



INFORMATION REPORT FOR EDUCATION SCRUTINY COMMITTEE – 20TH JUNE 2023

SUBJECT: EDUCATION GRANTS 2023/24

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND
CORPORATE SERVICES**

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of grant funding available to the Education Directorate in 2023/24.

2. SUMMARY

- 2.1 The report provides a brief overview of grant funding currently available. This funding is already significant and is likely to increase over the course of the year as additional funding becomes available and or due to the successful outcome of funding bids.
- 2.2 The report provides a brief description of the intended purpose of the grant funding (the terms and conditions of the awarding body). These details are included in the Appendix 1. More detailed information on individual grants can be made available to Members, if requested.
- 2.3 We are currently awaiting some of the formal grant offer letters, consequently some of the funding values contained in the appendix are indicative.

3. RECOMMENDATIONS

- 3.1 Members are requested to note the contents of this report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Members are informed with regards to confirmed and indicative grant funding in 2023/24, both revenue and capital related.

5. THE REPORT

- 5.1 The attached Appendix 1 provides a summary of grants currently known for 2023/24. This includes a list of the grants, the grant funding bodies, the value of the grant, a brief description of the purpose of the funding, together with details of the responsible officer. Members will notice that some of the figures are identified as indicative as we are awaiting the formal offer letters from the awarding body.
- 5.2 Members will note that there is a significant level of grant funding available to the Directorate in 2023/24, revenue funding is currently estimated at circa £46m. The grant funding linked to capital expenditure will often, but not always, span several financial years. Capital grant related spend in 2023-24 will be more than £20m. The significant funding relates to the Authority's 21st Century Band B Programme. Expenditure on these large projects spans several financial years includes a match funding commitment from the Authority.
- 5.3 Each grant offer made to the Authority is dependent on adherence to a pre-defined set of terms and conditions, as stipulated by the awarding body. The purpose of the terms and conditions is to ensure clarity, the grant must only be spent within the defined scope of the funding.
- 5.4 In addition the terms and conditions will outline the period of the grant, how the grant will be paid, and the timescale for submission of grant claims and reports and whether the grant is subject to an annual audit review. The requirement for an audit review will stipulate whether this needs to be undertaken by either the Authority's Internal or External Auditors. The purpose of the audit review is to ensure compliance with the terms and conditions of the grant through a process of sample testing. During the review any queries raised are investigated and any further information required by Audit is provided prior to an Audit Report being produced. The details of the outcome of the audit are then made available to the awarding body as specified.
- 5.5 To be aware, even where a grant does not require a specific audit the Grant Body reserve the right to have access to documents and information relating to grant monies and may exercise this right, at all reasonable times, if deemed necessary.
- 5.6 Grant funding is an integral part of the Directorates financial planning and budget monitoring reports.
- 5.7 It is important to advise that the Education Achievement Service (EAS) has a key role in the co-ordination of a number a regional school related grant.

5.8 Conclusion

The details contained in the body of the report and in the appendix illustrate how important external grant funding is to the Directorate and to schools. This is due to the level of funding and the areas of support that the funding is targeted towards.

6. ASSUMPTIONS

6.1 Any assumptions are detailed within the report and appendix.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 An IIA is not necessary for this Information Only Report.

8. FINANCIAL IMPLICATIONS

8.1 In 2023/24 there is currently an estimated £46m due into the Education Directorate in the way of revenue grant funding. The issue with regards to grant funding is the degree of uncertainty for future planning purposes, since in most instances the grants are awarded on an annual basis which poses issues for medium- and long-term planning. Estimated capital grant funding spend will be more than £20m, largely due to the 21st Century Band B Programme.

8.2 Welsh Government has recognised the challenges created by the uncertainty of an annual grant award, in the budget settlement details for 2023/24 they provided an All-Wales indicative position on specific grant funding. Whilst this does not provide information at a local level, it is helpful for future planning. For some grants indicative information for future years has been provided at a local level. Discussions on this issue will continue but this information is certainly very helpful.

8.3 As mentioned previously, all grants are subject to specific terms and conditions, and this could include a requirement that the grant is subject to External Audit. If this is the case the Authority's External Auditors will scrutinise financial and non-financial data relating to the grant, as per the Audit Instructions, to ensure that all expenditure complies with the terms and conditions. If External Audit identify that there has been a failure to comply then potentially the grant funding body could claw back the grant funding previously awarded and paid, impacting directly on the Authority's budget in that year.

9. PERSONNEL IMPLICATIONS

9.1 In circumstances where grant funding is reduced or withdrawn, employees placed at risk will be supported via the appropriate Council policies relating to redeployment and ultimately redundancy if necessary. It is most likely that these redundancy costs would need to be met by the Authority.

9.2 In recent years Local Authorities have received significant additional grant funding from Welsh Government which has supported additional fixed term appointments.

10. CONSULTATIONS

10.1 There are no consultation responses that have not been reflected in this report.

11. STATUTORY POWER

11.1 Local Government Act 1972 and 2000.

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Cllr Eluned Stenner, Cabinet Member for Finance and Performance
Cllr Teresa Parry, Chair of Education Scrutiny Committee
Cllr Jo Rao, Vice Chair of Education Scrutiny Committee
Steve Harris, Head of Financial Services and S151 Officer
Julie Baker, Principal Finance Officer (Schools)
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Ros Roberts, Business Improvement Officer
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Clare Ewings, Youth Service Manager
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Appendices:
Appendix 1 Education Grants 2023-24