

## Y Pwyllgor Plant a Phobl Ifanc

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Lleoliad:  
**Ystafell Bwyllgora 1 – y Senedd**

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Dyddiad:  
**Dydd Mercher, 16 Hydref 2013**

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Amser:  
**09:15**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



I gael rhagor o wybodaeth, cysylltwch â:

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### Agenda

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**Cyfarfod preifat cyn y prif gyfarfod – 09.15 – 09.30**

**1 Cyflwyniad, ymddiheuriadau a dirprwyon (09.30)**

**2 Cynigion Cyllideb Ddrafft Llywodraeth Cymru ar gyfer 2013–14:  
Sesiwn i graffu ar waith y Gweinidog (09.30 – 10.30) (Tudalennau 1 - 10)**

CYP(4)–26–13 – Papur 1

Jeff Cuthbert, y Gweinidog Cymunedau a Threchgu Tlodi  
Vaughan Gething, y Dirprwy Weinidog Trechu Tlodi  
Peter Jones, Pennaeth Cyllid  
Martin Swain, Dirprwy Gyfarwyddwr Plant, Pobl Ifanc a Theuluoedd

**3 Cynigion Cyllideb Ddrafft Llywodraeth Cymru ar gyfer 2013–14:  
Sesiwn i graffu ar waith y Gweinidog (10.30 – 11.30) (Tudalennau 11 - 31)**

CYP(4)–26–13 – Papur 2

Huw Lewis, y Gweinidog Addysg a Sgiliau  
Ken Skates, y Dirprwy Weinidog Sgiliau a Thechnoleg  
Owen Evans, Cyfarwyddwr Cyffredinol, yr Adran Addysg a Sgiliau

Jo-Anne Daniels, Cyfarwyddwr Dros Dro, Isadeiledd, Cwricwlwm, Cymwysterau a Chymorth i Ddysgwyr

**4 Cynigion Cyllideb Ddrafft Llywodraeth Cymru ar gyfer 2013-14: Sesiwn i graffu ar waith y Gweinidog (11.30 - 12.30)** (Tudalennau 32 - 44)

CYP(4)-26-13 - Papur 3

Mark Drakeford, y Gweinidog Iechyd a Gwasanaethau Cymdeithasol  
Gwenda Thomas, y Dirprwy Weinidog Gwasanaethau Cymdeithasol  
Mark Osland, Dirprwy Cyfarwyddwr Cyllid, CGIGC  
David Sissling, Cyfarwyddwr Gyffredinol, Iechyd a Gwasanaethau Cymdeithasol

**5 Papurau i'w nodi** (Tudalennau 45 - 82)

CYP(4)-26-13 - Papur 4

Gohebiaeth gan Gadeirydd y Pwyllgor Cyllid ynghylch yr Adroddiad ar y Gyllideb gan y Cynghorydd i'r Pwyllgor

## Papur 1

### Cynulliad Cenedlaethol Cymru

#### Y Pwyllgor Plant a Phobl Ifanc

### Papur Tystiolaeth – Dyraniadau'r Gyllideb Ddrafft Plant a Phobl Ifanc 2014-15.

#### 1. Cyflwyniad

Mae'r papur hwn yn darparu sylwadau a gwybodaeth i'r Pwyllgor ynghylch cynigion cyllidebol ar gyfer rhaglenni Plant a Phobl Ifanc yn y dyfodol a amlinellir yn y Gyllideb Ddrafft a osodwyd ar 8 Hydref 2013.

#### 2. Cefndir

O'i gymharu â'r cynlluniau dangosol a gyhoeddwyd adeg y Gyllideb Derfynol 2013-14, fel y'u hailddatganwyd yn sgil yr ad-drefnu ym Mawrth 2013, mae cyfanswm y dyraniad DEL ar gyfer MEG Cymunedau a Threchu Tlodi (CTP) wedi cynyddu £0.4m yn 2014-15 i £212.7m

Ceir gostyngiad net yn y DEL Adnoddau o £3.6m yn 2014-15 i £192.2m. Y cynllun dangosol ar gyfer DEL Adnoddau 2015-16, a gyhoeddir am y tro cyntaf yw £191.5m.

Ceir cynnydd net i'r gyllideb cyfalaf o £4m yn 2014-15 i £20.5m, yn sgil dyraniad i gefnogi'r blaenoriaethau yn y WIIP i ariannu lleoliadau Dechrau'n Deg. Y cynllun dangosol ar gyfer DEL Cyfalaf 2015-16, a gyhoeddir am y tro cyntaf, yw £14.5m.

Mae'r Tablau Ariannol Cryno canlynol yn dangos yr effaith gyffredinol ar gyllideb llinell sylfaen Terfyn Gwariant Adrannol (DEL) Cymunedau a Threchu Tlodi.

#### Tablau Ariannol Cryno:

<b>MEG CTP</b>	2013-14 Cyllideb Atodol  £000	2014-15 Cynlluniau dangosol Cyllideb Derfynol wedi'i hailddatgan £000	2014-15 Newidiadau  £000	2014-15 Cynlluniau newydd Cyllideb Ddrafft  £000	2015-16 Cynlluniau newydd Cyllideb Ddrafft  £000
DEL Adnoddau	187,556	195,871	-3,625	192,246	191,534
DEL Cyfalaf	24,450	16,450	4,000	20,450	14,450
Llinell Sylfaen DEL	212,006	212,321	375	212,696	205,984

O fewn MEG CTP, crynhoir yr effaith benodol ar y gyllideb Plant, Pobl Ifanc a Theuluoedd (CYP&F) yn y tabl isod.

CYP&F	2013-14. Cyllideb Atodol  £000	2014-15 Cynlluniau dangosol wedi'u hailddatgan Cyllideb Derfynol £000	2014-15 Newidiadau  £000	2014-15 Cynlluniau newydd Cyllideb Ddrafft  £000	2015-16 Cynlluniau newydd Cyllideb Ddrafft  £000
DEL Adnoddau	117,538	127,538	-1,925	125,613	127,413
DEL Cyfalaf	12,000	4,000	4,000	8,000	2,000
Llinell Sylfaen DEL	129,538	131,538	2,075	133,613	129,413

### 3. Trosolwg o'r Gyllideb

Nod cyffredinol yr Adran Cymunedau a Threchgu Tlodi yw uno gwaith Llywodraeth Cymru a'i phartneriaid wrth drechu tlodi a sicrhau dyfodol tecach i gymunedau, teuluoedd ac unigolion.

Mae gan yr Adran nifer o flaenoriaethau penodol sy'n adlewyrchu ac yn cefnogi cyflenwi'r Rhaglen Lywodraethu. Mae llawer o'r blaenoriaethau hyn hefyd yn cael effaith uniongyrchol ar blant a phobl ifanc:

- cefnogi teuluoedd a phlant, yn arbennig trwy Dechrau'n Deg a Theuluoedd yn Gyntaf;
- trechu tlodi a hyrwyddo cadernid cymunedol gan gynnwys Cymunedau'n Gyntaf;
- lliniaru effaith diwygio lles;
- cynyddu cynhwysiant ariannol a digidol, gan gynnwys y Gronfa Cymorth Dewisol ac Undebau Credyd;
- cynyddu'r ddarpariaeth gofal plant a'r ddarpariaeth chwarae fforddiadwy o safon sydd ar gael;
- hyrwyddo hawliau a chyfranogiad plant a phobl ifanc
- hyrwyddo cydraddoldeb a chynhwysiant;
- cefnogi datblygu'r Trydydd Sector a gwella ei berthynas strategol â'r Llywodraeth; a
- ymgorffori datblygu cynaliadwy fel egwyddor drefniadol ganolog yng ngwaith Llywodraeth Cymru a'i phartneriaid.
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### 4. Y Rhaglen Lywodraethu

Ar draws y portffolio Cymunedau a Threchgu Tlodi, rydym yn gweithio i **atal tlodi**, i helpu pobl allan o dlodi a helpu i adeiladu cymunedau cadarn lle y gall teuluoedd ac unigolion gael gafael ar y cymorth y mae arnynt ei angen. Rydym yn helpu plant i gael y dechrau gorau mewn bywyd ac yn cefnogi teuluoedd; yn cymryd camau i

wneud cydraddoldeb, hawliau a datblygu cynaliadwy yn rhan annatod o waith Llywodraeth Cymru a'r sector cyhoeddus; ac yn cefnogi'r trydydd sector i chwarae ei ran wrth sicrhau'r canlyniadau yr ydym yn gweithio tuag atynt. Fel rhan o ganlyniad ein hymgyngoriad ar y berthynas rhwng Llywodraeth Cymru a'r Trydydd Sector yng Nghymru yn 2013, rhagwelwn y bydd mwy o ganolbwynt ar gefnogi'r sector i fod yn fwy cynaliadwy, gwella cydweithio a chydweithredu, a sicrhau bod y cyllid a ddarparwn yn cael cymaint o effaith â phosibl.

Yn benodol, mae'r gyllideb Plant, Pobl Ifanc a Theuluoedd yn cefnogi nifer o raglenni allweddol gan gynnwys Dechrau'n Deg, Teuluoedd yn Gyntaf a gofal plant. Yn 2014-15 byddwn yn buddsoddi £125m (gwariant refeniw) mewn cefnogi Plant, Pobl Ifanc a Theuluoedd yng Nghymru.

Amgaeir manylion y Llinell Wariant yn y Gyllideb (BEL) yn Atodiad 1. Yn sgil y newidiadau i bortffolios y Gweinidogion ym mis Mawrth, cafodd y BELs hyn eu trosglwyddo o MEG Iechyd a Gwasanaethau Cymdeithasol, gyda'r cyllidebau Gwasanaethau Cymdeithasol yn cadw eu helfennau o arian plant a theuluoedd.

## Dechrau'n Deg

Mae dyblu nifer y plant sy'n elwa ar gynllun **Dechrau'n Deg yn un o ymrwymadau'r Rhaglen Lywodraethu o dan 'Pump am Ddyfodol Tecach'** a buddsoddiad wedi'i dargedu ydyw i gefnogi plant a'u teuluoedd yn y blynyddoedd cynnar. Mae tystiolaeth ryngwladol yn cefnogi'r dull hwn fel ffordd effeithiol o wella cyfleoedd bywyd ein plant mwyaf difreintiedig.

Trwy gynllun Dechrau'n Deg byddwn yn buddsoddi refeniw o £72.1m a chyfalaf o £8m yn 2014-15 i gefnogi **gofal plant** o safon uchel ar gyfer y blynyddoedd cynnar. Rydym hefyd yn dyrannu refeniw ychwanegol o £5m yn 2015-16 er mwyn sicrhau ein bod yn cyflawni ein hymrwymiad i **ddyblu nifer y plant sy'n elwa ar Dechrau'n Deg**. Mae'r buddsoddiad a nodir uchod yn cynnwys arian cyfalaf ychwanegol o £4m yn 2014-15 (£2m yn 2015-16).

Bydd gwella cyfleoedd bywyd plant o gefndiroedd **cymdeithasol-economaidd** anodd yn cael effaith hirdymor gadarnhaol ar yr economi, nid yn unig oherwydd y canlyniadau i blant, ond hefyd mewn perthynas â **gwario ataliol** a'r gostyngiad cysylltiedig yn yr angen am wasanaethau mwy dwys a drud y byddai angen eu darparu fel arall. Gall y rhaglen arwain hefyd at well cydlyniant cymdeithasol a datblygu cymunedol.

Mae gofal plant o safon uchel yn y blynyddoedd cynnar a mynychu lleoliadau o safon ragorol yn cael dylanwad o bwys ar ddatblygiad plentyn, yn enwedig yn achos plant sy'n dod o gefndir difreintiedig. Erbyn diwedd 2014-15 bydd dros 32,000 o blant rhwng 2 a 3 oed yn ardaloedd Dechrau'n Deg yn elwa ar ddarpariaeth Dechrau'n Deg. Yn ôl y dystiolaeth werthuso gynnwys mae datblygiad cymdeithasol plant sy'n elwa ar Dechrau'n Deg yn gwella ac maent t yn fwy parod am yr ysgol ac yn barod i ddysgu.

Gwyddom hefyd fod Dechrau'n Deg yn dechrau cael effaith gadarnhaol ar ddatblygiad gwybyddol plant. Rydym hefyd yn gweld gwelliant o ran cyrraedd y cerrig milltir priodol rhwng 2 a 3 oed. Rydym wedi ymrwymo, trwy'r Cynllun Gweithredu ar gyfer Trechu Tlodi, i barhau i gynyddu lefelau gwelliant rhwng 2 a 3 oed yn y rhaglen. Byddwn hefyd yn parhau i roi blaenoriaeth i ennill sgiliau iaith yn gynnar gan fod hyn yn allweddol i ddatblygiad gwybyddol ac i wella lefelau cyffredinol llythrennedd a rhifedd.

Mae Dechrau'n Deg hefyd yn gyflogwr o bwys. Ar hyn o bryd mae dros 1,000 o bobl wedi'u cyflogi'n uniongyrchol i gyflenwi'r rhaglen. Bydd cynnydd pellach o 850 yn y ffigur hwn yn ystod ein gwaith i ehangu'r rhaglen. Mae'r swyddi hyn yn amrywio o **ofal plant** lefel mynediad i rolau proffesiynol medrus iawn ym maes iechyd a **chefnogi teuluoedd**.

Mae cefnogi plant, teuluoedd a chymunedau difreintiedig wrth wraidd rhaglen Dechrau'n Deg. Mae buddsoddiad yn cael ei dargedu yn y cymunedau sydd â'r gyfran uchaf o aelwydydd gyda phlant 0-4 oed sydd ar fudd-daliadau incwm. Yn benodol byddwn yn parhau, trwy Dechrau'n Deg, i hybu'r berthynas rhwng y rhiant a'r plentyn a phwysigrwydd rhianta cadarnhaol.

### **Teuluoedd yn Gyntaf**

Rhaglen arloesol yw hon sy'n annog pob awdurdod lleol i ddatblygu systemau aml-asiantaeth effeithiol a chymorth i deuluoedd, gyda phwyslais clir ar **atal ac ymyrraeth gynnar** i gefnogi teuluoedd, yn enwedig y rhai sy'n byw mewn **tlodi**. Mae Llywodraeth Cymru wedi ymrwymo i gynnal y Rhaglen Teuluoedd yn Gyntaf yn ystod y tymor Cynulliad hwn a byddwn yn buddsoddi £46.9m yn 2014-15.

Mae'r rhaglen yn ymateb allweddol i **Strategaeth** Llywodraeth Cymru ar **Diodi Plant** ac yn cyfrannu at amcanion y Cynllun Gweithredu ar gyfer Trechu Tlodi yn sylweddol. Mae cynlluniau cyflenwi lleol yn blaenoriaethu camau gweithredu a chymorth i leihau nifer y teuluoedd sy'n byw mewn aelwydydd di-waith; gwella sgiliau rhieni a gofawyr a phobl ifanc sy'n byw mewn aelwydydd incwm isel; a lleihau'r anghydraddoldebau sy'n bodoli yn y canlyniadau iechyd, addysg ac economaidd i blant sy'n dod o gefndiroedd cymdeithasol-economaidd is. Bydd prosiectau'n cefnogi ystod o fentrau gan gynnwys targedu pobl 16-19 oed sydd wedi ymddieithrio o addysg a hyfforddiant a darparu cymorth personol i ddatblygu eu cyflogadwyedd.

O safbwynt cyflawniad addysgol, mae Teuluoedd yn Gyntaf hefyd yn ei gwneud yn ofynnol i awdurdodau lleol flaenoriaethu cymorth er mwyn sicrhau bod plant, pobl ifanc ac yn wir oedolion mewn teuluoedd yn gallu cyflawni eu potensial. Byddwn yn defnyddio dangosyddion craidd megis nifer y plant sy'n gymwys i gael prydau ysgol am ddim, sy'n cyrraedd dangosydd y Cyfnod Sylfaen, sy'n cyrraedd y dangosydd pynciau craidd yng Nghyfnod Allweddol 2 ac sy'n cyrraedd y Trothwy lefel 2 mewn TGAU. Bydd prosiectau'n canolbwyntio ar y teulu'n bennaf, a byddant hefyd, er

enghraifft, yn targedu pobl sydd mewn perygl o ymadael ag addysg trwy sicrhau bod lefelau presenoldeb ac ymgysylltu yn well.

Mae'r Rhaglen Teuluoedd yn Gyntaf hefyd yn sbardun o bwys wrth ddatblygu 'Tîm o Amgylch y Teulu' aml-asiantaeth. Cymru yw'r unig wlad yn y DU ar hyn o bryd sy'n ei gwneud yn ofynnol i ardal pob awdurdod lleol ddatblygu ac ymgorffori 'Tîm o Amgylch y Teulu' yn eu gwaith.

Mae **Cefnogi plant, teuluoedd a chymunedau** difreintiedig yn sylfaenol i amcanion Teuluoedd yn Gyntaf fel rhaglen Cymru gyfan. Mae plentyn yn gwneud yn well pan fydd yn byw mewn cartref diogel o safon uchel, a lle mae ganddo berthynas agos, gadarnhaol a diogel â'i mam, â'i dad, neu ag oedolyn allweddol. Nod Teuluoedd yn Gyntaf yw rhoi cymorth priodol i deuluoedd i sicrhau eu bod yn hunanddigonol ac yn gadarn. Byddwn yn buddsoddi mewn gwasanaethau cymorth i deuluoedd a gwasanaethau uniongyrchol sy'n galluogi plant i ddatblygu ac sy'n rhoi i rieni'r cymorth y mae arnynt ei angen i ymdopi â sefyllfaoedd teuluol anodd, eu helpu i fynd i'r afael â materion a achosir gan tlodi a sicrhau eu bod yn cael yr wybodaeth a'r cyngor iawn pan fydd arnynt eu hangen. Bydd prosiectau Teuluoedd yn Gyntaf, er enghraifft, yn nodi teuluoedd sydd fwyaf tebygol o aros mewn tlodi hirdymor ac yn targedu cymorth cynnar a pharhaus i'r teulu cyfan, gwella sgiliau, datblygu dyhead a gwella lefelau incwm aelwydydd.

### **Gofal Plant a Chwarae**

Mae'r ddarpariaeth yn cael ei chynnal yn £3m yn 2014-15 o gofio ei phwysigrwydd fel sbardun polisi o bwys mewn perthynas â thwf a swyddi ac o safbwynt trechu tlodi. Mae gwerthusiadau olynol wedi casglu bod argaeledd gofal plant fforddiadwy o safon yn hanfodol i gefnogi pobl y mae angen iddynt weithio neu ennill sgiliau i'w galluogi i weithio.

Cydnabyddir yn y **Rhaglen Lywodraethu**, y Cynllun Gweithredu Trechu Tlodi a Chynllun y Blynyddoedd Cynnar a Gofal Plant fod datblygu gofal plant fforddiadwy, hygyrch o safon uchel, yn allweddol i sicrhau bod rhieni'n gallu cael mynediad i hyfforddiant a gwaith. Byddwn yn chwilio am gyfleoedd o dan y cylch nesaf o raglenni Ewropeaidd (2014-2020) i weithredu yn y maes hwn fel rhan o'n nod o hybu cynhwysiant cymdeithasol a **trechu tlodi**.

Rydym yn cefnogi'r **sector gofal plant** trwy helpu cyrff gofal plant cenedlaethol a darparu cymorth ariannol i'r awdurdodau lleol i hybu a datblygu gofal plant cofleidiol y tu allan i'r ysgol. Yn 2012-13 roedd rhyw 4,500 o leoedd gofal plant ac 800 o leoedd mewn clybiau gwyliau'n cael eu cynnal gan y rhaglen y tu allan i ysgolion. Byddwn hefyd yn cefnogi rhai o'r blaenoriaethau a danlinellwyd yn *Adeiladu Dyfodol mwy Disglair*, Cynllun y Blynyddoedd Cynnar a Gofal Plant.

O safbwynt cyflawniad addysgol, gwyddom hefyd fod yr hyn y mae rhieni'n ei wneud gyda'u plant gartref yn cael effaith sylweddol ac y gall ei ddylanwad fod yn gryfach na galwedigaeth, addysg neu incwm y rhiant. Byddwn hefyd yn parhau i

gefnogi rhaglenni **laith a Chwarae** sy'n anelu at ddatblygu rhyngweithiad a buddsoddiad y rhiant mewn dysgu yn y cartref.

Cydnabyddwn bwysigrwydd sicrhau bod gan blant a phobl ifanc lais a'n bod yn gwranddo arnynt. Byddwn yn parhau i gefnogi gweithredu'r **Mesur Hawliau Plant a Phobl Ifanc** a gweithredu'r **CCUHP** yng Nghymru. Byddwn hefyd yn parhau i gefnogi MEIC - y **Llinell Gymorth Eiriolaeth i Blant a Phobl Ifanc** a byddwn yn cynyddu £0.2m ar y gyllideb Eiriolaeth yn 2014-15 a 2015-16.

Mae gostyngiad o £0.5m wedi'i gymhwyso i'r gyllideb Cymorth i **Hawliau Plant** yn 2014-15 a hynny'n bennaf o ganlyniad i arian heb ei ddyrannu yn deillio o brosiectau cynharach sydd bellach wedi dod i ben. Nid oedd yr arian hwn wedi cael ei glustnodi ar gyfer prosiectau'r dyfodol. Ni fydd y gostyngiad hwn yn amharu ar ein gallu i barhau i weithredu'r **Mesur Hawliau Plant a Phobl Ifanc** a'r dyletswyddau ar y Gweinidogion i flaenoriaethu hawliau plant wrth wneud penderfyniadau mewn perthynas â pholisi a deddfwriaeth. Bydd gostyngiadau pellach o £0.4m yn 2015-16 wrth i ni anelu at gydgyfnerthu rhai o'n cynlluniau grant.

Caiff cyllideb **Comisiynydd Plant Cymru** ei chynnal yn £1.7m yn 2014-15 a 2015-16. Mae hyn yn dangos ein hymrwymiad i sicrhau bod hawliau plant a phobl ifanc yn cael eu cynrychioli gan y Comisiynydd.

## 5. Deddfwriaeth

Cydnabyddwn bwysigrwydd sicrhau bod gan blant a phobl ifanc lais a'n bod yn gwranddo arnynt. Byddwn yn parhau i gefnogi gweithredu'r **Mesur Hawliau Plant a Phobl Ifanc** a gweithredu'r **CCUHP** yng Nghymru. Byddwn hefyd yn parhau i gefnogi MEIC - y **Llinell Gymorth Eiriolaeth i Blant a Phobl Ifanc** a byddwn yn cynyddu £0.2m ar y gyllideb Eiriolaeth yn 2014-15 a 2015-16.

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Mae'n werth nodi hefyd fod y Mesur yn gymwys i bob Gweinidog ac i bob polisi a deddfwriaeth newydd neu ddiwygiedig. Felly, mae'r buddsoddiad ar gyfer gweithredu hawliau plant yn llawer mwy ac yn effeithio ar gyllidebau ar draws y llywodraeth gyfan. Cafodd adroddiad ar gydymffurfio â'r Mesur ei gyhoeddi yn Ionawr 2013 ac mae'n nodi'r effaith y mae'r Mesur yn ei chael a sut y mae'n ymdreiddio i holl fusnes, deddfwriaeth, cyfarwyddiadau a chanllawiau'r llywodraeth, ac yn ei dro i wasanaethau lleol. Byddwn yn parhau i fonitro ac adrodd ar effaith y



Mesur ac rydym wedi ymrwymo i gyhoeddi adroddiad cydymffurfio pellach ym mis Gorffennaf 2016.

Yn ehangach, rydym yn gweithio hefyd ar Fil Cenedlaethau'r Dyfodol. Diben y Bil yw galluogi'r rhai sy'n darparu gwasanaethau cyhoeddus i wneud penderfyniadau gwell, gan ganolbwyntio ar yr effeithiau economaidd, cymdeithasol ac amgylcheddol ar genedlaethau'r presennol a'r dyfodol. Mae egwyddor meddwl hirdymor yn un o elfennau allweddol datblygu cynaliadwy. Mae ystyried y tymor hir yn rhoi canolbwynt ar **atal** a'r ymyriadau cynnar sy'n gallu arwain at fanteision hirdymor i unigolion a chymunedau.

## 6. Cyfalaf

Yn 2014-15 byddwn yn darparu £4 miliwn pellach mewn cyfalaf i sefydlu'r seilwaith angenrheidiol i barhau i gyflawni ein hymrwymiad i ddyblu nifer y plant sy'n elwa ar Dechrau'n Deg. Erbyn diwedd 2014-15 byddwn wedi buddsoddi dros £25 miliwn mewn tua 165 o brosiectau unigol, gan ddarparu lleoliadau am ofal plant o safon uchel, rhaglenni cymorth rianta a thimau cymorth aml-asiantaeth. Bydd y buddsoddiad hwn yn mynd tuag at ddatblygu'r 'seilwaith cymdeithasol' y cyfeirir ato yn ein Cynllun Buddsoddi yn Seilwaith Cymru trwy weithio yng nghanol ein cymunedau mwyaf difreintiedig a gwella llesiant a chyfleoedd bywyd plant o dan 4 oed.

## 7. Asesiad o'r Effaith ar Gydraddoldeb

### Dechrau'n Deg

Dechrau'n Deg yw un o ymrwymadau'r **Rhaglen Lywodraethu o dan 'Pump am Ddyfodol Tecach'** a buddsoddiad wedi'i dargedu ydyw i gefnogi plant a'u teuluoedd yn y blynyddoedd cynnar. Mae tystiolaeth ryngwladol yn cefnogi'r dull hwn fel ffordd effeithiol o wella cyfleoedd bywyd ein plant mwyaf difreintiedig.

Bydd cyllideb Dechrau'n Deg yn gostwng £0.9m yn 2014-15. Er hynny, nid oes unrhyw ostyngiad yn y grant Dechrau'n Deg a ddyrennir i'r awdurdodau lleol a byddwn yn parhau i ehangu rhaglen Dechrau'n Deg yn unol â'r ymrwymiad yn y Rhaglen Lywodraethu i gyrraedd 36,000 o blant a'u teuluoedd erbyn diwedd y tymor Cynulliad hwn. Daw'r gostyngiad yn y gyllideb o elfennau costau canolog ac mae'n cynnwys arbedion mewn costau gweinyddol o £0.4m a mabwysiadu ymagwedd fwy costeffeithiol at offer asesu, gan ryddhau £0.5m. Nid oes unrhyw effeithiau negyddol uniongyrchol ar gydraddoldeb o ganlyniad i'r penderfyniad hwn gan nad yw'n effeithio ar ddarparu gwasanaethau i bobl.

Yn 2015-16, bydd BEL Dechrau'n Deg yn cynyddu £4.8m i adlewyrchu ymrwymiad Llywodraeth Cymru i ehangu Dechrau'n Deg. O safbwynt cyflawniad addysgol, mae gan ofal plant o safon uchel yn y blynyddoedd cynnar a mynychu lleoliadau o safon ragorol ddylanwad o bwys ar ddatblygiad plentyn, yn arbennig yn achos blant sy'n dod o gefndir difreintiedig. Yn ôl y dystiolaeth werthuso gynnar mae datblygiad

cymdeithasol plant sy'n elwa ar Dechrau'n Deg yn gwella ac maent yn fwy parod am yr ysgol ac yn barod i ddysgu. Anelir y buddsoddiad at y cymunedau sydd â'r gyfran uchaf o aelwydydd sydd â phlant 0-4 oed sydd ar fudd-daliadau incwm.

## **Teuluoedd yn Gyntaf**

Rhaglen sy'n annog pob awdurdod lleol i ddatblygu systemau aml-asiantaeth effeithiol a chymorth i deuluoedd, gyda phwyslais clir ar **atal ac ymyrraeth gynnar**, yn enwedig y rhai sy'n byw mewn **tlodi** yw Teuluoedd yn Gyntaf. Mae'r rhaglen yn ymateb allweddol i Strategaeth Tlodi Plant Llywodraeth Cymru ac yn cyfrannu'n sylweddol at amcanion y Cynllun Trechu Tlodi.

Rydym wedi ymrwymo i gynnal y Rhaglen Teuluoedd yn Gyntaf yn ystod y tymor Cynulliad hwn a byddwn yn buddsoddi £46.9m yn 2014-15. Mae hwn yn ostyngiad o £0.75m y mae ei angen yn 2014-15 ond caiff ei dalu heb unrhyw ostyngiad i'r grant Teuluoedd yn Gyntaf. Yn arbennig, mae hyn yn golygu y bydd y **cymorth wedi'i neilltuo i deuluoedd â phlant anabl** yn parhau ar lefelau cynlluniedig. Gellir talu'r gostyngiadau yn 2014-15 o wariant cynlluniedig ar feysydd polisi sydd heb gael eu datblygu'n llawn, neu gellir eu gohirio nes y bydd y gyllideb ar gael.

Byddwn yn dwyn ymlaen y gostyngiad yn y gyllideb Teuluoedd o £0.75m o 2014-15 ac fe welwn ostyngiad o £2.3m yn 2015/16. Deuir o hyd i hyn trwy leihau'r dyraniadau grant i'r awdurdodau lleol ar gyfer grant Teuluoedd yn Gyntaf. Mae hyn yn debygol o arwain at nifer o ostyngiadau mewn gwasanaethau i blant a theuluoedd, naill ai trwy ostyngiadau mewn adnodd Tîm o Amgylch y Teulu, cwtogi ar brosiectau penodol, neu roi terfyn ar rai prosiectau penodol yn llwyr. Gan fod Teuluoedd yn Gyntaf wedi'i gynllunio i dargedu teuluoedd yn benodol lle mae tlodi'n fater o bwys, mae'n debygol y bydd effaith ar unigolion a theuluoedd o'r grwpiau sydd â nodweddion gwarchodedig. Rydym yn datblygu methodoleg fwy manwl ar gyfer casglu data er mwyn darparu asesiad gwell o'r effaith a fydd yn caniatáu i ni gynllunio camau lliniaru.

Bydd angen hefyd i ni leihau £0.3m ar y swm sydd ar gael trwy Grant Cyrff Plant a Theuluoedd yn 2015-16. Gallai hyn effeithio ar allu rhai o gyrff y trydydd sector i gael arian. Yn y cyfamser byddwn yn edrych ar gamau i liniaru'r effaith.

## **Gofal Plant a Chwarae**

Rydym yn amddiffyn y gyllideb Gofal Plant a Chwarae yn 2014-15 sy'n dangos ein hymrwymiad i fuddsoddi mewn cymorth ar gyfer gofal plant ac i gefnogi datblygu'r sector gofal plant, sy'n allweddol o ran o sicrhau bod pobl yn gallu cael mynediad i hyfforddiant a/neu gyflogaeth a hefyd fod plant yn elwa ar brofiadau gofal plant o safon.

Er hynny, ceir gostyngiad o £0.3m yn 2015-16. Daw hyn o swm o £0.1 miliwn sydd ar gael am fod arian prosiect yn dod i ben yn 2014/15 a thrwy beidio ag ymrwymo cronfeydd i unrhyw brosiectau pellach. Yn ogystal, bydd Llywodraeth Cymru'n rhoi'r

gorau i roi cymorth ariannol (£0.2 miliwn) ar gyfer gwiriadau troseddol i weithwyr gofal plant. Bach iawn o effaith y bydd hyn yn ei chael yn sgil cyflwyno gwiriadau CRB cludadwy. Ni chaiff unrhyw effaith ar ddarpariaeth a chymorth gofal plant a fydd yn parhau trwy'r grant Gofal Plant y tu allan i'r ysgol.

## **Eiriolaeth**

Cydnabyddwn bwysigrwydd sicrhau bod gan blant a phobl ifanc lais a'n bod yn gwrando arnynt. Byddwn yn parhau i gefnogi gweithredu'r **Mesur Hawliau Plant a Phobl Ifanc** a gweithredu'r **CCUHP yng Nghymru**.

Byddwn hefyd yn parhau i gefnogi MEIC – y **Llinell Gymorth Genedlaethol** ynghylch **Eiriolaeth i Blant a Phobl Ifanc** a byddwn yn cynyddu £0.2m ar y gyllideb Eiriolaeth yn 2014-15 a 2015-16 er mwyn mynd i'r afael â'r cynnydd yn nifer y plant a phobl ifanc sy'n cysylltu â'r llinell gymorth Eiriolaeth, Cyngor a Gwybodaeth. Byddwn hefyd yn cynnal gwerthusiad o MEIC er mwyn sicrhau ei fod mor effeithiol ag y gall fod o ran sicrhau canlyniadau cadarnhaol.

Yn ogystal bydd y codiad yn helpu i fynd i'r afael â rhai o'r argymhellion a nodwyd gan y **Comisiynydd Plant** yn ei adroddiad ar eiriolaeth i blant a phobl ifanc.

## **8. Datblygu Cynaliadwy**

Mae cynaliadwyedd ein buddsoddiad sylweddol trwy'r Gyllideb Plant, Pobl Ifanc a Theuluoedd yn rhan annatod o'r gweithio aml-asiantaeth mwy effeithiol y mae'n ei yrru. Yn ein tro, byddwn yn parhau i ddefnyddio sylfeini tystiolaeth i wneud yr achos busnes o blaid buddsoddi cynnar ac i ddangos ffrwyth buddsoddi, gan sicrhau bod egwyddorion ac arferion ymyrraeth gynnar yn ennill eu plwyf. Mae rhaglen Dechrau'n Deg a'r Rhaglen Teuluoedd yn Gyntaf yn destun gwerthusiadau a gaiff eu cyhoeddi (fel cyfres o adroddiadau) ac a ddefnyddir i lywio eu datblygiad ymhellach.

**Jeff Cuthbert AM**  
**Y Gweinidog Cymunedau a Threchu Tlodi**

**Vaughan Gething AM**  
**Y Dirprwy Weinidog Trechu Tlodi**

CHILDREN, YOUNG PEOPLE AND FAMILIES BUDGET (forming part of the CTP MEG)							ANNEX 1
REVENUE BUDGET - Departmental Expenditure Limit							
SPA	Actions	BEL Title	2013-14 Supplementary budget	2014-15 Indicative Plans Restated Final Budget	2014-15 Changes	2014-15 New Plans Draft Budget	2015-16 New Plans Draft Budget
Children, Young People and Families	Children, Young People and Families	Children's Commissioner	1,715	1,715	0	1,715	1,715
		Families First	47,658	47,658	-750	46,908	44,608
		Flying Start	62,994	72,994	-900	72,094	76,894
		Childcare & Play Strategies	3,016	3,016	0	3,016	2,716
		Support for Children's Rights	1,305	1,305	-500	805	405
		Advocacy	850	850	225	1,075	1,075
		<b>SPA/ACTION Total</b>	<b>117,538</b>	<b>127,538</b>	<b>-1,925</b>	<b>125,613</b>	<b>127,413</b>
		<b>Total Resource</b>	<b>117,538</b>	<b>127,538</b>	<b>-1,925</b>	<b>125,613</b>	<b>127,413</b>
CAPITAL BUDGET - Departmental Expenditure Limit							
SPA	Actions	BEL Title	2013-14 Supplementary budget	2014-15 Indicative Plans Restated Final Budget	2014-15 Changes	2014-15 New Plans Draft Budget	2015-16 New Plans Draft Budget
Communities and Tackling Poverty	Communities and Tackling Poverty	Flying Start	12,000	4,000	4,000	8,000	2,000
		<b>SPA/ACTION Total</b>	<b>12,000</b>	<b>4,000</b>	<b>4,000</b>	<b>8,000</b>	<b>2,000</b>
		<b>Total Capital</b>	<b>12,000</b>	<b>4,000</b>	<b>4,000</b>	<b>8,000</b>	<b>2,000</b>
		<b>Total DEL</b>	<b>129,538</b>	<b>131,538</b>	<b>2,075</b>	<b>133,613</b>	<b>129,413</b>

Resource tables = The baseline used for Resource DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March and adjusted to reflect recurrent baseline adjustments included in the First Supplementary Budget 2013-14. These baseline adjustments are set out in Annex D of the Draft Budget narrative.

Capital tables = The baseline used for Capital DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March.

## Papur 2

### Cynulliad Cenedlaethol Cymru

#### Y Pwyllgor Plant a Phobl Ifanc

#### Cyllideb Ddrafft Addysg a Sgiliau 2014-15

##### Diben

1. Darparu papur tystiolaeth i'r Pwyllgor Plant a Phobl Ifanc ar y gyllideb Addysg a Sgiliau ar gyfer 2014-15 a diweddariadau ar feysydd penodol sydd o ddiddordeb i'r Pwyllgor.

##### Yr Amserlen

2. Cyhoeddwyd y gyllideb ddrafft ar 8 Hydref 2013.

##### Cyllideb Ddrafft Addysg a Sgiliau 2014-15

3. Mae Cyllideb Ddrafft 2014-15 yn cynnig cynllun dwy flynedd ar gyfer buddsoddi yn y ddarpariaeth addysg a sgiliau yng Nghymru. Yn Nhabl 1 ceir trosolwg o'r gyllideb Addysg a Sgiliau arfaethedig neu'r 'Prif Grŵp Gwariant' (MEG). Hefyd, gellir gweld y newidiadau i'r gyllideb ddangosol ers cyhoeddi Cyllideb Derfynol 2013-14, i adlewyrchu newidiadau sylfaenol rheolaidd i Gyllideb Atodol Gyntaf 2013-14.

Tabl 1: Prif Grŵp Gwariant Addysg a Sgiliau

	2013-14	2014-15	2014-15	2014-15	2015-16
	Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
	£000	£000	£000	£000	£000
DEL Adnoddau	1,658,658	1,696,489	-77,565	1,618,924	1,564,094
DEL Cyfalaf	202,134	153,834	0	153,834	143,834
<b>Cyfanswm DEL</b>	<b>1,860,792</b>	<b>1,850,323</b>	<b>-77,565</b>	<b>1,772,758</b>	<b>1,707,928</b>
Gwariant a Reolir yn Flynyddol	176,869	183,149	30,935	214,084	237,862
<b>Addysg a Sgiliau</b>	<b>2,037,661</b>	<b>2,033,472</b>	<b>-46,630</b>	<b>1,986,842</b>	<b>1,945,790</b>

4. O gymharu â'r cynlluniau dangosol a gyhoeddwyd yng Nghyllideb Derfynol 2013-14, mae cyfanswm sydd wedi'i ddyrannu o'r DEL Adnoddau ar gyfer Addysg a Sgiliau wedi lleihau £77.6 miliwn neu 4.6%. Mae'r gostyngiad hwn yn cynnwys trosglwyddiad rheolaidd o £28.6 miliwn i'r Grant Cynnal Refeniw o fewn y Prif Grŵp Gwariant Llywodraeth Leol, ar gyfer y ddarpariaeth AAA ôl-16 mewn ysgolion prif ffrwd (£4.2 miliwn), ac ysgolion arbennig ôl-16 a lleoliadau AAA y tu allan

i'r sir (£24.2 miliwn). Y cynllun dangosol ar gyfer DEL Adnodd 2015-16 sy'n cael ei gyhoeddi am y tro cyntaf yw £1,564.1 miliwn.

5. Nid oes newid i'r gyllideb gyfalaf o'r cynlluniau blaenorol a gyhoeddwyd yng Nghyllideb Derfynol 2013-14, sef £153.8 miliwn yn 2014-15. Mae hyn yn cynnwys y £10 miliwn ychwanegol a gyhoeddwyd yng Nghyllideb Derfynol 2013-14 i helpu i ddarparu campws newydd ar gyfer Addysg Bellach ôl-16 yng Nghaerdydd. Y gyllideb gyfalaf ddangosol ar gyfer 2015-16 yw £143.8 miliwn.
6. Mae'r mwyafrif o'r gyllideb Gwariant a Reolir yn Flynyddol (AME) yn ymwneud â benthyciadau myfyrwyr, sy'n dibynnu ar y galw amdanynt ac sy'n sensitif i gyfraddau llog a ffactorau macro-economaidd eraill ac felly yn anodd i'w rhagweld. Cytunir y gyllideb hon gyda'r Trysorlys bob blwyddyn a chyllidir hi'n llawn. Mae'r gyllideb yn cynyddu £24.9 miliwn yn 2014-15, gyda chyllideb ddangosol o £231.9 miliwn ar gyfer 2015-16. Mae yna £6m pellach ar AME ar gyfer 2014-15 and 2015-16 sydd yn ymwneud ac addasiad phensiynau Gyrfa Cymru, a ddaeth yn is-gwmni sydd yn eiddo gyfan gwbl Llywodraeth Cymru o 1 Ebrill 2013.
7. Cyhoeddwyd y cynlluniau cyllideb ar lefel Camau Gweithredu ar gyfer y Prif Grŵp Gwariant Addysg a Sgiliau ar 8 Hydref. Er mwyn sicrhau tryloywder, darperir dadansoddiad yn Atodiad 1 o'r newidiadau i'r Prif Grŵp Gwariant Addysg a Sgiliau yn ôl Llinellau Gwariant y Gyllideb.

### **Cyd-destun y Gyllideb**

8. Mae'r gyllideb hon yn digwydd yng nghyd-destun y cyfyngiadau a osodwyd gan Lywodraeth y DU yn ei hadolygiadau diweddar o wariant. Mae hefyd yn adlewyrchu blaenoriaethau Llywodraeth Cymru a'n hymrwymiad parhaus i gyflawni'r Rhaglen Lywodraethu a rhaglen ddeddfwriaethol uchelgeisiol. Mae'r holl benderfyniadau sy'n ein hwynebu'n rhai anodd. Nid oes atebion hawdd ac nid oes unrhyw ffordd i ni warchod gwasanaethau rhag effaith y toriadau gan Lywodraeth y DU a goblygiadau blaenoriaethu'r gwariant.
9. Rydym wedi cynnal adolygiad fesul llinell o gyllidebau i benderfynu sut y gellir rheoli'r gostyngiadau o £83.9 miliwn yn 2014-15 a £103.9 miliwn yn 2015-16. Er bod penderfyniadau anodd wedi gorfod cael eu gwneud, mae'r adolygiad wedi'i osod yng nghyd-destun y sylw parhaus ar ein hymrwymadau yn y Rhaglen Lywodraethu, ac mae wedi'i lunio ar sail tair thema drawsbynciol ym maes cyflenwi, sef Swyddi a Thwf; Cyrhaeddiad Addysgol a Chefnogi Plant, Teuluoedd a Chymunedau Difreintiedig.
10. Mae cydraddoldeb wedi bod yn elfen ganolog wrth ddatblygu ein cynlluniau gwariant ac, fel yn y gorffennol, mae'r newidiadau sy'n deillio o'r gyllideb hon wedi'u hasesu yn erbyn eu heffaith ar bobl sydd â nodweddion gwarchoddedig. Rydym hefyd wedi ystyried ein hymrwymadau o dan Gynllun Cydraddoldeb Strategol Llywodraeth Cymru.

11. Yn ogystal, mae ein cynlluniau gwariant wedi ystyried yr effaith ar dlodi, yr iaith Gymraeg, hawliau plant a chynaliadwyedd economaidd, cymdeithasol ac amgylcheddol prosiectau a rhaglenni. Rydym wedi sicrhau bod polisiau a rhaglenni yn adlewyrchu ein hymrwymiad i gynaliadwyedd, drwy ystyried y buddsoddiad y gallwn ei wneud nawr er mwyn osgoi camau drutach yn y dyfodol.

## **Y Rhaglen Lywodraethu**

12. Mae gan yr Adran Addysg a Sgiliau bum amcan strategol sy'n cefnogi'r canlyniadau yn y Rhaglen Lywodraethu, ac mae ein gwariant wedi'i alinio i'r rhain:
- Codi safonau'r ddarpariaeth addysg a hyfforddiant, cyrhaeddiad a seilwaith ledled Cymru fel bod modd i bawb gyrraedd eu potensial;
  - Darparu gweithlu medrus gyda chyfleoedd da i bob dysgwyr gyfrannu at greu twf a swyddi;
  - Cefnogi unigolion, teuluoedd a chymunedau i wella lles drwy leihau anghydraddoldeb a chynyddu cyfranogiad;
  - Gweld y Gymraeg yn ffynnu yng Nghymru; a
  - Bod yn adran sy'n perfformio'n dda ac yn gyflogwr delfrydol.
13. O ystyried yr hinsawdd economaidd bresennol a'r gostyngiadau a wynebir ar hyn o bryd, mae'n hanfodol ein bod yn glir o ran ein blaenoriaethau, a bod penderfyniadau ynghylch gwariant yn cefnogi ein hamcanion. Mae'r Rhaglen Lywodraethu yn pennu'r canlyniadau yr ydym yn gweithio tuag atynt, ac mae'r penderfyniadau yn y gyllideb ddrafft hon yn sicrhau bod ein cynlluniau gwariant yn parhau'n gyson â'r nod o gyflawni ein hymrwymadau. Mae map o'n Camau tuag at Is-Ganlyniadau wedi'i gyhoeddi fel rhan o ddogfennau'r Gyllideb Ddrafft. Mae Adroddiad Blynyddol diweddaraf y Rhaglen Lywodraethu, a gyhoeddwyd ym mis Mehefin 2013, yn rhoi'r newyddion diweddaraf am y camau rydym yn eu cymryd i gefnogi ein blaenoriaethau. Byddwn yn parhau i fonitro perfformiad yn erbyn ymrwymadau'r Rhaglen Lywodraethu fel rhan o'r broses adrodd flynyddol er mwyn sicrhau bod canlyniadau cysylltiedig yn cael eu monitro a'u gwerthuso i ddangos gwerth am arian.
14. Mae'r Adran Addysg a Sgiliau yn cyfrannu at nifer o feysydd yn y Rhaglen Lywodraethu, ond yn bennaf tuag at Dwf a Swyddi Cynaliadwy (pennod 1), Addysg (pennod 3) a Diwylliant a Threftadaeth Cymru (pennod 12). Ceir crynodeb isod o'r newidiadau i'r gyllideb ddrafft yn unol â'r Camau Gweithredu sy'n berthnasol i'r Pwyllgor hwn, yn ogystal â'r costau a'r effaith gysylltiedig ar ymrwymadau'r Rhaglen Lywodraethu.

## Cam Gweithredu Llythrennedd a Rhifedd

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
7,512	7,512	(476)	7,036	6,197

15. Mae'r gyllideb yn llai o £0.476m net yn 2014-15 a £1.315m net yn 2015-16, o'i gymharu â 2013-14. Mae'r gyllideb yn ariannu ystod o ymyriadau i gefnogi'r agenda ar gyfer gwella sgiliau llythrennedd a rhifedd plant a phobl ifanc. Nid yw'r gostyngiad yn y cyllid yn golygu ein bod yn rhoi llai o sylw i'r blaenoriaethau hyn. Defnyddiwyd cyllid o'r Cam Gweithredu hwn eisoes i gefnogi datblygiad y Fframwaith Llythrennedd a Rhifedd Cenedlaethol a gyhoeddwyd ym mis Ionawr 2013 ac a fydd yn dod yn un o ofynion statudol y cwricwlwm o fis Medi 2013. Bydd hyn yn helpu i gyflawni ein nod o sicrhau bod pob plentyn yng Nghymru yn gallu datblygu sgiliau llythrennedd a rhifedd rhagorol. Bydd y cynnydd o £3.9m yn 2014-15 yn y llinell wariant 'Cwricwlwm ac Asesu' ar gyfer y Rhaglen Gymorth Genedlaethol yn helpu i sicrhau bod y Fframwaith Llythrennedd a Rhifedd yn cael eu rhoi ar waith yn effeithiol mewn ysgolion.

16. Mae cyllid yn parhau i gael ei neilltuo yn y gyllideb ddrafft hon i gefnogi ein hymrwymiad yn y Rhaglen Lywodraethu i gyflwyno profion rhifedd a llythrennedd newydd, a ddechreuodd ym mis Mai 2013. Mae'r cyllid yn gostwng yn 2015-16 gan fod y rhan fwyaf o'r costau ar gyfer datblygu profion 2016 eisoes wedi'u diwallu. Er na fydd y profion darllen a rhifedd ynddynt eu hunain yn codi safonau, caiff y data a gesglir eu defnyddio i gynllunio'n effeithiol, i hunanwerthuso ac i dracio dysgwyr.

## Cam Gweithredu'r Cwricwlwm

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
125,060	125,060	(2,893)	122,167	116,056

17. Mae'r gyllideb yn llai o £2.9m net yn 2014-15 a £9m net yn 2015-16, o'i gymharu â 2013-14. Mae'r grant 14-19 wedi gostwng dros y tair blynedd ariannol ddiwethaf, a bu modd gwneud gostyngiadau pellach o'r llinell wariant Dysgu 14-19 yn y Gyllideb Ddrafft hon wrth i'r polisi gael ei sefydlu ac wrth i'r trefniadau ar gyfer datblygu cwricwla lleol aeddfedu. Ni ragwelir y bydd y gostyngiadau arfaethedig yn cael effaith sylweddol ar ein hymrwymiad yn y Rhaglen Lywodraethu i ysgolion a cholegau Addysg Bellach (AB) ddarparu gofynion statudol y cwricwlwm lleol. Bydd



y blaenoriaethau ar gyfer cyllid grant yn y dyfodol, o fis Ebrill 2014, hefyd yn cael eu hystyried yng ngoleuni argymhellion y Grŵp Gorchwyl a Gorffen 14-19 o'r Adolygiad o Ddarpariaeth Cydweithredol Lleol yng Nghyfnod Allweddol 4.

18. Er bod gostyngiadau rheolaidd wedi'u gwneud i gyllideb y Cyfnod Sylfaen, bydd oddeutu £1 miliwn yn cael ei chanfod o'r cyllid grant a ddarparwyd i'r awdurdodau lleol er mwyn sicrhau'r arbedion a geir wrth symud at weithio drwy gyfrwng consortia rhanbarthol. Mae'r £0.3m sy'n weddill yn gysylltiedig â throsglwyddo cyllid i'r Cam Gweithredu Cymraeg mewn Addysg er mwyn darparu hyfforddiant iaith Gymraeg i ymarferwyr y Cyfnod Sylfaen. Yn sgil hyn, ni ddylai fod unrhyw effaith ar ein hymrwymiad yn y Rhaglen Lywodraethu i ddatblygu a gwella sgiliau ymarferwyr ar gyfer darparu'r Cyfnod Sylfaen, ac rydym yn parhau'n ymrwymedig i'r polisi hwn a'r modd y mae'n ymdrin ag addysgu a dysgu.
19. Bydd yr asesiadau presennol ar ddiwedd cyfnodau, a datblygiad Fframwaith Datblygu ac Asesu'r Blynyddoedd Cynnar sy'n cael ei ariannu drwy'r llinell wariant Cwricwlwm ac Asesu, hefyd yn caniatáu i ni dracio hynt plentyn ar draws y Cyfnod Sylfaen a nodi a yw'r deilliannau'n cael eu cyflawni.
20. I sicrhau bod y Fframwaith Llythrennedd a Rhifedd yn cael ei weithredu'n llwyddiannus, mae cyllid ychwanegol wedi'i ddarparu yn y Gyllideb Ddrafft hon i sicrhau adnoddau digonol ar gyfer y Rhaglen Gymorth Genedlaethol a fydd yn darparu cymorth ymarferol sydd wedi'i deilwra i anghenion ysgolion unigol. Yn sgil hyn, mae'r gyllideb ar gyfer y Cwricwlwm ac Asesu wedi cynyddu £3.9m yn 2014-15 o'i gymharu â'r cynlluniau dangosol a gyhoeddwyd yn flaenorol.

### **Cam Gweithredu Addysgu ac Arweinyddiaeth**

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
19,849	20,049	(2,200)	17,849	17,849

21. Roedd lansio'r Radd Meistr mewn Ymarfer Addysgol o fis Medi 2012 ymlaen yn cefnogi ein hymrwymiad i godi safonau addysgu a gwella cyfleoedd gyrfa i athrawon. Hyd yn hyn mae 430 o athrawon newydd gymhwyso (ANG) wedi dechrau ar y rhaglen. Gellir cyflawni'r gostyngiad rheolaidd o £2.2m yn y Cam Gweithredu Addysgu ac Arweinyddiaeth yn ôl yr amcangyfrifon cyfredol o nifer yr athrawon newydd gymhwyso a fydd yn dilyn y rhaglen Meistr. Felly, ni ragwelir y bydd y gostyngiadau'n effeithio ar ein gallu i gyflawni'r ymrwymiad hwn yn y Rhaglen Lywodraethu, ac rydym yn parhau'n ymrwymedig i ariannu pob athro newydd gymhwyso sy'n dymuno cwblhau'r cymhwyster.

## Cam Gweithredu Cymwysterau

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
5,045	5,045	0	5,045	5,603

22. Mae'r Cam Gweithredu hwn yn ariannu Bagloriaeth Cymru, a'r broses o achredu cymwysterau a gweithredu'r Adolygiad o Gymwysterau. Rydym yn dechrau gweithredu argymhellion yr Adolygiad o Gymwysterau, a gyflwynodd pecyn cydlynol o newidiadau sy'n angenrheidiol i gyflawni ein hymrwymiad yn y Rhaglen Lywodraethu i symleiddio'r system gymwysterau yng Nghymru. Sefydlwyd prosiect i greu un corff, sef 'Cymwysterau Cymru', i reoleiddio, cymeradwyo a sicrhau ansawdd pob cymhwyster yng Nghymru. Ceir allbynnau, canlyniadau a mesurau cyflawni ar gyfer pob un o'r 18 maes yng nghynllun cyflawni'r Adolygiad o Gymwysterau.

23. Lansiodd yr ymgynghoriad ar sefydlu Cymwysterau Cymru ar 1 Hydref, ac mae achos busnes wrthi'n cael ei baratoi sy'n ystyried opsiynau, strwythurau a chostau cysylltiedig. Mae'r gyllideb Cymwysterau'n cynyddu £0.6m yn 2015-16 er mwyn sefydlu'r corff newydd hwn. Caiff y lefel derfynol o gyllid ei phennu yn ystod 2014-15 a'i diwallu drwy ailflaenoriaethu yng nghyllideb ddrafft 2015-16 os bydd angen. Bydd y gyllideb yn sicrhau ein bod yn gallu gweithio gyda phartneriaid i ddarparu cymwysterau o ansawdd uchel y mae pobl yn rhoi gwerth arnynt, sy'n cynnwys TGAU, Safon UG a Safon Uwch diwygiedig a Bagloriaeth Cymru newydd a mwy trylwyr.

## Cam Gweithredu Addysg Ôl-16

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
578,805	583,006	(49,101)	533,905	536,693

24. Mae'r cam gweithredu hwn yn ariannu addysg ôl-16 mewn sefydliadau addysg bellach, chweched dosbarth ysgolion, dysgu seiliedig ar waith, dysgu oedolion yn y gymuned, canolfannau Cymraeg i Oedolion a darpariaeth addysg bellach mewn sefydliadau addysg uwch a pholisïau cysylltiedig. Mae'r gyllideb yn llai o £44.9m net yn 2014-15 a £42.1m net yn 2015-16, o'i gymharu â 2013-14.

25. Mae hyn yn cynnwys gostyngiadau o £7.3m yn 2014-15 a £5.3m yn 2015-16 yn y gyllideb ar gyfer Dysgu Seiliedig ar Waith. Mae'r rhaglen Barod am Waith (Camau at Waith gynt) yn debygol o ddod i ben ym mis Ebrill 2014 a bydd mentrau sy'n cael eu datblygu a'u hariannu drwy'r Cam Gweithredu Cyflogaeth a Sgiliau yn cymryd ei lle. Amlinellir yn y Rhaglen Lywodraethu ein hymrwymiad i fynd i'r afael â diweithdra ymhlith pobl ifanc ac i ddarparu mwy o gyfleoedd prentisiaeth i bobl ifanc ar draws Cymru. Mae darparu prentisiaethau o ansawdd uchel yn rhan sylfaenol o'n strategaeth i wella sgiliau gweithwyr yng Nghymru o bob oed. Cafwyd buddsoddiad ychwanegol i gefnogi prentisiaethau yng Nghymru yng Nghyllideb Derfynol 2013-14, ac mae'r buddsoddiad hwnnw o £20m yn parhau yn y gyllideb ddrafft hon ar gyfer 2014-15. Rydym bellach yn ymestyn y buddsoddiad ychwanegol hwn i 2015-16.

26. Mae'r gyllideb ar gyfer y ddarpariaeth Addysg Bellach yn gostwng £42.2m yn 2014-15 o'i gymharu â'r cynlluniau a gyhoeddwyd yn flaenorol. O'r gostyngiad hwn, mae £4.2m wedi cael ei drosglwyddo i'r Grant Cynnal Refeniw ar gyfer darpariaeth AAA ôl-19 mewn ysgolion prif ffrwd, sydd wedi'i grynhoi ym mharagraff 4. Rydym wedi blaenoriaethu'r ddarpariaeth ar gyfer pobl ifanc 16-18 oed, a fydd yn cael ei diogelu. Felly, bydd effaith y gostyngiadau sy'n weddill yn effeithio ar y ddarpariaeth ôl-16 yn bennaf, sy'n cael ei ddarparu gan Sefydliadau Addysg Bellach a Chanolfannau Cymraeg i Oedolion fwyaf. Mae'r ddarpariaeth ôl-16 yn cyfrif am oddeutu £160m, o'r gyllideb gyfan, ac felly mae gostyngiad o £37 miliwn gyfwerth â gostyngiad o 23% yn y ddarpariaeth ôl-19.

### Cam Gweithredu Strwythurau Addysg (Trawsnewid)

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
2,943	2,943	(2,693)	250	0

27. Rydym yn parhau'n ymrwymedig i agenda newid Addysg Bellach ac Uwch. Mae ein polisi trawsnewid wedi ysgogi a chefnogi ein hymrwymiad yn y Rhaglen Lywodraethu i annog achosion pellach o uno sefydliadau addysg bellach, ac rydym wedi cyrraedd ein targed o ad-drefnu'r ddarpariaeth i 8-12 sefydliad addysg bellach flwyddyn ynghynt na'r disgwyl. O ganlyniad, rydym yn bwriadu lleihau'r gyllideb trawsnewid £2.7m o'i gymharu â'r cynlluniau dangosol a gyhoeddwyd eisoes ar gyfer 2014-15 a £0.25m pellach o 2015-16. Mae cyllid o £0.25m yn cael ei gynnal yn 2014-15 ar gyfer y cyfraniad sy'n weddill ar gyfer proses uno Coleg Harlech/WEA y De.

### Cam Gweithredu Safonau Addysg (Grant Effeithiolrwydd Ysgolion a Chefnogi Safonau Ysgolion)

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
34,350	37,284	(4,523)	32,761	34,261

28. Mae'r gyllideb yn gostwng £1.8m net yn 2014-15 a £0.089m net yn 2015-16, o'i gymharu â 2013-14. Mae llinell wariant y Grant Effeithiolrwydd Ysgolion yn ariannu nifer o feysydd yn ogystal â'r Grant Effeithiolrwydd Ysgolion, gan gynnwys y Grant Gwisg Ysgol, Grant Llywodraethwyr Cymru a'r cynllun peilot Ysgolion sy'n Ymarferwyr Arweiniol ac Ysgolion sy'n Ymarferwyr Datblygol. Mae'r cyllid ar gyfer y Grant Gwisg Ysgol yn parhau er mwyn darparu £105 i bob disgybl cymwys ar gyfer prynu gwisg ysgol. Bydd y gostyngiad yn y gyllideb yn arwain at ostyngiad o £0.7m yn y Grant Effeithiolrwydd Ysgolion yn 2014-15, ond ystyrir hyn yng nghydestun y cynnydd diweddar o £4.8m yng nghyfanswm y grant o £24m yn 2012-13 i £28.8m yn 2014-15. Mae'r Grant Effeithiolrwydd Ysgolion yn parhau'n un o'n prif ffyrdd o ddarparu cymorth ariannol ar gyfer cyflawni ein tair blaenoriaeth genedlaethol, sef gwella safonau llythrennedd a rhifedd, a lleihau effaith tlodi ar gyrhaeddiad addysgol. Mae cyllid y Grant Effeithiolrwydd Ysgolion yn canolbwyntio ar ein hymrwymiad yn y Rhaglen Lywodraethu i gynyddu'r swm a ddirprwyir gan awdurdodau lleol i ysgolion, gyda'r isafswm a ddirprwyir yn cynyddu o 75% i 80% ar gyfer 2014-15.

29. Cynllun peilot 18 mis a ddechreuodd yn 2013-14 yw'r prosiect Ysgolion sy'n Ymarferwyr Arweiniol ac Ysgolion sy'n Ymarferwyr Datblygol, a'i nod yw hyrwyddo a lledaenu arferion gorau mewn ysgolion ar draws Cymru. Bydd cyllid yn golygu bod modd parhau â'r ail gohort o ysgolion fel ag a gynlluniwyd. Fodd bynnag, bydd nifer yr ysgolion yn cael ei leihau o'i gymharu â'r nifer a oedd yn rhan o'r cohort cyntaf oherwydd gostyngiad o £0.8m yn y cyllid. Bwriedir cynnal gwerthusiad annibynnol o effaith y cynllun peilot, a fydd yn llywio ei ddatblygiad yn y dyfodol.

### Cam Gweithredu'r Grant Amddifadedd Disgyblion

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
36,780	38,246	33,000	71,246	34,246

30. Mae'r Grant Amddifadedd Disgyblion, a gyflwynwyd ym mis Ebrill 2012, yn gyfle allweddol i ysgolion ddarparu cefnogaeth wedi'i thargedu er mwyn

lleihau anghydraddoldeb o ran cyrhaeddiad addysgol. £33.3m yw'r grant ar gyfer 2013-14, sydd wedi'i ddirprwyo'n llawn i'r ysgolion. Mae hyn yn gynydd ar lefel y grant yn 2012-13, sef £32.4, ar ôl ymestyn y meini prawf ar gyfer cael y grant i gynnwys plant sy'n derbyn gofal. Mae Llywodraeth Cymru wrthi'n cydweithio â'r pedwar consortiwm addysg rhanbarthol i sicrhau bod y cyllid yn cael ei ddefnyddio yn y ffordd fwyaf effeithiol i gael yr effaith fwyaf, ar sail tystiolaeth gadarn.

31. Cafodd y Grant Amddifadedd Disgyblion ei greu am gyfnod o dair blynedd tan 2014-15, ond mae'r cyllid yn parhau yn 2015-16 yn y gyllideb ddrafft hon er mwyn cydnabod pwysigrwydd y grant i fynd i'r afael ag effaith amddifadedd ar gyrhaeddiad addysgol. Cynllwynid bod y gyllideb ar gyfer Grant Amddifadedd Disgyblion yn 2014-15 i'w ostwng £2m, oherwydd bod y nifer o ddisgyblion a oedd yn gymwys ar gyfer prydiau ysgol ddi-dâl yn llai na'r nifer amcanwyd llynedd. Modd bynnag, o ganlyniad o'r Cytundeb Cyllideb, sicrhawyd £35m a fydd yn galluogi ni i gynyddu'r cymorth fesul disgybl yn 2014-15 o £450 i £918.

### **Cam Gweithredu Systemau TGCh a Systemau Rheoli Gwybodaeth**

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
7,423	7,423	5,558	12,981	6,951

32. Mae'r Cam Gweithredu TGCh a Systemau Rheoli Gwybodaeth wedi cynyddu £5.6m yn 2014-15 i ariannu'r elfen refeniw er mwyn cefnogi'r buddsoddiad llawn o £39m mewn gwasanaethau band eang cyflymach mewn ysgolion, a gyhoeddwyd ym mis Ionawr 2013. Bydd y buddsoddiad hwn, sydd hefyd yn cynnwys £27m o gyllid cyfalaf wedi'i dargedu ar gyfer y Grant Dysgu yn y Gymru Ddigidol, yn darparu band eang cyflymach ym mhob ysgol yng Nghymru sy'n ddigonol ar gyfer maint yr ysgol. Hynny er mwyn i'r ysgol allu defnyddio dysgu digidol yn y dosbarth fel bod dysgwyr unigol yn gallu manteisio ar amgylchedd dysgu sy'n addas i'r 21 ganrif. Bydd y buddsoddiad yn golygu bod modd i ddysgwyr fanteisio ar holl elfennau Hwb (sydd hefyd yn cael ei ariannu drwy'r Cam hwn - £2.5m) ac felly'n cyflawni ein hymrwymiad yn y Rhaglen Lywodraethu i greu'r sylfeini ar gyfer rhith-amgylchedd dysgu Cymru gyfan a galluogi pob ysgol yn y wlad i fanteisio ar adnoddau dysgu ar-lein. Erbyn Gorffennaf 2014, bydd pob ysgol yng Nghymru yn cael cyfle i ddefnyddio llwyfan dysgu cenedlaethol a ariennir yn ganolog.

### Cam Gweithredu Lles Plant a Phobl Ifanc

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
22,848	47,423	(24,940)	22,483	22,733

33. Mae'r gyllideb yn llai o £24.9m net yn 2014-15 o'i gymharu â'r cynlluniau blaenorol a gyhoeddwyd. Mae trosglwyddo'r cyfrifoldeb am ariannu ysgolion arbennig ôl-16 a lleoliadau AAA y tu allan i'r sir i'r awdurdodau lleol wedi golygu bod cyfanswm o £24.4m wedi'i drosglwyddo i'r Grant Cynnal Refeniw yn y Prif Grŵp Gwariant Llywodraeth Leol ar sail reolaidd. Mae'r gostyngiad o £0.5m sy'n weddill yn 2014-15 wedi'i ganfod o'r llinell wariant Anghenion Addysgol Ychwanegol ar gyfer y Rhaglen Gymorth Genedlaethol, a fydd yn sicrhau bod athrawon yn datblygu'r sgiliau gorau i ddiwallu anghenion rhai o'r dysgwyr mwyaf agored i niwed wrth addysgu llythrennedd a rhifedd.
34. Mae'r cyllid ar gyfer Llaeth Ysgol yn aros ar yr un lefel, sef £3m, yn y llinell wariant Bwyd a Diod, fel rhan o'n hymrwymiad yn y Rhaglen Lywodraethu i barhau â'n rhaglenni brecwast am ddim a llaeth ysgol am ddim ar gyfer plant hyd at 7 oed. Trosglwyddwyd £14.7m ar gyfer brecwast mewn ysgolion o'r Prif Grŵp Gwariant Addysg a Sgiliau i'r Grant Cynnal Refeniw yng nghyllideb ddrafft y llynedd.

### Cam Gweithredu Ennyn Diddordeb Disgyblion

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
12,758	12,758	(500)	12,258	12,758

35. Mae'r cyllid ar gyfer plant Sipsiwn a Theithwyr, sef y grŵp disgyblion sydd â'r lefelau cyrhaeddiad isaf a'r grŵp sydd fwyaf tebygol o ymddieithrio o'r ysgol, yn cael ei gynnal ar gyfer 2014-15 a 2015-16. Mae'r grant wedi'i gynyddu 22% dros y tair blynedd diwethaf o £0.9m yn 2011-12 i'r lefel bresennol o £1.1m.
36. Mae ein cyllid i helpu plant o leiafrif ethnig, sy'n dysgu Saesneg fel iaith ychwanegol ac a allai fod yn tangyflawni, wedi'i ddychwelyd i lefel 2012-13, sef £10 miliwn yn 2014-15. Bydd y cyllid yn dychwelyd i'w lefel bresennol o £10.5m yn 2015-16 i gymryd i ystyriaeth y galw cynyddol ar y gyllideb hon pan fydd y cyfyngiadau ar fynediad yn dod i ben ar gyfer Romaniaid a Bwlgariaid. Mae camau'n cael eu cymryd i sicrhau bod

Grant Cyrhaeddiad Lleiafrifoedd Ethnig yn canolbwyntio ar ganlyniadau ac yn cynnig gwerth am arian. Mae'r prosiect 'Cryfhau'r trefniadau llywodraethu ar gyfer Grant Cyrhaeddiad Lleiafrifoedd Ethnig' ar waith sy'n ceisio gwella'r trefniadau llywodraethu a sicrhau bod cyllid wedi'i gyfeirio at weithgareddau sy'n cael yr effaith fwyaf o ran gwella cyrhaeddiad addysgol disgyblion o leiafrifoedd ethnig.

### Cam Gweithredu'r Gymraeg mewn Addysg

2013-14	2014-15	2014-15	2014-15	2015-16
Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
£000	£000	£000	£000	£000
16,212	16,212	(750)	15,462	14,462

37. Mae'r gyllideb yn gostwng £0.75m net yn 2014-15, o'i gymharu â 2013-14. Bydd y gostyngiadau'n cael eu cyflawni drwy leihau nifer yr ymarferwyr sy'n cael eu hyfforddi drwy'r Cynllun Sabothol, a lleihau nifer yr adnoddau hyfforddi cyfrwng Cymraeg a gomisiynir a nifer y fforymau 14-19. Mae'r cyllid ar gyfer y Grant Cymraeg mewn Addysg i'r awdurodau lleol yn cael ei gynnal. Mae'r gweithgarwch yn y Cam Gweithredu hwn yn cyfrannu at gyflawni'r ymrwymadau yn y Rhaglen Lywodraethu, yn benodol i weithredu'r Strategaeth Addysg Cyfrwng Cymraeg ac i gynyddu nifer y bobl sy'n ceisio ac yn defnyddio'r Gymraeg yn ein system addysg. Mae'r ffocws ar gyflawni'r ymrwymadau yn y Rhaglen Lywodraethu'n parhau drwy flaenoriaethu adnoddau a thargedu gweithgarwch i'r camau hynny lle gellir sicrhau'r canlyniadau gorau.

### Cam Gweithredu'r Ystâd a'r Ddarpariaeth TG

Cyllideb	2013-14	2014-15	2014-15	2014-15	2015-16
	Cyllideb Atodol Mehefin 2013	Cynlluniau Dangosol y Gyllideb Derfynol (Wedi'i ailddatgan)	Newidiadau	Cynlluniau Newydd y Gyllideb Ddrafft	Cynlluniau Newydd y Gyllideb Ddrafft
	£000	£000	£000	£000	£000
Cyfalaf	202,134	153,834	0	153,834	143,834
Refeniw	0	0	1,750	1,750	4,000
Cyfanswm	202,134	153,834	1,750	155,584	147,834

38. Ni chynigir unrhyw newidiadau i'r gyllideb gyfalaf o'r cynlluniau a gyhoeddwyd yn flaenorol ar gyfer 2014-15, sy'n cynnwys y £10m ychwanegol a amlinellwyd ym mharagraff 5. Mae'r cyfnodau pontio i'r rhaglen Ysgolion ar gyfer y 21<sup>ain</sup> Ganrif bellach yn dod i ben a bydd y don gyntaf o fuddsoddiad, sy'n gyfanswm o £1.4bn, yn dechrau o 2014-15. Mae'r rhaglen Ysgolion ar gyfer yr 21<sup>ain</sup> Ganrif yn cyfrannu at gyflawni ein hymrwymiad yn y Rhaglen Lywodraethu i ariannu adeiladau o ansawdd

uchel a sicrhau darpariaeth TGCh o'r radd flaenaf. Ar hyn o bryd, caiff yr holl brosiectau eu hasesu yn unol â model busnes 5 achos Trysorlys Ei Mawrhydi i sicrhau bod y canlyniadau'n cael eu monitro a'u bod yn cynnig gwerth am arian. Yn ogystal â'r buddsoddiad mewn ysgolion, rydym hefyd yn datblygu blaenraglenni buddsoddi ar gyfer y sectorau Addysg Bellach ac Uwch.

39. Bydd ymestyn Menter Benthycia Llywodraeth Leol i'r rhaglen Ysgolion ar gyfer y 21 Ganrif yn cyflymu'r broses o weithredu'r rhaglen, drwy ddwyn ymlaen oddeutu £180m o fuddsoddiad er mwyn ceisio gweithredu'r rhaglen yn 2018-19, ddwy flynedd ynghynt na'r disgwyl. Rydym yn buddsoddi cyfalaf ychwanegol o £1.75m yn 2014-15 a £4.0m yn 2015-16 i gefnogi'r fenter hon. Bydd y ffrwd refeniw ychwanegol hon yn ymdrin â fforddiadwyedd y rhaglen Ysgolion ar gyfer y 21 Ganrif i'r awdurdodau lleol, ac mae'n dangos ymrwymiad hirdymor i'r awdurdodau lleol.

### **Blaenoriaethau deddfwriaethol**

40. Mae'r gyllideb hon yn cymryd i ystyriaeth rhaglen ddeddfwriaethol bresennol Llywodraeth Cymru, sy'n cynnwys nifer o Filiau sy'n rhan o'r portffolio Addysg a Sgiliau. Darperir isod ddiweddariad ar yr agweddau hynny ar y rhaglen ddeddfwriaethol sy'n berthnasol i gylch gwaith y pwyllgor hwn.
41. Cafodd y **Ddeddf Safonau a Threfniadaeth Ysgolion (Cymru)** Gydsyniad Brenhinol ar 4 Mawrth 2013. Mae'r Ddeddf yn deddfu mewn nifer o feysydd a fydd yn helpu i wneud ysgolion yn fwy atebol drwy gyfuno, diweddarau a thynhau safonau a dulliau rheoli.
42. Fel rhan o'r broses weithredu ac i symleiddio'r prosesau presennol, cafodd grantiau wedi'u neilltuo gwerth cyfanswm o £21.8m ar gyfer darparu brechwast am ddim mewn ysgolion cynradd a gwasanaeth cwnsela mewn ysgolion, eu trosglwyddo eisoes o Gyllideb Ddrafft y llynedd i'r Grant Cynnal Refeniw o 2013-14 ymlaen.
43. Bydd y Ddeddf yn diwygio'r broses statudol ar gyfer trefniadaeth ysgolion fel bod penderfyniadau'n cael eu gwneud yn lleol lle bo'n bosibl. Byddai rhai mân gostau ychwanegol i awdurdodau lleol yn gysylltiedig â gweithredu'r paneli dyfarnu lleol. Fodd bynnag, ni fyddant yn elfen orfodol a chyfrifoldeb yr awdurdodau lleol fydd penderfynu a ddyldid sefydlu panel i drafod materion o'r fath. Disgwylir y byddai'r arbedion effeithlonrwydd a geir drwy ddefnyddio proses symlach yn gwneud iawn am y costau sy'n gysylltiedig â gweithredu'r paneli.
44. O dan y Ddeddf, bydd yr awdurdodau lleol yn atebol am gynllunio'r ddarpariaeth cyfrwng Cymraeg drwy roi sail statudol i Gynlluniau Strategol Cymraeg mewn Addysg o fis Ebrill 2014 ymlaen. Mae cyllid eisoes yn cael ei ddarparu drwy'r Grant Cymraeg mewn Addysg (£5.63 ar y lefelau presennol) yn y Cam Gweithredu Cymraeg mewn Addysg i helpu awdurdodau lleol i lunio eu cynlluniau. Mae'r holl awdurdodau lleol wedi cyflwyno eu Cynlluniau Strategol Cymraeg mewn Addysg



diwygiedig. Caiff y rhain eu monitro a chaiff yr allbynnau eu hadrodd mewn Adroddiad Blynyddol.

45. Bydd y canllawiau ynghylch ysgolion sy'n peri pryder yn cael eu cyhoeddi yn nes ymlaen eleni a thelir y costau gweinyddol sy'n gysylltiedig â hynny o'r cyllidebau ar gyfer costau rhedeg dirprwyedig yn yr adran.
46. Gosodwyd y **Bil Addysg (Cymru)** gerbron y Cynulliad ar 1 Gorffennaf 2013. Bydd y Bil yn cyflwyno system gofrestru newydd ar gyfer y gweithlu addysg ehangach; yn diwygio'r broses o gofrestru a chymeradwyo ysgolion annibynnol mewn perthynas ag anghenion addysgol arbennig (AAA); yn sicrhau bod dysgwyr ag AAA yn symud o'r ysgol i addysg bellach yn well drwy roi'r cyfrifoldeb am asesu anghenion dysgwyr a sicrhau addysg ôl-16 arbenigol i'r awdurdod lleol; ac yn darparu ar gyfer rhoi mwy o gysondeb drwy newid y ffordd y mae dyddiadau tymhorau ysgol yn cael eu pennu er mwyn sicrhau eu bod yn cael eu cysoni ar draws pob ysgol a gynhelir yng Nghymru.
47. Drwy gofrestru'r gweithlu addysg ehangach, byddwn yn adeiladu ar brofiad Cyngor Addysgu Cyffredinol Cymru (CyngACC) er mwyn creu corff wedi'i ad-drefnu (Cyngor y Gweithlu Addysg) o fis Ebrill 2015 i gefnogi'r gweithlu addysg ehangach yng Nghymru. Bydd yn parhau'n gorff sy'n ariannu ei hun. Os yw'r ffioedd a'r cymorthdaliadau'n aros ar y lefelau presennol, dengys yr amcangyfrifon cynnar gost ychwanegol o £1m, ac felly mae model ffioedd economaidd cadarn wrthi'n cael ei ddatblygu ar gyfer ymgynghoriad ffurfiol ar ddechrau 2014. Bydd hefyd angen swm bach, oddeutu £0.1m, ar gyfer y pwyllgor cynghori a chostau cysylltiedig unrhyw gyngor cyfreithiol a geir i sefydlu'r corff newydd. Felly, rhagwelir y bydd y costau'n cael eu talu drwy'r ffioedd a gesglir gan y Cyngor neu'r Cam Gweithredu Addysgu ac Arweinyddiaeth presennol yn 2014-15 a 2015-16.
48. Bydd trosglwyddo'r swyddogaethau ar gyfer dysgwyr ôl-16 ag anawsterau dysgu i'r awdurdodau lleol yn diddymu'r angen ar hyn o bryd i wneud cais am gyllid i Lywodraeth Cymru a dylai gyflymu'r broses o wneud penderfyniadau. Y prif amcan yw cyflwyno system lai cymhleth a biwrocraidd sy'n diwallu ac yn diogelu anghenion dysgwyr yn well ac yn cynnig gwerth am arian. Bydd cyllid yn cael ei drosglwyddo o'r llinell wariant Lleoliadau Arbenigol a Myfyrwyr ag Anawsterau Dysgu yn y Cam Gweithredu Lles Plant a Phobl Ifanc i gyd-fynd â chyflwyno dyletswyddau newydd ar awdurdodau lleol. Cynhelir trafodaethau ym mis Ionawr 2014 i gytuno ar swm y cyllid a'r fformiwla ar gyfer dyrannu'r cyllid i'r Grant Cynnal Refeniw, a fydd yn ystyried y gweithgarwch hanesyddol ac arfaethedig.
49. Elfen olaf y Bil yw safoni dyddiadau tymhorau ysgol, sy'n golygu costau staff o £0.031m dros ddwy flynedd a fydd yn cael ei dalu o gyllideb costau rhedeg AdAS.

50. Cyflwynwyd y **Bil Addysg Bellach ac Uwch (Llywodraethu a Gwybodaeth)** ym mis Ebrill 2013. Mae darpariaethau'r Bil yn trosglwyddo pwerau penodol oddi wrth Weinidogion Cymru i Gorfforaethau Addysg Bellach ac yn dileu nifer o'r pwerau presennol y mae Gweinidogion Cymru yn eu harfer dros y corfforaethau hyn. Cynigir y newidiadau arfaethedig er mwyn i'r Swyddfa Ystadegau Gwladol aiddosbarthu colegau'n sefydliadau dielw sy'n gwasanaethu aelwydydd. Daw hyn yn sgil penderfyniad y Swyddfa Ystadegau Gwladol ym mis Hydref 2010 i ddsbarthu Corfforaethau Addysg Bellach fel rhan o'r llywodraeth ganolog at ddibenion y Cyfrifon Gwladol.
51. Yn amodol ar Gydsyniad Brenhinol, bwriad y polisi yw diweddarau'r Canllaw Addysg Bellach ar gyfer Llywodraethwyr a gyhoeddwyd yn 2001 gan Gyngor Cyllido Addysg Bellach Cymru. Bydd y ddogfen yn darparu canllawiau i Gorfforaethau Addysg Bellach ar eu cyfrifoldebau newydd. Bydd y costau a ysgwyddir gan Lywodraeth Cymru mewn perthynas â Llywodraethu Addysg Bellach yn cael eu talu o'r gyllideb bresennol ar gyfer Datblygu Polisi Addysg Bellach yn y Cam Gweithredu Addysg Ôl-16. Amcangyfrifir mai £0.077m y flwyddyn fydd goblygiadau ariannol y Bil.
52. Cafodd Mesur Dysgu a Sgiliau (Cymru) 2009 Gydsyniad Brenhinol ym mis Mai 2009. Diben y Mesur oedd gwneud darpariaeth ar gyfer sicrhau hawl plant sydd yn nwy flynedd olaf addysg orfodol a phobl ifanc nad ydynt wedi cyrraedd 19 oed i gael addysg; gwneud darpariaeth i sicrhau bod ysgolion a gynhelir a sefydliadau yn y sector addysg bellach yn darparu gwasanaethau sy'n gysylltiedig ag addysg; gwneud darpariaeth ar gyfer datgelu gwybodaeth am y cwricwlwm; a gwneud darpariaeth at ddibenion cysylltiedig.
53. Nid oes effaith uniongyrchol ar y portffolio o ganlyniad i Fesur Dysgu a Sgiliau (Cymru) 2009. Bydd datblygu a gweithredu'r Fframwaith Ymgysylltu a Datblygu leuenctid yn cryfhau'r darpariaethau ym Mesur 2009. Mae'r dirwedd addysgol yng Nghymru wedi newid ers cyflwyno'r Mesur yn 2009. Wrth i'r Llwybrau Dysgu 14-19 aeddfedu, mae lefel y cymorth grant uniongyrchol i weithredu'r polisi a sicrhau dewis ehangach wedi gostwng. Ar hyn o bryd, mae pob ysgol a choleg Addysg Bellach yn bodloni gofynion y Mesur.
54. Rydym hefyd yn ymwneud â monitro nifer o Filiau'r DU y mae gennym ni, fel Adran, ddiddordeb penodol ynddynt. Mae'r rhain yn cynnwys: y Bil Dadreoleiddio; y Bil Addysg (Rhannu Gwybodaeth); Bil Hawliau Defnyddwyr; y Bil Ymddygiad Gwrthgymdeithasol, Troseddau a Phlisma; a'r Bil Plant a Theuluoedd. Byddwn yn parhau i weithio gyda Whitehall i ddeall y goblygiadau i'r Adran, gan gynnwys yr effaith lawn ar y gyllideb, os o gwbl. Fodd bynnag, rhagwelir ar hyn o bryd mai ychydig iawn o gostau ychwanegol fydd, os o gwbl, a gellir eu talu o'r Prif Grŵp Gwariant os bydd angen.

## Gwariant Ataliol

55. Yn y portffolio Addysg a Sgiliau, rydym yn neilltuo cyllid sylweddol ar gyfer meysydd o wariant ataliol, megis y Cyfnod Sylfaen, y Grant Amddifadedd Disgyblion a'r Grant Effeithiolrwydd Ysgolion er mwyn codi safonau llythrennedd a rhifedd a lleihau effaith amddifadedd ar gyrhaeddiad addysgol. Bydd y rhaglenni ymyrraeth gynnar hyn yn cael effaith ar blentyn yn gynnar yn ei addysg ac yn gosod sylfaen gadarn ar gyfer ei addysg a fydd, yn ei dro, yn cynyddu ei gyfleoedd yn y farchnad lafur.
56. Mae Cynllun y Blynyddoedd Cynnar a Gofal Plant, a lansiwyd ym mis Gorffennaf 2013, yn cydnabod bod buddsoddi yn y blynyddoedd cynnar drwy addysg yn dylanwadu'n fawr ar ddatblygiad plentyn. Mae yna gytundeb cyffredinol bod profiadau plentyndod cynnar yn hanfodol i ddatblygiad plant yn y tymor hir a'u llwyddiannau yn nes ymlaen mewn bywyd. Mae lleihau anghydraddoldeb o ran deilliannau addysgol grwpiau gwahanol yn un o'r prif amcanion y mae angen i ni eu cyflawni er mwyn, yn y tymor canolig i'r hirdymor, helpu plant a phobl ifanc allan o dlodi, lleihau'r tebygrwydd eu bod yn datblygu'n berson sydd heb fod mewn addysg, cyflogaeth na hyfforddiant neu sy'n rhan o'r system cyfiawnder troseddol; a rhoi'r cyfle gorau iddynt sicrhau iechyd a chanlyniadau bywyd gwell.
57. Ystyrir bod y gyllideb o £99.8m ar gyfer y Cyfnod Sylfaen yn ataliol. Drwy ddarparu cwricwlwm statudol ar gyfer pob plentyn 3-7 oed, mae'n sicrhau bod plant yn cael y dechrau gorau mewn bywyd a'u bod yn cyflawni eu potensial llawn ac yn chwarae rhan lawn yn y gymdeithas. Mae'r Cyfnod Sylfaen yn annog plant i ddod yn hunan-ddibynnol, i fwynhau her ac i ddatblygu agwedd bositif at ddysgu. Mae'n datblygu dyheadau, brwdfrydedd a sgiliau cymdeithasu'r plant. Cadarnhaodd Adroddiad Blynyddol y Rhaglen Lywodraethu, a gyhoeddwyd ym mis Mehefin 2013, fod dros 80% o ddisgyblion wedi cyrraedd deilliant 5 neu fwy yn y meysydd dysgu gorfodol, sef y prif fesur perfformiad ar ddiwedd y Cyfnod Sylfaen. Bydd y dangosydd hwn yn fwy defnyddiol dros amser wrth i ragor o ddata ddod i law i dracio cynnydd.
58. Mae'r Cyfnod Sylfaen yn destun gwerthusiad hydredol ar hyn o bryd a fydd yn canolbwyntio ar werth am arian. Yn ogystal, bydd yr archwiliad sy'n mynd rhagddo ar yr un pryd yn nodi'r arfer gorau ar draws y Cyfnod Sylfaen cyfan er mwyn helpu i lywio a chryfhau'r arferion ym mhob lleoliad ac ysgol.
59. Yn y Cam Gweithredu Llythrennedd a Rhifedd, sy'n werth £7m yn 2014-15, bwriedir i'r cyllid a ddarperir ar gyfer y profion darllen a rhifedd cenedlaethol lywio a chefnogi camau gweithredu ataliol ac ymyriadau cynnar yn ymwneud â llythrennedd a rhifedd y dysgwyr. Mae'r profion yn darparu mesur gwrthrychol sy'n gyson yn genedlaethol o hynt y dysgwr wrth iddynt ddatblygu eu sgiliau llythrennedd a rhifedd. Gan fod y rhain yn sgiliau bywyd allweddol, a bod diffyg sgiliau yn rhwystro plant rhag cyrraedd eu potensial llawn, mae'r holl wariant ar brofion yn ataliol. Bydd

y cyllid a ddarperir o Gam Gweithredu'r Cwricwlwm ar gyfer y Rhaglen Gymorth Genedlaethol, sef £5.8m yn 2014-15, hefyd yn helpu'r ysgolion i wella cyraeddiadau o ran llythrennedd a rhifedd yn gynnar heb fod angen rhaglenni ymyrraeth.

60. Yn yr un modd ystyrir bod cyllideb y Grant Effeithiolrwydd Ysgolion, sy'n gyfanswm o £28m yn y Cam Gweithredu Safonau Addysg, yn wariant ataliol. Mae'r Grant Effeithiolrwydd Ysgolion yn cefnogi ein blaenoriaethau allweddol o wella llythrennedd a rhifedd, ac yn canolbwyntio ar dorri'r cysylltiad rhwng amddifadedd a deilliannau addysgol is. Mae oddeutu 20% o'r fformiwla ddsbarthu ar gyfer y Grant Effeithiolrwydd Ysgolion yn seiliedig ar niferoedd gwirioneddol o ddisgyblion 5-15 oed ym mhob awdurdod lleol sy'n gymwys i gael prydau ysgol am ddim, ac felly mae'n ceisio mynd i'r afael â'r effaith y mae tlodi'n ei chael ar gyrhaeddiad addysgol.
61. Mae'r Grant Amddifadedd Disgyblion yn ymyrraeth allweddol i atal tlodi, ac yn darparu cyllid yn uniongyrchol i ysgolion er mwyn buddsoddi mewn ffyrdd effeithiol o fynd i'r afael â'r effaith y mae tlodi'n ei chael ar gyrhaeddiad plant. Drwy ymestyn y cyllid ar gyfer y Grant Amddifadedd Disgyblion yn y gyllideb ddrafft hon tan 2015-16, ynghyd a'r £35m yn 2014-15 rydym yn canolbwyntio ar gyflawni'r targedau allweddol yn y Cynllun Gweithredu Trechu Tlodi gan gynnwys gwella lefelau cyrhaeddiad cyffredinol disgyblion sy'n gymwys i gael prydau ysgol am ddim.
62. Mae ein grantiau gwerth cyfanswm o £11.1m yn 2014-15 i gefnogi addysg plant Sipsiwn a Theithwyr a phlant o leiafrifoedd ethnig, wedi'u ddyrannu'n uniongyrchol ar gyfer gwariant ataliol, yn enwedig gan fod y grŵp hwn yn fwy tebygol o fod mewn tlodi.
63. Mae ein gwariant ar y rhaglen Ysgolion ar gyfer y 21<sup>ain</sup> Ganrif, sy'n cynnwys buddsoddiad o bron i £1.4bn, yn cael ei ystyried yn wariant ataliol sy'n cael ei dargedu i'r ysgolion hynny sydd yn y cyflwr gwaethaf ac yn cael eu defnyddio'n aneffeithlon. Yn yr hirdymor, bydd y cyllid ar gyfer prynu adnoddau newydd ac ailwampio yn lleihau costau gwaith cynnal a chadw sydd heb ei wneud a gwaith cynnal a chadw yn y dyfodol ynghyd â chostau rhedeg refeniw drwy symleiddio'r ystâd ysgolion. Rhaid cymeradwyo achos busnes llawn ar gyfer pob prosiect sy'n dangos tystiolaeth o werth am arian, a chaiff y rhain eu hasesu ynghyd ag arfarniadau ariannol yn ystod oes yr adeilad.
64. Mae'r Fframwaith Ymgysylltu a Datblygu Ieuencid, a ariennir o'r Cam Gweithredu Ymgysylltu ag Ieuencid a Chyflogaeth, wedi cael ei ddatblygu i fodloni anghenion pobl ifanc. Mae'n cynyddu atebolrwydd gwahanol asiantaethau sy'n rhan o'r system i ddarparu gwell canlyniadau i bobl ifanc.

## **Adroddiad Swyddfa Archwilio Cymru - Cyrhaeddiad addysgol plant sy'n derbyn gofal**

65. Fel rhan o'r Rhaglen Lywodraethu, rydym wedi ymrwymo i helpu pawb i gyrraedd eu potensial, i leihau anghydraddoldeb ac i wella lles economaidd a chymdeithasol. Mae hyn yn cynnwys gwella'r trefniadau ar gyfer plant sy'n derbyn gofal er mwyn sicrhau bod ganddynt fywydau mwy sefydlog. Mae cyrhaeddiad addysgol plant sy'n derbyn gofal yn sylweddol is o'i gymharu â gweddill poblogaeth yr ysgol, ond yn uwch o'i gymharu â 'phlant mewn angen' eraill.
66. Mae gan Lywodraeth Cymru raglenni a deddfwriaeth yn eu lle eisoes i wella cyraeddiadau addysgol plant sy'n derbyn gofal. Mae'r rhain yn cynnwys 'cymorth dal i fyny', y gofyniad bod rhaid cael person dynodedig mewn ysgolion ar gyfer plant sy'n derbyn gofal, a Bwrsariau Addysg Uwch ar gyfer y rheini sy'n gadael gofal. Fodd bynnag, araf yw'r camau a gymerwyd hyd yn hyn ac rydym yn cydnabod bod angen gwneud mwy i unioni'r anghydraddoldeb, ac mae hynny'n cynnwys cryfhau'r cysylltiadau strategol â'n partneriaid yn fewnol ac yn allanol.
67. Casgliad adroddiad Swyddfa Archwilio Cymru a gyhoeddwyd ym mis Awst 2012 oedd y dylem bennu targedau clir ar gyfer gwella cyrhaeddiad addysgol plant sy'n derbyn gofal; cryfhau'r fframwaith strategol; a gwella'r gwendidau posibl o ran data er mwyn cymryd i ystyriaeth y dadansoddiad a'r defnydd a wneir o dystiolaeth. Mae gwella cyrhaeddiad addysgol plant sy'n derbyn gofal yn flaenoriaeth i Lywodraeth Cymru. Mae swyddogion wrthi'n ystyried argymhellion Swyddfa Archwilio Cymru yn ogystal â thystiolaeth a strategaethau eraill, gan gynnwys ein Cynllun Gwella Ysgolion, er mwyn gweld sut y gallwn gael effaith bositif ar gyraeddiadau addysgol y grŵp hwn.
68. Gwnaed ymrwymiad yn y cynllun 'Gwella Ysgolion', a gyhoeddwyd ym mis Hydref 2012, i weithio gyda chydweithwyr ym maes lechyd a Gwasanaethau Cymdeithasol i ddatblygu fframwaith i sicrhau dull gweithredu cydlynol a strategol ar gyfer gwella cyrhaeddiad addysgol plant sy'n derbyn gofal.
69. Mae Cynllun Plant sy'n Derbyn Gofal mewn Addysg wrthi'n cael ei ddatblygu mewn ymgynghoriad llawn â rhanddeiliaid - partneriaid statudol a gwirfoddol gan gynnwys plant sy'n derbyn gofal a'r rheini sy'n gadael gofal - a disgwylir iddo gael ei gyhoeddi ym mis Medi 2014. Bydd yn amlinellu camau gweithredu allweddol ar gyfer y tymor byr, y tymor canolig a'r hirdymor, ac yn brif gyfrwng ar gyfer cyflawni'r ymrwymiad i wella cyrhaeddiad addysgol plant sy'n derbyn gofal.
70. Mae dyraniadau'r gyllideb y flwyddyn gyfredol yn adlewyrchu'r camau a gymerwyd i wella'r cymorth sydd ar gael i blant sy'n derbyn gofal. Yn y Gyllideb Ddrafft ar gyfer 2013-14, cynyddwyd y cyllid ar gyfer Cam Gweithredu'r Grant Amddifadedd Disgyblion £4.4m o lefelau 2012-13 i £36.8m yn 2013-14, a oedd yn golygu bod modd ymestyn y grant i ddarparu cymorth ar gyfer plant sy'n derbyn gofal. O ganlyniad, mae

oddeutu £1.67m yn y Grant Amddifadedd Disgyblion yn 2013-14 i wella cyrhaeddiad addysgol plant sy'n derbyn gofal. Dyrennir yr elfen yn ymwneud â phlant sy'n derbyn gofal i bob ysgol yn yr un modd â'r cyllid ar gyfer prydau ysgol am ddim, sef £450 ar gyfer pob plentyn sy'n derbyn gofal, ond ar gyfer plant 4-15 oed yn seiliedig ar ddata Gwasanaethau Cymdeithasol yr Is-adran Safonau Ysgolion a Chyflawni o'r flwyddyn flaenorol. Rhaid i'r Grant Amddifadedd Disgyblion, gan gynnwys yr elfen ar gyfer plant sy'n derbyn gofal, gael ei ddirprwyo'n llawn i'r ysgolion. Mae gweithgareddau i gefnogi plant sy'n derbyn gofal hefyd yn gymwys o dan y Grant Effeithlonrwydd Ysgolion, a gynyddodd i £28.829m yn 2013-14. Felly, dylai'r gweithgareddau a wneir o dan y ddwy ffrwd ariannu i gefnogi plant sy'n derbyn gofal ategu ei gilydd. Er enghraifft, yn eu cynlluniau gwariant ar gyfer 2013-14, mae Consortiwm Gogledd Cymru wedi nodi £0.172m o'i dyraniad Grant Effeithlonrwydd Ysgolion i gefnogi plant sy'n derbyn gofal.

71. Yn y Gyllideb Ddrafft ar gyfer 2014-15, rydym wedi ymestyn y ddarpariaeth o'r cyllid Grant Amddifadedd Disgyblion mewn i 2015-16. O ganlyniad i'r Cytundeb Cyllideb, bydd cyllid ychwanegol o £35m yn 2014-15 yn galluogi cynyddiad yn y ddarpariaeth cyllid o £450 i £918 fesul disgybl drwy'r Grant Amddifadedd Disgyblion, gan gynnwys plant sy'n derbyn gofal. Rhaid bod yr ysgolion yn gallu dangos bod y bwlc rhwng cyrhaeddiad plant sy'n derbyn gofal a disgyblion eraill wedi lleihau dros 3 blynedd gyntaf y Grant Amddifadedd Disgyblion (2012-13 i 2014-15). Bydd adroddiadau gwerthuso'r consortia yn cynnwys dadansoddiad o sut mae'r gwariant wedi effeithio ar ddeilliannau addysgol.

## **Crynodeb**

72. Cyflwynir y Gyllideb Ddrafft Addysg a Sgiliau ar gyfer 2014-15 i'w hystyried gan y pwyllgor.

EDUCATION AND SKILLS MAIN EXPENDITURE GROUP (MEG)								
REVENUE BUDGET - Departmental Expenditure Limit								
SPA	Actions	Budget Expenditure Line (BEL)	2013-14 Supplementary Budget June 2013 £000	2014-15 Indicative Plans Final Budget (Restated) £000	2014-15 Changes £000	2014-15 New Plans Draft Budget £000	2015-16 New Plans Draft Budget £000	
Education & Training Standards	Literacy & Numeracy	Literacy & Numeracy	7,512	7,512	-476	7,036	6,197	
		<b>ACTION Total</b>	<b>7,512</b>	<b>7,512</b>	<b>-476</b>	<b>7,036</b>	<b>6,197</b>	
	Curriculum	14-19 Learning in Wales		15,759	15,759	-5,518	10,241	8,000
		Foundation Phase		101,051	101,051	-1,300	99,751	99,751
		Curriculum & Assessment		8,250	8,250	3,925	12,175	8,305
		<b>ACTION Total</b>		<b>125,060</b>	<b>125,060</b>	<b>-2,893</b>	<b>122,167</b>	<b>116,056</b>
	Teaching & Leadership	Teacher Development and Support		19,849	20,049	-2,200	17,849	17,849
		<b>ACTION Total</b>		<b>19,849</b>	<b>20,049</b>	<b>-2,200</b>	<b>17,849</b>	<b>17,849</b>
	Qualifications	Qualifications inc Welsh Bacc		5,045	5,045	0	5,045	5,603
		<b>ACTION Total</b>		<b>5,045</b>	<b>5,045</b>	<b>0</b>	<b>5,045</b>	<b>5,603</b>
	Post- 16 Education	Further Education Provision		451,531	455,732	-42,201	413,531	414,319
		Work Based Learning		126,608	126,608	-7,300	119,308	121,308
		FE Policy Development		666	666	400	1,066	1,066
		<b>ACTION Total</b>		<b>578,805</b>	<b>583,006</b>	<b>-49,101</b>	<b>533,905</b>	<b>536,693</b>
	Higher Education	HEFCW-Running Costs		2,768	2,768	0	2,768	2,768
		Higher Education Revenue		350,832	351,032	-20,859	330,173	330,173
		Higher Education Receipts		-2,798	-2,798	0	-2,798	-2,798
		For Our Future - Coleg Ffederal & UHOVI		31,400	31,400	904	32,304	30,498
		HEFCW Depreciation		82	82	0	82	82
		<b>ACTION Total</b>		<b>382,284</b>	<b>382,484</b>	<b>-19,955</b>	<b>362,529</b>	<b>360,723</b>
	Education Structures	Transformation		2,943	2,943	-2,693	250	0
		<b>ACTION Total</b>		<b>2,943</b>	<b>2,943</b>	<b>-2,693</b>	<b>250</b>	<b>0</b>
	Education Standards	School Effectiveness Grant		32,101	35,035	-4,468	30,567	32,067
		School Standards Support		2,249	2,249	-55	2,194	2,194
		<b>ACTION Total</b>		<b>34,350</b>	<b>37,284</b>	<b>-4,523</b>	<b>32,761</b>	<b>34,261</b>
	Pupil Deprivation Grant	Pupil Deprivation Grant		36,780	38,246	33,000	71,246	34,246
		<b>ACTION Total</b>		<b>36,780</b>	<b>38,246</b>	<b>33,000</b>	<b>71,246</b>	<b>34,246</b>
	ICT & Information Management Systems	ICT & IMS Programme		7,423	7,423	5,558	12,981	6,951
		<b>ACTION Total</b>		<b>7,423</b>	<b>7,423</b>	<b>5,558</b>	<b>12,981</b>	<b>6,951</b>
	Estate & IT Provision	Strategic Investment		0	0	1,750	1,750	4,000
	<b>ACTION Total</b>		<b>0</b>	<b>0</b>	<b>1,750</b>	<b>1,750</b>	<b>4,000</b>	
	<b>SPA Total</b>		<b>1,200,051</b>	<b>1,209,052</b>	<b>-41,533</b>	<b>1,167,519</b>	<b>1,122,579</b>	

SPA	Actions	Budget Expenditure Line (BEL)	2013-14	2014-15	2014-15	2014-15	2015-16
			Supplementary Budget June 2013 £000	Indicative Plans Final Budget (Restated) £000	Changes £000	New Plans Draft Budget £000	New Plans Draft Budget £000
Skilled Workforce	Employment & Skills	Employment & Skills	25,157	26,512	-6,715	19,797	24,157
		<b>ACTION Total</b>	<b>25,157</b>	<b>26,512</b>	<b>-6,715</b>	<b>19,797</b>	<b>24,157</b>
	Youth Engagement & Employment	Youth Engagement & Employment	19,746	19,746	-1,000	18,746	19,746
		<b>ACTION Total</b>	<b>19,746</b>	<b>19,746</b>	<b>-1,000</b>	<b>18,746</b>	<b>19,746</b>
	Educational & Careers Choice	Careers Wales	30,000	30,000	500	30,500	27,000
		<b>ACTION Total</b>	<b>30,000</b>	<b>30,000</b>	<b>500</b>	<b>30,500</b>	<b>27,000</b>
		<b>SPA Total</b>	<b>74,903</b>	<b>76,258</b>	<b>-7,215</b>	<b>69,043</b>	<b>70,903</b>
Improving Wellbeing, Reducing Inequality & Increasing Participation	Wellbeing of Children & Young People	Spec. Placements/Students with Learning Difficulties FEIs	16,002	16,002	0	16,002	16,002
		School Based Counselling	500	500	0	500	500
		Food & Drink in Schools	3,050	3,185	0	3,185	3,185
		Additional Learning Needs	3,296	3,296	-500	2,796	3,046
		Post 16 Inclusion & Supp for Learning SEN	0	24,440	-24,440	0	0
		<b>ACTION Total</b>	<b>22,848</b>	<b>47,423</b>	<b>-24,940</b>	<b>22,483</b>	<b>22,733</b>
	Post-16 Learner Support	Assembly Learning Grant	198,232	198,232	-1,699	196,533	186,870
		SLC/HMRC Administration Costs	7,338	7,338	0	7,338	5,838
		Maintenance Loans Res Budget Prov	103,949	106,849	0	106,849	106,849
		Targeted Awards	9,454	9,454	-78	9,376	9,004
		<b>ACTION Total</b>	<b>318,973</b>	<b>321,873</b>	<b>-1,777</b>	<b>320,096</b>	<b>308,561</b>
	Pupil Engagement	Tackling Disaffection	1,158	1,158	0	1,158	1,158
		Grants for the education of travellers children	1,100	1,100	0	1,100	1,100
		Minority Ethnic Achievement Grant	10,500	10,500	-500	10,000	10,500
		<b>ACTION Total</b>	<b>12,758</b>	<b>12,758</b>	<b>-500</b>	<b>12,258</b>	<b>12,758</b>
		<b>SPA Total</b>	<b>354,579</b>	<b>382,054</b>	<b>-27,217</b>	<b>354,837</b>	<b>344,052</b>
Welsh Language	Welsh in Education	Welsh Language Development Unit	16,212	16,212	-750	15,462	14,462
		<b>ACTION Total</b>	<b>16,212</b>	<b>16,212</b>	<b>-750</b>	<b>15,462</b>	<b>14,462</b>
	Welsh Language	Welsh Language	8,864	8,864	50	8,914	9,049
	<b>ACTION Total</b>	<b>8,864</b>	<b>8,864</b>	<b>50</b>	<b>8,914</b>	<b>9,049</b>	
		<b>SPA Total</b>	<b>25,076</b>	<b>25,076</b>	<b>-700</b>	<b>24,376</b>	<b>23,511</b>
Delivery Support	Delivery Support	Strategic Communications	1,483	1,483	0	1,483	1,483
		Education Research & Services	2,566	2,566	-900	1,666	1,566
		<b>ACTION Total</b>	<b>4,049</b>	<b>4,049</b>	<b>-900</b>	<b>3,149</b>	<b>3,049</b>
		<b>SPA Total</b>	<b>4,049</b>	<b>4,049</b>	<b>-900</b>	<b>3,149</b>	<b>3,049</b>
Education & Skills Revenue (including non-cash) DEL			1,658,658	1,696,489	-77,565	1,618,924	1,564,094



SPA	Actions	Budget Expenditure Line (BEL)	2013-14 Supplementary Budget June 2013 £000	2014-15 Indicative Plans Final Budget (Restated) £000	2014-15 Changes £000	2014-15 New Plans Draft Budget £000	2015-16 New Plans Draft Budget £000
<b>CAPITAL BUDGET - Departmental Expenditure Limit</b>							
Education & Training Standards	Estate & IT Provision	General Support	43,021	43,021	0	43,021	43,021
		Strategic Investment	159,113	110,813	0	110,813	100,813
		<b>ACTION TOTAL</b>	<b>202,134</b>	<b>153,834</b>	<b>0</b>	<b>153,834</b>	<b>143,834</b>
		<b>SPA Total</b>	<b>202,134</b>	<b>153,834</b>	<b>0</b>	<b>153,834</b>	<b>143,834</b>
Education & Skills Capital DEL			202,134	153,834	0	153,834	143,834

REVENUE & CAPITAL BUDGET - Annually Managed Expenditure							
Economic & Social Wellbeing & Reducing Inequality	Post-16 Learner Support	Student Loans Capital AME	264,130	285,702	30,936	316,638	361,489
		Student Loans Revenue AME	-87,261	-102,553	-6,001	-108,554	-129,627
		<b>ACTION Total</b>	<b>176,869</b>	<b>183,149</b>	<b>24,935</b>	<b>208,084</b>	<b>231,862</b>
		<b>SPA Total</b>	<b>176,869</b>	<b>183,149</b>	<b>24,935</b>	<b>208,084</b>	<b>231,862</b>
Skilled Workforce	Educational & Careers Choice	Careers Wales	0	0	6,000	6,000	6,000
		<b>ACTION Total</b>	<b>0</b>	<b>0</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
		<b>SPA Total</b>	<b>0</b>	<b>0</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
Education & Skills AME			176,869	183,149	30,935	214,084	237,862

Education & Skills MEG - SUMMARY						
Revenue DEL		1,658,658	1,696,489	-77,565	1,618,924	1,564,094
Capital DEL		202,134	153,834	0	153,834	143,834
<b>Total DEL</b>		<b>1,860,792</b>	<b>1,850,323</b>	<b>-77,565</b>	<b>1,772,758</b>	<b>1,707,928</b>
Annually Managed Expenditure		176,869	183,149	30,935	214,084	237,862
<b>Education &amp; Skills</b>		<b>2,037,661</b>	<b>2,033,472</b>	<b>-46,630</b>	<b>1,986,842</b>	<b>1,945,790</b>

Resource tables = The baseline used for Resource DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March and adjusted to reflect recurrent baseline adjustments included in the First Supplementary Budget 2013-14. These baseline adjustments are set out in Annex D of the Draft Budget narrative.

Capital tables = The baseline used for Capital DEL in 2014-15 is as at Final Budget 2013-14, restated to reflect Ministerial portfolio changes as announced by the First Minister in March.

# Eitem 4

## Paper 3

### National Assembly for Wales

### Children and Young People Committee

### Scrutiny of Draft Budget

#### Purpose

To provide an evidence paper on the budgets and priorities of the Health and, Social Services Main Expenditure Group (MEG) within the remit of the Children and Young People Committee (CYP).

#### Introduction

The Draft Budget was published on the 8 October 2013. This paper provides information for the Children and Young People Committee (CYP) on the future budget proposals for 2014-15 and 2015-16.

Children's and young person's expenditure occurs across a range of budgets. There are two specific Actions made up of three BELs within the Health and Social Services (HSS) MEG that cover Children's Services these are:

#### Action: Children's Social Services (CSS)

- Grants in Support of Child and Family Services.
- Services for Children

#### Action: CAFCASS CYMRU Programmes

- CAFCASS Cymru.

#### Budget Overview – Changes since Final Budget 2012

The table below shows the budgets for these two Actions/BELs as at Draft Budget. Details of individual transfers at Action level are shown in Annex A to this paper.

Revenue	2014-15	2015-16
	£m	£m
<b>Children's Social Services</b>		
Grants in Support of Child & Family Services- Baseline	4.5	4.5
No Change	-	-
Services for Children – Baseline	5.8	5.8
No Change		
<b>Total Children's Social Services Action</b>	<b>10.3</b>	<b>10.3</b>
<b>CAFCASS Cymru Programmes</b>		
CAFCASS Cymru – Baseline	10.2	10.2
No Change		

<b>Total CAFCASS Cymru Programmes Action</b>	<b>10.2</b>	<b>10.2</b>
<b>Total Budget</b>	<b>20.5</b>	<b>20.5</b>

In addition to this, Local Authorities receive funding in their revenue settlement to deliver on their children and family services.

NHS service provision in relation to children, children's medical conditions and general health of children are funded primarily through the annual revenue allocations to Health Boards. It is for Health Boards to determine the use of this funding across all their areas of responsibility to meet the health needs of their local population.

### **Areas of Interest as detailed in the Letter from the Committee Chair**

#### **Health Spend**

As my predecessor explained to the Committee during the scrutiny of the 2012-13 Draft Budget, it is for Local Health Boards to determine the amount of their discretionary funding they should spend on services for children and young people. They will make that judgement based on the detailed needs of their local population, and it would be in appropriate for the Welsh Government to set a budget that Boards must spend on services for children and young people. This expenditure is met from Local Health Board revenue allocations, funded from the Delivery of Core NHS Services Action.

My predecessor wrote to the former chair of this Committee in December 2012 providing information on the identified NHS expenditure on services for children and young people. In the letter, she stated that spending on these services in 2010-11 was £208 million, an increase of 3% on 2009-10. In reviewing the equivalent expenditure for 2011-12, the most recent year for which information is available, it was noted that the 2010-11 total omitted to include expenditure on community paediatric medical services. The revised total for 2010-11 is therefore £225 million. The equivalent expenditure total for £2011-12 is £215 million, a reduction of £10 million on the previous year's total.

This expenditure analysis reflects the outturn of treatment decisions taken across the NHS on a daily basis, and it is therefore not possible to point to any single factor causing this reduction. The 2012-13 expenditure analysis will be available later in the autumn which will provide further trend analysis, and this will be brought to the Committee's attention when it becomes available.

#### **Social Services Spend**

The Children's Social Services Action has £10.3m allocated to it for 2014-15. The main areas of spend within the Action are:

- Family Fund Trust - £2.6m
- Looked after Children Transition Grant - £0.6m
- Children & Families Organisation Grant - £1.3m
- Integrated Family Support Services - £4.5m

- Safeguarding - £0.7m

Much of the Department's work impacts directly on the outcomes for children and young people and this is particularly relevant in policy areas relating to Looked after Children, Adoption, Fostering and Safeguarding.

However, our social services policy, set out in Sustainable Social Services, is to consider children and young people in the context of their families and communities. This means that many of our interventions, such as Integrated Family Support Service (IFSS) provide services within this policy context. Therefore there are budget areas within other Actions which will influence the social care and support of children but they cannot be split out to separately identify those elements relating to children.

### **Transfer of Functions**

The restructuring of the portfolios across the Welsh Government meant responsibility for Children and Young People moved to the Minister for Communities and Tackling Poverty. This incorporated a number of key policy and funding areas including Flying Start, Families First, Childcare, Play, Children's Rights and the Children's Commissioner.

Almost all of these budgets were clearly demarcated and moved across the portfolios without any concern. The only area to require further discussion was the Children and Families Organisational Grant scheme which has budget provision within both MEGs. Arrangements have been put in place to ensure synergy across the newly created schemes. The social services budget has not been impacted by the transfer across portfolios and remains unchanged.

The delivery of outcomes for children and young people within social services is not solely dependent on the investment within the HSS budget. Significant dependencies lie across portfolios, including Communities and Tackling Poverty and Local Government, through the Revenue Support Grant.

### **Programme for Government Commitments**

#### **Designed to Smile**

Our 'Designed to Smile' programme will see a continued investment of **£3.7m** in 2014-15. This funding is within the recurrent ring fenced dental allocation in the Delivery of Core NHS Services Action. The programme is operating in deprived areas across the whole of Wales. The programme currently involves 1,211 nurseries and schools across Wales. In total, 78,350 children participate in the daily brushing programme (43.2% of all children from nursery to Year 2 in Wales). The 2011/12 dental survey of 5 year old children shows a 6% decrease in the proportion of children with experience of dental decay in Wales (47.6% in 2007/08 falling to 41.4%). Dental disease levels in children are improving in Wales across all social groups. There is no evidence of widening inequalities. This is in contrast with previous surveys when improved decay levels were associated with widening inequality.

## **Childhood Obesity**

The All Wales Obesity Pathway sets out a tiered approach for the prevention and treatment of obesity, from community-based prevention and early intervention to specialist medical and surgical services.

To support the Pathway a number of national initiatives are in place to encourage and support children and young people to eat a healthy balanced diet and be more physical active. This includes programmes such as:

- **Change4Life** with a budget of **£0.3m** in 2014-15.

Also within the total core allocation of **£80.4m** to Public Health Wales are the following programmes for which no specific budget is available. PHW funding is not ring-fenced, allowing the organisation flexibility to allocate resources according to need

- **Children's Weight Management Referral Programme**
- **National Breastfeeding Programme**

## **Improved Health Outcomes**

We are committed to tackling inequities in health in Wales and recognise the serious impact of inequities on children and young people. This has been set out in **Together for Health** and in **Fairer Health Outcomes for All (FHOFA)**, Wales's national strategic action plan to reduce inequities in health.

There is no stand-alone budget for the implementation of FHOFA. Instead implementation is mainstreamed across different programmes and budgets, particular those addressing the determinants of health, and is also taken forward in ways other than through direct funding, such as through the provision of guidance.

Inequalities in health are monitored and reported on by the Welsh Government and Public Health Wales who are also developing a new set of indicators for FHOFA. Individual programmes also undergo evaluation. For example, as part of the evaluation of Fresh Start Wales, we will be publishing later in the year a report on public attitudes to smoking in cars. This, along with studies on primary and secondary school aged children's exposure to second-hand smoking in cars, will be used to assess the success of the Fresh Start Wales campaign.

## **Social Services**

In terms of Social Services, the budget and other resources have been fully re-orientated to deliver our Programme for Government commitments. This means that the current budget reflects the cost of delivering the Programme for Government.

Our policy, set out in Sustainable Social Services, is to consider children and young people in the context of their families and communities. This means that many of our interventions, such as the Integrated Family Support Service (IFSS), provide services within this framework.

The delivery of social services Programme for Government commitments is monitored through the strategic five-year approach, the Sustainable Social Services Programme. This cross-cutting Programme and Project Management approach incorporates all of our Programme for Government commitments and a monthly report is provided to the Deputy Minister and Minister regarding progress. Alongside this approach, an annual report on the outcomes associated with the Programme for Government is produced for the Department.

Some of the Welsh Government's specific commitments in social services that impact directly on children and their families are delivered with dedicated funding through the MEG. This includes **£5.6m** within the Services for Children Action which provides specific budgetary support for PfG commitments in the areas of a **National Adoption Service, Safeguarding and Integrated Family Support Services**.

### **Equality Impact Assessments**

In setting the budgets for 2014-15, consideration of equality impacts has been given to all of the protected groups in Wales throughout and has assisted in our decision making process. Through its internal business planning process the Department for Health & Social Services ensures that our priorities – as set out in the Programme for Government– can be delivered effectively and within budget.

The link between spend and the outcomes associated with our PfG commitments is reported upon annually through the Programme for Government Annual Report each spring.

### **Provision for Legislation**

**Social Services and Well-being (Wales) Bill** is currently undergoing scrutiny by the National Assembly for Wales. As set out in the Regulatory Impact Assessment, the system wide impact of the Bill is expected to be cost neutral over the long term and when taking into consideration anticipated benefits. However, some areas of one off transitional costs have been identified and these include training, dissemination of information and costs to the Welsh Government of implementing the changes. **£2.1m** has been provided to support the transformation costs associated with Sustainable Social Services, which will include support to enable local and regional delivery of the transition arrangements.

### **National Adoption Service**

In 2013-14 provision of:

**£0.050 m** has been provided to the Association of Directors of Social Services Cymru (ADSSC) to procure resource to facilitate a project looking into the governance arrangements and business modelling of the National Adoption Service.

**£0.070m** has been awarded from the Social Services for Children budget for the development of a National Standardised Performance Framework for the National Adoption Service.

An additional **£0.100 m** has been identified within the Social Services for Children Action to undertake a procurement exercise for the development of a National Adoption Register for Wales..

This level of spend will be maintained in 2014-15.

### **UK legislation in the HSS portfolio area**

DHSS Policy Officials monitor UK legislation and are engaged with Whitehall colleagues on the 6 UK Bills before Parliament, 3 UK Draft Bills, and 16 Private Member Bills that are considered to have possible policy implications for Health and Social Services in Wales – these include:

- the Care Bill,
- Children and Families Bill,
- Prisons (Drug Testing) Bill and
- Bills relating to driving under the influence of drink or drugs.

Until the final Bill provisions affecting Wales are known it is not possible to identify firm financial implications. The key aim of Policy Officials is to ensure that Wales and the Welsh Ministers are not adversely affected by any UK legislation and that opportunities for any legislation for Wales are taken.

Implementation of the recommendations arising from the Family Justice Review are taking place through both legislative reform and operational practice. The Plenary debate on the legislative consent motion on the Children and Families Bill on 16 April 2013 confirmed there were no anticipated financial implications for the Welsh Government associated with the provisions.

In respect of operational practice, including local authority and CAF/CASS Cymru responsibilities, the Deputy Minister for Social Services has established the Family Justice Network which brings together key players within the family justice system to deliver improvement of services and outcomes for children and families in Wales, and complements the Family Justice Board for England and Wales.

This includes continued scrutiny of any additional resource implications arising from the reform programme.

### **Preventative Spending**

**Together for Health**, the 5 year vision for the NHS in Wales, set out a renewed focus on children having a good start in life – ‘the NHS will play its full part in supporting a good start in life, the vital basis for lifelong good health, from action before birth through to supporting healthy schools and school nurse initiatives’. This built on Our Healthy Future, Wales’ public health strategic framework, which recognised that the foundations of good

health are laid during pregnancy and infancy and built upon in the school-age years.

In line with this strategic approach, we have established a comprehensive set of interlocking initiatives aimed at promoting and protecting children and young people's health and wellbeing. These initiatives are subject to constant refinement and retuning as needs, opportunities and behaviour change. This is evidenced by the review of health improvement programmes conducted by Public Health Wales which included initiatives targeted at children and young people, such as the Welsh Network of Healthy School Schemes.

Our children and young people's initiatives also contribute to broader Welsh Government agendas, in particular on tackling poverty (including action to reduce teenage pregnancy) and targeting the early years (including breast feeding and immunisation programmes).

Public Health Wales core allocation in 2014-15 will be **£80.5m** from which to deliver a range of public health services that cover health improvement and protection, public health intelligence and research, and national population screening programmes.

In addition to the work being led by Public Health Wales, there is a wide range of local action addressing children and young people's health under the leadership of Directors of Public Health and their partners.

Some limited examples of retuning existing and new initiatives to improve children and young people's health and wellbeing include:

**Screening programmes** are important public health initiatives as they allow for the early detection and treatment of potential health problems. Key highlights for children and young people include:

- In June 2013 parents of newborns were offered screening for Sickle Cell Disorders for the first time as part of the Newborn Bloodspot Screening programme.
- The newborn hearing screening programme continues to achieve an excellent level of service. At the end of 2012/13, 99.6% eligible babies entered the programme and 100% completed it.

**Breastfeeding** rates have risen in Wales since 2005 from 67% to 71% in 2010. Increases in prevalence were also seen with the proportion of mothers exclusively breast feeding, though much improvement is still needed in continuing to breast feed with rates of 17% at 6 weeks. The National Breastfeeding Programme is addressing these rates with a programme of activities which incorporate work within the NHS, communities, schools and the voluntary sector.



**Measles** – The recent outbreak in Wales has refocused attention on this issue. There has been a significant reversal of the lower than optimal immunisation levels of recent years. The simple, cost effective intervention of immunisation protects children and adults from a number of significant illnesses, including protection for those in the community who cannot be immunised. For example, the level should be that at least 95 per cent of children receive two doses of the MMR vaccine. The latest figures for Wales indicate that the annual uptake of all routine immunisations in one-year-old children exceeded the 95 per cent target in all local authorities in Wales and there were similar successes in older groups.

**Healthy Schools and Colleges** - The Welsh Network of Healthy School Schemes (WNHSS) supports schools to consider a whole school approach to 7 health topics.

Indicators for the WNHSS National Quality Award (NQA), in which schools are independently assessed after 9 years involvement, were issued in 2010. Currently nearly 3% of schools across Wales have achieved the NQA award. There is a national target to have 10% of all maintained schools in Wales achieving an NQA award by 2015, rising to 20% by 2020.

A Task and Finish Group is currently finalising criteria for Healthy Further Education and Higher Education. It is expected that this will be launched in summer 2014.

**Fresh Start Wales** - The Fresh Start campaign to tackle smoking and exposure to second-hand smoke in cars by children was launched in February 2012 and is scheduled to run until March 2014. Children are particularly vulnerable to the effects of second-hand smoke and are more likely to develop long term conditions such as asthma at an early age which will affect them for the rest of their lives. Since its launch, there has been extensive promotional activity across Wales and over 29,000 Fresh Start packs, to help smokers protect themselves and their families from second-hand smoke and to support them to give up smoking, have been distributed.

**The Tobacco Control Action Plan** was launched in February 2012 as a development of existing Welsh Government policies. This includes building on our programme of measures to discourage young people from starting to smoke. Funding of **£1.0m** has been made available in 2014-15.

**Teenage pregnancy** – The teenage conceptions rate is continuing to decline and was 40.1 per thousand girls aged 15-17 in 2009. Action to further this reduction is being supported by the Empower to Choose project which was introduced by Public Health Wales in April 2012. The project consists of awareness and raising and education of Long Acting Reversible Contraception (LARC) and an audit of contraceptive advice given to pregnant teenagers.

The **Integrated Family Support Services (IFSS)** is a statutory scheme to help some of the most vulnerable children and families in Wales. Services focus on families where parents have particular and challenging problems that

affect the welfare of their children. IFSS teams started work on 1st September 2010 and by 2014 will operate across Wales. We have made significant financial and other investment in building capacity and skills not just those of the IFSS teams themselves, but training professionals and others across their partnership in key techniques. These techniques help the professionals to better engage families and to embrace the ethos of working with the families strengths to empower them to effect changes in their lives. In 2013-14, when IFSS is fully rolled out, over **£4.5m** will be made available to local authorities (who must agree expenditure with their LHB partners). Funding profiles will be agreed through the regional statutory IFSS Boards, to support a minimum of 10 statutory IFS teams across Wales. This funding level is scheduled to be maintained for the 2014-15 and 2015-16 and is contained within the Children's Social Services Action.

The Social Services Directorate also provides significant support to children and family organisations in the **voluntary sector in Wales**. Through the **Family Fund Trust and Children and Families Organisation Grant** we contribute over **£3.9** million directly to the third sector. These grants support both projects and capacity within the sector, often directly aiding the most vulnerable children and their families. For example:

- The **Family Fund Trust**, which receives annual funding of **£2.6m** contained within the Children's Social Services Action, provides grants and information in relation to children's care including holidays, transport, household equipment and driving lessons to families of severely disabled children up to the age of 18.
- The Children and Family Organisation Grant (**£1.3m** within the Children's Social Services Action) supports a variety of organisations and initiatives. Examples include money to Voices from Care providing support to Looked after Children and care leavers, and the Fostering Network who support and advise those who act as foster carers across Wales.

Additionally through the implementation of the **Autistic Spectrum Disorder Strategic Action Plan**, (**£1.9 million** within the Adult and Older People Action) is provided to support both children and adults with autism in Wales. This includes funding for small regional projects delivered at the community level and support for adults with Aspergers Syndrome.

Additionally, the Welsh Government is committed to maintaining its work to safeguard and protect the most vulnerable in society. Our safeguarding budget of **£0.7m** which is contained within the Children's Social Services Action supports a variety of initiatives to strengthen arrangements across Wales, in areas such as neglect, child trafficking, child sexual exploitation and child death reviews. It is also supporting our work to put in place a new National Safeguarding Board and new regional arrangements for Local Safeguarding Children's Boards. This budget has been maintained for 2014-15 and this work will continue to be extended as we seek to provide an equivalent framework for adult protection, including the implementation of adult practice reviews.

### **Child and Adolescent Mental Health Services (CAMHS)**

Mental health accounts for the largest single area of health expenditure in Wales at approximately 12% of the NHS budget. Our continued commitment to mental health is demonstrated by ring-fenced funding (the minimum LHBs should spend on mental health services) which has increased year-on-year from £387.5 million in 2008-09 to £577 million in 2012-13 and just under £587 million in 2013-14.

CAMHS total spend, published in the annual NHS programme budget expenditure analysis, totalled £51.4 million in 2011-2012 [*latest published data*].

#### **Forensic CAMHS £0.5m**

Multidisciplinary teams targeted towards young people deemed to pose a high risk, who have histories of violent behaviour, but who are based in the community. The teams work closely with families and carers and provide a quick response service. They work closely with other specialist service providers and Youth Offending Teams.

#### **Extending the Age range to 18 - £0.7m**

Additional staff have been recruited and LHB CAMH Services now provide services up to the age of 18 years. Welsh Government continues to consolidate and monitor the impact of work to achieve the requirements of section 31 of the Mental Health Act 1983 for age appropriate accommodation and age appropriate in-patient accommodation for young people under 18 within adult mental health facilities.

#### **Learning Disability £0.5m**

Studies have identified that there is a higher rate of diagnosable mental disorder in children with learning disabilities, establishing this as 35-40%. It has further been established that whilst more than 50% of children with severe learning disabilities have significant mental health problems, only a small percentage receive services.

Fostering good working relationships between CAMHS services and Learning Disabilities services is a key issue in Together for Mental Health in terms of building an individual's resilience.

#### **Consultant Nurses £0.7m**

Two nurses located in Betsi Cadwaladr and Aneurin Bevan LHBs since 2004 (though working strategically across LHBs) delivers and evaluates the care, support and educational needs of children and adolescents suffering from mental health disorders. The post holders provide direct engagement with children, adolescents and their families, as well strategic development of Specialist CAMHS, including service developments, nursing education and R&D activity; and operational management of Specialist CAMH nursing services.

#### **Primary Mental Health Workers £0.3m**

Part 1 of the Mental Health (Wales) Measure reasserts the responsibility of health and social care to work in partnership to provide Primary Mental Health Workers (PMHWs) within CAMHS as part of core services.

#### **Advisor in Child and Adolescent Psychiatry to the CMO £0.05m**

A Service Level Agreement for the time (4 sessions per week) to act as the CMO Adviser in Child and Adolescent Psychiatry providing professional support and clinical advice to the policy division and others across Welsh Government as appropriate.

#### **Parc Prison In-reach £0.050m**

Young Offenders Institute Parc has places for 64 young men, aged 15 to 17 years old. Until 2009, if a young person had an identified/established CAMHS need whilst in Parc, they would have been sent to a secure juvenile unit in England to be assessed, but concerns about the health needs of those in Parc remained. To ensure appropriate clinical care was available, in 2009 it was agreed to provide forensic CAMHS in-reach service into the juvenile unit at Parc. Funding provides the salary of a specialist mental health nurse at Parc to work with the Tier 1 and 2 healthcare staff based there.

#### **Attention deficit hyperactivity disorder (ADHD) Background**

ADHD is treated within mainstream mental health services in common with other conditions with treatment provided on the basis of clinical need of the individual.

The diagnosis and treatment of ADHD is guided by NICE guidelines, and, as with all NICE guidelines, the responsibility for delivery lies with the Health Boards. The guidelines recommend medication is the treatment of choice for the majority of cases. CAMHS services are aware of the needs of this particular group and the Royal College of Psychiatrists identifies ADHD as being within the remit of specialist CAMHS. CAMHS services also have strong working relationships with schools and others to enable problems to be highlighted and addressed at an early stage.

By identifying and tackling issues early further problems developing later in life can be preventable. *Together for Mental Health* emphasises the need for services to work together and to strengthen the links between CAMHS and adult services so that young people transfer seamlessly and continue to receive the help and support they need.

#### **Social Services**

The Social Services programme portfolio encompasses a range of activities that incorporate both preventative and non preventative intervention.

Many specific preventative initiatives carried out within the sector are funded through the Revenue Support Grant to local authorities, or specific grants such as Invest to Save or Supporting People. The Department supports and leads these developments through its leadership and programme approaches, but does not directly fund them.

One key area that can be considered as preventative spending is the Integrated Family Support Service. In 2014-15, £4.5m will be provided from the Children's Social Services Action to local authorities, who will agree funding profiles through the regional statutory IFSS Boards to support a minimum of 10 statutory IFSS teams across Wales.

### **Children and Young people's budget statement**

For the reasons explained at the beginning of this paper, it is not possible to provide a budget statement for the health and social services expenditure on children and young people.

### **Children's Rights**

CAFCASS Cymru has a vital role in supporting children and families in Family Court proceedings. We advise the courts on the best course of action on what we consider to be in the best interests of individual children.

The child's future welfare is at the heart of every decision made and every action taken by CAFCASS Cymru. Our purpose is to safeguard the child and ensure their voice is heard within proceedings, particularly during this period of significant reform within the Family Justice System

### **Children's Rights Impact assessment for 2014-15**

The work of the Health and Social Services Department is underpinned by the United Nations Convention on the Rights of the Child (UNCRC) and our duty to have regard to the rights of the child have been factored in to the overall departmental budget planning process.

At the individual policy and programme level, for example, our 'Designed to Smile' initiative considered the oral health status and future dental needs of children in Wales. In relation to legislation, the Children's Rights Impact assessment completed for the Human Transplantation (Wales) Bill recognises that it will be important for children to be provided with information at the right time so they can understand that at the age of 18 the new soft opt-out system will apply to them. These are just a few examples of how the Department's policy interventions take account of our responsibilities to have due regard to the UNCRC and we will continue to ensure that we strengthen our arrangements to support this.

## **ANNEX A to CYP Committee Paper – Scrutiny of Draft Budget**

### **1. Children’s Social Services**

This funds a range of programmes and policy developments to support vulnerable children, including Integrated Family Support Services and work on safeguarding and protection. There is no change to this Action.

### **2. CAFCASS Cymru Programmes**

CAFCASS Cymru is a child – focused social work organisation, which provides expert social work advice to family proceedings courts, the County Courts and the High Court. Funding here supports the organisation’s core duties, as well as obligations under the Children & Adoption Act 2006 including the provision of contact centres and contact activities. There is no change to this Action.



4 October 2013

To: Committee Chairs – CELG, CYP, E&B, E&S, HSS

Dear Committee Chairs

## **Draft budget 2014/15 : Budget Report by the Adviser to the Finance Committee**

The Finance Committee has appointed an Adviser to assist us with our scrutiny of the draft budget for 2014/15. During our Committee meeting on 3 October, we received a paper from her to assist us in our scrutiny of the draft budget.

The paper demonstrates a clear division of the principles to be examined between the Finance and subject committees which you and your Committees may find useful for your forthcoming budget scrutiny sessions. I have arranged for the paper to be available from the following link:

<http://abms/documents/s500001378/Welsh%20Government%20Draft%20Budget%20Pre-briefing%20-%20Angela%20Scott%20Expert%20Advisor%20to%20the%20Finance%20Committee.pdf>

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Croesewir gohebiaeth yn y Gymraeg a'r Saesneg/We welcome correspondence in both English and Welsh

I hope that your Committee finds the paper useful in support of its draft budget scrutiny work.

Yours sincerely

A handwritten signature in black ink that reads "Jocelyn Davies". The signature is written in a cursive, flowing style.

**Jocelyn Davies AM**  
**Chair**



**THE NATIONAL ASSEMBLY FOR WALES**

**DRAFT BUDGET 2014/15**

**BUDGET REPORT BY THE ADVISER TO THE FINANCE COMMITTEE**

**Angela Scott**  
**Adviser to the Finance Committee**

**September 2013**

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## **INTRODUCTION**

### **1. The Approach of the Budget Adviser**

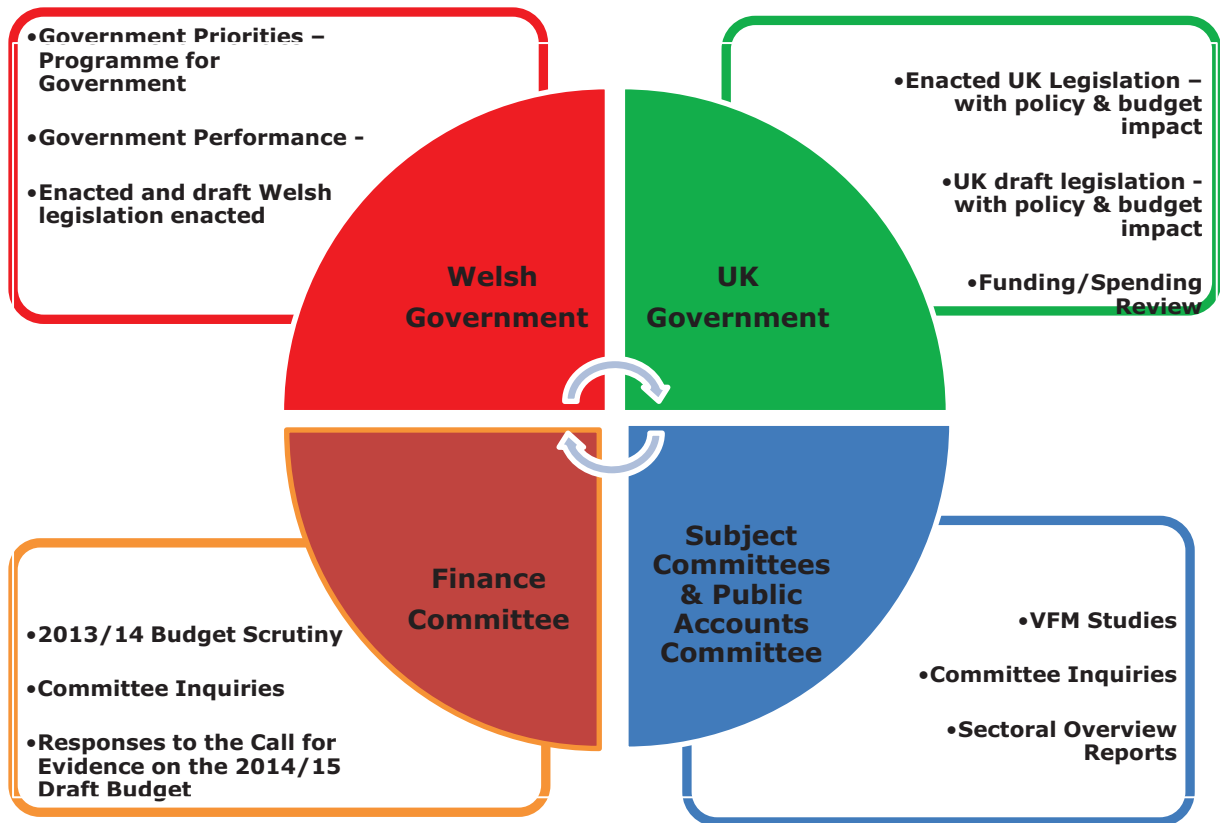
In this briefing report to the Finance Committee, I have structured my report around the following 4 fundamental principles of financial scrutiny:

- Affordability – the wider picture of revenue and expenditure and whether they are appropriately balanced;
- Prioritisation – a coherent and justifiable division between sectors and programmes;
- Value for Money – the extent to which public bodies are spending their allocations well and achieving outcomes; and
- Budget Process – integration between public service planning and performance and financial management.

As budget adviser my advice is that optimum Parliamentary scrutiny will be achieved if there is a clear division of the principles to be examined between the Finance and subject committees. I would advise that the focus of the Finance Committee should be on Affordability and on Budget Process. The primary focus of the subject committees would therefore be Prioritisation (or choices made by government) and on Value for Money. The Finance Committee will necessarily be interested in prioritisation and the link between the Programme for Government and resource allocation.

Parliamentary committees undertake an on-going and valuable scrutiny role. On my appointment as adviser, I was interested in ensuring that the valuable output from the Committees was captured and integrated with all other available evidence to provide a robust platform to enable me to advise on the lines of inquiry for the Finance Committee and for the Subject Committees. This will enable a coordinated approach to be taken to the Assembly's scrutiny of the budget for 2014/15 and it will also ensure that the four principles of scrutiny are embedded at the heart of the scrutiny process thereby providing the National Assembly for Wales and the people of Wales with the necessary assurance that spending plans have been the subject of a rigorous and structured form of scrutiny.

The basis of this paper and the suggested lines of inquiry follow from my structured review of available evidence and which I have presented diagrammatically as follows:



This briefing has been prepared in advance of the publication of the Welsh Government's budget, which is due on the 8<sup>th</sup> October. As a result the briefing provides indicative lines of inquiry which the committee may wish to consider pursuing. Once the budget is published it may be desirable to revisit this briefing.

## **FINANCE COMMITTEE**

### **2. SCRUTINY TEST: AFFORDABILITY**

The Welsh Government is mainly concerned with expenditure in that it sets out what the Welsh Government proposes to spend. There must however firstly be revenue to enable that spend to take place. In public sector budgeting I would expect that a balanced budget is set. In simple terms this means that expenditure should be no greater than the revenue source.

This test is concerned therefore with the wider picture of both revenue and expenditure and whether they are appropriately balanced. I will begin with a consideration of revenue and will then move onto expenditure.

#### **REVENUE**

The primary source of income for the devolved government is the block grant received from the UK government. It's necessary therefore to examine how transparent the decisions of Government are in terms of the determination of the block grant and where any new responsibilities have been assigned to the Welsh Government and whether they have been funded:

1. Transparency of Barnett Consequentials;
2. Transparency Of Block Grant 2014/15;
3. Transfers Of Responsibilities From UK Government And The Funding Implications

In addition to the block grant, the Welsh Government has a limited number of levers for raising additional revenue in the present devolved arrangements.

It is necessary therefore to make the governments decisions, in terms of its use of the revenue levers transparent. This means that we require to consider the following:

4. The Taxation Levers Available Within The 2014/15 Budget
5. Level Of Additional Income By Application Of Fees And Charges;
6. Level Of European Funding Being Accessed;
7. Level Of Capital Investment Through Revenue Backed Financing Vehicles;
8. Carry Forward Of Resource From The Previous Financial Year; and
9. Utilisation Of Capital Receipts

My report provides commentary on each of these areas, together with indicative lines of enquiry for Finance Committee members.

At present, the devolution arrangements only provide the Welsh Government with restricted borrowing powers for cash management purposes. Additional borrowing capacity is therefore not currently available as a revenue lever to the Welsh

Government. The Silk Commission part 1 report<sup>1</sup> recommended that the Welsh Government be permitted enhanced borrowing powers, and therefore this facility may be accessible in future.

## **1. Transparency of Barnett Consequentials**

The Barnett formula is applied to the budget figures of UK spending departments, and if a UK department benefits from an increase in budget, if the spend is on an area which is devolved, then the Welsh budget should be accordingly increased.

For 2014/15 the Welsh Government will presumably include allowance for the receipt of Barnett consequentials arising from HM Treasury decisions, for example those announced in the Spending Round 2013, where not already incorporated into the 2013/14 Supplementary Budget.

The Welsh Government will consider the priorities to which this funding will be applied.

### **Suggested Line of Enquiry**

The Committee may wish to:

- Explore what is the level of revenue adjustment as a result of Barnett Consequentials being experienced for 2014/15; and
- Establish how robust the Barnett consequentials assumptions are and whether the Welsh Government is challenging for any further Barnett consequentials to be applied, for example in relation to the HS2 rail project, which are not reflected in the current Barnett assumptions.

## **2. Transparency of Block Grant 2014/15**

The Spending Round 2013 (table 2.18) indicated controls totals for Wales for 2014/15 as being Resource Del (excluding depreciation) of £13.6bn and Capital DEL of £1.4bn. Notably for 2015/16 the control totals indicate no change in Resource Del, a decrease of -1.8% in real terms, and cash increase to £1.5bn for Capital DEL.

It is a feature of the UK Government financial management process that block grant continues to be expressed in terms of spending limits. This means that control is effectively exerted upon the management of expenditure rather than on income. My view is that the focus of the budget is primarily upon expenditure and that this in turn means that scrutiny is directed principally towards expenditure. There is a risk that the extent to which the Welsh Government explores further opportunities for income are not scrutinised by the Committee.

Further analysis of the 2014/15 DEL and AME figures will be possible following the publication of the draft budget, as well as a comparison with the 14/15 figures produced in the Spending Round 2013 (SR13). The Minister for Finance has already provided the Committee with a note explaining the baselines used in the SR 2013.<sup>2</sup>

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<sup>1</sup>“ Empowerment and Responsibility: Financial Powers to Strengthen Wales”, Silk Commission, November 2012

<sup>2</sup> [Spending Round Letter from Minister for Finance](#), September 2013

### **3. Movements on Block Grant 2015/16**

The Committee will be aware that the Scotland Act 2012 allows more fiscal flexibility for Scotland in some areas of taxation and additional, restricted, borrowing powers. As these flexibilities are implemented adjustments to the Scottish 'block grant' will be required.

It is my understanding that discussions on the methodology for determining the scale of the adjustments are continuing. It appears that the adjustment mechanism may take account of issues raised by the 'Independent Commission on Funding & Finance for Wales' as chaired by Gerald Holtham.

Any new adjustment arrangements would be expected to affect all the devolved administrations and set a template for future responsibility transfers between the UK and devolved administrations. This will be particularly relevant to discussions regarding the potential implementation of Silk Commission comments regarding fiscal devolution.

At a recent meeting of the Scottish Parliament's Finance Committee, the Chief Secretary to the Treasury confirmed that there has been no modification as yet to the Scottish block grant calculation. This will be a significant area of future consideration for both the Welsh Government and the Finance Committee.

#### **Suggested Line of Enquiry**

The Committee may wish to:

- Explore what the impact of the Scottish block grant adjustment in 2015/16 will mean for the Welsh block grant;

### **4. Transfer of responsibilities from the UK Government and the Funding Implications**

#### **Public Service Network**

The Government Secure Extranet is used by public bodies across the UK to exchange personal and sensitive information securely. In order to connect to the GSX there is an accreditation process which sets out the standards which organisations must comply with in order to access the network. The accreditation process changed towards the end of 2012. This reflects the UK government's strategy to implement a Public Services Network (PSN). PSN results in the need to ensure that connected organisations meet the agreed standard to maintain the trust of the infrastructure. The PSN Authority, the Cabinet office body that is responsible for the governance of the PSN, has substantially tightened up the compliance process. There is now a zero tolerance approach to the PSN Code of Connection and failure to comply may result in disconnection from the network.

Public bodies in Wales will be required to undertake the necessary work to undertake and complete the accreditation process and to invest as appropriate to ensure accreditation. The ultimate sanction for failure is disconnection from GSX, which will in itself carry significant risks for public bodies and for public service delivery. There is no direct budget reference to this matter and while not a Welsh Government initiative, there is a risk that public bodies in Wales may seek assistance with a subsequent demand on Welsh Government funding.

### **Suggested Line of Enquiry**

- The Committee may wish to seek assurance that any liability in respect of PSN has been assessed and accounted for as necessary.
- Given this is a UK policy the committee may wish to explore whether the Welsh Government has discussed the financial implications with the UK Government

## **5 The Taxation Levers available within the 2014/15 budget (NDRI, Council Tax)**

### **Non-Domestic Rates (NDRI)**

A key area of taxation that the Welsh Government has some control over, with restrictions, is the income from National Non Domestic Rates and the committee may wish to test the robustness of the assumptions being made within the budget.

The Welsh Government's response to the Business Rates Review 'Incentivising Growth' indicated further consideration would be given to the use of the currently available NDR powers as a policy lever. The Committee may be aware that an NDR policy initiative to encourage local economic growth exists in Scotland. In England localised discretionary rate reliefs can be granted, although this scheme represents an additional funding pressure for authorities it reliefs are granted.

### **Council Tax**

To date the Welsh Government has not elected to follow the policy adopted by both the UK and Scottish governments of funding a council tax freeze. The committee may wish to explore whether the Welsh Government intends maintaining its current policy approach.

### **Suggested Line of Enquiry**

The committee may wish to:

- gain assurance as to the robust nature of the assumptions made on NDRI for the 2014/15 draft budget;
- The committee may wish to establish what plans are in place for NDRI post 2014/15; and
- Establish the Welsh Government's policy intention on council tax levels



## **6. Level of Additional Income by Application of Fees and Charges**

One of the powers available is the application of fees and charges to services which are free at the point of use or alternatively, increasing existing charges for services. The combination of real terms funding reductions and service demand pressures may suggest consideration of the use of a fees and charges policy to influence both the demand for services and the ability to fund those services.

The WLGA submission to the call for evidence, states that it has asked Ministers to work in partnership with local government and the WLGA in a number of areas, including "to ensure that all fees and charges are determined locally to be responsive to local needs including an urgent assessment of the sustainability of the cap on non residential social services charges introduced as part of the First Steps initiative".

### **Suggested Line of Enquiry**

The Committee may wish to:

- against the background of expected budget reduction ascertain what consideration has been given to the introduction of fees and charges for services currently free at the point of use.

## **7. Level of European Funding Being Accessed**

### **European Funds**

The Committee's review of European funding noted that spending power has been enhanced through the use of European Funding to support the achievement of mutual EU and Welsh Government objectives. Various European funding streams have been utilised, including European Structural Funds and the European Regional Development Fund.

While these funds and their uses are normally explained in the budget papers, overall funding value is not always clearly presented, since departmental budgets are normally expressed as 'net' expenditure. It is therefore not always possible to quantify with certainty the total impact on the budget.

I note that the Welsh Government financial statements for 2012/13 indicate that "A potential disallowance of EU Agriculture funding has been identified relating to the dual use of land." No quantification of the situation was possible at the date of the accounts.

It should be noted that failure to comply with EU funding terms and conditions can result in the requirement to repay European Funding. Repayment requests can relate to expenditure incurred several years previously and can be significant in scale.

### **Suggested Line of Enquiry**

The Committee may wish to:

- clearly establish the overall value of, and dependency on, European funding as a funding source to the Welsh Government draft budget;
- explore the Welsh Government's financial exposure to the repayment of European Grants

## **8. Level of Capital Investment through Innovative Financing**

The Committee's report on "Borrowing Powers and Innovative Approaches to Capital Funding" raised a variety of areas for the Welsh Government to consider. The discussions following the Silk Commission may result in an increase in borrowing powers in the longer term. In the more immediate term the potential for using innovative financing initiatives exists. This includes initiatives such as Tax Incremental Financing, Non-Profit Distribution financing models and a separate body for securing private sector investment. The Welsh Government indicated that it would consider these options.

### **Suggested Line of Enquiry**

- The Committee may wish to explore the extent to which innovative financing options have been explored as a means to enhancing capital investment according to the priorities expressed in the Wales Infrastructure Investment Plan;

## **9. Carry Forward of Resource From the Previous Financial Year**

The Budget Exchange System (BES) allows the Welsh Government to carry over 0.6% of Resource DEL and 1.5% of Capital DEL from one financial year to the next.

This provides the Welsh Government with some flexibility to manage its financial situation in order to support the achievement of Value for Money in pursuing its stated priorities.

### **Suggested Line of Enquiry**

- The Committee may wish to explore what plans are in place to use the BES within the 14/15 draft budget, and what the resource will be used on
- The Committee may wish to explore the means by which the Welsh Government ensures that use of the BES is optimised to provide Value for Money in achieving its priorities

## **10. Utilisation of Capital Receipts**

The Committee's report 'Asset Management in the Public Sector' noted the benefits of an overall Asset Management Plan for Welsh public sector assets. Improved efficiency in the use and sharing of the public sector estate would normally be anticipated to allow rationalisation of assets, with the sale of assets allowing re-investment to meet future service requirements.

The committee may wish to examine the level of reliance being placed on capital receipts within the 14/15 budget, with particular reference to the likelihood of the receipts being generated. It may aid transparency if the underlying analysis of planned capital receipts is provided and also the basis for choosing to dispose of a public asset versus other options for the utilisation of the asset.

### **Suggested Line of Enquiry**

- The Committee may wish examine the reliance on capital receipts in the 14/15 budget
- The Committee may wish to examine the risk exposure if receipts are not realised

## **EXPENDITURE**

The test of affordability now turns from revenue to expenditure. Given the limited levers for raising revenue, a devolved government faced with reductions in block grant must focus its attention on how to control and/reduce costs. As I have indicated earlier, the purpose of financial scrutiny is to make the Welsh Government's financial decisions and its assumptions transparent. I have examined the following areas:

1. Legislative Burdens;
2. Savings/Efficiencies;
3. Consequences Of Capital Investments;
4. Liabilities Which Could Be A Draw On The Welsh Budget; and
5. Managing Demand Through Prevention And By Changing Citizen Behaviour

### **1. Legislative Burdens**

Legislation passed by the Welsh Parliament in many cases places a financial burden on the Welsh budget which must be identified and budgeted for. I examined the legislation which had been recently enacted and I also reviewed the existing Bills to determine what the overall impact of legislation would be on the Welsh budget for 2014/15. I considered the following proposed legislation:

- Social Services and Well-being (Wales) Bill;
- Active Travel (Wales) Bill;
- Further and Higher Education (Governance and Information) (Wales) Bill;
- Education (Wales) Bill;
- Agricultural Sector (Wales) Bill;
- Mobile Homes (Wales) Bill
- Recovery of Medical Costs for Asbestos Diseases (Wales) Bill

In addition I also sought to consider the impact on the draft budget of recently passed legislation, including the National Assembly for Wales (Official Languages) Act 2013; School Standards and Organisation (Wales) Act 2013 and the Public Audit (Wales) Act 2013.

I found that the financial memoranda accompanying each Bill was not always presented consistently and did not always readily support identification of the aggregate financial consequences of legislation. Overall I was not able to quantify a single figure or aggregate of figures for the Committee of what the financial impact from the proposed legislation would be. This does not mean that the impact has not been factored into the budget, merely that the aggregate impact of new or proposed legislation is not necessarily transparently available.

From my examination, I make the following comments on selected Bills:

Social Services and Well-being (Wales) Bill – The impact assessment indicates that investment in initial training costs will be required, but that some cost implications, such as closer service integration, “have not yet been quantified at this stage given that further clarity on the content of future regulations is required”. Some reliance on ‘Invest to Save’ funding for transition arrangements has been indicated. Given the anticipated significant impact of the Bill on service provision this will form a key part of forward financial planning.

Active Travel (Wales) Bill – The impact assessment indicates additional costs, dependent on options adopted, of approximately £0.5m - £0.7m including initial investment, primarily for local government. The explanatory memorandum states that no additional funding will be provided. This will presumably require re-direction of existing funds.

Education (Wales) Bill –The options include transferring to local authorities the responsibility for assessing and arranging all post-16 provision for learners with Learning Difficulties and/or Disabilities (LLDD). The impact assessment indicates an existing annual cost of some £16.5m, although the amount of funding transferred would be subject to budgetary negotiation.

Mobile Homes (Wales) Bill – The initial bill documentation indicated initial costs of some £463K in the first year, with annual costs of £83K in later years. Local authorities were anticipated to incur costs with licensing charges being levied.

Recovery of Medical Costs for Asbestos Diseases (Wales) Bill – The proposed bill would provide a basis, where a compensation payments for the effects of asbestos disease exists, the public sector would be allowed to reclaim the costs of medical treatment. The initial impact assessment indicated that based on typical medical costs per patient of approximately £23K and some 80 patients per annum some £2m per annum may be recovered. Administration costs were estimated to be of the order of £50K p.a.

### **Suggested Line of Enquiry**

The Committee may wish to:

- establish if the Welsh Government has quantified the full cost of enacted and proposed legislation for 2014/15 and 2015/16 and if so what is the overall net impact from new legislation on the Welsh budget (whether cost or savings)
- seek assurances that the financial consequences which will arise from future secondary legislation as a result of the Social Services and Well-being (Wales) Bill have been considered in full;
- investigate the extent to which increased clarity on the costs and savings from recently passed legislation for example, from the creation of Natural Resources Wales, has been included in the development of the budget.

## **2. Savings/Efficiencies**

It is inevitable that savings from efficiencies will remain important to the delivery of a balanced budget, thereby ensuring that the necessary level of resources are available for service delivery.

The Welsh Government has indicated its key means for driving efficiencies in a variety of areas, such as collaboration, simplification, accountability and asset management & procurement.

An example in relation to procurement is the November 2013 launch of the National Procurement Services organisation. This is anticipated to provide savings of between £9.2m and £24.6m per annum from 2014/15.

It is important that any significant anticipated savings, and the assumptions and risks underlying these, should be apparent in scrutinising the draft budget.

### **Suggested Line of Enquiry**

The Committee may wish to:

- understand how the proposed savings from all the efficiency actions identified by the Welsh Government have been factored into the budget;
- examine the level of financial risk arising from the planned savings and efficiencies

### **3. Consequences of Capital Investment**

The draft budget for 2013/14 noted “the impact of the 45 per cent real terms reduction to our Capital DEL between 2009-10 and 2014-15”. There is a risk that current plans to replace or enhance existing assets may be insufficient, leading to the potential for maintenance backlogs across the Welsh public sector. This has the potential to impact on service budgets, with increasing calls on revenue resources to address urgent maintenance requirements, and on service delivery, with increased risks of assets being unusable.

Such cuts in investment over the last few years therefore place potential risks on revenue budgets going forward, especially the longer any new potential re-investment is deferred.

#### **Suggested Line of Enquiry**

- The Committee may wish to explore what assumptions have been made for backlog maintenance and what the impact will be on future capital investment

### **4. Liabilities Which Could Be A Draw On The Welsh Budget**

#### **Indemnities and Letters of Comfort**

The Welsh Government’s financial statements for 2012/13 indicate that no financial guarantees have been provided. Indemnities have however been given in relation to Housing Stock Transfers (VAT mitigation scheme continuance), the National Library of Wales and the National Museum of Wales. The probability of these indemnities being utilised was regarded as remote. Letters of comfort have also been provided in respect of contaminated land and a lease arrangement.

#### **Financial Transactions**

As a consequence of UK Government initiatives, such as housing market measures including ‘Help To Buy’ and ‘Build To Rent’, the devolved territories have the ability to utilise ‘financial transactions’. The Welsh Government’s 13/14 Supplementary Budget Explanatory Note stated “capital spending power has increased by a further £68,083k. This funding is ring-fenced for financial transactions and can only be used for loans and equity investments beyond the public sector. The majority of this funding will also need to be repaid to the Exchequer”. Forward financial planning will be required to allow for the repayment obligations arising.

#### **Impairment Costs Associated with IT Projects**

Impairment generally reflects the loss in value of an asset and has the potential to impact on the funds available to the Welsh Government. From my examination of other territories I have noted a developing theme associated with impairment costs arising from the procurement of IT projects. In a variety of public sector organisations concerns have been noted over costs associated with the delivery of IT projects. These cases have occurred over different time periods. The accompanying risk is that capital investment is written off without achieving the benefits envisaged when the project was

commenced. Although IT projects may be regarded as being particularly at risk in this respect, the potential exists for this to occur with all capital investment projects.

### **Backlogged Claims for Continuing Healthcare Care**

A Wales Audit Office report, "Implementation of the National Framework for Continuing NHS Healthcare"<sup>3</sup> (CHC), noted national arrangements had been made to allow people, or surviving relatives, to reclaim incorrectly levied charges for CHC services between 1996 to 2003. A deadline of June 2014 had been set for clearing all claims. The report highlighted that "there remains a significant risk that the deadline will not be achieved".

The Welsh Government's plans in regard to clearing the backlog will presumably affect the 2014/15 draft budget, for example more resources may be directed to this task in 2014/15 or the deadline for clearing claims may be amended, potentially into 2015/16. Additionally the Welsh Government may have identified other commitments where the original estimates of the resources or timescale required should be amended.

#### **Suggested Line of Enquiry**

The Committee may wish to:

- seek evidence on how unquantifiable indemnities and letters of comfort have been accounted for in the budget and what the consequence will be if these have to be met, i.e. how will they be financed?
- consider the extent to which the Welsh Government plans to utilise the 'financial transactions' facility, and the longer term impact of the necessary repayments on the government's future spending plans
- consider the extent to which original estimates for the requirements to meet specific commitment obligations should be revised in the 2014/15 draft budget, for example in relation to CHC.
- seek assurance that capital investment will be supported by rigorous business cases and supported by project and asset management planning

## **5. Managing Demand Through Prevention and by Changing Citizen Behaviour**

### **Prevention**

The Committee is clearly interested in the potential for, and implementation of, preventative spend initiatives. The responses to the call for evidence will inform the Committee's scrutiny approach.

As noted by the OBR fiscal sustainability report the biggest challenge for the UK looking further ahead is not the austerity crisis itself, but the ageing population which will require increasing levels of support, for instance from social care and health services.

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<sup>3</sup> Issued June 2013



Providing services early in order to achieve improved outcomes with less pressure on 'reactive' services is therefore desirable.

The challenges to implement preventative initiatives are complex and varied. In particular most initiatives will require some level of 'up front' investment and activity before there is any alleviation on the demand for the normal reactive services for those in need. This indicates a need for disinvestment to make room for preventative spend and the appropriate use of funds, such as Invest To Save, to achieve change. As recommended by the committee such funding should be prioritised towards those initiatives with robust evidence to provide assurance of longer-term success. In response to the committee's call for evidence, the WCVA refers to the Wales Wellbeing Bond. The committee may wish to explore the different financial approaches being taken to support a shift to a more preventative approach.

### **Changing Citizen Behaviour**

There is international evidence that service demand can be managed in alternative ways as well as by management of prevention. When the local authority of Les Sorinieres in western France announced a pilot scheme to charge residents for each garbage bin they put out for collection, it simultaneously began to track waste volume throughout the city and give householders data on the amount of waste they were generating.

Waste dropped by more than 20% and the volume of recycled waste rose. The plan to charge residents was not implemented, as it was deemed no longer necessary and the change in behaviours persisted.<sup>4</sup> Demand therefore was reduced by the prospect of charging.

#### **Suggested Line of Enquiry**

The Committee may wish to:

- Explore the extent to which there has been a shift towards a more preventative approach across the government's budget, and whether the committee's recommendations on Invest To Save have been addressed
- Explore the extent to which the budget has been compiled on a basis which incorporates other means of demand management.

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<sup>4</sup> How to make a city great McKinsey & Company

### **3. SCRUTINY TEST: BUDGET PROCESSES**

This test is concerned with examining the integration between public service planning and performance and financial management.

#### **Transparency**

The committee's scrutiny of the 2013/14 budget requested some improvements in transparency and presentation. In particular more consistency of presentation between portfolios and an appropriate level of detail for each portfolio's budget were requested.

In scrutinising the 2014/15 budget, the committee may wish to test how transparent the government's spending plans are in relation to any intended use of the Budget Exchange Mechanism.

#### **Consistency**

From my structured review of draft legislation both at a UK and Assembly level we were unable to comprehensively compute a single figure (or aggregate of figure) to determine what the combined 2014/15 budget impact of legislation could be. What this means is that it is difficult to scrutinise the extent to which the Welsh Government budget process has captured all of the financial impacts from the legislative programme.

#### **Budget Strategy: Supporting Transformation**

The transformation of public services was a clear commitment in the 2013/14 budget and it is assumed that this will continue for 2014/15. As with other territories the Welsh Government may need to invest in transformation by incurring costs at the point of change and during transition, with savings projected to materialise at a later date. This could be expected to be the case with the Social Services and Well-being (Wales) Bill.

The Invest to Save Fund, where initial funding requires to be repaid in the future, and the Regional Collaboration Fund, a grant award approach, have both been utilised to promote service transformation.

The proposal to allow Welsh NHS Boards more flexibility in their financial management, by allowing break-even to be assessed over 3 years, rather than just annually, could also be anticipated to provide boards with more scope, at a local level, to invest in the transformation of service provision.

Other innovative means of financing may also be considered. For example the Department for Communities and Local Government has recently consulted on proposals to allow the use of capital receipts from asset sales to be invested in reforming services.

## **Budget Strategy: Protection of Budgets**

The utilisation of a budget protection approach for identified services can be an indication of policy prioritisation, whether in capital or resource budgets. This can assist in dealing with specific pressures, such as known service demand increases, in the short and medium term. It may however be unsustainable in the longer term due to the 'above average' reductions in funding for other services. This may particularly be the case if there is a lack of challenge and incentive regarding service delivery innovation in a protected service. The WLGA submission to the call for evidence states "whilst protection of certain services has come with additional resource, it has not been without its downsides – it has made it difficult to drive efficiency in the service areas that have been protected".

The use of 'budget protection' within a budget strategy must be assessed as to how long the protection can be sustained; the non-financial challenge and incentive for a protected service to seek continual improvement; and the impact on other service areas or government priorities. This may assist in identifying when budget protection is appropriate, and when it is inappropriate.

As an example a report by the 'The Early Action Task Force' (*The Deciding Time: Prevent today or pay tomorrow*<sup>5</sup>) suggested that budget protection was appropriate for transitioning towards preventative spend:

"Treat early action as an investment - protect early action spending in the same way as capital investment, ensuring it could not be raided for the purposes of managing short-term demands and releasing the potential for significant funding to be moved into preventative services."

## **Budget Strategy: Use Of Ring-Fencing**

Within the WLGA submission to the call for evidence it states "there are a number of areas where we have traditionally argued for a less centralised approach to funding. Typically this has been around specific grants, an area upon which the Public Accounts committee touched upon in its Grants Management Report". The PAC report estimated that between 5 and 10% of the total quantum is utilised in supporting this approach to funding.

### **Suggested Line of Enquiry**

The Committee may wish to:

- Consider whether the 14/15 draft budget and accompanying documentation provides sufficient transparency to allow effective budget scrutiny
- Assess whether the 14/15 draft budget is consistently presented for each portfolio, assisting a cross-portfolio assessment of items such as the impact of new legislation
- Establish whether the draft budget supports the pace of change and transformation in public services envisaged by the Welsh Government and to explore the different financial approaches which are being taken to support

<sup>5</sup> Community Links, Early Action Task Force, [\*The Deciding Time: Prevent today or pay tomorrow\*](#), November 2012

transformation across the whole budget

- Identify the areas which government has chosen to protect within the budget and explore the rationale for the protection
- Examine the use of ring fencing across the whole budget , the rationale for its use and whether any consideration has been given to moving to Outcome Bundles.

## **Budgeting Methodology**

The Programme for Government Annual report (June 2013) provides details of the government's achievements. Additionally a variety of performance indicators are provided on the 'Programme for Government' web pages. It could be noted that the information provided is predominantly about assessing performance and does not make an explicit link to the level of expenditure used in relation to performance.

This is also generally true for historic budget documents. A strict definition of performance budgeting would be a form of budgeting that relates funds allocated to measurable results. These results are measured in the form of outputs and/or outcomes. Resources can be related to results either in a direct or indirect manner. Although progress has been mixed across different jurisdictions, some countries are moving towards a system of linking expenditure to performance, including in the State of Virginia, USA. Virginia is currently in the final stages of deploying a new, more integrated technology platform for performance-based budgeting and strategic planning.

## **Budgeting for Prevention**

The drive for undertaking preventative spend initiatives has been noted above. The WLGA in its response to the committee's call for evidence states that one of the associated budgeting challenges is how to tackle the fact that "the public body that invests in a preventative spend may not be the same body that derives the benefit". The committee may wish to consider how government has tackled prevention within its budgeting approach.

Community Links is a London-based community charity, who have formed an Early Action Task Force,<sup>6</sup> The first report of the Early Action Task Force was launched in the House of Lords in November 2011.<sup>7</sup> This suggested a number of interventions, in particular in relation to classifying early action expenditure including:

- Consider special treatment of early action spending within DEL, to recognise it as investment. For example it might be treated like capital spending, with costs spread across the period in which savings are realised or 'ring fenced' within DEL to protect it from short term cuts.
- 2<sup>nd</sup> report recommends Incentives and sanctions to break down silos and require and reward longer term planning - financial incentives, including responsibility

<sup>6</sup> Community Links, [Early Action Task Force](#)

<sup>7</sup> Community Links, Early Action Task Force, [The Triple Dividend: Thriving Lives, costing less, contributing more](#), November 2011

charging, early action funds, profit sharing, premiums and a duty on all public bodies to think of the future.

**Suggested Line of Enquiry**

The Committee may wish to:

- specifically consider how the budgeting process supports and provides incentives for a preventative approach to be taken and
- explore the extent of transparency between performance and the means of allocating resources to meet outcomes.

#### **4. SCRUTINY TEST: PRIORITISATION**

Part of the role of parliamentary scrutiny is to test whether the pledges and commitments made by any government are then reflected in the choices it makes in the allocation of resource within its budget setting process.

The Committee may therefore wish to assess how the Programme for Government influences spending decisions and whether there is a discernible linkage between performance and budgetary priorities.

#### **Does the budget support the governments “purpose”?**

The Programme for Government Annual Report June 2013 opens with the statement:

“My top priority is to deliver jobs and growth and to tackle poverty. I have instructed the Civil Service to mobilise the whole machinery of government, and the wider public sector in Wales, to line up squarely behind delivering these aims.”

It could therefore be anticipated that the 2014/15 draft budget will explicitly

- support the creation of jobs;
- support (economic) growth
- tackle poverty

#### **Suggested Line of Enquiry**

- The Committee may wish to challenge the extent to which each of these statements can be represented by budget evidence.

#### **Is there a coherent and justifiable division between sectors and programmes?**

Movements between portfolios and within individual portfolios can be analysed following the publication of the draft budget. Examining the choices within an individual portfolio is a key role for the subject committee’s in order to test whether there is a justifiable division within the portfolio. Examining the coherence and division across the whole is more appropriate for finance committee to consider.

The following are extracts from submissions received in response to the committee’s call for evidence. These perhaps provide some evidence which the committee could use to test out the overall coherence of the choices.

- Higher Education Wales response to the call for evidence states the following “The figures for 2011/12 when adjusted to take account of the full economic cost adjustments for the cost of capital and infrastructure, show that the sectors’ position is an aggregate deficit of £64m compared with a deficit of £56m in

2010/11. This represents the degree to which the sector is not in a position to provide for a fully sustainable future.

- The WLGA submission to the call for evidence states “local government... is probably unprepared for the scale of reductions that is likely to be visited on local finances for 2014-15 and “most published plans were based on the optimistic indications published within the 2013-14 settlement

### **Is current performance informing the choices about where to allocate resource**

A budget can be regarded as a tool for implementing policy priorities. The linkage of the budget to the Programme for Government is therefore a factor to establish in the scrutiny process.

#### **Suggested Line of Enquiry**

The Committee may wish to:

- Seek evidence of the extent to which the Programme for Government is embedded into the budget building process of the Welsh Government; and
- Seek evidence of how the Programme for Government shapes the corporate planning and budget building process in public bodies.

## **SUBJECT COMMITTEES**

### **5. SCRUTINY TESTS: PRIORITISATION AND VFM**

This section of my paper is aimed specifically at the subject committees who I anticipate will focus upon prioritisation (the budget choices that have been made) and on value for money (VFM). I would envisage that scrutiny by these committees will assess the extent to which there is evidence of:

- Prioritisation – that there is a coherent and justifiable division between sectors and programmes; and that there is
- Value for Money – the extent to which public bodies are spending their allocations well and achieving outcomes.

I have identified some specific affordability and budget process issues, which committees may wish to consider and subject committees may wish, of course, to pick up some of the areas I have directed to the finance committee. I have restricted my briefing in this area to short bullet points.

There are two matters which are relevant to all subject committees.

Firstly, financial transactions – this is funding used to support equity/loan schemes beyond the public sector. Repayments will be made over time to HM Treasury by the Welsh Government. Committees may wish to explore how the Welsh Government has elected to provide support.

Secondly, committees may wish to examine the progress being made towards a more preventative approach within each portfolio.



## **6. Children and Young People Committee**

### **Budget Process**

- Identification and ring-fencing of budgets: As part of the 13/14 budget scrutiny process the committee requested additional transparency on the planned spend for children, particularly regarding health, and on the criteria and use of ring-fencing. Where funding and spend cannot be identified to a particular outcome, or client group, it will make assessment of value for money more problematic.

### **Value for Money**

- School Standards and Organisation (Wales) Act 2013: The initial impact assessment indicated that this legislation could involve transition costs of £1.7m and that school improvement provisions could provide non-cashable savings of £1m p.a. in time. The measurement and assessment of whether any initial investment results in savings will require initial 'baseline' cost and performance data.
- CAFCASS Cymru: The committee has previously requested clarification of the value for money provided from additional funding for CAFCASS Cymru, specifically querying what the outcome improvements expected were.
- Attendance & Behaviour: the Welsh Government has been requested by the committee to support the implementation of evidence-based initiatives, with a focus on early intervention, to support attendance and behaviour in all schools. The establishment of an evidence base should identify which interventions provide the optimum outcomes for the resources available. Additionally the development of an over-arching strategy was requested to improve the pace of improvements. This included recommendations on suitable staff training, early intervention and consideration of EOTAS (Educated Otherwise Than At School )

### **Prioritisation**

- Adoption: As a result of the committee's adoption inquiry a national adoption service strategy was requested with appropriate collaboration involving local government. The Welsh Government included its proposals on this matter within the Social Services and Well-Being (Wales) Bill. The committee may wish to identify whether provision has been included within the 14/15 budget.
- Neo-natal Care: Based on its inquiry into neo-natal care the committee has previously noted that "the All Wales Neonatal Standards on nurse to baby staffing ratios are also far from being met". The committee recommended that the Welsh Government should ensure that health boards develop detailed plans, within service reconfiguration, to address neo-natal staff shortages

### **Suggested Line of Enquiry**

The committee may wish to:

- Examine the transparency, across the whole draft budget, of spend on children, including the criteria for and use of ring-fencing. Identification and measurement of the expected outcomes for identified spending may also be appropriate.
- Consider whether there is sufficient clarity on the outcomes expected from new legislation. For example is there sufficient information on the existing baseline outcomes and costs to be able to assess, in the future, whether value for money has been achieved?
- Assess whether there is a clear statement of the outcomes anticipated from any additional funding provided, either as additional general funding or ring-fenced. For example will there be evidence available to assess whether the outcome has been achieved?
- Consider how reliable and robust the evidence to support decisions on options such as Invest to Save or preventative initiatives is.
- Evaluate whether the draft budget supports the Welsh Government's stated priorities within the Children and Young People remit? For example how clear is the linkage and how is this prioritisation achieved at a local, service delivery, level for services such as neo natal care and adoption support?

## **7. Environment and Sustainability Committee**

### **Value for Money**

- Natural Resources Wales: Following its scrutiny of the 13/14 draft budget the committee wrote to the Finance Committee noting that the minister had indicated the intended Natural Resources Body was expected to generate £90m of net benefit over ten years. The letter stated "It is not clear whether these expected savings will result in a further reduction of the funding the Natural Resources Body receives in future years."
- Natural Environment Framework Restructuring: £2m was allocated in the 2013/14 draft budget for this purpose. The committee requested clarity on the outcomes that would be achieved.
- I note that the Welsh Government financial statements for 2012/13 indicate that "A potential disallowance of EU Agriculture funding has been identified relating to the dual use of land." No quantification of the situation was possible at the date of the accounts.

It should be noted that failure to comply with EU funding terms and conditions can result in the requirement to repay European Funding. Repayment requests can relate to expenditure incurred several years previously and can be significant in scale. Reliance on EU funding should therefore be accompanied by sufficient compliance controls to minimise the Welsh Government's future exposure to repayment of grant.

- Grant Management: The use of grant funding to achieve government objectives is well established. In previous budget scrutiny the committee has noted a desire for a wider picture of outcomes and performance achieved by food promotion grants.

### **Prioritisation**

- Marine Policy - The committee has previously suggested that marine policy should be provided with a higher priority. Additionally the capacity for, or prioritisation of, investment in vessels to support fishery protection responsibilities has been raised.
- Coastal Protection - The committee has indicated that this should be regarded as a long term commitment, implying that long-term service and financial planning, including capital investment proposals, should be developed.
- External Funding Application - budget documentation should transparently reflect reliance on external funding sources so that gross spend on government priorities can be identified. This can assist in determining the relative need for (i.e. prioritisation of) taxpayer funds to be applied to a specific priority area. This could include an assessment of the risk, and associated mitigating actions, of external funding not being realised.

### **Suggested Line of Enquiry**

- With Natural Resources Wales now established from 1 April 2013 the committee may wish to examine if there is any revision of the anticipated extent and time profile of savings or efficiencies, and what assumptions have been made for the 14/15 draft budget.
- The committee may wish to explore the compliance arrangements in place to minimise the risk of repayment of EU funding
- The committee may wish to consider the grant management mechanisms in place to ensure that:
  - grants awarded support identified priorities
  - anticipated outcomes are stated and measurable
  - that appropriate action is taken where compliance with the terms and conditions of the grant is not achieved

## **8. Communities, Equality and Local Government Committee**

### **Affordability & Prioritisation**

- The WLGA submission to the call for evidence states that most published plans of local authorities for 14/15 were based on the optimistic indications published within the 13/14 settlement. The document then refers to a letter sent to WLGA leadership in May which signalled that local government should expect to see reductions of the order of those experienced in England.

### **Affordability : Expenditure**

- Welfare Reform - UK welfare reform legislation is expected to have a continuing high degree of impact on the Welsh public and public services, particularly at a local level. The Welsh Government set up the Discretionary Assistance Fund in response to the abolition of the Social Fund. The committee may wish to examine the cost pressures recognised in the 14/15 draft budget, the sustainability of this funding in future years and whether any tapering of support in future years is envisaged.
- The Welsh Government found £22m from reserves to fund the 10% cut in council tax support passed on following the devolution of the benefit. The committee may wish to consider any longer-term plans for the continuance of the Welsh Government's support for the Council Tax Reduction Scheme, particularly in respect of the projected level of support required in future years.
- Local Authority Access to Discounted PWLB Rate for Infrastructure Projects. From 1 November 2013 local authorities in England will be able to access borrowing below the PWLB standard rate for approved projects. This 'Project rate', 40 basis points below normal PWLB rates (0.4%), is restricted to borrowing to support Local Enterprise Partnership strategic local capital investment projects<sup>8</sup>. The HM Treasury letter states "The Government can now announce details of the "project rate" which will enable English local authorities (LAs) working with their Local Enterprise Partnership (LEP) to access cheaper borrowing on up to £1.5 billion of investment." Welsh local authorities are apparently unable to access the same favourable borrowing in order to support equivalent infrastructure projects in Wales

### **Affordability: Revenue**

- Non Domestic Rate Income: As indicated to the Finance Committee the Welsh Government's response to the Business Rates Review 'Incentivising Growth' indicated further work would be undertaken to review business rate policy. The reliability and predictability of this income is important to local government, and may affect the extent to which government priorities are achieved.
- The WLGA submission to the call for evidence, states that it has asked Ministers to work in partnership with local government and the WLGA in a number of areas, including "to ensure that all fees and charges are determined locally to be responsive to local needs including an urgent assessment of the sustainability of

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<http://www.dmo.gov.uk/documentview.aspx?docname=PWLB/pwlb2013guidance1HMT.pdf&page>

the cap on non residential social services charges introduced as part of the First Steps initiative”.

- Tax Incremental Financing – this financing model allows forward investment on the expectation that later revenues will be raised. This is not without risk. For example, if additional NDRI is not realised it is possible that the longer term committed costs fall to be borne by the public purse. The two key risks that have been identified are:
  - Business movement from one area to another to the benefit of one area and the detriment of the other:
  - Uncertainty with regard to the sustainability of the future additional Business Rate income stream

The committee may wish to explore whether TIF is an emerging financing model for use by local government.

- Housing Revenue Account Authorities (Subsidy System Buy Out): In scrutinising the 2013/14 Supplementary Budget the Finance Committee noted that there was the potential for “local authorities buying themselves out of the existing subsidy system through a one off lump sum” with new debt being taken on to finance the settlement. The Finance Committee recommended that the Welsh Government further discuss this option, without jeopardising HRA service obligations or assuming unmanageable levels of debt. The committee may wish to explore the options that are available.

### **Prioritisation**

- Investment in Artificial Football Pitches: the committee has suggested the development of a strategy for supporting the introduction of artificial pitches, potentially aligned to the development of a ‘community hub’ approach.
- Any planned Investment in transport infrastructure within the budget has the potential to boost growth but consideration should be given to the revenue maintenance impact on the relevant authorities.. The committee may wish to explore whether this additional burden has been fully reflected when allocating resource to transport authorities.

### **Value for Money**

- Home Adaptations – The committee inquiry questioned the achievement of outcomes achieved by the Disabled Facilities Grant, recommending that it should only be utilised when it is effective and efficient.
- Participation in Arts – The committee has recommended that the Arts Council for Wales should review funding policies to ensure that outcomes and value for money are achieved. Actions to increase external funding for arts bodies were also suggested.
- Prevention of Social Housing Fraud Act 2013: This UK act created specific offences regarding housing fraud and provisions for the investigation of housing fraud. Potentially the act increases the ability of housing bodies to achieve value for money in delivering outcomes.

### **Suggested Line of Enquiry**

- The committee may wish to evaluate the extent to which forward financial plans are sufficiently reliable to enable funded bodies (e.g. local government) to achieve value for money in delivering the Welsh Government's priorities. Consideration may also be given to the potential mitigation of any immediate uncertainty arising from the work of the Commission on Public Service Governance and Delivery.
- The committee may wish to examine the assumptions made for the 2014/15 draft budget regarding the impact of welfare reform, particularly in terms of the generation of demand for specific support services, including the Council Tax Reduction Scheme.
- The committee may wish to investigate whether investment in appropriate infrastructure projects could be enhanced by access to discounted PWLB borrowing rates.
- The committee may wish to consider the assumptions made in forecasting Non Domestic Rate income for 2014/15, and any associated risks arising. This may incorporate consideration of the application of Tax Incremental Financing.
- The committee may wish to examine the potential for, and consequences of, Welsh HRA authorities buying themselves out of the HRA subsidy system.
- The committee may wish to consider the priorities in the 2014/15 draft budget for the committee's portfolio and the actions taken by the Welsh Government on previous committee recommendations. This may also involve consideration of the revenue consequences of capital investment.
- The committee may wish to evaluate the extent to which forward financial plans are sufficiently reliable to enable funded bodies to achieve value for money in delivering the Welsh Government's priorities. Consideration may also be given to the potential mitigation of any immediate uncertainty arising from the work of the Commission on Public Service Governance and Delivery.
- The committee may wish to consider the extent to which the value for money achieved for each budget line is assessed, determining the current baseline position so that future performance changes can be evidenced.

## 9. Enterprise and Business Committee

### Value for Money

- Non Domestic Rate Income: As indicated to the Finance Committee the Welsh Government's response to the Business Rates Review 'Incentivising Growth' indicated further work would be undertaken to review business rate policy. Potentially the development of appropriate Non Domestic Rate income initiatives may assist in the delivery of the Welsh Government's priorities.
- The Cardiff University submission to the call for evidence queried the impact of increasing the student loan budget, given that due to students studying outside Wales they estimate that by 2015/16 "up to £94.5M of Welsh Government money could be flowing into English institutions per annum."
- The committee will be aware that the Finance Committee is currently conducting an inquiry into Higher Education in Wales. This has a focus on funding, especially the value for money being achieved and the government's tuition fee grant policy. The conclusions of this enquiry may influence the longer-term financial stability of Welsh Higher Education.

### Prioritisation

- Priorities: The Programme for Government Annual Report June 2013 opens with the statement: "My top priority is to deliver jobs and growth and to tackle poverty.". Previous enquiries by the committee have included the following recommendations:
  - Apprenticeships: funding should support apprenticeships which will support economic growth needs. Grants for low income households would reduce inequality.
  - Horizon 2020 (EU Research & Innovation scheme): a strategic approach to implementation.
  - Integrated Public Transport: improvements to public transport integration and real time information, including prioritisation of walking and cycling links with public transport. Costed delivery plans and attaching conditions to transportation funding were also encouraged.
- Within Cardiff University submission to the call for evidence, it states the following: "an increasing student loan budget means that there is less funding for other aspects of high education such as research, postgraduate studies and innovation. We fear that in the long term the competitiveness of higher education may be at risk, impacting negatively on the competitiveness of the Welsh economy". The committee may wish to explore the coherence and justification for this division within the portfolio.
- Within the submission by Higher Education (Wales Cymru) it states that "budgets for teaching have decreased by 31%, innovation and engagement by 45% and research funding remained static. The committee may wish to explore the coherence and justification for this division within the portfolio



### **Suggested Line of Enquiry**

- The committee may wish to consider whether the proposed NDR policy for 2014/15 provides Value For Money in supporting the Welsh Government's priorities, especially economic growth and job creation
- The committee may wish to examine whether the Further and Higher Education spending plans in the 14/15 draft budget provides a suitable basis for achieving longer-term Value For Money, for example in the approach to the student loan budget and prioritisation of funding streams.
- The Committee may wish to evaluate the extent to which the job creation, growth and poverty reduction measures in the draft budget are supported by evidence that these outcomes will be achieved
- The committee may wish to explore the extent to which its recommendations on priorities have been reflected in the choices made by government about where to allocate resource.

## 10. Health and Social Care Committee

### Affordability: Expenditure

- Backlogged Claims for Continuing Healthcare Care: A Wales Audit Office report, "Implementation of the National Framework for Continuing NHS Healthcare" (CHC), noted national arrangements had been made to allow people, or surviving relatives, to reclaim incorrectly levied charges for CHC services between 1996 to 2003. A deadline of June 2014 had been set for clearing all claims. The report highlighted that "there remains a significant risk that the deadline will not be achieved"

The Welsh Government's plans in regard to clearing the backlog will presumably affect the 2014/15 draft budget, for example more resources may be directed to this task in 2014/15 or the deadline for clearing claims may be amended, potentially into 2015/16. The Welsh Government's financial statements for 2012/13 (note 18) indicated a provision (estimated obligation) of some £7.5m as at 31 March 2013.

- Other Provisions: Other Welsh Government NHS provisions, representing liabilities of uncertain timing or amount, noted in the Welsh Government's financial statements for 2012/13 include the Welsh Risk Pool (£521.0m at 31/3/13), Hepatitis C (£5.2m) and Electronic Staff Records (£0.5m).

### Budget Process

- Medium Term Financial Planning: The Welsh Government has indicated that it would investigate the scope to allow Health Boards to move away from an annual break even requirement, to a 3 year approach. This would be expected to support medium term financial planning and service transformation, improving value for money.
- Additional 'In Year' Funding: The Public Accounts Committee 'Health Finances' (February 2013) report recommended that board funding allocation should be transparently calculated based on weighted needs. Additionally a focus on ensuring financially sustainable service delivery, rather than reliance on non-recurring funding was suggested. Consequently it is suggested that additional in year funding provided to health boards could be linked to expected outcomes, with increased challenge of the evidence base for Health Board budgets.

### Value for Money

- Social Services and Well-being (Wales) Bill – The impact assessment indicates that investment in initial training costs will be required, but that some cost implications, such as closer service integration, "have not yet been quantified at this stage given that further clarity on the content of future regulations is required". Given the anticipated significant impact of the Bill on service provision the committee will be keen to ensure that any decisions, from the outset, promote the government's priorities and the achievement of value for money.
- As a result of the Wales Audit report on Maternity Services the Welsh Government were requested to improve workforce planning and minimise the use of agency

and locum staff to assist with value for money. The committee may wish to seek evidence of whether budget assumptions reflect this expected reduced use.

### **Prioritisation**

- I understand that there is presently a joint review between the Minister for health and finance to ensure that the budget reflects the lessons learnt from the Francis Inquiry. I would draw members attention to the submission made by the Royal College of Nursing which states “the impact on the NHS workforce is beginning to show, the recently published statistics on the NHS workforce in Wales showed a decline in nursing staffing levels from the 2010 high”.
- Residential Care for Older People: The committee has previously recommended that clients should be involved and informed in decisions, with more emphasis on community care, rather than hospital based services, and rehabilitation, rather than transfers to residential homes.
- Diabetes: The committee has previously indicated that the Welsh Government needs to adopt more robust oversight and monitoring arrangements of diabetes services if a growing healthcare pressure is to be mitigated.
- Preventative Spend: The Welsh Government’s Commission on Public Service Governance and Delivery may tend to increase uncertainty in the near future for public sector institutions. In a situation of uncertainty it may be difficult to encourage a focus on long term value for money, service transformation and preventative initiatives.

### **Suggested Line of Enquiry**

- The committee may wish to consider the extent to which original estimates for the requirements to address the CHC backlog have been revised in the 2014/15 draft budget.
- The committee may wish to examine the assumptions and allowances made for the settlement of NHS provisions within the 2014/15 draft budget.
- The committee may wish to consider the extent to which health boards can adopt a ‘3 year’ break even financial management approach
- The committee may wish to examine the extent to which funding allocations to health boards for 2014/15 are based on a weighted assessment of need, support the financial sustainability of service provision and minimise reliance on non-recurring funding. In doing so the role of any ‘contingency’ element in the Welsh Government budget and the criteria for its use may also be considered.
- The committee may wish to explore how the review of the Francis Inquiry findings has informed the division of resources across programmes.

- The committee may wish to consider the extent to which the value for money achieved for each budget line is assessed, determining the current baseline position so that future performance changes can be evidenced. This may be particularly relevant for social service and health integration plans.
- The committee may wish to examine the extent to which the 14/15 draft budget supports and promotes service transformation (e.g. collaborative working) and preventative spending. Consideration may also be given to the potential mitigation of any immediate uncertainty arising from the work of the Commission on Public Service Governance and Delivery.