

**Pwyllgor Addysg, Dysgu Gydol  
Oes a Sgiliau**

**Education, Lifelong Learning and  
Skills Committee**



Cynulliad National  
Cenedlaethol Assembly for  
Cymru Wales

Jane Davidson AM  
Minister for Education and Lifelong  
Learning and Skills

Bae Caerdydd / Cardiff Bay  
Caerdydd / Cardiff CF99 1NA

4 July 2006

Dear Jane,

#### **Budget Planning Round 2006**

The Committee considered your paper on budget priorities for the Education, Lifelong Learning and Skills portfolio [ELLS(2) 10-09(p1)] at its meeting on 22 June. In accordance with standing order 9.8, I am writing to set out the Committee's budget priorities for the 2006 budget planning round in respect of the 2007-08 and subsequent financial years.

The Committee noted the Finance Minister's letter of 10 May 2006 to Subject Committee Chairs, which set out the overall context, in particular the Chancellor's decision to postpone the next UK Spending Review until July 2007. The Committee noted that the ELL indicative budget for 2007-08 is £1.692 billion, remaining at that level in 2008-09.

With regard to funding priorities for 2007-08 and subsequent years, the Committee considered that particular attention should be given to:

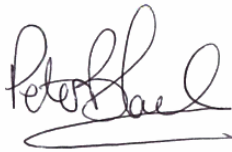
- Implementation of the Foundation Phase.
- Support for small schools.
- Further education and community education provision;
- Higher education: in particular funding for part time students and to address the continuing funding gap between higher education institutions in Wales compared to other parts of the United Kingdom;

- Capital funding for school buildings (to meet the 2010 target);
- Basic Skills;
- Implementation of recommendations in the Committee's policy review reports on special educational needs; and
- Post-16 Training Needs Analysis.

You will be aware that at the Committee's meeting on 7 June, I was asked to write to the Chair of the Local Government & Public Services Committee to ask whether it would be possible for the ELLS Committee to have some direct input into that Committee's consideration of the local government revenue settlement as it affects school funding. I attach a copy of my letter to Ann Jones for information. You will of course recall that this was a matter that was raised by the ELL Committee last year in commenting on 2006-07 budget priorities. I would be grateful if you could convey Committee Members' continuing concerns on this point to the Finance Minister.

I hope these suggested priorities will inform and support your deliberations with Cabinet colleagues, when determining the Assembly budget. The Committee will consider the draft budget in the autumn term.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter Black', with a horizontal line underneath.

**Peter Black AM**  
**Committee Chair**

Cc Sue Essex AM, Minister for Finance, Local Government and Public Services