



Cynulliad Cenedlaethol Cymru

The National Assembly for Wales

Mr Cynog Dafis

Parc Cathays / Cathays Park

Chair

Caerdydd / Cardiff

Education and Lifelong Learning Committee

CF10 3NQ

Cardiff Bay

CARDIFF

Eich cyf / Your ref

CF99 1NA

Ein cyf / Our ref

Dyddiad / Date November 2000

Dear Cynog

ADDITIONAL MONEY FOR EDUCATION

I am writing about the £9.9 million increase in the National Assembly's Departmental Expenditure Limit for 2000-01 arising from the Chancellor of the Exchequer's pre-budget report. Edwina Hart advised members in a statement which she put on the Intranet on 15 November, that she would be allocating the funding to education. I am minded to allocate the bulk of the funding, £7.9m, to support school improvements

In taking this approach I have had particular regard to the difficulties which many schools are

facing in funding costs arising from the restructuring of leadership group arrangements. Funding for this was covered in the increased spending power for education in the local government revenue settlement for 2000-01 (total increase £91m). But LEA and school governing bodies' understanding of this was clouded by the fact that in England special grant arrangements have been used to provide the comparable funding. The Assembly avoided using special grant arrangements at the request of local authorities so as to avoid the administrative complexities and to provide full flexibility to authorities and schools. However I accept that that there are real problems because of the misunderstandings.

The main elements of the restructuring are assimilation of existing deputy heads on to the leadership pay spine; and pay points awarded to existing heads and deputies in September 2000. Overall the costs for Wales in 2000-01 are around £3.1m. The allocation of £7.9m I have in mind will more than cover these costs but would ensure every school is fully funded for leadership costs this year.

However schools and local authorities will need to be aware that funding for all pay restructuring

costs in 2001-02 is included in the proposed local government revenue settlement and they must plan their budgets accordingly. There will be no special funding arrangements such as are planned in England for 2001-02.

I am sorry I have to inform the committee by letter of my proposals, but there is a lot of anxiety in schools about the leadership pay costs issue. I will be making the plans for meeting leadership costs known in my speech to the Governors Wales Autumn Conference in Llandrindod Wells tomorrow.

I am putting this letter on the Intranet since a number of members have raised with me the issues which my proposals would address. I am also copying this letter to Jeff Jones at the WLGA.

Yours sincerely

JANE DAVIDSON