Gyngor y Gweithlu Addysg. Fe ddywedoch chi ar y pryd eich bod yn mynd i ddefnyddio'r llinell o ran arweinyddiaeth a datblygu athrawon i dalu'r swm yna. Pa raglenni o fewn rhaglenni arweinyddiaeth a datblygu athrawon rydych chi'n eu defnyddio o fis Ebrill ymlaen i dalu am unrhyw ddiffyg?

Can I also ask you—? In terms of the Education Workforce Council, there was an explanation that you couldn't say—that's fair enough—the amount of fees that would come in from teachers from April onwards, and you would be willing to pay any deficit from Government funds to the Education Workforce Council. You said at the time that you would use the line in terms of leadership and development of teachers to pay for that. What programmes within leadership and development programmes for teachers will you use from April onwards to pay for any shortfall?

[139] **Huw Lewis:** First of all, you're right in your identification of Techniquest and Sport Wales, particularly, as areas that will need to be re-profiled. It's particularly evident in terms of the sports agenda that the torch, now, really needs to be passed on to the curriculum development. We've got that embedding. I have to spend a second paying tribute to Sport Wales and the schools that work with them. The activity levels that we've seen on a very modest budget, over the last three or four years, and the rise in activity levels, has been astounding. That work now needs to be part of the everyday business of how a school operates. We shift then towards that health and wellbeing aspect of the Donaldson curriculum as being a way of cementing what Sport Wales has done, so you're right.

[140] In terms of the underwriting of the workforce council, essentially my commitment is to ensure that they will receive—I believe it was £49 per

registrant. We don't exactly know how many people are going to register as yet, but the anticipation is that that won't leave us with a shortfall. If we were to have to underwrite it, you asked then—

[141] **Aled Roberts:** Which programmes—you identified the BEL, I think, that you would be using in your statement yesterday. It was on the development of teachers, I think, that you were going to use the money. I was just wondering whether you had identified which programmes for teacher development—given that we've identified that continuing professional development is important—would have to be cut in order to finance any shortfall.

[142] **Huw Lewis:** I haven't decided yet—

[143] **Aled Roberts:** It was worth a try.

[144] **Huw Lewis:** I don't anticipate a shortfall, but the logic would be that that would have to come through from a re-profiling of the CPD support.

[145] **Ann Jones:** David, do you want to finish this section off?

[146] **David Rees:** Just some final questions, but I want to make one point on Techniquest. I'm an advocate of STEM. I believe that it's important that we get as many young people at an early age into STEM so that they can take as many GCSEs and higher qualifications, if possible. The point that you've highlighted on curriculum review, I fully understand, but some of the issues are actually delivering today for those people and I don't want to see the loss of delivery today for young people coming through. I just wanted to make that point.

[147] On initial teacher training, obviously, there's no specific allocation to it. I understand that. I think it's in one of the lines included in your budget, but based upon Professor Furlong's recommendations, there seems to be no increase in allocation. Can you just explain why you think there's no need to have an increase in the allocation, given that he's come out with some quite important changes to ITT?

[148] **Huw Lewis:** He has indeed—wholesale reform, in fact. But I made very clear from the beginning of this process, before Professor John Furlong came to advise us, that the envelope of resource around initial teacher education and training has to stay pretty much the same. We do spend a good deal of

resource on training our teachers in the various centres in different parts of Wales. What will be happening next is that we will have a get-together of the HEIs concerned, I believe, early in February and then we'll follow through with a recommissioning of the courses. We will describe the new course that we will require and we will challenge Welsh higher education to deliver that within the cost specifications of what we've got at the moment. So, we're changing the expectations around the quality of the course, but not the budget.

[149] **David Rees:** So, the expectation is that we want an improved quality of provision, but the budget is of the same value.

[150] **Huw Lewis:** Yes, which is what I said at the very beginning.

[151] **Ann Jones:** Okay. I think we'll take a break now. Can I limit you to just under 10 minutes, so that we're back ready to start at 10:50? We've got some more areas to come. So we'll break now until 10:50.

*Gohiriwyd y cyfarfod rhwng 10:40 a 10:51.
The meeting adjourned between 10:40 and 10:51.*

[152] **Ann Jones:** Okay, we'll continue on. Thank you very much for coming back promptly. So, we go on to the education improvement grant, and, Suzy, you've got the questions on that.

[153] **Suzy Davies:** Thank you, Chair. Before I ask my questions, I recognise that there's been a cut of about £7.5 million in this particular grant, which we can talk about in a minute, but can you explain whether that's actually just a saving or whether some of that £7.5 million has gone into other BELs, if you like?

[154] **Huw Lewis:** Well, budgets are always complex, but it's essentially a saving, yes. It's a cut that's there because of the pressures on the overall budget.

[155] **Suzy Davies:** Well, thank you for being so straight on that one. The reason I asked really was to find out whether any money had come out of this to go directly towards consortia.

[156] **Huw Lewis:** No, not in essence, no. The EIG is seeing that £7.5 million cutback, as you're saying. The quid pro quo for that, though, has been that

we have increased the flexibility within the system, especially for local government, in terms of the grant rationalisation that we've seen over the last couple of years now within education. In other words, there are fewer ring-fenced areas of specific grant spend within that overall block of money. So, it's for consortia and local authorities really to determine the priorities, within what are allocated to them as their duties, to figure out how they square the circle.

[157] **Suzy Davies:** Thank you for that as well. I understand the flexibility point there, but, as we've already heard in the first part of this evidence session, Government still has certain expectations. Your own written evidence to us, says that the grant is still expected to cover the areas originally covered by the six grants that were amalgamated. As you're not monitoring any more the use of the grant in the sense of how those six original areas that were separately grant-funded are now performing within the EIG, how can you be sure that your expectations, which are still there on things like Gypsy/Traveller support, are being treated seriously by individual councils?

[158] **Huw Lewis:** Through the usual means and mechanisms—

[159] **Suzy Davies:** Which are—

[160] **Huw Lewis:** It's worth saying first of all that that rationalisation of grants has enabled us to save on bureaucracy costs in terms of the administration of individual grants and ring-fenced moneys, but we still see that accountability around outcomes, of course, in terms of what Estyn looks at at a local authority level and at a school level—and at a consortium level, because Estyn will be inspecting consortia. And, of course, the Wales Audit Office have their corporate assessments as well. So, the accountability machinery is still all in place.

[161] **Suzy Davies:** Will that accountability machinery pick up any situation— . I'll use the Gypsy and Traveller expectations as the example again. Will your monitoring, and will Estyn in this circumstance, pick up the fact that, okay, local authorities might spend less from the EIG on supporting Gypsy and Traveller families, but the pupil deprivation grant, or other sources of income, will be picking up the slack in order to support those families? I just use those as an example.

[162] **Huw Lewis:** Yes, and it's an important example. The allocation for

Gypsy and Traveller and Roma children is still there within the EIG. The expectation is to deliver for all pupils. That's still there. And, you're quite right, there is some amelioration if you happen to be leading in a school that, for instance, has a goodly allocation of PDG. There is even more protection perhaps if you're a Schools Challenge school, but there are very real pressures, which I don't deny, on local government in terms of coming to terms with the pressures.

[163] **Suzy Davies:** I appreciate I had to use one example there, but the reason I asked the question was that I think it's probably easier now for any local authority to ignore one of the six areas that were originally separately grant funded and say, 'Oh, well, actually, a different bit of my budget can now deal with'—let's say—'Welsh in education', for example. I'd like to move on to Welsh in education; I'm trying to do this as quickly as I can. I just want a quick look at the budget papers, if you'll excuse me a second. Obviously, everything to do with the Welsh language is pretty much included in the education budget, regardless of whether it's directly connected to education or not. I can see that, for Welsh language, we've got a Welsh in education figure that's now reduced somewhat, but we also have a Welsh language line and a Welsh Language Commissioner line. Forget the Welsh Language Commissioner line for a minute. In the Welsh language line, what is the relationship between that budget line and the Welsh in education line? And, are they separate simply because there are different Ministers with responsibility for what that spend is for?

[164] **Huw Lewis:** Right. I'll probably have to rely on official advice to give you a clear answer on that. But, I would say that, although we've got this amalgamation of moneys within the overall grants that we've already talked about, the clarity about holding local authorities in particular to account around outcomes is there now through the relatively new mechanism of the Welsh in education strategic plans—the WESPs—which, of course, are public and are publicly debated and have to pass my desk in terms of their rigour and their level of appropriateness, if you like, in terms of what the local authority has to do to fulfil its statutory responsibilities around the Welsh language. In terms of the different budget strands—.

[165] **Ms Daniels:** So, there are—. Within Welsh in education, that covers funding for planning relating to Welsh-medium education; the sabbatical scheme; Welsh language training through Welsh for adults; the commissioning of teaching and learning resources, and research, evaluation and marketing. The Welsh language budget line supports the strategy, 'A

living language: a language for living’, and that’s designed to encourage support for the use of the Welsh language within families; the Welsh language in the community; and the Welsh language in the workplace. So, one, if you like, is for the direct provision of Welsh language services, in terms of Welsh for adults and Welsh-medium education in schools, and the other is around supporting demand for Welsh in communities, in homes and in the workplace. And, then, obviously, as you’ve said, there’s the Welsh Language Commissioner, which is separate.

[166] **Suzy Davies:** I can understand that. I have a concern here about education for adults, and the fact that it’s flipping potentially between these two lines. There’s an argument that Welsh education for adults is something that should be community based, rather than in a sort of strict education line. And, I can foresee local authorities in particular, and two people round a table saying, ‘This is your responsibility’, and the other person across the table saying, ‘Well, this is your responsibility’. And, actually, one of your seven aims to make Welsh a thriving part of our lives is slipping between a crack, simply because there are two budget lines here that open up an exposure to nobody taking responsibility for outcomes.

11:00

[167] **Huw Lewis:** It’s an interesting point. I’d be very happy to ponder on that further to make sure that we are sufficiently robust in our oversight of this to make sure that doesn’t happen. It’s worth remembering that some of the adults we’re talking about here are teachers, and, you know, I think we do need a separate budget line for that professional development support.

[168] **Suzy Davies:** I wouldn’t disagree with that.

[169] **Huw Lewis:** Sorry?

[170] **Suzy Davies:** I wouldn’t disagree with that.

[171] **Huw Lewis:** Which is there, obviously.

[172] **Suzy Davies:** I’ve got one—

[173] **Ann Jones:** Simon’s just got one little one on the specifics, and then I’ll come back to you, Suzy, and Rhodri’s got a couple as well.

[174] **Simon Thomas:** Diolch. Jest ar y pwynt penodol yma, achos rwy'n credu bod y swyddog newydd gyfeirio at y ffaith bod yr arian yma ar gyfer cefnogi'r strategaeth. Ac os wyf wedi darllen y gyllideb yn iawn, mae hwn yn £82,000, so nid yw'n swm anferth i gefnogi'r strategaeth. Ac, wrth gwrs, yn y cyfamser, mae'r pwyllgor yma wedi cyhoeddi adroddiad ar y cynlluniau Cymraeg mewn addysg, ac roeddem ni dipyn yn feirniadol o'r rheiny. A ydych chi wedi cael cyfle i ailystyried a ydy'r dyraniad felly yn briodol ar gyfer y dasg sydd i'w hwynebu yn y maes yma?

Simon Thomas: Thank you. Just on this specific point, because I think that the official has just referred to the fact that this funding is for supporting the strategy. And if I've read the budget correctly, that's £82,000, so that's not a huge sum to support the strategy. And, of course, in the meantime, this committee has published a report on the Welsh in education plans, and we were quite critical of those. Have you had the opportunity to reconsider whether this allocation is appropriate for the task to be faced in this area?

[175] **Huw Lewis:** Not as yet, no; I haven't had an opportunity to take a look at the committee's report, I'm afraid, as yet, but, of course, I will. We need to take this in the context as well that the three-year evaluation of the Welsh-medium education strategy is very near complete as well. And so, there is going to have to be this springtime, really, I suppose, an evaluation of everything we're doing in this area.

[176] We also, of course, are moving towards a curriculum change around what our expectations are around Welsh second language, as it has been termed. I think this spring will be an opportunity for everyone to evaluate and discuss what comes next in terms of the best approach to this. I wouldn't argue; I think there are ways in which—. Well, there have been weaknesses in terms of outcomes around all this—it's no secret—and reform is necessary.

[177] **Suzy Davies:** Just two questions—

[178] **Ann Jones:** Well, I've got Aled. Sorry. Aled just wants a point based on what Simon has said, I think, and then, sorry about this, Suzy—

[179] **Suzy Davies:** I don't mind who asks the questions, as long as they're answered.

[180] **Ann Jones:** Yes, I know. Okay, Aled, but I'm just conscious of the fact that we've got less than half an hour and we want to do further education and higher education as well.

[181] **Aled Roberts:** Fe ddylwn i nodi yn y lle cyntaf bod fy ngwraig i yn gyfrifol am y Gymraeg yng Ngholeg Cambria; rwyf eisiau nodi'r buddiant yna.

Aled Roberts: I should note in the first instance that my wife is responsible for the Welsh language in Coleg Cambria; I should note that interest.

[182] Rydych chi wedi sôn am y gwerthusiad. Rwy'n derbyn nad ydych chi wedi cael cyfle i ystyried adroddiad y pwyllgor, ond mae'r gwerthusiad yn cael i gyhoeddi ym mis Mawrth. A ydych chi wedi cymryd penderfyniadau? Mae yna ostyngiad o ryw £740,000 yn y llinell yma. A ydych chi wedi gwneud penderfyniadau penodol, neu a ydych chi'n aros i weld beth mae'r gwerthusiad yn ei ddweud cyn penderfynu pa raglenni a fydd yn cael eu cwtogi o fis Ebrill ymlaen?

You have spoken about the evaluation. I accept that you haven't had the opportunity to consider the committee's report yet, but the evaluation is being published in March. Have you taken decisions? There is a decrease of around £740,000 in this particular line. Have you made specific decisions, or are you waiting to see what the evaluation states before deciding what programmes are going to be cut from April onwards?

[183] **Huw Lewis:** I can't predetermine what that evaluation is going to show us. That three-year job of work is going to be something that needs serious thought and attention, so, no, I haven't taken any prejudgments about that.

[184] **Ann Jones:** Right, Suzy, okay, and then we'll come to Rhodri.

[185] **Suzy Davies:** Part of my question is answered, because, obviously, this committee's report hasn't been taken into account, despite some decent heads-up that the situation at the moment is not acceptable. I notice, though, that elsewhere in the budget there's a narrative that suggests that some more money will be coming into Welsh-language education, possibly next year, to mitigate the cuts this year. Is that promise—I think it was £1.2 million—. Is that with potential uplift to Welsh in education strategic plan financing? Is that what you have in mind about why that extra money might come in in the future?

[186] **Huw Lewis:** Right, I'm going to have to ask for advice on this.

[187] **Ann Jones:** Do you want to write to us on that?

[188] **Suzy Davies:** Because I can't put my finger on any actual bit in here, but there's definitely promise of further money.

[189] **Ann Jones:** Can I say, though, there can't be a huge delay in getting the response, because we need to feed something through to the Finance Committee?

[190] **Huw Lewis:** Of course; we'll get that to you as quickly as possible.

[191] **Ann Jones:** But, in terms of our report, I think our report, if the Minister's going to respond to our report, that—

[192] **Suzy Davies:** I will find the line as well that says that.

[193] **Ann Jones:** Yes, I think that the Minister probably has heard what's been said about what's in our report, and obviously will be looking at the response. Hopefully you'll find our report helpful in, perhaps, attempting to sort your budget lines out on that one.

[194] **Suzy Davies:** Okay. My second question is just confirmation, really, of something you said to David Rees earlier on, that when it comes to teacher training and, in this case, building the Welsh skills level of the education workforce, you are expecting different, but for the same amount of money—through the Furlong question that we had earlier.

[195] **Huw Lewis:** Yes.

[196] **Suzy Davies:** And there's enough in the existing envelope to cope with what is a new demand, which is, as I say, a growing of the Welsh-language skill base of the education workforce.

[197] **Huw Lewis:** Well, other things may change here, you see. It may well be that some of our higher education institutions simply cannot meet the new criteria that we will lay out, because they will be ambitious. So, we could be looking at a landscape where there are fewer teacher training centres. So, there might be budgetary implications from that. We also have to tie in the expenditure that we will need to prepare teachers for the new curriculum as

a part of this as well. So, the overall envelope of cash should not change hugely, because we need, overall, roughly the same number of teachers. We don't have this English-style emergency around teacher numbers, so I don't anticipate that the core spend is going to change. There may be some later development work around the curriculum that might well come through other budget lines that might impact upon this, but I want to see, first of all, what higher education's response to our demand for a new type of qualification is going to look like, and that will have big implications for the overall budgetary outlook.

[198] **Suzy Davies:** Okay, thank you. Thank you, Chair.

[199] **Ann Jones:** Rhodri.

[200] **Rhodri Glyn Thomas:** Diolch yn fawr iawn, Gadeirydd. Dau gwestiwn penodol iawn ar y cymhorthdal gwella addysg yma: fe wnaethoch chi gyfeirio yn gynharach at adroddiad interim Estyn ar y fframwaith llythrennedd a rhifedd, ac mae yna amcangyfrif yn fan hyn y bydd y cymhorthdal yma yn lleihau o £7.5 miliwn—ac mae hynny'n cynnwys trosglwyddiad o £1 miliwn tuag at lythrennedd a rhifedd. Yng ngoleuni adroddiad interim Estyn, a oes rhaid ichi ystyried trosglwyddo mwy o arian tuag at rifedd a llythrennedd?

Rhodri Glyn Thomas: Thank you very much, Chair. Two very specific question on the improvement subsidy: you referred earlier to the interim report by Estyn on the literacy and numeracy framework, and there'll be £7.5 million reduction in this, and there will be a transfer to literacy and numeracy. In light of the interim report by Estyn, do you have to consider transferring more money to literacy and numeracy? [sic.] [N.B. *Translation should read: 'Thank you very much, Chair. Two very specific questions on the education improvement grant: you referred earlier to the interim report by Estyn on the literacy and numeracy framework, and there is an estimate here that there will be a £7.5 million reduction in that grant—and that includes the transfer of £1 million for literacy and numeracy. In the light of the interim report by Estyn, do you have to consider transferring more money to literacy and numeracy?'*]

[201] **Huw Lewis:** I'm afraid I don't quite follow that one.

[202] **Rhodri Glyn Thomas:** Mae Rhodri Glyn Thomas: The interim adroddiad interim Estyn ar y Estyn report on the literacy and fframwaith llythrennedd a rhifedd yn numeracy framework is very critical—feirniadol iawn—

[203] **Huw Lewis:** Well, no, it's not.

[204] **Rhodri Glyn Thomas:** Wel, yn Rhodri Glyn Thomas: It's critical, or it feirniadol, neu yn codi cwestiynau, os raises questions, if the Minister oes well gan y Gweinidog hynny. Yn prefers that. It's certainly not full of sicr, nid yw'n ganmoliaethus. Mae praise. There is talk here about yna sôn yn fan hyn am drosglwyddo transferring £1 million to literacy and £1 miliwn tuag at lythrennedd a numeracy; is that enough, or in light rhifedd; a yw hynny'n ddigon, neu a of this report, do you have to oes rhaid ichi, yng ngoleuni'r consider transferring more money? adroddiad yma, ystyried trosglwyddo mwy o arian?

[205] **Huw Lewis:** Right, okay. First of all, I don't want to get into a policy debate, but what Estyn's saying in that interim report is pretty much what you'd expect of a programme at that stage of development. The report praised the high level of recognition of the programme, its importance, by professionals. It also praised very highly the consensus around the need for the literacy and numeracy framework. In other words, yet again, we're working with professionals in Wales, instead of against them, as is the case in some other parts of the UK. Of course, it said that it was really impossible to measure outcomes, and that's not surprising, because we'd only just started the programme at that time. But, in terms of the £1 million transfer, Jo-Anne will be able to explain this better than me.

11:10

[206] **Ms Daniels:** We transferred £1 million from the curriculum and assessment budget line into the education improvement grant. This is for the consortia to support literacy and numeracy in their regions. It's part of the funding that previously would have gone towards the national support programme, which, of course, we brought to a conclusion last summer. The funding for that in 2015–16 was also transferred into the consortia because the responsibility now for the literacy and numeracy framework sits with

them.

[207] **Rhodri Glyn Thomas:** So, it's not new money.

[208] **Ms Daniels:** It's new for the consortia, but it's money that's always been devoted towards literacy and numeracy, and supporting the LNF. Obviously, the history of the education improvement grant is that there's a significant number of budget lines that were merged that also support literacy and numeracy. So, I wouldn't want you to think that £1 million was the totality of the support. It's much more considerable than that.

[209] **Rhodri Glyn Thomas:** Un Rhodri Glyn Thomas: One further
cwestiwn arall, Gadeirydd—gyda'ch question, Chair—with your
caniatâd chi—i weld a allaf gael mwy permission—to see whether I can get
o lwc gyda'r cwestiwn yma. O ran y more luck with this question. In
radd Meistr mewn ymarfer addysgol, terms of the Master's in educational
yr MEP— practice degree, the MEP—

[210] **Huw Lewis:** You had a full answer. It's not a question of luck.

[211] **Rhodri Glyn Thomas:** Wel, o Rhodri Glyn Thomas: Well, in terms
ran yr hyn yr oeddwn i'n chwilio of what I was looking for in response.
amdano mewn ateb.

[212] **Huw Lewis:** So you didn't like the answer.

[213] **Rhodri Glyn Thomas:** O ran y Rhodri Glyn Thomas: In terms of the
radd MEP—Meistr mewn ymarfer MEP degree—the Master's in
addysgol—sy'n cael ei gydnabod fel educational practice—which is
rhywbeth sydd wedi bod yn recognised as a big success, I don't
llwyddiannus iawn, nid wyf yn gweld see anything in the budget that
unrhyw beth yn y gyllideb yn sôn am mentions anything about the
barhad y cynllun hwnnw. A ydyw hwn continuation of that scheme. Is this
yn un o'r cynlluniau hyn yr ydym yn one of these schemes that we do for
eu gwneud am ddwy neu dair two or three years and then forget
blynedd ac wedyn anghofio amdano, about it, or will there be a
neu a oes yna barhad i fod iddo? continuation of this?

[214] **Huw Lewis:** No, we're not going to forget about it at all. It has been a success, oversubscribed and very popular. In terms of the budget lines, Jo-Anne, can I turn to you?

[215] **Ms Daniels:** Again, the Master's in educational practice is contained within the teaching and leadership action, and within the teacher development and support budget line.

[216] **Rhodri Glyn Thomas:** So, the MEP will continue.

[217] **Huw Lewis:** Yes.

[218] **Ms Daniels:** In 2016–17.

[219] **Huw Lewis:** In 2016–17, yes, and it will be open to teachers other than newly qualified teachers as well.

[220] **Ann Jones:** Okay. Very briefly, Suzy, because we've got further education and higher education to get through as well.

[221] **Suzy Davies:** It's a simple 'yes' or 'no' answer, actually, on this one. Bearing in mind your response to Rhodri Glyn Thomas on the literacy and numeracy £1 million that's come into the EIG, and the earlier acceptance that this is a flexible grant and it's up to local authorities how they use it to meet local priorities, is there a risk that that £1 million won't be used for literacy and numeracy upgrade?

[222] **Huw Lewis:** Well, again, the accountability mechanisms are there. If consortia aren't doing their job around literacy and numeracy, that's going to become very rapidly apparent in terms of Estyn's work, and in terms of my department's work as we challenge and review the consortia.

[223] **Suzy Davies:** Okay. Thanks.

[224] **Ann Jones:** Okay. We'll move to further education. I've got David, Angela and Simon, but the health warning is on now. We're short of time, but we do need to get some answers to these points. Go on, David.

[225] **David Rees:** Thank you, Chair. Minister, the budget line for the post-16 education is quite stagnant this year. It's flat cash, I think. Therefore, a real-terms reduction, effectively, but not as bad as people perhaps may have been anticipating. They've actually borne the brunt of some severe cuts in their part-time provision, particularly in adult education. What assessment have you made of the impact of those previous cuts and the ability of FE

colleges to continue to provide important part-time provision to many people, and many young people, who are not necessarily best suited for full time, or maybe in employment and trying to improve themselves and improve their opportunities in life?

[226] **Huw Lewis:** First, it's very important to recognise that further education in general, the colleges out there, they really have contributed to cost savings over the very difficult period over the last couple of years. They have done that, not simply through cutting, but have really transformed the way that they work. The Cardiff and Vale College and Coleg Cambria have transformed the way they interact with the private sector, and are market leaders, really, in terms of finding ways of supporting their mission in partnership with the private sector.

[227] We've also focused provision here on, as you say, under-19s and within adult learning on the delivery of basic skills, of English for speakers of other languages, digital literacy and learners with moderate and profound learning difficulties. Where part-time sits within all that will vary college to college. I don't know, Steve, whether you want to add anything? Huw, do you?

11:15

[228] **Mr Morris:** Picking up on some of those points, impact is evaluated and monitored through our finance function. We look at what's happening in colleges. The Minister and Deputy Minister have met with the chairs of all of the different colleges across Wales. There are monthly meetings with the principals. There's been a prolonged process led by the Deputy Minister looking at how colleges are responding and can respond to these and other changes. The reductions were not something that I think the Deputy Minister wanted to do by any means, but they were, regrettably, one area where reductions could be made because there wasn't a statutory requirement for provision there. The colleges have done a fantastic job in exploring other sources of income and ensuring that part-time provision is maintained through that mechanism, I think.

[229] **David Rees:** Okay. Thank you for that. No-one wants to make reductions—I fully appreciate that—but, in your own paper, you indicate that 800,000 hours are likely to be lost from part-time. That's a large amount of learning lost for many people in one sense. So, it's important we look at how we mitigate and address that and support those individuals.

[230] Back to the budget and the post-16 action: I think, in 2014-15, you actually put in the post-16 planning and funding network to replace the national planning and funding system. What implications does that have? Because, obviously, you are now funding by programme rather than by qualification. What impact has that had on your budget considerations for the post-16 sector?

[231] **Huw Lewis:** Overall, it's part of this shift, which is required, really—it's necessary—in terms of the relationship between, for instance, our colleges and the various sectors of industry. So, in moving towards programmes as being the measure rather than qualifications being the measure, it's part of a piece, really, in terms of what colleges need to do in terms of building new and more connections with industry within their region. So, that's essentially the rationale behind it.

[232] **David Rees:** My thinking is now—obviously, I don't know the detail of this, but, to me, a programme is a scheme of study someone follows. Technically, are A-levels a programme? Are vocational qualifications a programme? Is someone doing both A-levels and a vocational qualification doing one programme or two programmes? And there's a funding aspect of this. So, in other words, what consideration of the funding of FE has that whole approach taken? That's what I'm trying to find out.

[233] **Mr Morris:** The short answer to your question is that A-levels and vocational qualifications can form part of a programme. Several A-levels can form part of a programme. Several vocational qualifications can form part of a programme. So, the method of focusing on programmes is a recognition that most students are doing a combination of things.

[234] **David Rees:** Okay. So, a programme in this sense is a scheme of study followed by an individual.

[235] **Mr Morris:** Yes, that's correct.

[236] **David Rees:** Okay. It's important to clarify that. And the support for students: I obviously support the education maintenance allowance approach and the way in which you do that, but I suppose, in a sense, what analysis have you done of the value for money of that support system? And, in particular, I looked at the contingency fund. I welcome that you're continuing with the hardship contingency fund, effectively, in FE because many people

come back in and need that support, but it is reduced by 10 per cent. What analysis have you done to demonstrate that that reduction is something that will not impact upon many people who want to improve and who are vulnerable and in financial difficulties and rely upon that support?

[237] **Huw Lewis:** There has been evaluation of EMA, of course, which was the Old Bell 3 evaluation, which was completed almost exactly a year ago. What that did show us is that the maintenance allowance meant that those students who received EMA who enrolled for post-compulsory education enrolled more quickly and those students who were not studying A-levels, which is a goodly number obviously, studied for longer and achieved at a higher level. So, there's clear value-for-money evidence around the EMA. In terms of the financial contingency fund, Huw, did you want to—?

[238] **Mr Morris:** We monitor the impact of these things regularly through dialogue with colleges and other institutions, and we have a programme of evaluation that looks at these things. I can't recall the precise date of the last FCF evaluation, but we can write to the committee and update you on the detail of that.

[239] **Ann Jones:** Okay. Angela.

[240] **Angela Burns:** Thank you. Minister, reputation is everything and, at present, our universities have a mixed reception on international league tables. What impact assessment did you undertake when looking at the reduction in funding to higher education in Wales in terms of our potential loss of high-end courses? It costs a lot less to put a young person in higher education through a course in the arts or humanities than it does through, say, dentistry or medicine. I'd be interested to know what assessment you've had on what impact on our research capabilities the cut to higher education might have.

[241] **Huw Lewis:** Well, the cutback to the money that flows through HEFCW, which is a cut of £20 million, in my view is simply not of a level of magnitude that it should lead to any such consequence in terms of loss of courses, and so on, because you've got to put this in the context of the overall income to universities in Wales now standing at something like £1.3 billion a year. This is a very healthy, robust sector, and most of its money, in terms of public money, is coming through the tuition fee support for students as they walk through the gate. In other words, it's a function of the recruitment of students, and it's not in the gift of HEFCW or any other organisation, really;

it's a function of whether they can continue to recruit students.

[242] Now, it's ultimately for HEFCW to determine how it's going to allocate its resources—that's the nature of the relationship between Government and the funding council. But, of course, I will be outlining Government priorities in a remit letter, which I'll issue a little later on this year. We also have to sit this in the context, obviously, of the Diamond review and the very profound and important questions that Diamond will be attempting to answer for us in terms of overall student finance in Wales. But we're talking about a sector here whose income is predicted, by our measures, anyway, to continue to grow above inflation right through until 2021 at the very least. So, there is no reduction in overall money in HE; in fact, there's an increase.

[243] **Angela Burns:** Thank you.

[244] **Ann Jones:** Okay. Simon.

[245] **Simon Thomas:** HE now, yes?

[246] **Ann Jones:** Well, on FE, but then, if you want to—

[247] **Angela Burns:** I'm so sorry, I thought we were taking FE and HE together.

[248] **Ann Jones:** That's fine. I'll come back to you for another one. So, if you want to do FE and then move onto HE, and then we'll—

[249] **Simon Thomas:** I've got nothing on FE at the moment, because I think David's covered it.

[250] **Ann Jones:** Okay. Anybody else on FE, then, before we move off? No. HE, then. Go on then, Simon, do you want to start on HE, then?

[251] **Simon Thomas:** I'll start with Angela's question, then. I take it from your response to Angela that no impact assessment was done of this decision. It's interesting to hear your response on a real-terms direct funding cut of £41 million to HEFCW, which is 32 per cent, because you have this touching faith, I think, that the market will now deliver your HE priorities, because, in effect, you are outsourcing—

[252] **Huw Lewis:** Well—

[253] **Simon Thomas:** Let me just ask my question. In effect, you're outsourcing the decision making to individual students and where they decide to study, and many of them, of course, decide not to study in Wales—that's their freedom, and they'll decide to spend their money, which is Welsh Government money, elsewhere. Now, if we look at what HEFCW were spending the money on, most of it, £80 million, went on research; the next biggest amount was part-time undergraduate, some £27 million. Do you expect those to be cut by HEFCW as a result of this budget?

[254] **Huw Lewis:** Right. First of all, there hasn't been a £41 million reduction, there's been a £20 million reduction in terms of what ultimately ends up in universities' pockets.

[255] **Simon Thomas:** Yes, but HEFCW itself doesn't have that £21 million that you talk about.

[256] **Huw Lewis:** No, because £21 million has been re-routed now through student support.

[257] **Simon Thomas:** Forty per cent of which will go to English universities.

[258] **Huw Lewis:** Well, you know, you can make that—

[259] **Simon Thomas:** It's through Diamond; Diamond says that, Minister. *[Interruption.]*

[260] **Huw Lewis:** One hundred per cent of which—

[261] **Simon Thomas:** It's called questioning.

[262] **Huw Lewis:** One hundred per cent of which goes towards young people and their prospects. You know, budget scrutiny is one thing and the political argument about how we support students is, perhaps, another.

[263] **Simon Thomas:** Is that £21 million going to HEFCW, or is it going to individual students?

[264] **Huw Lewis:** Students; I just said so.

[265] **Simon Thomas:** Right. So, they decide where to spend the money, or

does HEFCW decide where to spend the money?

[266] **Huw Lewis:** Our investment here is not with the institution as the first priority—it's with the young person as the first priority. If you've got different priorities, then explain it to the public and we'll all have the opportunity to do that, because—

[267] **Simon Thomas:** I will be explaining it to the public; you don't have a policy at the moment. If you turn to the actual money—

[268] **Huw Lewis:** If those options—

[269] **Ann Jones:** Hang on; let the Minister—

[270] **Simon Thomas:** [*Inaudible.*]—HEFCW to cut.

[271] **Huw Lewis:** That's a matter for HEFCW. You know, I don't dictate to HEFCW what they do. [*Interruption.*] That's the purpose of the arm's-length body. What?

[272] **Simon Thomas:** You issue a remit letter to HEFCW.

[273] **Huw Lewis:** Yes.

[274] **Simon Thomas:** What will you say in your remit letter about the priorities for the now-reduced £88 million that they've got to spend?

[275] **Huw Lewis:** Well, there will be no surprises. You'll see the letter when I produce the letter, but there will certainly be mention of part-time study there, for instance, which I'm particularly proud is a feature of the Welsh HE landscape that has proven to have been robust over the last period of time, whereas it's collapsed in England. I don't want to see that situation happen here in Wales; I've made no secret of that. But you'll have to wait until the remit letter is issued.

[276] **Simon Thomas:** It's very difficult to scrutinise your decision, if you're not going to issue a remit letter at the same time as—

[277] **Huw Lewis:** I'm not going to answer questions on a remit letter that I haven't written yet.

[278] **Simon Thomas:** Have you had discussions with the Open University about maintenance of part-time undergraduate degrees?

[279] **Huw Lewis:** I'll be discussing issues, including this, with the Open University, I believe, next Thursday.

[280] **Simon Thomas:** Are you confident that the current level of provision for part-time undergraduate study by the Open University in Wales will be maintained with this budget allocation?

[281] **Huw Lewis:** The provision of part-time—and the Open University, I'm sure, would echo this—the provision of part-time HE study within Wales is a shining light, in my view, compared to what's been happening elsewhere in the UK. And we've seen that in the way that the Open University have had to respond in England to the cutbacks across the border. I don't want to see that happen.

[282] Now, I can't dictate to HEFCW every dot and comma about what they do; that's not the nature of the way this money flows, and not the legal relationship between myself and HEFCW. But it is for me to outline Government priorities and, very clearly, I will be saying that one of our priorities is part-time study.

[283] **Simon Thomas:** If part-time is protected, then that means there must be cuts in either research or expensive subjects or the Coleg Cymraeg, which you've already answered questions about. Can you not give an indication to us now, as we're looking at the budget allocation today, of what you'd expect HEFCW to protect and what you're prepared to see HEFCW sacrifice in this regard?

[284] **Huw Lewis:** I expect HEFCW and everyone else involved in the debate, most particularly including the universities themselves, to realise that we are dealing here with a sector that is healthy, is financially robust and is expected to be looking forward to increasing income above inflation for some years into the future.

[285] Now, what falls out from that, to my mind, is obvious. It is time for the universities to step up to a much greater extent in terms of meeting the expressed priorities of this democratic body here, as expressed through the Welsh Government and the will of the Welsh people. It is within the HEIs, really, where the great resource lies, and the dialogue between myself and

them and between HECW and them will be critical in terms of the answer to your question.

[286] **Ann Jones:** Okay. David, on this point, and then I'll bring Aled in.

[287] **David Rees:** Thank you, Chair. Minister, I personally agree about investment in the individual to ensure the individual's able to reach their potential as much as possible, and hopefully that investment will return back to Wales afterwards. I'm very pleased to hear that you'll highlight the part-time issue in your remit letter—you say you'll be talking about that—because, clearly, in Wales we have higher education and the OU is unique in a sense, in that 99 per cent of it is part-time, whereas the bulk of other universities and HE institutions' work, the majority of their work, is full-time and part-time tends to be in addition to that. Will you be also, as part of the implications of the budget, if you're going to highlight part-time, as it were, talking to universities to look at how they can be innovative, and asking HEFCW to look at how they will be innovative, in delivering part-time provision, so that we can make effective use of part-time funding to ensure that we're not put in a position where students are struggling to find somewhere to go?

11:30

[288] **Huw Lewis:** 'Yes', is the short answer. HEFCW, I think—. I can't answer for HEFCW, and you'll need to scrutinise them to get a better idea of their thinking at the moment. But, certainly, the situation, as it is at the moment, is very, very different to the one that was pertaining five years ago. The way money flows has completely changed, and that implies that HEFCW has to have a very different way of approaching these strategic issues, and HEFCW needs to think strategically, and in innovative ways, as you say.

[289] **Ann Jones:** Aled.

[290] **Aled Roberts:** Rwyf eisiau nodi bod fy mab yn fyfyrwr llawn amser, a hefyd yn derbyn ysgoloriaeth gan y Coleg Cymraeg Cenedlaethol. Rydych chi wedi sôn am y ffaith bod y darlun rŵan yn wahanol i'r un bum mlynedd yn ôl, ond ydy'n wir i ddweud bod y darlun yn wahanol iawn i beth oedd **Aled Roberts:** I want to note that my son is a full-time student, and also receives a scholarship from the Coleg Cymraeg Cenedlaethol. You've mentioned the fact that the picture now is different from what it was five years ago, but is it true to say that the picture is very different from

Llywodraeth Cymru yn ei rhagweld bryd hynny, o achos mi oedd eich rhagflaenydd chi'n dweud mai ond 35 y cant o'r grant dysgu a fyddai'n cael ei wario ar bolisi ffioedd dysgu? A allech chi ddweud wrthym ni y bore yma faint o arian o'r grant dysgu erbyn hyn sy'n cael ei ddarparu ar gyfer y polisi ffioedd dysgu yng Nghymru?

what the Welsh Government had foreseen at that time, because your predecessor said that only 35 per cent of the teaching grant would be spent on the tuition fees policy? Can you tell us this morning how much funding from the teaching grant is provided for the tuition fees policy in Wales?

[291] **Huw Lewis:** Off the top of my head, the figure?

[292] **Mr Morris:** I'd rather not give you the wrong figure, but we can write to the committee with the detail of that.

[293] **Aled Roberts:** Yes, fine. Okay.

[294] Rydych hefyd wedi dweud ei bod hi'n bwysig bod yna ddeialog rhwng y Llywodraeth, y gwahanol sefydliadau, a hefyd efo HEFCW. Nid wyf yn gwybod os ydych chi wedi cael cyfle i ddarllen tystiolaeth HEFCW i'r Pwyllgor Cyllid. Mae'n ymddangos yn y dystiolaeth yna nad yw'r deialog yn effeithiol iawn. Rwy'n meddwl ein bod ni i gyd yn derbyn ei bod hi'n gyfnod anodd, ond mae'n amlwg bod HEFCW, am ryw reswm, wedi rhagweld mai toriad o ryw £25 miliwn yn ei gyfanrwydd bydden nhw'n ei wynebu y flwyddyn yma, a dyna sail eu cynlluniau nhw efo'r sefydliadau unigol. Mae'n amlwg bod yna gryn dipyn o wahaniaeth barn ynglŷn â'r cyfanswm o ran toriadau. Rydych chi wedi sôn am £20 miliwn neu £21 miliwn. Mae tystiolaeth Prifysgolion Cymru yn sôn am £61 miliwn o fewn y gyllideb yma, ar ben

You've also said that it's important that there's a dialogue between the Government, the different institutions, and also with HEFCW. I don't know whether you've had an opportunity to read HEFCW's evidence to the Finance Committee. It appears from that evidence that the dialogue is not very effective. I think we all accept that it's a very difficult period, but it's clear that HEFCW, for some reason, had foreseen that it would face a cut of around £25 million in total this year, and that was the basis of their plans with the individual institutions. It's clear that there is quite a difference of opinion with regard to the total in terms of cuts. You've mentioned £20 million or £21 million. The Universities Wales evidence discusses £61 million within this budget, on top of the £20 million cut in-year, in June, I think. So, they

£20 miliwn o doriadau mewn blwyddyn, rwy'n meddwl, ym mis Mehefin. Felly, maen nhw'n dweud bod y ffigur yn ei gyfanrwydd yn rhyw £61 miliwn. Nid wyf yn gwybod os yw'n bosib i chi esbonio lle mae'r gwahaniaeth barn yna, o achos rwy'n meddwl ei bod yn bwysig i ni fel pwyllgor wybod beth yn union yw maint y toriadau.

[295] Ond, ar ôl hynny, rwyf eisiau mynd ar ôl beth oedd Simon Thomas yn ei gyfeirio ato. Rydych chi wedi sôn am y llythyr cylch gwaith gweinidogol, a bydd hwnnw'n dweud beth yn union yw'ch blaenoriaethau chi. Ond, rwy'n meddwl, beth rwy'n ei weld o fewn tystiolaeth HEFCW, yw—maen nhw'n dweud eu bod nhw mewn sefyllfa amhosib, o achos nid yw'n bosib, wrth ystyried mai rhyw £88 miliwn fydd ar ôl iddyn nhw wario, iddyn nhw flaenoriaethu yn y modd yr ydych chi wedi cyfeirio ato y bore yma. Ac, yn benodol, maen nhw'n sôn am effaith y toriadau yma. Mae'r Coleg Cymraeg Cenedlaethol, rwy'n meddwl, wedi dweud eu bod nhw wedi bod yn cynllunio ar sail toriad o £8.4 miliwn i £5.4 miliwn. Mae'n ymddangos rŵan eu bod nhw'n poeni bod y toriad yn mynd i fod yn fwy na hynny. Mae HEFCW yn dweud:

[296] 'reductions in the strategic funding available to support Welsh-medium provision is likely to halt the development of Coleg Cymraeg Cenedlaethol's provision and impact on the capacity of HE providers to develop the use of the Welsh language across the full range of their activities.'

say that the figure in its entirety is around £61 million. I don't know whether it's possible for you to explain where that difference of opinion stems from, because I think it's important for us as a committee to understand what exactly the size of the cuts is.

But, after that, I want to pursue what Simon Thomas referred to. You've talked about the ministerial remit letter, and that will say exactly what your priorities are. But, I think, what I see within the HEFCW evidence is that they say that they are in an impossible situation, because it isn't possible, considering that it will be around £88 million that will be left for them to spend, for them to prioritise in the way that you have referred to this morning. And, specifically, they talk about the effect of these cuts. The Coleg Cymraeg Cenedlaethol, I think, has said that they have been planning on the basis of a cut of £8.4 million to £5.4 million. It appears now that they are concerned that the cut is to be larger than that. HEFCW said:

[297] O ran darpariaeth rhan amser, maen nhw'n dweud eu bod nhw wedi bod yn cynllunio ar sail £25 miliwn, a'u bod nhw'n mynd i ddefnyddio arian oedd yn dod yn ôl i fewn o Drindod Dewi Sant, Prifysgol De Cymru, a Glyndŵr er mwyn lliniaru'r boen rywfaint. Ond rwy'n meddwl mai paragraff 33 o'u tystiolaeth nhw yw'r un pwysig, o ran ymchwil yr oedd Angela a Simon yn cyfeirio ato. Maen nhw'n dweud:

In terms of part-time provision, they say that they have been planning on the basis of £25 million, and that they're going to use funding that will be drawn back in from Trinity St David, the University of South Wales, and Glyndŵr, to mitigate the effect to some extent. But I think that paragraph 33 of their evidence is most important, in terms of research, which Angela and Simon referred to. They say:

[298] 'If we were to maintain the current levels of funding for QR, PGR and Sêr Cymru in the context of the significant funding reduction proposed in the draft budget...this would leave approximately £8m to allocate for the other strategic priorities: part-time provision, expensive subjects and strategic allocations such as the Coleg Cymraeg Cenedlaethol.'

[299] Rwy'n meddwl mai dyna'r broblem sydd yn ein wynebu ni. Rydym ni'n deall yn iawn fod y sefyllfa yma'n anodd, ond, o ran strategaethau'r Llywodraeth o ran y pedwar maes yna, sut yn union ydych chi'n sicrhau bod HEFCW'n gweld y ddarpariaeth yma'n parhau o fewn prifysgolion Cymru?

I think that that's the problem that faces us. We understand that their situation is a difficult one, but, in terms of the Government's strategies for these four areas, how exactly will you ensure that HEFCW sees this provision continuing within universities in Wales?

[300] **Huw Lewis:** A number of the points you've made are not matters for me; they're matters for HEFCW. But I'll return to this point now: there is £1.3 billion being spent by our universities and that figure will increase year on year into the foreseeable future. The amount of wealth within the university sector is growing. The way the money flows has changed and, in the main, in terms of public money, that comes through the student support and, of course, there are other forms of investment that universities can draw down. So, the elephant in the room here is not the £20 million cut. How on earth Universities Wales have come up with a £60-odd million figure is—. They must have been stretching their imaginations a little there, I think. But, even if it were £60 million, in comparison with the overall increases in funding

that the sector can expect over the next few years, this is small beer.

[301] So, where does the onus lie? Where does the public, in all reasonableness, point the finger in terms of making sure that these strategic needs of our country are met? Obviously, the responsible bodies are the universities themselves and it's for HEFCW to negotiate that demand, if you like, of what Wales needs as a result of what Wales has invested in those HEIs. The HEIs have the money, and the national needs of Wales as a country, I would demand, really, are a part of their thinking and a part of HEFCW's thinking in terms of the strategic planning that they undertake over the next few years, because it is not good enough for organisations like Universities Wales to come to the Welsh Government and demand more from the Welsh public without addressing the priorities of the Welsh Government and of Welsh industry, Welsh employers and Welsh communities. That dialogue has to be very, very clear. There are people here now who are steering large amounts of public investment and they have responsibilities, in that regard, to be very clear to us about how they prioritise things like part-time education and things like the national need that we have for STEM subjects and expensive subjects and so on. But I remind you that I don't run HEFCW and I don't run universities.

[302] **Ann Jones:** Okay. I think, given that we've run out of time, there are a couple of questions—. Because you're already having to respond to us on a couple of points, if we send a couple of questions on capital funding to you, can we ask that that is included in the quick turnaround? I appreciate that it's very difficult, but we, as everybody, are on a tight timescale around the budget.

[303] We'll send you a copy of the transcript to check for accuracy around the figures in particular, but if you could do that, and then—. So, can I thank you and your officials for coming today? I'm sorry that we've run over time, but I think there are some really important issues there that we need to have your input on and on the reasons why. Also, you're back with us in a fortnight's time to do some general scrutiny, so no doubt we'll return to the general principles of where we are on policy in that one, so there's no surprise that I think this will probably be high up on the agenda. But, once again, thank you for the very comprehensive paper that you've provided that we will use as part of our submission to the Finance Committee in terms of where we go. So, thank you all very much for that.

11:40

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o
Weddill y Cyfarfod**
**Motion under Standing Order 17.42 to Resolve to Exclude the Public from the
Remainder of this Meeting**

Cynnig:

Motion:

*bod y pwyllgor yn penderfynu that the committee resolves to
gwahardd y cyhoedd o weddill y exclude the public from the
cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in
17.42(vi).*

*accordance with Standing Order
17.42(vi).*

Cynigiwyd y cynnig.

Motion moved.

[304] **Ann Jones:** With that, if we can now, under Standing Order 17.42, go into private to discuss the Minister's evidence—. Is everybody happy? Okay, thank you.

Derbyniwyd y cynnig.

Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 11:40.

The public part of the meeting ended at 11:40.