Llywodraeth Cymru
Welsh Government

IMPACT ASSESSMENT

Funding for post-16 education 2021 to 2022: impact assessment

Assessment on the deployment of the funding for post-16 education.

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Title of proposal:	Deployment of the funding for Post 16 Education in Wales 2021 to 2022
Official(s) completing the integrated impact assessment (name(s) and name of team):	Geoff Hicks (FEAD) Helen Scaife (FAED)
Department:	SHELL
Head of Division/SRO (name):	Alan Woods
Cabinet Secretary/Minister responsible:	Minister for Education
Start date:	January 2021

Section 1: what action is the Welsh Government considering and why?

The Minister for Education is being asked to approve funding allocations for the post-16 education sector. The budget for 2021 to 2022 has recently been

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announced and the FEP BEL has been set at £50213 million. This is an increase of £39.06 million on the previous year's budget.

Long term

- Much of the budget is allocated according to existing funding commitments and priorities. Options for how to deploy the remainder of the funding have been set out for the Minister in the advice.
- Officials are recommending an increase of 7.1% increase to the unit rate of funding for the sector – FE, Sixth Forms and Local Authority Adult Learning.
- Local Authority Sixth Forms have received a 7.1% increase to the base rate, however the actual percentage change to their funding is dependent on changes to demographics and provision changes.
- The funding of the Community Learning Grant has been changed to allocate funding according to population instead of the historical system used previously. This methodology ensures that the people of Wales have equal access to provision and all learners in Wales receive an equal amount of funding regardless of where they live. Due to the nature of the previous funding system, this will mean that some local authorities will have significant increases and decreases on previous levels of funding.
- Officials have worked closely with each local authority to identify how it will achieve its transition target within a suitable time period. As a minimum, those local authorities seeing a reduction in funding has not exceeded 5% unless they have specifically requested a greater reduction to suit their own transition.

Prevention

- The increase in the base rate will improve opportunities for learners across the sector; and the changes to part time provision will make the landscape more equitable for all learners across Wales.
- The changes to the funding methodology for the Community Learning Grant (CLG) will mean that the funding is allocated on a fairer and more equitable basis than in previous years.

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Integration

- Post-16 Education funding supports the aims of the Programme for Government and the goals of the Well-being of Future Generations (Wales) Act. Post-16 Funding contributes to a number of the wellbeing goals set out in the Well-Being of Future Generations (Wales) Act 2015, specifically:
  - a prosperous Wales (a skilled and well educated population)
  - a more equal Wales (enabling people to fulfil their potential)
  - a Wales of vibrant culture and thriving Welsh Language

Collaboration

- The post-16 allocations are given to Further Education Institutions and Local Authorities for the delivery of post-16 provision.

Involvement

- Officials have worked with the sector over the course of the past four years to develop the revised funding model for the allocation of the CLG. Local Authorities have been aware of the potential increases and decreases to their proposed allocation for a number of years.

Impact

- The increase in the basic rate for provision will have a positive effect on all post-16 learners.

Costs and Savings

- The budget for 2021 to 2022 has recently been announced and the FEP BEL has been set at £502.13 million.

Mechanism

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- No legislation is proposed.

Section 7: conclusion

7.1 How have people most likely to be affected by the proposal been involved in developing it?

The development of revised funding and planning systems have been discussed with providers.

The final decisions relating to the deployment of the allocations are made by the Minister.

7.2 What are the most significant impacts, positive and negative?

Much of the budget is allocated according to existing funding commitments and priorities. Options for how to deploy the remainder of the funding, including the increase, have been set out for the Minister in the advice.

Officials are recommending an increase of 7.1% in the basic rate of FE, Adult Learning and Sixth Form provision. This sum covers the additional commitment required by the increases in teacher and FE tutor pay.

The retention of sparsity and deprivation uplifts means that more funding will be focused on areas of deprivation and rurality, which will help to ensure all learners have access to suitable provision.

The increase in the base rate for the Community Learning Grant (CLG) will see an increase in the investment in adult learning in Wales which aims to support those in most need of our help. However, changes to the funding methodology that allocates the CLG will mean a significant increase or decrease for some local authorities. This will have both a positive impact, in the case of those who have an increase; and a negative impact on provision and the availability of

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existing services. This is a necessary consequence of ensuring a fairer and more equitable distribution of the funding within a finite budget.

These allocations are made at a time when staff and learners within the post-16 sector are facing continued difficulties as a result of the Covid Pandemic and ensuing lock downs. FE providers have received additional funding to directly address some of the changes that have been necessary following the pandemic – predominantly the move to a blended learning approach. The annual allocations will continue to support the response within the sector to the implications of the pandemic.

Concerns have been raised about the equity of access to Welsh medium opportunities where there is a worry that resource and time constraints of practitioners may result in on line teaching and learning activities being provided mainly in English. As a result, there may be fewer resources available to support continued learning in the medium of Welsh.

Funding is also included for Mental Health support to enable providers to work collaboratively on projects to support learners and staff to address the impacts of the Covid pandemic.

7.3 In light of the impacts identified, how will the proposal maximise contribution to our well-being objectives and the seven well-being goals; and/or avoid, reduce or mitigate any negative impacts?

The increase in investment in post-16 provision will have a largely positive impact on learners with the basic rate of funding increased by 7.1% across the board.

Changes to the way that we allocate the funding of the CLG will mean that some local authorities have a significant increase or decrease to their grant. This is a consequence of ensuring a more equitable and fairer system of funding across Wales. Officials will continue to work with providers to mitigate the impact on learners of any changes to provision.

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As a result of concerns relating to access of on-line Welsh Medium and Bilingual provision, providers will need to consider this as they continue to actively develop their blended learning provision, and take action to improve access to Welsh-Medium online provision where they can.

7.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

Data for the delivery of all provision is submitted via the Lifelong Learning Wales Record (LLWR), and monitored annually to evaluate delivery. Statistics taken from the LLWR are published annually and can be scrutinised by the public.

Section 8: declaration

Declaration

I am satisfied that the impact of the proposed action has been adequately assessed and recorded.

Name of Senior Responsible Officer / Deputy Director: Alan Woods

Department: FEAD/SHELL/ESNR

Date: 17 March 2021

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