

F/T: 0300 244 4000
E: dfmcse@gov.scot

James Dornan MSP
Convener
Education and Skills Committee
By Email: es.committee@parliament.scot

CC.
Bruce Crawford MSP
Convener
Finance and Constitution Committee
By Email: finance.constitution@parliament.scot

26 January 2018

Dear James,

Thank you for your letter of 11 January 2018 in which you provided comment on aspects of the Scottish Government's draft education and skills budget. I have addressed each of your comments in turn below.

Budget overview

Despite the UK Government's cuts to the Scottish Budget, we have continued to treat local government very fairly. In 2018-19 local authorities will receive more than £10.5 billion.

The 2018-19 local government finance settlement foresees an increase both in revenue and capital investment as part of a wider package of measures. Together with the additional power to increase Council Tax by up to 3 per cent (worth around £77m next year), this will generate an increase of over £170m or 1.6 per cent in the overall resources to support services.

As you correctly highlight, the local government block grant includes £88m specifically to support a pupil teacher ratio of 13.7 and provide placements for probationers; and an additional £24m to support the teacher pay deal for 2017-18. We will also provide ring-fenced funding relating to pupil equity funding (£120m), the expansion of early learning and childcare (£202.2m rather than £202m as stated in your letter) and the delivery of Gaelic education (£4.5m rather than £4m as stated in your letter).

Additional support needs

The Committee have made a number of comments on resources available to support the implementation of additional support for learning. The Committee has noted that £10m has been allocated to charities which support young people with additional support needs. This

funding referred to is the £10.5m which is provided to the Grant-Aided Special Schools. This has been in place to support the provision of education and care for children and young people with complex additional support needs and will continue to be used in the 2018/19 year for this purpose. The Committee will be aware that the resources provided to education authorities for additional support for learning are provided as part of the block grant funding to local government. Local government financial statistics for 2015-16 showed that local authorities spent just over £4.9 billion on education in Scotland. This is 2.7 per cent higher than 2014-15 in cash terms and a 1.9 per cent increase in real terms. Of that, education authorities reported that £584m was on additional support for learning, an increase of £5m on 2014-15 and representing 12% of the overall education spend. It is likely that the actual spend is significantly higher, as pupils with additional support needs also benefit from spend made in all schools, on school staff, resources, and school buildings.

In response to the Committee's recommendations following their inquiry into additional support for learning, I undertook to carry out research into the experience of children and young people, the experience of their families, and the experience of those who provide additional support for learning. You are aware that research is underway and will report later this year. Following that research the Scottish Government will work to finalise guidance to education authorities and schools on the presumption to mainstream education. In addition, I undertook to resume publication of reports into the implementation of additional support for learning, which will include the information Scottish Ministers are statutorily required to collect and publish, this includes the cost of providing additional support in Scotland. It is my intention that this report will be published in the spring following the publication of local government finance statistics and will provide a rounded picture of the implementation of additional support for learning, and will recognise both the successes and the challenges.

I recognise the importance of accurate data on additional support for learning in supporting accurate monitoring and improvement of services and outcomes for children and young people with additional support needs. The Scottish Government has begun work on updating the guidance which supports the national data collection for the pupil census on additional support for learning. This guidance will be available to education authorities later this year. We will continue to monitor the information collected as part of the census.

Positive destinations

The Committee has sought clarification on what is considered to be a positive destination. This information is collected and published for all pupils including pupils with additional support needs. The table below sets out the information on the subcategories of destination. Those that are considered positive destinations include Higher Education, Further Education, Training, Employment, Voluntary Work, and Activity Agreements.

Percentage of secondary and special school leavers from publicly funded schools in Scotland by initial destination category, 2015/16

	Initial Positive Destinations	Higher Education	Further Education	Training	Employment	Voluntary Work	Activity Agreement	Unemployed Seeking	Unemployed Not Seeking	Unknown	Number of Leavers
Any Additional Support need	87.1	20.0	39.1	5.1	19.6	0.6	2.9	8.2	4.3	0.4	12,754

This data is collected using individual pupil information from the additional support needs data collection cross referred with the leavers destination collection. Consequently, it reflects the data which is collected and reported by education authorities in line with their duties to identify the additional support needs of pupils for whose education they are responsible. Therefore, the information above reflects the picture of initial destinations as they relate to individual pupils across Scotland.

In relation to the question of ring fenced funding for additional support for learning, the duties on the Additional Support for Learning Act are based on the requirement on education authorities to identify and meet the needs of individual pupils, tailoring the support that they provide to those individuals. Whilst the Act provides the framework for this, it is for education authorities to meet those responsibilities, including securing appropriate resource, within their local context and circumstances. As I indicated earlier, pupils with additional support needs also benefit from the school buildings, teaching and support staff alongside all other pupils in Scotland; with 12% of education spend in Scotland in 2015-16 being specifically on pupils with additional support needs. It is not my intention to ring fence this resource. Education authorities must fulfil their responsibilities.

Children with additional support needs now have greater rights than children with special educational needs in the rest of the UK and I believe this is the greatest extension of rights to children in this field across Europe. The Committee may also wish to note that to support that extension of rights, the Scottish Government developed a children's service to support children to use their rights if they so wish. The service provides advice and information, advocacy support, legal representation and a service to independently hear children's views. We have placed children and their needs at the heart of this system. We have Young Inclusion Ambassadors from all across Scotland, and I have been able to hear about the things that matter to them. I will continue to listen carefully to those who experience the additional support for learning system in Scotland.

Attainment funding

An evaluation of the first two years of the Attainment Challenge (which will not cover Pupil Equity Funding) will be published by March this year. The evaluation will provide learning about the overall implementation of the Attainment Scotland Fund and the extent to which the aims of the fund have been met. A final evaluation of the fund will be produced in 2021. Evaluation and monitoring is on-going, both by the Scottish Government, and at school and local authority level. Schools must have plans in place to evaluate the impact of the funding. Further, Education Scotland are inspecting the attainment-related aspects of the education functions in the nine challenge authorities.

We have been clear in the National Operational Guidance that any interventions must be additional. Schools are expected to incorporate details of their Pupil Equity Funding plans into existing reporting processes to their Parent Council and Forum, including in their annual School Improvement Plans and Standards and Quality Reports.

School level allocations for Pupil Equity Funding for 2018-19 will be announced shortly, allowing schools time to plan for its use. The contracts of staff using attainment funding are a matter for local authorities, and Scottish Government does not hold this information.

I am aware that there are limitations to using free school meal registration for the allocation of Pupil Equity Funding. The Scottish Government remains committed to exploring the

feasibility of developing a new individual index of social background, and that work will be taken forward this year.

We continue to meet a range of key stakeholders as part of the Rural Poverty Working Group to ensure Pupil Equity Funding and the Attainment Scotland Fund reaches the pupils who need it most.

Teacher numbers

I have previously responded to recommendations made by the Committee following its inquiry into teacher workforce planning. The Scottish Government remains committed to taking forward a range of measures to increase teacher numbers and we will continue to keep the Committee updated on work in this area.

Education reforms

Regional Improvement Collaboratives (RICs) are in the initial stages of development and the Scottish Government is liaising with each Collaborative as they formulate their first regional improvement plans and put in place the local governance arrangements to support delivery of their work programme. As the majority of RIC activity will be delivered by local authority and Education Scotland staff working in partnership, each Collaborative will develop its resourcing and staffing plans in line with the priorities identified in their regional improvement plans.

You are correct in your assertion that details on how we will allocate the £4m identified in the draft budget to support delivery of education reform in financial year 2018-19 are not available yet. However, I can assure you that the £4m will be subject to standard public sector finance monitoring arrangements.

In regard to your questions relating to Education Scotland, Education Scotland is funded by the Scottish Government to enable it to support and deliver Scottish Government policies across the Education and Skills portfolio, and beyond. This includes supporting the implementation of the Education Governance – Next Steps vision for Scottish education, which sets out an enhanced role for Education Scotland.

Transformational change is already underway within Education Scotland in order to deliver its revised role. It is developing and implementing a new business delivery model, with supporting systems, structures and processes, to transition the organisation from a national, programme-focused model, to a predominantly regionally-focused organisation. As part of that, it will be important to ensure there is strong long term financial planning in place, together with on-going flexibility to consider priorities in-year.

School buildings

The proportion of pupils educated in schools in “poor” or “bad” condition has decreased from around 257,000, which is 37% of all pupils, in 2007 to around 86,000, which is 13% of all pupils, in 2017. This Government’s manifesto commits us to build upon the success of Scotland’s Schools for the Future programme. In November 2017, I announced our intention to develop Scotland’s Learning Estate Investment Plan, as outlined in our Programme for Government. The detailed development of the plan is underway and I expect to make an announcement later this year.

Climate change

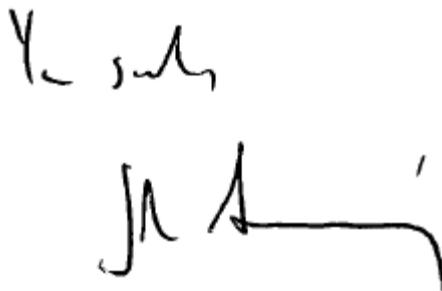
I have noted the submission made by Colleges Scotland including the specific points relating to tackling climate change. As part of the evaluation of best use of public funds, in light of a tight spending review process, and taking account of the demonstrable benefits of supporting the sector in additional capital funding that will go towards the findings of the College Estates Condition Survey, the decision was taken to subsume the £5m funding for climate change improvements into the Capital budget. It should be noted by the Committee that all new build projects and any improvement works that take place in the college estate are measured against the latest Building Research Establishment Environmental Assessment (BREEAM) standards ensuring that the building improvements contribute to climate change targets.

Other issues

Regarding the interaction of procurement rules and pupil equity funds, we are continuing to engage with COSLA, SOLACE and ADES regarding procurement, to ensure there is appropriate flexibility within local authority procurement processes, to allow Pupil Equity Funding to be used most effectively.

In relation to your question on early learning and childcare (ELC), the revenue funding for ELC has been calculated on the basis that teachers continue to be involved in the delivery of ELC provision. In particular the overall allocation includes up to £18m of revenue funding in 2018-19 to support delivery of the commitment for nurseries in deprived areas to receive an additional graduate from August 2018. This commitment will result in 435 additional graduate level posts being created in the sector. These posts will be filled by either early years graduates or teachers. The revenue requirement for this commitment in 2018-19 was estimated on the basis of 100 of these posts being filled by teachers. This follows the additional £1m provided in 2017-18 for an additional 126 PGDE (Primary) places to support delivery of this commitment which, when attrition and supply assumptions are accounted for, could enable up to around 100 already qualified teachers to take up these new opportunities in the ELC sector.

We have not assumed a ratio of teachers to ELC graduates. This recognises that the ELC graduate workforce has changed since the introduction of the BA Childhood Practice in 2009, which has increased the number of non-teacher graduates who have specialist early years expertise and knowledge, and it is at the discretion of authorities and individual settings as to whether graduate level posts in the sector are filled by teachers or ELC graduates.



JOHN SWINNEY