



Collaborating · Learning · Succeeding

# **MEDIUM TERM FINANCIAL PLAN**

**2023/24 – 2026/27**

## **GwE**

### **MEDIUM TERM FINANCIAL PLAN: 2023/24 – 2026/27**

#### **1. BACKGROUND**

- 1.1 This overview document identifies the main financial matters affecting GwE over the coming years. The document is supported and guided by Gwynedd Council's Section 151 officer.
- 1.2 This document provides a summary position and, specifically, will enable the GwE Joint Committee and staff to gain further understanding in relation to:
- Modelling scenarios
  - Principles adopted in the allocation of resources
  - Identifying the extent of any financial challenges / opportunities
  - Principles to address funding pressures

#### **2. THE REQUIREMENT FOR A MEDIUM-TERM FINANCIAL PLAN (MTFP)**

- 2.1 This Medium-Term Financial Plan (MTFP) sets out GwE's strategic approach to the management of its finances and outlines financial issues that GwE will face over the next four years. The delivery of the strategy is dependent on the resources made available through Welsh Government (WG) settlements and GwE's success in aligning resources to its service priorities.
- 2.2 The MTFP sets out the overall shape of GwE's budget and outlines a model of the financial requirements for its planned levels of service delivery in the medium term. This provides a framework so that the Joint Committee and officers may develop detailed annual budget allocations.
- 2.3 The MTFP will be a key tool for proactive financial management. It will be used as the basis of the annual budget setting process to ensure that GwE's resource needs for the forthcoming year are sufficient and aligned to the correct priorities. It also allows for future projected funding requirements to be identified far enough ahead to enable appropriate action to deal with the anticipated funding levels.
- 2.4 Every year, it is required to prepare an annual budget. The MTFP will be updated every year as part of the annual budget planning cycle. The Joint Committee will be kept informed of developments to the MTFP at the annual GwE meeting in July and services will consider cost and savings and/or income generating options as part of the annual budget planning cycle.

### **3. GWE'S MID-TERM PRIORITIES AND OBJECTIVES:**

3.1 The MTFP will support GwE's vision and values and deliver on GwE's mid to long term priorities and objectives.

3.2 The following are key documents in guiding GwE's direction during this period:

- Our Vision, Values and Behaviours
- Regional Business Plan 2023-2026
- GwE Business Plans
- School Support Plans
- School Improvement Guidance: framework for evaluation, improvement and accountability
- Risk Register

3.3 Additionally, the key objectives of the Minister for Education and Welsh Language, Welsh Government – 'Our national mission: high standards and aspirations for all' is a policy driver that influences GwE's objectives and priorities, together with the 8 contributing factors that have been identified in order to realise the new curriculum successfully. Another element is the Local Authorities' strategic priorities that are within the remit of GwE's work and these are all woven into our strategic objectives and priorities as outlined in the Regional Business Plan 2023-2026.

### **4. THE FINANCIAL CHALLENGE**

4.1 GwE has been operational since April 2013, initially delivering a £883,000 or 20% efficiency saving across the six North Wales Local Authorities compared to their previous equivalent service delivery cost.

4.2 Since April 2013 the service has managed to grow gradually in staffing resource terms through realignment of existing budget resources and through the use of specific grant funding.

4.3 GwE has delivered further efficiency savings of £131,000 (real terms) or 3.48% in 2016/17 by absorbing from within existing resources the management and administration of numerous additional Welsh Government school improvement initiatives, funded via specific grants.

4.4 An efficiency savings target of £36,880 was added for 2018/19, equivalent to 1%.

4.5 A further efficiency savings target of £116,468 was added for 2019/20, equivalent to a 1% cash cut (3.19% in real terms). The 2018/19 and 2019/20 cut was implemented by reducing the number of permanent staff and secondments to GwE and by seconding senior positions to other organisations. A further efficiency savings target of £102,112 has been added for 2023/24, equivalent to a 2.6% in real terms.

#### 4.6 The Welsh Government draft budget

Funding for GwE will be relative to the settlement for the six North Wales local authorities. At the time of writing this document, Welsh Government has provided figures for local government settlement in 2023/24 of 7.9% and indicative figures for local government settlement in 2024/25 of approximately 3%.

#### 4.7 GwE's Baseline budget:

4.7.1 Below is a summary GwE's starting budget position over the last 5 years:

Year	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000	2018/19 £'000
Gross Revenue	17,477	13,776	14,115	14,379	13,135
Expenditure					
Income Revenue	13,083	9,552	9,952	10,294	9,021
<b>Total Original Net Budget</b>	<b>4,394</b>	<b>4,224</b>	<b>4,163</b>	<b>4,085</b>	<b>4,114</b>
Reserves brought forward	438	651	552	346	312

#### 4.8 Annual Financial Pressures on GwE:

Each year there are financial pressures on GwE. These pressures are the cumulative effect of:

- Inflation
- Unavoidable commitments
- Planned Efficiency/Income streams
- LA contributions to core budgets
- Restructuring to deliver National Priorities
- Welsh Government grants

#### 4.10 Unavoidable Pressures:

The following have been estimated as unavoidable pressures on GwE:

- 2017/18 - Staff restructure
- 2018/19 - None identified

- 2019/20 - None identified
- 2020/21 - None identified
- 2021/22 – None identified
- 2022/23 – Restructuring of the Business Team
- 2023/24 – Cuts and the need for restructuring

#### 4.10 Reserves

GwE monitors and reviews the reserves that it holds. The review for this year is included in the Base Revenue Budget 2022/23. As GwE's finance moves to be more dependent on WG grants this particularly exposes GwE to more volatility in terms of financial planning. Hence the need for adequate reserves to assist GwE in coping with any revised grant and inflationary assumptions and volatility in income generation. GwE reviews its reserve funds formally every March to ensure that appropriate resources are made available.

#### 4.11 Cumulative Effects

The following table identifies the cumulative effect of inflationary pressures and unavoidable commitments set against different funding shortfall periods.

	2022/23			2023/24			2024/25		
	Best Scenario	Middle Scenario	Worst Scenario	Best Scenario	Middle Scenario	Worst Scenario	Best Scenario	Middle Scenario	Worst Scenario
<i>Previous year pay budget</i>	£2,964,749	£2,964,749	£2,964,749	£3,132,747	£3,161,726	£3,190,705	£3,148,694	£3,209,438	£3,270,761
Pay inflation (%)	5.7%	6.6%	7.6%	*0.5%	*1.5%	*2.5%	4.0%	5.0%	6.0%
Pay inflation (£)	£167,998	£196,977	£225,956	£15,947	£47,712	£80,056	£125,948	£160,472	£196,246
Other inflation (%)	6.0%	6.0%	6.0%	5.0%	7.5%	10.0%	1.5%	1.8%	3.0%
Other inflation (£)	£47,043	£47,043	£47,043	£41,795	£62,692	£83,589	£13,165	£16,175	£27,584
<b>Total Inflation</b>	<b>£215,041</b>	<b>£244,020</b>	<b>£272,999</b>	<b>£57,742</b>	<b>£110,404</b>	<b>£163,645</b>	<b>£139,113</b>	<b>£176,646</b>	<b>£223,830</b>
Funded by authorities (%)	4.5%	4.5%	4.5%	0.0%	0.0%	0.0%	3.5%	0.0%	-4.0%
Funded by authorities (£)	£170,671	£170,671	£170,671	£0	£0	£0	£139,113	£0	-£167,610
Impact on GwE (£)	-£44,370	-£73,349	-£102,328	-£57,742	-£110,404	-£163,645	£0	-£176,646	-£391,440
Cumulative impact (£)	-£44,370	-£73,349	-£102,328	-£102,112	-£183,753	-£265,973	-£102,112	-£360,399	-£657,413

\*Pay inflation 2023/24 including a 1.25% National Insurance reduction, and a reduction in the employer's pension contribution from 23.0% to 18.7% (equivalent to approximately 4% on a salary budget)

## **5. GwE's VISION, VALUES AND BEHAVIOURS**

### **5.1 GwE's Vision:**

*Our work is driven by genuine ambition to see the schools and organisations we work with achieve their aspirations and to see all learners succeed.*

*Proudly Welsh and internationally informed, we will support our schools to become successful and confident learning organisations. We will collaborate to provide learners with the climate and education they deserve so that they become capable and resilient individuals to realise their full potential.*

### **5.2 GwE's Values**

To achieve the vision and objectives, we have set ourselves minimum expectations.

These expectations are:

- Good leadership and management in our schools
- Good teaching across the region's schools
- Remove variation within a school
- Not one of GwE's schools in Estyn statutory categories
- Pupils' learning and wellbeing are at least good in every school
- CfW in place in every school

To achieve the vision and objectives we have set ourselves personal and service values.

- Respect
- Trust
- Wellbeing
- Innovate and inspire
- Support and collaborate
- Cymru a'r Gymraeg

## 6. REGIONAL STRATEGIC OBJECTIVES AND PRIORITIES

GwE has set itself a series of strategic objectives and priorities to align with the MTFP. These objectives frame business plans into medium- and long-term targets. This also allows our financial planning to address these objectives as priorities.

The key objectives of the Welsh Government outlined in 'Our national mission: high standards and aspirations for all' together with 8 contributing factors towards realising the curriculum by the Welsh Government are woven into our strategic objectives and priorities.

### 6.1 Our Strategic Priorities

OUR STRATEGIC OBJECTIVES	
What are we aiming to achieve?	
<b>1</b>	<b>School Improvement</b> - embedding effective school improvement arrangements while implementing the Curriculum for Wales and associated reforms.
<b>2</b>	<b>Curriculum &amp; Assessment</b> - supporting the 4 purposes of the curriculum, ensuring that all learners progress along their own learning pathway gaining a broad range of knowledge, skills and experiences, with equity and excellence at its core.
<b>3</b>	<b>Developing high-quality teaching and learning</b> - improving the teaching and learning in our schools by supporting and developing practitioners' understanding of pedagogic skills to support the success of all learners through ambitious professional learning.
<b>4</b>	<b>Leadership</b> - developing inspirational leaders to work collaboratively to support the success of all learners along their own learning pathway through accurate self-evaluation and robust improvement planning and delivery.  Continue to develop a self-improving system, in which the education profession has the skills, capacity and ability to continually learn & improve their practice, working towards being learning organisations.
<b>5</b>	<b>A positive education experience for everyone</b> – committed to excellence, equity and well-being, with learners and staff supported in their wellbeing and resilience, which is essential for improving education outcomes and life chances.  Ensure that learners are supported to be healthy, confident individuals, ready to lead fulfilling lives as valued members of society, within places of learning that are supportive, safe, inclusive and free from discrimination and bullying.

	Empowering all learners and communities to have strong relationships with education providers, so that we tackle disadvantage and deliver world-class education locally and nationally.
<b>6</b>	<p><b>Cymraeg belongs to us all</b> - giving every learner equal access to the language and everyone the opportunity to reach their potential.</p> <p>Encourage the use of Welsh across the education system, as an integral part of Curriculum for Wales, our Cymraeg 2050 ambitions and expanding provision post-16 to study through Welsh and opportunities to learn the language as active and engaged citizens.</p>
<b>7</b>	<b>Business</b> - ensuring that GwE has strong governance, appropriate and effective school improvement and business structures, that provides positive impact and value for money.

## 6.2 Our Priorities 2023-2024

<b>OBJECTIVE 1: SCHOOL IMPROVEMENT</b> <b>Embedding effective school improvement arrangements while implementing the Curriculum for Wales and associated reforms</b>	
Ref.	Priority
1.1	Ensure all schools are supported to evaluate accurately and to deliver robust improvement plans effectively.
1.2	Supporting leaders working collaboratively to promote high standards and aspirations for all [to include quality of teaching and curriculum provision].
1.3	Support leaders in schools to become familiar with the new school improvement guidance and to be confident in implementing actions.
1.4	Strengthen multi agency and ‘team around the school’ approaches with schools causing concern
1.5	Strengthen partnership working with Local Authorities.



## OBJECTIVE 2: CURRICULUM & ASSESSMENT

Supporting the 4 purposes of the curriculum, ensuring that all learners progress along their own learning pathway gaining a broad range of knowledge, skills and experiences, with equity and excellence at its core.

Ref.	Priority
2.1	Realising Curriculum for Wales.
2.2	Assessment, progression and accountability.

## OBJECTIVE 3: DEVELOPING HIGH-QUALITY TEACHING AND LEARNING

Improving the teaching and learning in our schools by supporting and developing practitioners' understanding of pedagogic skills to support the success of all learners through ambitious professional learning.

Ref.	Priority
3.1	Improve Teaching.

## OBJECTIVE 4: LEADERSHIP

Developing inspirational leaders to work collaboratively to support the success of all learners along their own learning pathway through accurate self-evaluation and robust improvement planning and delivery.

Continue to develop a self-improving system, in which the education profession has the skills, capacity and ability to continually learn and improve their practice working towards being learning organisations.

Ref.	Priority
4.1	Implement Regional and National Leadership Programmes.

### **OBJECTIVE 5: A POSITIVE EDUCATION EXPERIENCE FOR EVERYONE**

**Committed to excellence, equity and well-being, with learners and staff supported in their wellbeing and resilience, which is essential for improving education outcomes and life chances.**

**Ensure that learners are supported to be healthy, confident individuals, ready to lead fulfilling lives as valued members of society, within places of learning that are supportive, safe, inclusive and free from discrimination and bullying.**

**Empowering all learners and communities to have strong relationships with education providers, so that we tackle disadvantage and deliver world-class education locally and nationally.**

<b>Ref.</b>	<b>Priority</b>
<b>5.1</b>	<b>Support staff in their wellbeing and resilience.</b>
<b>5.2</b>	<b>Support schools to ensure that learners are supported to be healthy, confident individuals, ready to lead fulfilling lives as valued members of society, within places of learning that are supportive, safe, inclusive and free from discrimination and bullying.</b>
<b>5.3</b>	<b>Support schools to provide equity for all by tackling disadvantage and to have strong relationships with parents/carers and their communities.</b>

### **OBJECTIVE 6: CYMRAEG BELONGS TO US ALL**

**Giving every learner equal access to the language and everyone the opportunity to reach their potential.**

**Encourage the use of Welsh across the education system, as an integral part of Curriculum for Wales, our Cymraeg 2050 ambitions and expanding provision post-16 to study through Welsh and opportunities to learn the language as active and engaged citizens.**

<b>Ref.</b>	<b>Priority</b>
<b>6.1</b>	<b>Support schools to plan purposefully in order to support and develop learners' skills and literacy in Welsh in the context of the Curriculum for Wales.</b>
<b>6.2</b>	<b>Promote the learning of the Welsh language and develop the linguistic skills of the workforce.</b>
<b>6.3</b>	<b>Develop the informal use of Welsh through the 'Siarter iaith' and 'Cymraeg Campus'</b>

## OBJECTIVE 7: BUSINESS

**Ensuring that GwE has strong governance, appropriate and effective school improvement and business structures, that provides positive impact and value for money.**

Ref.	Priority
7.1	<b>Review current operating arrangements and staffing structure to ensure that the regional school improvement service is suitably structured to deliver local, regional and national priorities.</b>

### 6.3 Service Risks

The GwE Risk Register is a live document which is kept under regular review by the Senior Leadership Team and Management Board. It is presented to the Joint Committee on an annual basis and also when new risks are identified, of which the Joint Committee needs to be made aware.

Every Business Plan within the Business Planning Framework identifies potential risks. Via the quarterly monitoring reporting procedure, the holder of the Strategic Objective is informed of any necessary changes.

There are several risks that have been identified as potential barriers to the successful implementation of the Business Plan priorities. These are:

- Cuts in funding to the GwE Core Budget affect strategic long-term planning
- Uncertainty regarding grant funding arrangements from WG hampers strategic long-term planning. Significant delays in confirmation of funding levels affect the implementation of the Strategic Business Plan
- Difficulties in the recruitment and succession planning of Senior Leaders across the region, especially Welsh medium
- Pace of addressing deep-rooted issues in secondary schools placed in Estyn Statutory category
- The impact of the Covid-19 pandemic has made it more difficult for schools to work on engaging with their original Curriculum for Wales preparations
- Uncertainty around accountability and performance measures hampering the pace of the Reform Journey, especially in the secondary sector
- Uncertainty around what 2027 qualifications will look like is a restrictive factor in secondary schools
- Coherence and range of Reform Journey and its impact on systemic leadership between WG, middle tier and schools with an increasing level of funding going directly from WG to schools
- GwE current operating arrangements and staffing structure do not meet Welsh Government or regional direction in going forward
- Difficulties in recruitment and succession planning within the service as salaries are not competitive with similar organisation or with Headteacher and senior leaders' salaries
- Implementing the new school improvement guidance
- Current Union climate

## 6.4 Financial strategy

The Financial Strategy will identify detailed plans to enable GwE to set a balanced budget for the period identified.

To strengthen the medium-term financial planning process, indicative budgets beyond one year are required.

## 7. VALUE FOR MONEY, EVALUATING AND CAPTURING IMPACT

### 7.1 Value for Money

GwE is committed to evaluating, capturing impact and delivering value for money as an integral part of its strategic and operational work. It has a specific responsibility to achieve VFM from its use of core and grant funding. Similarly, the responsibility for pursuing VFM lies with all staff, and not just those with financial duties.

To meet its commitment to achieving VFM GwE has set itself the following objectives:

- To integrate VFM principles within existing management, evaluating, planning and review processes.
- To implement a clear strategy for evaluating and capturing impact.
- To adopt recognised good practice where this makes sense.
- To undertake VFM studies on areas of activity identified as worthy of review.
- To benchmark our activities against other similar activities and organisations where this is considered useful.
- To respond to opportunities to enhance the economy, efficiency and effectiveness of activities.
- To promote a culture of continuous improvement.
- To ensure that all staff recognise their continuing obligation to seek VFM as part of their routine activities.

GwE recognises its responsibility to achieve value for money (VFM) from all its activities, however they may be funded. GwE, in common with other Consortia, is committed to the pursuit of economy, efficiency and effectiveness as part of its strategic and operational work. GwE will seek to adopt good practice and incorporate VFM principles in all its activities and undertake reviews at suitable frequencies to ensure that VFM is demonstrated.

VFM is a term used to assess whether or not an organisation has obtained the maximum benefit from the services it both acquires and provides, within the resources available to it. Some elements may be subjective, difficult to measure, intangible and misunderstood. Judgement is, therefore, required when considering whether VFM has been satisfactorily achieved or not. It not only measures the cost services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness, and convenience to judge whether or not, together, they constitute good value. Achieving VFM is also often described in terms of the 'three Es' - economy, efficiency and effectiveness:

- (i) economy - minimising the cost of resources for an activity ('doing things at a low price');
- (ii) efficiency - performing tasks with reasonable effort ('doing things the right way'); and
- (iii) effectiveness - the extent to which objectives are met ('doing the right things').

## **7.2 Principles of Evaluation and Capturing Impact**

GwE needs to be able to clearly evaluate and capture impact of its work in line with its core school improvement function and enable the service to fully meet the expectations as outlined in the School Improvement Guidance and demonstrate value for money.

GwE engages in ongoing evaluation processes in line with its commitment to developing a culture of continuous improvement as a learning organisation. Self-evaluation processes draw upon a range of sources and information that are both qualitative and quantitative and which support schools in working towards regional and national priorities.

Across North Wales, GwE and the 6 Local Authorities have developed strong and effective collaborative partnerships for school improvement. This enables coherence in the way GwE and the Local Authority capture the impact of all school improvement provision and support offered to schools. Consideration is also given as to how impact at individual school level and system level is captured across the region, in the short, medium and longer term.

In line with the recommendation within Successful Futures, GwE employs a sampling methodology as part of its Evaluation and Impact Strategy. Careful planning and consideration are given to ensure that the sampling approaches are appropriate and purposeful, allowing for coverage of settings, learners and practitioners to form a representative regional sample.

Information is shared at timely intervals throughout the year with a wide range of stakeholders, giving confidence and clarity on the quality and impact of the wide range of work undertaken. This strategy allows transparency to stakeholders and the wider public and demonstrate value for money.

The following key principles underpin the processes for evaluation and capturing impact. As a service, GwE:

- draws upon a wide range of evidence, using data proportionately alongside first-hand evidence, to evaluate strengths of the service and areas for improvement;
- is reflective, honest and inclusive, using rigorous evidence-based approaches that take in a wide range of views from across a number of stakeholders;
- uses evidence-based practice to innovate and improve, while empowering schools to share effective practice within and between schools;
- regularly report on progress against the service improvement priorities, continually evaluating the impact of planned actions;
- uses the rich information from schools' development plans across the region to inform its own improvement planning and to review their professional learning and support offer to schools;
- develops and encourages a continuous improvement culture across all schools, informed by clear national expectations about what good looks like and embodying the 4 transversal themes of learning organisation: trust, time, thinking together and technology;

- uses information in line with the purposes of improvement, accountability, transparency and to support schools' own evaluation and capturing impact processes with information used and shared at individual school level;
- supports schools to develop their own evaluation processes which may include facilitating and brokering a range of professional learning and promoting opportunities for peer-to-peer working between schools on self-evaluation.

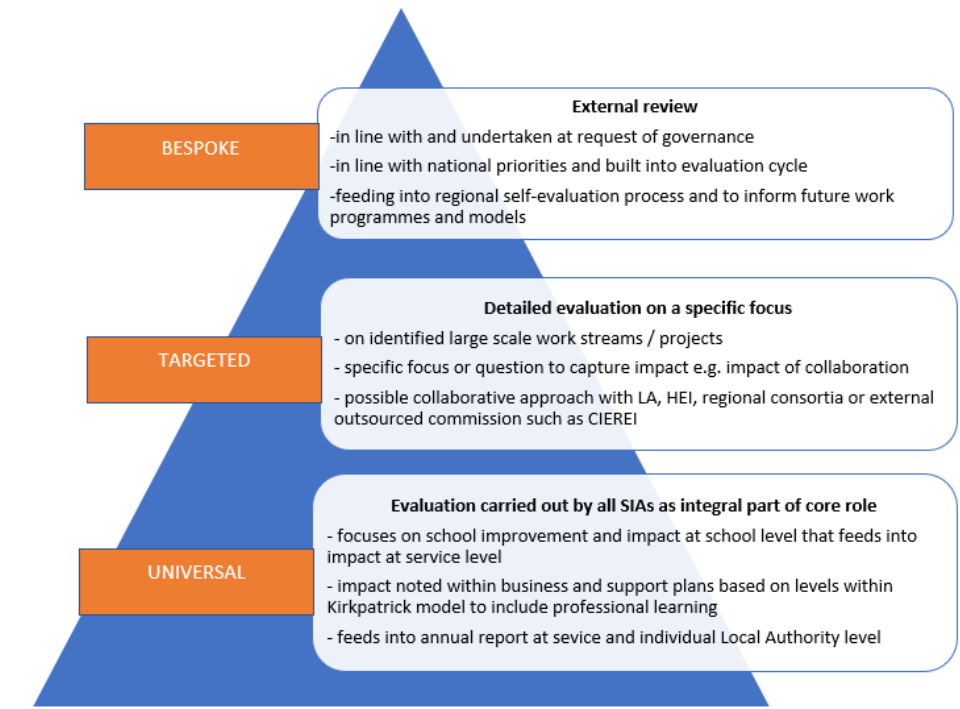
### 7.3 Evaluation Cycle and Capturing Impact Process

Evaluation and improvement planning is central to the work of the service. GwE uses a clear cycle of evaluation that is summarised in the following diagram:



Within this evaluation cycle, GwE undertakes a series of robust self-evaluation processes. The widest and richest possible range of information and data, both qualitative and quantitative, is used to inform the self-evaluation and improvement planning process.

In recognition of the wide range of work that the service undertakes, and in line with governance arrangements, a variety of evaluation approaches have been developed. The following illustration demonstrates the tiered approach that GwE has in place.



**Universal** encompasses those aspects of evaluation that all Supporting Improvement Advisers engage with and are captured both within support plans at a school and cluster/alliance level and through business plans at a regional and local level. This also includes evaluation of professional learning offered to schools.

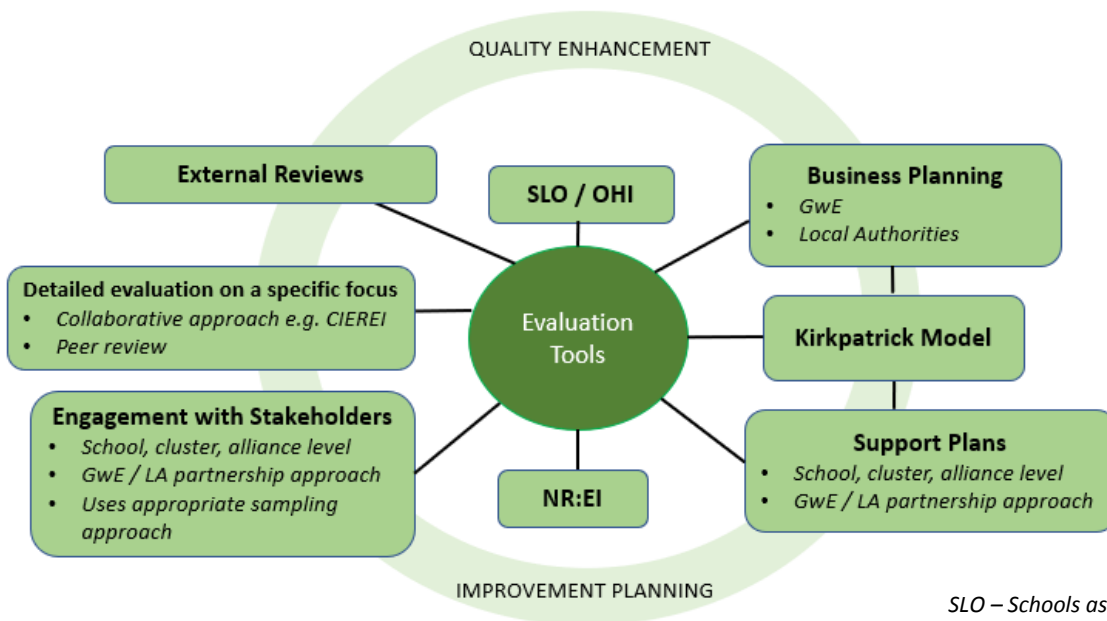
**Targeted** evaluation processes are planned for and carried out at regular intervals on a specific focus or theme. Evaluation may also be targeted in line with large work streams in line with priorities in order to identify impact and engage with a range of stakeholders as part of this. Within targeted evaluation processes, a collaborative approach with GwE and partners is often employed.

**Bespoke** evaluation forms the third layer of the approach whereby external reviews are used as part of the evaluation cycle. These evaluations will draw upon the commission of external parties to focus on specific aspects of the service in line with the governance arrangements.

When co-constructing outcomes for the actions and professional learning within business and support plans, Supporting Improvement Advisers consider the expected short-term outputs and longer-term impact. These outcomes should take into account the expected impact in the context of school provision, teaching, learning in schools and on the intended outcomes of the service.

#### 7.4 GwE Capturing Impact Framework

To gather evidence for the evaluation and improvement planning process, GwE draws upon a range of evaluation tools which are used within the tiered approach described above. These tools are used across the universal, targeted and bespoke level (described in Section 6.3) as appropriate and relevant to the evaluation focus. The infographic below shows the tools that are used with a brief description of each one.



SLO – Schools as Learning Organisation

OHI – Organisational Health Index

NR:EI – National Resource: Evaluation and Impact

### **Business Plans**

The GwE Business Planning process ensures clarity, accountability and strategic coordination in the delivery of the priorities on a local, regional and national level, and provides the structure for monitoring progress effectively.

Detailed business plans on all levels of planning address all aspects of the work of GwE, and clearly note the contribution of the service to the transformation agenda. Plans are fully costed, with clear success criteria and milestones for delivering objectives.

Throughout the year, reports associated with the priority streams within the Business Plan are reported through the governance groups. Progress is reported upon quarterly providing a progress report on regional priorities and also providing a local authority specific overview.

### **Support Plans**


As part of the expectations within the new School Improvement Framework, all schools and settings across the region have a support plan in place. Through regular professional dialogue with school leaders, the support plans have been co-constructed to allow for joint ownership. Each plan details the support to be offered by either GwE or Local Authority and expected outcomes and impact are acknowledged. Timescales and monitoring of the support are also identified.

Support plans also identify the collaborative work being undertaken across clusters and alliances and again expected outcomes and impact of the support given by GwE and LA are noted.



## **The Kirkpatrick Model**

Sitting within both the business and support plans is the Donald Kirkpatrick's Four Level Evaluation Model. This model is used to help capture the impact of support over time. The 4 levels are noted below and recognise that impact can be seen at different levels over time as learning and behaviours become embedded.



What			When
Level 4	RESULTS	Impact on results	Long term impact
Level 3	BEHAVIOUR	Impact on provision	Long term impact
Level 2	LEARNING	Impact on teachers	Short term output
Level 1	REACTION	Reaction to Professional Learning	Short term output

Using the Kirkpatrick model approach at a service level allows GwE to identify and capture impact in the short term with reaction and learning against the support and professional learning given to schools and settings. As changes in behaviour and provision over longer term are noted, impact will be captured at practitioner level. Through using the Kirkpatrick model as a service, GwE will support schools to identify where impact beyond provision and on learner outcomes can be captured.

### ***National Resource: Evaluation and Impact (NR:EI)***

GwE supports schools to engage with the NR:EI as part of developing effective and robust self-evaluation and improvement processes. The evaluation prompts, interactive resources and case studies are practical tools for schools to engage with as part of self-evaluation.

### ***Engagement with Stakeholders***

Engaging with stakeholders is an important aspect of the evaluation process across all aspects of the work undertaken by GwE. A variety of approaches are employed across both formal and informal feedback channels.

#### ***Formal Feedback***

Stakeholder questionnaires, surveys and focus groups are planned to ensure that information can feed into the improvement planning process, for example, all school leaders are invited to take part in a Headteacher forum in Spring term 2023 to identify areas of strength across the service in addition to areas for further development and future priorities. In line with the Kirkpatrick model, evaluation forms following professional learning activities also capture impact, considering reaction and learning in the first instance.

### ***Detailed evaluation on a specific focus***

Conducting detailed evaluations on a specific focus is an important aspect of the self-evaluation process across GwE. In line with business plans and large-scale projects and workstreams, these are requested at timely intervals and to focus on key priorities and themes. These evaluations are carried out by GwE colleagues, in partnership with Local Authorities and where appropriate, external partners are commissioned to include HEIs.

### ***Collaborative Institute for Education Research, Evidence and Impact (CIEREI)***

CIEREI is a formal strategic collaboration between GwE, Bangor University, schools, and other bodies and institutions interested in education outcomes. The primary aim of CIEREI is to support improving outcomes for

children through schools. CIEREI's establishment is the third phase in the development of a regional research and evaluation collaboration in North Wales and has been established.

Through the work of CIEREI, GwE has committed to a number of ongoing formal evaluations which contribute to building research capacity across the region and Wales as a system. Findings from these evaluations play an important role in feeding both into GwE's self-evaluation processes, whilst also capturing impact at school level with those schools engaging.

### ***External Reviews***

GwE engage with and draw upon the commission of external parties to focus on specific aspects of the service in line with the governance arrangements.

### ***Schools as Learning Organisation / Organisational Health Index (SLO / OHI)***

GwE also builds in opportunities for engaging with evaluation tools which include Learning Organisation (OECD and Welsh Government) and Organisational Health Index (McKinsey and Company). These surveys offer all staff an opportunity to input and findings of these surveys feed into improvement planning and allows GwE to learn from international practice.

## **7.5 Evaluation reports**

The evaluation processes and tools detailed above all help inform the work of the service and allow the impact of the support given to schools and settings to be identified and captured. This provides the evidence base for reporting on value for money. There are a variety of reporting formats to meet purpose and audience and in line with transparency to all stakeholders. Formats include:

- Monitoring and impact reports for governance structures, e.g., Management Board, Joint Committee, Local Authority Scrutiny meetings
- In line with expectations, termly reports for Welsh Government are written and shared which review progress made against priorities and in line with grant conditions.
- Additionally, GwE engages with Estyn in providing information for thematic reports as per the schedule set by Welsh Government.
- Through sharing practice with use of case studies:
  - regular communication channels, e.g., GwE bulletin, website, social media
  - network meetings and forums
  - workshops and/or conferences

## **7.6 Integrating Value for Money, Evaluation and Capturing Impact**

- VFM, evaluating and capturing impact must be a routine part of the decision-making process at all levels throughout GwE. This is particularly important in planning or reviewing activities with significant financial implications.
- As part of the integration of VFM into routine decision-making, Business Plan holders are asked to submit a short report or case study on applying the Evaluation Strategy and capturing impact in their business

plans detailing measures to improve economy, efficiency and effectiveness, and quantifying any financial benefits.

- Reports/Case studies should draw attention both to existing activities that demonstrate continuing VFM and to new opportunities for improving VFM.
- Business plan holders are well placed to identify opportunities for achieving greater VFM within their areas of responsibility. They will know what measures are likely to be effective, having regard to their particular circumstances and needs, and how to enlist the support and co-operation of staff.
- Where this has implications for Value for Money, we will promote the sharing of good practice throughout GwE. The adoption of good practice is one way of demonstrating that VFM has been sought and achieved. Where this is identified and potentially applicable to other plan holders, this will be appropriately communicated.

## **7.7 The benefits of VFM, Evaluation and Capturing Impact**

- Rather than acting on assumptions about what is currently carried out and produced, VFM principles provide officers with the opportunity to undertake a proper assessment of the objectives of an activity. This will maximise their chance of achieving the desired ends without unnecessary expenditure and effort. An assessment should also demonstrate that the proposed activity fits in with GwE's objectives and policies. Where this does not happen, an activity is, by definition, not achieving what GwE has set out to do.
- Through properly documented planning and monitoring the adoption of open processes involving all interested parties, staff can publicly demonstrate a commitment to achieving propriety as well as VFM. This is increasingly important in a world of growing accountability and responsibility and is absolutely essential for GwE whilst receiving core funding and grants. GwE has responsibility to show that it operates honestly, fairly and without bias.
- GwE needs to comply with legal and other associated requirements. By adopting and being able to demonstrate good practice, the risk of failing to identify and comply with such requirements is significantly reduced.
- All activities have risks attached. Incorporating risk management principles of identifying, evaluating and putting in place appropriate mitigation can contribute towards VFM. Although it is often not necessary to undertake a full risk assessment for every activity, an inadequate risk assessment, particularly for significant activities, can result in poor VFM.

## 7.8 Methods

An assessment of VFM can be achieved in a number of ways, for example:

- (i) through benchmarking an activity against similar activities in other organisations or institutions;
- (ii) by using performance indicators;
- (iii) through conducting VFM studies, evaluation and capturing impact (possibly in conjunction with other Consortia);
- (iv) by seeking out and then adopting recognised good practice where this can be adapted to GwE's circumstances;
- (v) through internal audit work; although internal audit has a primary responsibility for assessing the internal control system, the internal auditors are frequently well placed to assess and comment on VFM in the areas reviewed;
- (vi) through retaining documentation that show how an activity has been planned to build in VFM, and evidence of the good practices adopted; and
- (vii) by examining the results or outcomes of an activity.

## 7.9 Analytical Framework for assessing Value for Money

**Definition: Good value for money is the good value use of resources to achieve the intended outcomes**

1 Establishing what is 'good value'	2 Capturing the scale of resources	3 Identifying expected and actual outcomes
-------------------------------------	------------------------------------	--

Establish the criteria against which performance will be assessed by agreeing what good-value arrangements for the priority under scrutiny would look like. **'Good value' is defined as "the most desirable possible given expressed or implied restrictions or constraints."** Staff need to consider what reasonable constraints they need to take into account.

**Good value planning:** *Being clear about what is wanted.* For example:

- Well evidence-based initiative with clear objectives, based on appropriate best practice/ benchmarks, agreed targets etc.
- Realistic plans taking account of constraints and developed in the light of an understanding of risks
- Stakeholder support for plans
- Required resources in place to deliver to plan
- Clear understanding of what relevant costs should be

**Good-value implementation.** For example:

- Having the right expertise and managerial skills
- Selecting the best method of delivery
- Avoiding false economies
- Obtaining economies of scale through targeted work.
- Minimum sustainable impact of work
- Establishing clear and good VFM risk transfer

**Good-value monitoring:** *Being able to assess performance.* For example:

- Clear performance measures set and monitoring arrangements in place
- Sound performance management systems
- Sound policy evaluation process in place, with timely feedback
- Ability to make operational changes well in light of feedback
- Ongoing value testing
- VFM assessment methodology in place

Identify the resources involved – initially in the plans and later, as outturn – including (where appropriate):

- staff costs
- funding streams
- buildings
- savings

Identify the immediate, intermediate and long-term objectives and (where possible) outcomes. This needs to be done initially in considering the planned achievements and later, when considering actual achievements, including (where appropriate):

- performance against targets
- delivery record (including quantity and timeliness)
- unit costs
- economy and efficiency measures
- quality of service (including customer satisfaction record)
- adverse, perverse or unintended consequences

#### 4 Establishing the consequences for VFM of the identified level of performance (internal comparison)

Establish the consequences of the identified performance for value for money.

For example:

- were more/fewer resources employed than expected?
- was performance in terms of outputs/outcomes greater/less than expected?
- was performance better/worse than expected given the resources employed?
- do the arrangements in place match up to those of the chosen benchmark established at Step 1?
- were the outcomes achieved worth it given:
  - the scale of spend involved
  - the effort involved (and the opportunity cost)
  - their sustainability or otherwise over the medium to long term (e.g., can performance last or is it vulnerable to decline?)
  - the timing of benefits (short, medium or long term)
- does performance suggest there is a problem with VFM?

#### 5 Drawing an overall conclusion on the value for money achieved with these resources (external comparison)

were more/less resources used than expected?

Having identified achieved performance (1-3) and established how it compares with what was or could have been expected (4), finalise the VFM conclusion by comparing performance in this case with, where appropriate, external benchmarks such as:

- with alternative actions (could better VFM have been achieved by doing things differently)
- against accepted good practice or internal/external benchmarks
- comparisons with past years – trend analysis
- against stakeholder expectations

#### 6 Making recommendations to secure improved outcomes

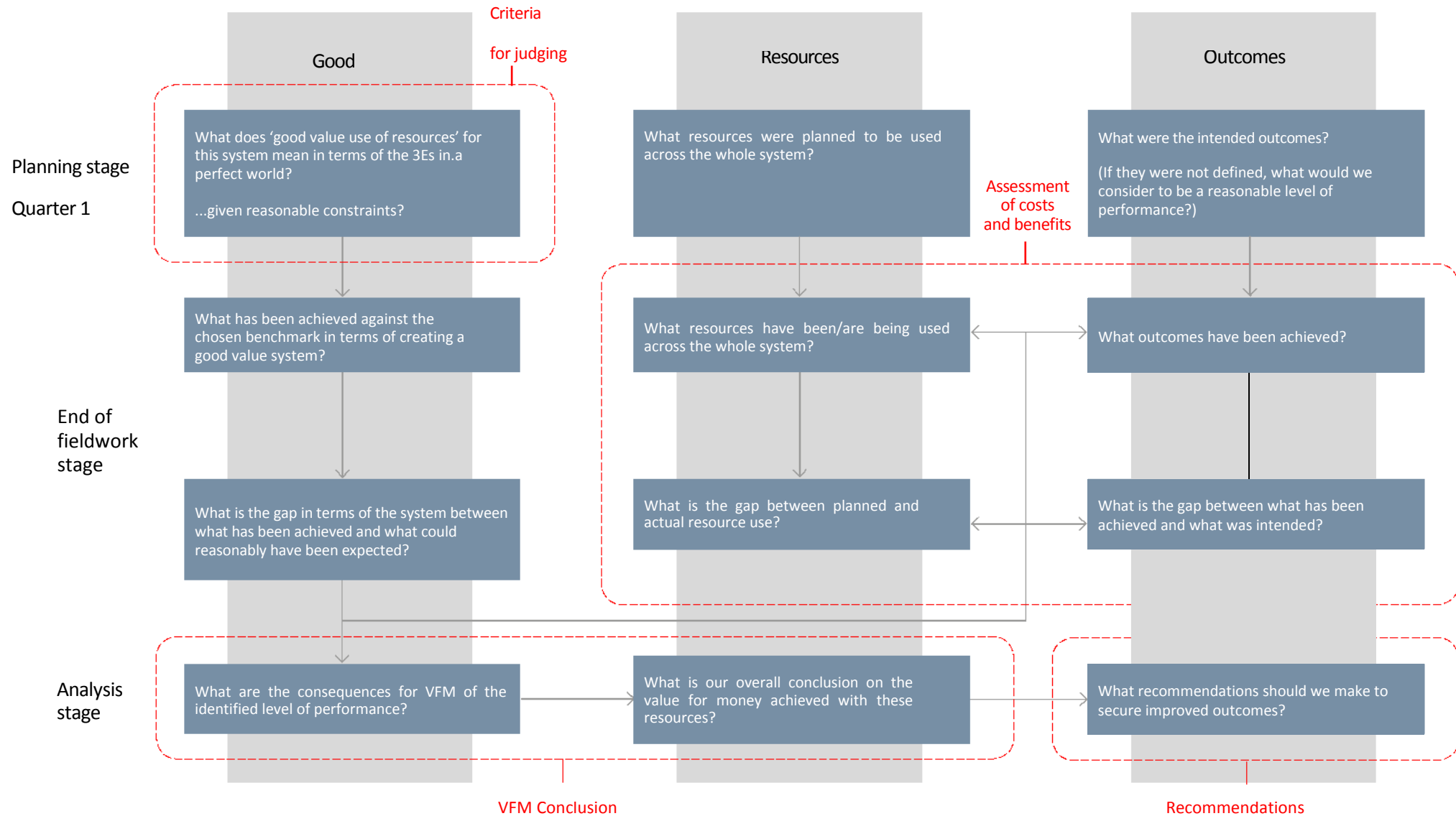
was performance in terms of products/outcomes better or worse than expected?

Having identified shortcomings in performance, make costed and timed recommendations for the individual organisation or for the government system more widely, designed to improve the policy implementation process, and lead to better VFM, by:

- correcting weaknesses
- improving processes and practices
- reducing costs
- improving performance
- securing savings
- raising awareness of policy benefits
- improving management information
- ending activities or policy where necessary
- reorganising processes and practices

Good VFM is the GOOD VALUE USE of RESOURCES to achieve the intended OUTCOMES

Framework of questions for assessing VFM



## 8 IDENTIFIED ACTIONS:

- Develop a Financial Strategy for 2023/24, including a financial strategy for the medium case scenario. Should the worst-case scenario transpire, this would require revisiting fundamental principles
- Access all activity against GwE's Service Priorities and Operating Principles
- Assess the need for reserves to enable GwE to deliver against its service priorities
- Develop a vision for the provision of services by GwE for the year 2023/24
- Review the MTFP as relevant information is made available to GwE
- Review the present operating model to ensure that there is a clear focus on improving quality across the service
- Work with Welsh Government officials to develop a commitment on future indicative
- Develop clarity between National and Local priorities so that they complement one another and do not compete
- Review GwE's structure and implement restructuring