



2il Lawr  
Adeiladau Cambrian  
Sgwâr Mount Stuart  
Caerdydd CF10 5FL  
ff 02920 435 390  
e office@nus-wales.org.uk  
www.nus.org.uk

2nd Floor  
Cambrian Buildings  
Mount Stuart Square  
Cardiff CF10 5FL  
t 02920 435 390  
e office@nus-wales.org.uk  
www.nus.org.uk

Thursday 5 October 2017

Simon Thomas AM  
Chair, Finance Committee  
National Assembly for Wales  
Tŷ Hywel  
Cardiff Bay CF99 1NA

By email: [simon.thomas@assembly.wales](mailto:simon.thomas@assembly.wales)

Dear Simon,

**Re: Draft Welsh Budget 2018-19**

We write to you in your capacity as Chair of the National Assembly's Finance Committee.

We note, with interest, the agreement reached between the Welsh Government and Plaid Cymru and that the Draft Welsh Budget was presented to the National Assembly this week.

We are broadly satisfied with what has been proposed in the Draft Welsh Budget, however, the devil, as ever, will be in the detail.

In a Budget of this kind, there are, naturally, a number of areas that need to be clarified in detail before all stakeholders can be fully satisfied. Therefore, to assist the scrutiny process over the coming weeks, we would like to draw your and the Finance Committee's attention to the following questions:

1. In what areas will the additional £20 million per year (recurrent commitment from 2017-18 Budget) be spent?
2. Are there any areas that will particularly benefit from this additional funding while other areas suffer a cut?
3. It is noted in the Budget that FE funding is to remain at 2017-18 levels; does that mean that HE benefits from the additional funding the most while FE suffers a real-terms cut?
4. Is the additional £5 million per year allocated for maintenance support relating to 'Diamond' part of or separate to the £20 million allocation per year?
5. It is not clear if the £20 million allocation for backlog maintenance and industry-standard equipment to support 'the sector' relates to HE and FE together, or FE

alone. Either way, are we correct to presume that this is a separate allocation to the annual £20 million per year allocation?

6. If this is an allocation for HE and FE, what form will this take, and how will it be allocated to ensure parity of access to the funding?
7. What is the rationale for the £30 million allocated for HE estate rationalisation while no such allocation has been made for FE?
8. How does the capital investment of £10 million for FE institutions to spend on bringing training equipment up to industry standard, using the latest technology, and meeting local employers' needs compare to what is currently available to them?
9. We note that apprenticeship funding is to be maintained at 2017-18 levels but that the Welsh Government remains committed to delivering an additional 100,000 all-age apprenticeships during this term. What is the rationale behind not increasing this funding pot?
10. What is the rationale behind there being no capital investment in employers to improve and expand the provision of apprenticeships?
11. Does maintaining apprenticeship funding at 2017-18 levels amount to a real-terms cut in funding?
12. What assessment has been made of the sufficiency of the current funding levels for apprenticeships and the likelihood that this level of funding will lead to the Welsh Government meeting its commitment to delivering an additional 100,000 all-age apprenticeships during this term?
13. £70 million will be invested during 2018-20 in the Welsh Government's childcare provision (30 hours per week) for working parents of children aged 3 and 4 years. What assessment has been made of the cost of extending this provision to parents who are either full- or part-time students?
14. What assessment has been made of the effect of decisions about the future funding of local government on local government's ability to deliver services on which students rely, such as My Travel Pass, and women's services?
15. How will the so-called 'Diamond Dividend' be reinvested?
16. How will the Welsh Government fund the Coleg Cymraeg Cenedlaethol?
17. What consideration has been made of the funding for enhancing student voice structures across the post-compulsory education and training sector?
18. Has the Welsh Government begun considering how it will change the way it funds education and skills—including all post-compulsory education and training—once the Tertiary Education and Research Commission for Wales is in existence?
19. In this Budget, has the Welsh Government considered how its funding decisions might affect the delivery of its overarching vision for the post-compulsory education and training sector?

We hope that these questions will assist you and your colleagues in scrutinising this Draft Welsh Budget 2018-19.

In light of the harsh austerity agenda being pursued by the UK Government, and as we said at the beginning, we are broadly happy with what has been proposed. The next few weeks and months will hopefully give some more detail to allow Assembly Members to make a better assessment of the future funding of Wales.

You will remember that we wrote to you recently to ask you to call on the Welsh Government to fully protect the education budget. We did that because we believe very firmly that education needs investment, now more than ever, to be the silver bullet it can be to many of the challenges that Wales is facing.

We are particularly eager to see effective student voice structures embedded in the post-compulsory education and training sector now and as the new Tertiary Education and Research Commission for Wales comes into being. You may be aware that we are working on a framework for what this looks like, but are keen to see the Welsh Government placing this at the heart of its reforms to education in Wales.

We wish you and the Finance Committee the best of luck in scrutinising this Draft Welsh Budget, and please know that we would be happy to explain any of the above in greater detail if you feel that would be beneficial.

Otherwise, we look forward to meeting you in due course.

Yours sincerely,



Ellen Jones  
NUS Wales President



Carmen Smith  
NUS Wales Deputy President



Gwyneth Sweatman  
NUS Wales Women's Officer