

Agenda – Finance Committee

Meeting Venue: Hybrid – Committee
room 3, Senedd and video conference
via Zoom

For further information contact:

Owain Roberts

Committee Clerk

Meeting date: 21 January 2026

0300 200 6565

Meeting time: 09.30

SeneddFinance@senedd.wales

Registration

(09.00 – 09.15)

Private pre-meeting

(09.15 – 09.30)

1 Introductions, apologies, substitutions and declarations of interest

(09.30)

2 Paper(s) to note

(09.30)

(Pages 1 – 21)

2.1 PTN 1 – Letter from the Cabinet Secretary for Finance and Welsh Language: Welsh Revenue Authority appointment – 27 November 2025

(Page 22)

2.2 PTN 2 – Letter from the Cabinet Secretary for Finance and Welsh Language to the Chair of the Economy, Trade, and Rural Affairs Committee: Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill – 27 November 2025

(Pages 23 – 24)

2.3 PTN 3 – Post-legislative review of the Public Services Ombudsman (Wales) Act 2019: Response to the Committee's report – 5 December 2025

(Pages 25 – 26)



- 2.4 PTN 4 – Letter from the Legislation, Justice and Constitution Committee to Welsh Government: Welsh Government's Draft Budget 2026–27 – Justice – 12 December 2025**
(Pages 27 – 29)
- 2.5 PTN 5 – British Sign Language (Wales) Bill: Welsh Government response to the Finance Committee's report – 28 November 2025**
(Pages 30 – 31)
- 2.6 PTN 6 – British Sign Language (Wales) Bill: Response from the Member in Charge of the Bill to the Finance Committee's report – 27 November 2025**
(Pages 32 – 36)
- 2.7 PTN 7 – British Sign Language (Wales) Bill: Response from the Member in Charge of the Bill to the Equality and Social Justice Committee's report – 12 December 2025**
(Pages 37 – 44)
- 2.8 PTN 8 – British Sign Language (Wales) Bill: Response from the Member in Charge of the Bill to the Legislation, Justice and Constitution Committee's report – 10 December 2025**
(Pages 45 – 47)
- 2.9 PTN 9 – Welsh Government Draft Budget 2026–27: Additional Evidence – Cymorth Cymru and Community Housing Cymru (CHC) – December 2025**
(Pages 48 – 66)
- 2.10 PTN 10 – Welsh Government Draft Budget 2026–27: Additional Evidence – Care Forum Wales, Homecare Association and Cymorth Cymru – December 2025**
(Pages 67 – 79)
- 2.11 PTN 11 – Welsh Government Draft Budget 2026–27: Additional Evidence – Wales Women's Budget Group and the Women's Equality Network (WEN) Wales – December 2025**
(Pages 80 – 84)

- 2.12 PTN 12 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Outturn figures from 2024–25 in comparison to the proposed figures for
2026–27 – 16 December 2025**
(Pages 85 – 88)
- 2.13 PTN 13 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Welsh Government – Report on Outturn 2024–25 – 22 December 2025**
(Pages 89 – 123)
- 2.14 PTN 14 – Letter from the Cabinet Secretary for Housing and Local
Government: Auditing of Local Government accounts – 17 December 2025**
(Pages 124 – 125)
- 2.15 PTN 15 – Building Safety (Wales) Bill: Welsh Government response to the
Finance Committee's report – 19 December 2025**
(Pages 126 – 129)
- 2.16 PTN 16 – Building Safety (Wales) Bill: Welsh Government response to the
Local Government and Housing Committee's report – 19 December 2025**
(Pages 130 – 160)
- 2.17 PTN 17 – Building Safety (Wales) Bill: Welsh Government response to the
Legislation, Justice and Constitution Committee's report – 19 December 2025**
(Pages 161 – 169)
- 2.18 PTN 18 – Prohibition of Greyhound Racing (Wales) Bill: Welsh Government
response to the Culture, Communications, Welsh Language, Sport, and
International Relations Committee's report – 5 January 2026**
(Pages 170 – 174)
- 2.19 PTN 19 – Prohibition of Greyhound Racing (Wales) Bill: Welsh Government
response to the Legislation, Justice and Constitution Committee's report – 5
January 2026**
(Pages 175 – 179)
- 2.20 PTN 20 – Letter from Industry Wales: Industry Wales – 2024–25 Audit
Opinion and Reflections on the 2023–24 Disclaimer – 8 January 2026**
(Pages 180 – 184)

- 2.21 PTN 21 – Senedd Cymru (Member Accountability and Elections) Bill: Welsh Government response to the Finance Committee's report – 9 January 2026**
(Pages 185 – 187)
- 2.22 PTN 22 – Senedd Cymru (Member Accountability and Elections) Bill: Welsh Government response to the Member Accountability Bill Committee's report – 9 January 2026**
(Pages 188 – 193)
- 2.23 PTN 23 – Senedd Cymru (Member Accountability and Elections) Bill: Welsh Government response to the Legislation, Justice and Constitution Committee's report – 9 January 2026**
(Pages 194 – 200)
- 2.24 PTN 24 – Senedd Cymru (Member Accountability and Elections) Bill: Senedd Commission response to the Finance Committee's report – 13 January 2026**
(Pages 201 – 202)
- 2.25 PTN 25 – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs: Inter-Ministerial Standing Committee – 9 January 2026**
(Page 203)
- 2.26 PTN 26 – Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill: Welsh Government response to the Finance Committee's report – 9 January 2026**
(Pages 204 – 206)
- 2.27 PTN 27 – Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill: Further information from the Welsh Government to the Legislation, Justice and Constitution Committee – 9 January 2026**
(Pages 207 – 209)
- 2.28 PTN 28 – Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill: Welsh Government preliminary responses to specific Economy, Trade and Rural Affairs Committee report recommendations – 12 January 2026**
(Pages 210 – 216)

- 2.29 PTN 29 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Welsh Government's Barnett formula consequential arising from the UK
Government's autumn budget – 15 January 2026**
(Pages 217 – 218)
- 2.30 PTN 30 – Welsh Government Final Budget 2026–27: Response from the Office
for Budget Responsibility to the Finance Committee's report recommendation
– 16 January 2026**
(Page 219)
- 3 Welsh Government Final Budget 2026–27: Evidence session**
(09.30 – 10.30) (Pages 220 – 229)
Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language,
Welsh Government
Andrew Jeffreys, Director Treasury, Welsh Government
Emma Watkins, Deputy Director, Budget and Government Business, Welsh
Government
- 4 Motion under Standing Order 17.42 (ix) to resolve to exclude the
public from the remainder of this meeting**
(10.30)
- 5 Welsh Government Final Budget 2026–27: Consideration of
evidence**
(10.30 – 10.45)
- 6 Second Supplementary Budget 2025–26: Requests from the
Directly Funded Bodies**
(10.45 – 11.15) (Pages 230 – 259)
- 7 Finance Committee Legacy work – Sixth Senedd: Consideration of
scoping paper**
(11.15 – 11.30) (Pages 260 – 269)
- 8 Approval of Audit Wales Fee Scheme 2026–27**
(11.30 – 11.35) (Pages 270 – 293)

9 Legislative Consent Memorandum (LCM) on the Finance (No. 2) Bill
(11.35 – 11.45) (Pages 294 – 298)

Supporting documents:

[LCM on the Finance \(No. 2\) Bill](#) (PDF, 119KB)

[LCM timetable: Finance \(No. 2\) Bill](#) (PDF, 73KB)

Concise Minutes – Finance Committee

Meeting Venue: **Hybrid – Committee room 5 Tŷ Hywel and video conference via Zoom**

Meeting date: Thursday, 18 September 2025

Meeting time: 10.00 – 13.40

This meeting can be viewed on [Senedd TV](#) at:

<http://senedd.tv/en/15354>

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Mike Hedges MS Sam Rowlands MS
Witnesses:	Adrian Crompton, Auditor General for Wales, Audit Wales Dr Ian Rees, Chair of the Wales Audit Office Board, Audit Wales Ann-Marie Harkin, Executive Director for Audit Services, Audit Wales Kevin Thomas, Executive Director for Corporate Services, Audit Wales Jane Hutt MS, Cabinet Secretary for Social Justice, Trefnydd and Chief Whip Amira Evans, Head of Equalities, Welsh Government Bethany Thomas, British Sign Language Policy Manager, Welsh Government
Committee Staff:	Owain Roberts (Clerk)



	Georgina Owen (Second Clerk) Mike Lewis (Deputy Clerk) Martin Jennings (Researcher) Peter Davies (Researcher) Christian Tipples (Researcher) Ben Harris (Legal Adviser)
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Registration

Private pre-meeting

1 Introductions, apologies, substitutions and declarations of interest

1.1 The Chair welcomed Members to the meeting of the Finance Committee.

1.2 Apologies were received from Rhianon Passmore MS. There was no substitute for Rhianon Passmore MS.

1.3 Members declared the following relevant interests under Standing Order 17.24A:

- Mike Hedges MS declared that he has a sister who is profoundly hard of hearing and a user of British Sign Language. He also declared that he has worked on the development of the Bill alongside the Member in charge.

2 Paper(s) to note

2.1 The papers were noted.

- 2.1 PTN 1 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Finance: Interministerial Standing Committee (F:ISC) – 8 July 2025
- 2.2 PTN 2– Letter from the Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs: Inter–Ministerial Standing Committee (IMSC) – 14 July
2025
- 2.3 PTN 3 – Letter from the First Minister of Wales: Inter–Institutional Relations
Agreement: 43rd British–Irish Council Summit – 22 July 2025
- 2.4 PTN 4 – Women’s Equality Network (WEN) Wales: Briefing – New research on the
childcare needs of families in Wales – July 2025
- 2.5 PTN 5 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Consultation on reviewing the Public Audit (Wales) Act 2013 – 11 July 2025
- 2.6 PTN 6 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Financial information for Directly Funded Bodies to consider in their budget
planning – 11 July 2025
- 2.7 PTN 7 – Letter from the Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs: Disused Mine and Quarry Tips (Wales) Bill – Stage 4 – 11
July 2025
- 2.8 PTN 8 – Letter from the Welsh Local Government Association (WLGA):
Homelessness and Social Housing Allocation (Wales) Bill – 15 July 2025
- 2.9 PTN 9 – Letter from the Chair of the Local Government and Housing Committee to
the Welsh Local Government Association (WLGA): Homelessness and Social
Housing Allocation (Wales) Bill – 18 July 2025
- 2.10 PTN 10 – Letter from the Welsh Local Government Association (WLGA):
Homelessness and Social Housing Allocation (Wales) Bill – 1 August 2025

- 2.11 PTN 11 – Letter from the Cabinet Secretary for Housing and Local Government:
Additional information on the Homelessness and Social Housing Allocation (Wales)
Bill – 27 August 2025
- 2.12 PTN 12 – Letter from the Senedd Commission: Update to recommendations made
in the Committee's report on the Scrutiny of the Senedd Commission Draft Budget
2025–26 – 15 July 2025
- 2.13 PTN 13 – Letter from Audit Wales: Notification of audit deadline position – Powys
Teaching Health Board – 21 July 2025
- 2.14 PTN 14 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Office for National Statistics and the Census 2031 – 4 August 2025
- 2.15 PTN 15 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Barnett formula consequential from the UK Spending Review (11 June) – 5 August
2025
- 2.16 PTN 16 – Welsh Government response to the Committee's report on the First
Supplementary Budget 2025–26 – 18 August 2025
- 2.17 PTN 17 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Welsh Rates of Income Tax – Outturn Statistics 2023–24 – 21 August 2025
- 2.18 PTN 18 – Additional information from National Energy Action relating to fuel
poverty in Wales – 7 August 2025
- 2.19 PTN 19 – Letter from the Chair of the Northern Ireland Assembly Committee for
Finance: Northern Ireland Fiscal Council Bill – 22 July 2025
- 2.20 PTN 20 – Letter to the Chair of the Northern Ireland Assembly Committee for
Finance: Northern Ireland Fiscal Council Bill – 8 September 2025

**2.21 PTN 21 – Letter from the Cabinet Secretary for Economy, Energy and Planning:
Inter-Ministerial Group for Business and Industry (IMG) – 2 September 2025**

**2.22 PTN 22 – Letter from the Cabinet Secretary for Economy, Energy and Planning:
Inter-Ministerial Group for Business and Industry – 10 September 2025**

**2.23 PTN 23 – Letter from Cabinet Secretary for Transport and North Wales: Response
to the Committee's report on the Bus Services (Wales) Bill – 8 September 2025**

3 Audit Wales – Scrutiny of the Annual Report and Accounts 2024–25 and the Annual Plan 2025–26: Evidence session

3.1 The Committee took evidence on Audit Wales’s Annual Report and Accounts 2024–25 and the Annual Plan 2025–26 from Adrian Crompton, Auditor General for Wales, Audit Wales; Dr Ian Rees, Chair of the Wales Audit Office, Audit Wales; Kevin Thomas, Executive Director of Corporate Services, Audit Wales; and Ann-Marie Harkin, Executive Director for Audit Services, Audit Wales.

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from items 5 to 11 and 13; and the start of the meeting on 24 September 2025

4.1 The motion was agreed.

5 Audit Wales – Scrutiny of the Annual Report and Accounts 2024–25 and the Annual Plan 2025–26: Consideration of evidence

5.1 The Committee considered the evidence received.

6 Appointment of the Auditor General for Wales: Update

6.1 The Committee considered the documents in relation to the appointment of the Auditor General for Wales and agreed the actions included within the cover paper.

7 Chair's Forum – Consultation: Reviewing Committee Effectiveness in the Sixth Senedd

7.1 The Committee considered the cover paper and the Llywydd's letter and agreed to submit a response to the Chairs' Forum consultation on Reviewing Committee Effectiveness.

8 Changes to the Budget Process Protocol and related budgetary procedures: Update

8.1 The Committee considered the cover paper and the Cabinet Secretary's letter in relation to the Budget Process Protocol and related budgetary procedures, and agreed to write to the Cabinet Secretary and the Directly Funded Bodies.

9 Consideration of Forward Work Programme

9.1 The Committee considered its Forward Work Programme.

10 Scrutiny of the Welsh Government Draft Budget 2026–27: Approach to scrutiny

10.1 The Committee considered the cover paper on the approach to Draft Budget scrutiny 2026–27 and agreed the action points within it.

11 Financial implications of the Planning (Wales) Bill and the Planning (Consequential Provisions) (Wales) Bill

11.1 The Committee considered the cover paper in relation to the Bills and agreed to write to the Counsel General and Minister for Delivery with specific questions.

Break

Public

12 Financial implications of the British Sign Language (Wales) Bill: Evidence session

12.1 The Committee took evidence on the Financial implications of the British Sign Language (Wales) Bill from Jane Hutt MS, Cabinet Secretary for Social Justice, Trefnydd and Chief Whip; Amira Evans, Head of Equalities, Welsh Government; and Bethany Thomas, British Sign Language Policy Manager, Welsh Government.

Private

13 Financial implications of the British Sign Language (Wales) Bill: Consideration of evidence

13.1 The Committee considered the evidence received.

Concise Minutes – Finance Committee

Meeting Venue: **Hybrid – Committee room 5 Tŷ Hywel and video conference via Zoom**

This meeting can be viewed on [Senedd TV](#) at:

<http://senedd.tv/en/15645>

Meeting date: Wednesday, 24 September 2025

Meeting time: 09.30 – 11.17

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Mike Hedges MS Sam Rowlands MS
Witnesses:	Tom Nicholls, Chief Economist, Welsh Treasury Ceri Greenall, Senior Fiscal Analyst, Welsh Treasury Mark Isherwood MS, Member in Charge of the Bill Martin Jennings, Senedd Research, Senedd Commission Gareth Rogers, Bill Manager, Senedd Commission
Committee Staff:	Owain Roberts (Clerk) Sian Giddins (Second Clerk) Mike Lewis (Deputy Clerk) Božo Lugonja (Researcher) Christian Tipples (Researcher)



At its meeting on 18 September 2025, the Committee agreed a motion under Standing Order 17.42(ix) to exclude the public from the start of today's meeting.

Registration

Private pre-meeting

1 Welsh Government Draft Budget 2026–27 – Pre-budget scrutiny: Chief Economist

1.1 The Committee received a pre-budget technical briefing from Thomas Nicholls, Chief Economist, Welsh Government; and Ceri Greenall, Senior Fiscal Analyst, Welsh Government.

Break

Public

2 Introductions, apologies, substitutions and declarations of interest

2.1 The Chair welcomed Members to the meeting of the Finance Committee.

2.2 Apologies were received from Rhianon Passmore MS. There was no substitute for Rhianon Passmore MS.

3 Financial implications of the British Sign Language (Wales) Bill: Evidence session 2

3.1 The Committee took evidence on the financial implications of the British Sign Language (Wales) Bill from Mark Isherwood MS, Member in Charge of the Bill; Gareth Rogers, Bill Manager, Senedd Commission; and Martin Jennings, Senedd Research, Senedd Commission.

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting.

4.1 The motion was agreed.

**5 Financial implications of the British Sign Language (Wales) Bill:
Consideration of evidence**

5.1 The Committee considered the evidence received.

**6 Welsh Government Draft Budget 2026–27 – Pre–budget scrutiny –
Chief Economist: Consideration of evidence**

The Committee considered the evidence received.

**7 Post–legislative review of the Public Services Ombudsman (Wales) Act
2019: Consideration of draft report**

7.1 The Committee considered its draft report and agreed it with no changes.

Concise Minutes – Finance Committee

Meeting Venue: **Hybrid – Committee room 4 Tŷ Hywel and video conference via Zoom**

This meeting can be viewed on [Senedd TV](http://senedd.tv) at: <http://senedd.tv/en/15383>

Meeting date: Wednesday, 1 October 2025

Meeting time: 09.30 – 12.00

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Mike Hedges MS Sam Rowlands MS Julie Morgan MS (In place of Rhianon Passmore MS)
Witnesses:	Elin Jones MS, Llywydd, Senedd Commission Manon Antoniazzi, Chief Executive and Clerk of the Senedd, Senedd Commission Ed Williams, Director of Senedd Resources, Senedd Commission Lisa Bowkett, Chief Finance Officer, Senedd Commission Jayne Bryant MS, Cabinet Secretary for Housing and Local Government, Welsh Government Tania Nicholson, Deputy Director, Housing Quality, Welsh Government Audrey Johns, Head of Building Safety Occupation Phase Policy, Welsh Government



	Adrian Davies, Bill Manager, Welsh Government
Committee Staff:	Owain Roberts (Clerk) Sian Giddins (Second Clerk) Georgina Owen (Second Clerk) Mike Lewis (Deputy Clerk) Owen Holzinger (Researcher) Martin Jennings (Researcher) Joanne McCarthy (Researcher) Christian Tipples (Researcher)

Registration

Private Pre-meeting

1 Introductions, apologies, substitutions and declarations of interest

1.1 The Chair welcomed Members to the meeting of the Finance Committee.

1.2 Apologies were received from Rhianon Passmore MS. Julie Morgan MS substituted for Rhianon Passmore MS.

2 Scrutiny of the Senedd Commission Draft Budget 2026–27: Evidence session

2.1 The Committee took evidence on the Senedd Commission Draft Budget 2026–27 from Elin Jones AS, Llywydd, Senedd Commission; Manon Antoniazzi, Chief Executive and Clerk of the Senedd, Senedd Commission; Lisa Bowkett, Chief Finance Office, Senedd Commission; and Ed Williams, Director of Resources, Senedd Commission.

Break

3 Financial implications of the Building Safety (Wales) Bill: Evidence session

3.1 The Committee took evidence on the financial implications of the Building Safety (Wales) Bill from Jayne Bryant MS, Cabinet Secretary for Housing and Local Government, Welsh Government; Tania Nicholson, Deputy Director, Housing Quality, Welsh Government Audrey Johns, Head of Building Safety Occupation Phase Policy, Welsh Government; and Adrian Davies, Bill Manager, Welsh Government.

3.2 The Cabinet Secretary for Housing and Local Government agreed to provide a note on the following:

- A breakdown of the costs and benefits as stated in the Regulatory Impact Assessment, in relation to the specific policy requirements of the Bill.
- A breakdown of the £25.51 million in administrative costs for the Welsh Government in relation to specific activities, and where it will incur ongoing costs.
- Clarification on whether any costs faced by leaseholders or residents in relation to the Bill will be outside of the rent cap.

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting.

4.1 The motion was agreed.

5 Financial implications of the Building Safety (Wales) Bill: Consideration of evidence

5.1 The Committee considered the evidence received.

6 Scrutiny of the Senedd Commission Draft Budget 2026–27: Consideration of evidence

6.1 The Committee considered the evidence received.

7 Financial implications of the Homelessness and Social Housing Allocation (Wales) Bill: Consideration of draft report

7.1 The Committee considered its report and agreed it with no changes.

8 Financial implications of the Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill: Consideration of draft report

8.1 The Committee considered its report and agreed it with minor changes.

9 Financial implications of the Prohibition of Greyhound Racing (Wales) Bill

9.1 The Committee considered the cover paper in relation to the Prohibition of Greyhound Racing (Wales) Bill and agreed to write to the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs with specific questions.

10 Chair's Forum – Consultation: Reviewing Committee Effectiveness in the Sixth Senedd: Consideration of draft response

10.1 The Committee considered its draft consultation response and agreed it with minor changes.

Concise Minutes – Finance Committee

Meeting Venue: **Hybrid – Committee room 4 Tŷ Hywel and video conference via Zoom**

This meeting can be viewed on [Senedd TV](http://senedd.tv) at: <http://senedd.tv/en/15384>

Meeting date: Thursday, 16 October 2025

Meeting time: 09.30 – 12.53

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Mike Hedges MS Peter Fox MS (In place of Sam Rowlands MS) Julie Morgan MS (In place of Rhianon Passmore MS)
Witnesses:	Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language Andrew Jeffreys, Director Treasury, Welsh Government Jodye Kershaw, Head of Budget Policy & Delivery, Welsh Government Michelle Morris, Public Services Ombudsman for Wales Katrin Shaw, Executive Director, Casework and Legal, Public Services Ombudsman for Wales Heather Beynon, Executive Director, Corporate Resources, Public Services Ombudsman for Wales
Committee Staff:	Owain Roberts (Clerk)



	Sian Giddins (Second Clerk) Božo Lugonja (Researcher) Mike Lewis (Deputy Clerk)
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Registration

Private Pre-meeting

1 Introduction, apologies, substitutions and declarations of interest

1.1 The Chair welcomed Members to the meeting of the Finance Committee.

1.2 Apologies were received from Rhianon Passmore MS. Julie Morgan MS substituted for Rhianon Passmore MS.

1.3 Apologies were received from Sam Rowlands MS. Peter Fox MS substituted for Sam Rowlands MS.

2 Paper(s) to note

2.1 The papers were noted.

- 2.1 PTN 1 – Letter from the Cabinet Secretary for Finance and Welsh Language:
Finance: Interministerial Standing Committee (F:ISC) – 8 July 2025**
- 2.2 PTN 2 – Letter from the Public and Commercial Services (PCS) Union: Senedd
Commission Draft Budget 2026–27 – 30 September 2025**
- 2.3 PTN 3 – Letter from the Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs: Prohibition of Greyhound Racing (Wales) Bill – Statement
of Policy Intent – 29 September 2025**
- 2.4 PTN 4 – Letter from the Counsel General and Minister for Delivery: Financial
implications of the Planning consolidation Bills – 10 October 2025**

3 Welsh Government Draft Budget 2026–27: Evidence session 1

3.1 The Committee took evidence on the Welsh Government Draft Budget 2026–27 from Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language, Welsh Government; Andrew Jeffreys, Director Treasury, Welsh Government; and Jodye Kershaw, Head of Budget Policy and Delivery, Welsh Government.

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from items 5, 6, 8 and 9.

4.1 The motion was agreed.

5 Welsh Government Draft Budget 2026–27: Consideration of evidence with Welsh Youth Parliament Members

5.1 The Committee invited Members of the Welsh Youth Parliament to consider the Cabinet Secretary’s evidence on the Draft Budget 2026–27.

5.2 The Cabinet Secretary responded to questions from Members of the Welsh Youth Parliament.

6 Welsh Government Draft Budget 2026–27: Consideration of evidence

6.1 The Committee considered the evidence received.

7 Public Services Ombudsman for Wales – Annual Report and Accounts 2024–25, and Estimate 2026–27: Evidence session

7.1 The Committee took evidence on the Public Services Ombudsman for Wales’s Annual Report and Accounts 2024–25, and Estimate 2026–27 from Michelle Morris, Public Services Ombudsman for Wales; Katrin Shaw, Executive Director, Casework and Legal; and Heather Beynon, Executive Director, Corporate Resources.

8 Public Services Ombudsman for Wales – Annual Report and Accounts 2024–25, and Estimate 2026–27: Consideration of evidence

8.1 The Committee considered the evidence received.

9 Scrutiny of the Senedd Commission Draft Budget 2026–27: Consideration of draft report

9.1 The Committee considered its draft report and agreed it with minor changes.

Concise Minutes – Finance Committee

Meeting Venue: Video Conference via
Zoom
Meeting date: Wednesday, 22 October
2025
Meeting time: 09.57 – 11.32

This meeting can be viewed
on [Senedd TV](#) at:
<http://senedd.tv/en/15647>

Hybrid

Attendance

Category	Names
Members of the Senedd:	Peredur Owen Griffiths MS (Chair) Mike Hedges MS Janet Finch-Saunders MS
Witnesses:	David Phillips, Associate Director, Institute for Fiscal Studies Dr Ed Poole, Senior Lecturer, Wales Governance Centre (Wales Fiscal Analysis) Guto Ifan, Lecturer, Wales Governance Centre (Wales Fiscal Analysis)
Committee Staff:	Owain Roberts (Clerk) Mike Lewis (Deputy Clerk) Martin Jennings (Researcher) Christian Tipples (Researcher)

1 Introductions, apologies, substitutions and declarations of interest

1.1 The Chair welcomed Members to the meeting of the Finance Committee.



1.2 Apologies were received from Rhianon Passmore MS. There was no substitute for Rhianon Passmore MS.

1.3 Apologies were received from Sam Rowlands MS. Janet Finch–Saunders MS substituted for Sam Rowlands MS.

2 Paper(s) to note

2.1 The paper was noted.

2.1 PTN1 – Letter from the Business Committee – Review of the Public Bill and Member Bill processes: publication of pre–introduction Bills – 10 October 2025

2.1.1. The Committee considered the letter from Business Committee and agreed to respond to its review of the Public Bill and Member Bill processes.

3 Welsh Government Draft Budget 2026–27: Evidence session 2

3.1 The Committee took evidence on the Welsh Government Draft Budget 2026–27 from David Phillips, Associate Director, Institute for Fiscal Studies; Dr Ed Poole, Senior Lecturer, Wales Governance Centre (Wales Fiscal Analysis); and Guto Ifan, Lecturer, Wales Governance Centre (Wales Fiscal Analysis).

4 Motion under Standing Order 17.42 (ix) to resolve to exclude the public from the remainder of this meeting

4.1 The motion was agreed.

5 Welsh Government Draft Budget 2026–27: Consideration of evidence

5.1 The Committee considered the evidence received.

6 British Sign Language (Wales) Bill: Consideration of draft report

6.1 The Committee considered its draft report and agreed it with no changes.

7 Update on changes to the Budget Protocol and related procedures

7.1 The Committee considered and agreed the draft letters to the Cabinet Secretary for Finance and Welsh Language, and the Directly Funded Bodies.

Agenda Item 2.1

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg

Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair of the Finance Committee
Senedd
Cardiff CF99 1SN

27 November 2025

Dear Peredur,

I am writing to inform you that, following an open and fair competition conducted in line with the Civil Service Commission's Recruitment Principles, Rebecca Godfrey has been appointed as Chief Executive of the Welsh Revenue Authority (WRA).

Rebecca Godfrey has been serving as the WRA's Interim Chief Executive, following Dyfed Alsop's departure in April. Prior to that, Rebecca was the Chief Operating Officer at the WRA. She brings significant experience of operational leadership and delivery within the WRA.

I would also like to place on record my thanks to Dyfed Alsop for his seven years of leadership as Chief Executive, establishing and growing Wales' tax authority.

Rebecca would be willing to attend Committee to discuss her role and the work of the WRA at any time. I hope you and the members of the Finance Committee find this update helpful

Yours sincerely,



Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg

Cabinet Secretary for Finance and Welsh Language

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Correspondence.Mark.Drakeford@gov.wales
Gohebiaeth.Mark.Drakeford@llyw.cymru

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

FIN(6)-28-25 P1

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Andrew RT Davies MS
Chair, Economy, Trade, and Rural Affairs Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

27 November 2025

Dear Andrew,

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Thank you for your letter following the final evidence session on the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill on 20 November. Please find my response below to the additional questions set out in your letter.

Fire Safety Risk Assessment

I agree with South Wales Fire and Rescue Service (SWFRS) that a visitor accommodation provider should consider whether they are sufficiently competent to conduct a fire risk assessment themselves, or whether they should appoint somebody else to conduct the assessment on their behalf, as set out in our statutory guidance on [fire safety in guest accommodation](#). The Bill is clear that the ultimate responsibility for this assessment rests with the visitor accommodation provider, as does the responsibility to put appropriate precautions in place. This reflects the wider approach in the Bill to be clear that responsibility for ensuring the accommodation is fit rests with the provider.

I do not agree, however, with SWFRS' literal interpretation of section 9 that a visitor accommodation provider would be required to conduct the assessment personally. The wording of the requirement is similar to that in article 9(1) of the Fire Safety Order, which provides that "the responsible person must make a suitable and sufficient [fire risk] assessment". It is common practice and entirely lawful for responsible persons to discharge this duty by contracting with an external provider or delegating the task to another suitably qualified person. The same is true for the duty under the Bill. As such, I do not believe any amendment in this respect is necessary.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Smoke Alarms

I also agree with SWFRS that risk should determine the degree of the detection provided, and this should be informed by a suitable and sufficient fire risk assessment, considering the specific circumstances and requirements of the accommodation or premises in question. However, I believe there is added value in visitor accommodation providers being required to demonstrate compliance with a specific minimum standard as part of the licensing process.

The Bill is clear that a visitor accommodation provider must ensure there is at least one functioning smoke alarm for each storey of the premises, notwithstanding the precautions they have otherwise identified as necessary. This minimum requirement in the Bill simply sets out a demonstrable standard all providers of regulated visitor accommodation must meet. It does not supersede their responsibilities under the Fire Safety Order to make their own assessment and put appropriate equipment in place for the detection and warning of fire; nor does it preclude the installation of additional alarms where the assessment of risk justifies the need. We will make this clear in guidance and training on the scheme.

This is also consistent with the approach taken in The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022, which introduced a similar requirement in the private rented sector.

However, as these matters have been raised with the Committee by both SWFRS, and Mid and West Wales Fire and Rescue Services, and you in turn have raised them with me, I have asked officials to consider the requirements under section 9 more generally, with a view to considering whether any amendments could or should be made to the Bill at Stage 2, to ensure it better reflects the existing obligations under the Fire Safety Order.

I look forward to seeing the Committee's report and recommendations on the Bill, and discussing them at the general principles debate.

I am copying this letter to the Chairs of the Finance and Legislation, Justice and Constitution Committees for their information.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Drakeford". The signature is written in a cursive style and is contained within a light grey rectangular box.

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Date:	5 December 2025	Ask for: Michelle Morris
		 01656 641150  Executive.Assistant @ombudsman.wales

Chair of Finance Committee

Dear Peredur

Re: Post-legislative review of the Public Services Ombudsman (Wales) Act 2019

Further to the Committee's review of the Act and the publication of its report in October 2025, we have now had the opportunity to fully consider its conclusions and recommendations.

Firstly, I would like to reiterate that we welcomed the opportunity to provide evidence to the Committee and to discuss our reflections on the implementation of the Act and how we would like to develop this further. It was timely for us to reflect on progress and to consider how we now shape our work as we start the process of bringing together our next Strategic Plan for 2026-29.

The Committee's recommendations will now be built into our future strategies, plans and work programmes and we will share further work and findings with the Committee in Autumn 2026, as directed in the report.

In particular the Committee made a number of recommendations regarding our Own Initiative powers, and these are already being actioned, as part of the consideration and consultation on our next investigation, and we continue to use these powers to extend investigations with 1 report in progress for publication over the coming months and 3 other investigations in progress.

We also welcome the Committees recommendations regarding our jurisdiction and will progress the work needed, to model the impact of widening this to include schools and engage with Welsh Government in due course.

Yours sincerely

Michelle Morris

Ombwdsmon Gwasanaethau Cyhoeddus | Public Services Ombudsman Wales

**Y Pwyllgor Deddfwriaeth,
Cyfiawnder a'r Cyfansoddiad****Legislation, Justice and
Constitution Committee****Welsh Parliament**

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0300 200 6565

Huw Irranca-Davies MS

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Welsh Government

Julie James MS

Counsel General and Minister for Delivery

Welsh Government

12 December 2025

Dear both,

The Welsh Government's Draft Budget 2026-27 - Justice

We note your letter of 17 November 2025, providing further information about the Welsh Government's draft budget plans for justice, to support the aims of advancing the devolution of justice and reforming the Welsh Tribunals.

Please find the Committee's observations on your response below.

Overall Justice budget

The Committee remains disappointed with the information received on justice-related spending, which, as with last year's budget, remains less comprehensive than in previous years. Whilst we acknowledge the issues posed by disaggregating the figures, we feel that there is insufficient information available to allow us to meaningfully scrutinise the allocation in this crucial field.

In our report on the Draft Budget for 2025-26, we recommended that the Welsh Government should "set out the work it has undertaken to date to explore the ways in which it can improve the level of information it provides about expenditure on justice-related activity, and the work it intends to take in the future in this area".

In your response, you accepted the recommendation and provided some information.

It is regrettable that there does not appear to have been much in the way of progress such that your position appears to remain unchanged, with very little by way of granular information provided. We hope that this position will change in future in the interests of openness and transparency.

Our disappointment at the approach being adopted to identifying spending on justice-related activity was noted in the Committee's [Annual Report for 2024/25](#).

Delivering Justice for Wales

We welcome the additional details provided on programmes being delivered in relation to this programme. We note that there is no planned joint justice spending with the Ministry of Justice for 2026-27.

The Welsh Tribunals

We note the modest additional revenue funding allocated to the Welsh Tribunals service, along with the £350k of capital funding for a new case management system, as well as the revenue funding to support this transition. The President of the Welsh Tribunals **told** the Committee earlier this week that he was "delighted" with the funding for a case management system and noted it would provide the service with the means to:

" (...) monitor our work, to deal with our work more efficiently, and also to obtain data that would enable us, going forward, to have a much better handle on our work and how best it can be dealt with."

The Committee has raised concerns about the delay in presenting a Bill to reform the Welsh Tribunals service, a Bill which the President of the Tribunals describes as "vital to the progress of an efficient and effective justice system in Wales". In our evidence session he told us that the delay was unfortunate and it is unclear to us how allocations in the Draft Budget are helping the Welsh Tribunals prepare for any future reform.

Accessibility of Welsh law

As with our overall point on the disaggregation of the Justice budget, we are disappointed that you have not provided further information on allocations to support the aim of improving the accessibility of Welsh law. In our report on the Draft Budget for 2025-26, we asked for an explanation about the lack of details on the planned spending in this area, which was provided. It's regrettable that we're again in the same position.

Conclusion

In our Annual Report for 2024/25 we expressed disappointment that it appears that the Welsh Government has deprioritised work on justice matters in the last 12 months.

The approach we believe the Welsh Government is now taking in relation to identifying spending on justice-related matters is symptomatic of that de-prioritisation we have identified.

The Welsh Government should reflect on its approach to disaggregating spending on justice, as there is insufficient information available to the Committee to support meaningful scrutiny on this important policy area.

We would welcome a response to this letter by 28 January 2026.

I am copying this letter to Peredur Griffiths MS, Chair of the Finance Committee.

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive style and is underlined with a single horizontal line.

Mike Hedges
Chair

Agenda Item 2.5

Jane Hutt AS/MS
Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol, y
Trefnydd a'r Prif Chwip
Cabinet Secretary for Social Justice, Trefnydd and Chief Whip



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref: British Sign Language
(Wales) Bill
Ein cyf/Our ref: JH/PO/618/25

Peredur Owen Griffiths MS
Finance Committee

28 November 2025

Dear Peredur,

British Sign Language (Wales) Bill

Thank you for the Finance Committee Report published on 10 November regarding the British Sign Language (Wales) Bill as part of stage 1 scrutiny.

I am grateful to the Committee for its considered stage 1 scrutiny.

Alongside the Member in charge of the Bill, I have carefully considered the Committee's report and am pleased to read at conclusion 1, 2 and 3 the Committee is broadly content with the financial implications and the collaborative approach of this Bill.

Please see my response in Annex 1 to the set of recommendations in advance of the Stage 1 General Principles Debate.

Yours sincerely,

Jane Hutt AS/MS

Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol, y Trefnydd a'r Prif Chwip
Cabinet Secretary for Social Justice, Trefnydd and Chief Whip

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Annex 1: Response to Finance Committee’s report on the British Sign Language (Wales) Bill – November 2025

<p>Recommendation 1. The Committee recommends that the Member in charge works with the Cabinet Secretary to analyse the cost benefits of the Bill and updates the Regulatory Impact Assessment to include further information on these benefits, including how they will be analysed and when they are anticipated to be delivered.</p>
<p>Accept Welsh Government will provide the Member in Charge with information requested on potential cost benefits of the Bill along with any information available to support benefit analysis and delivery timescales. Welsh Government will provide policy details as necessary in order that the Member can update the RIA following stage 2 scrutiny of the Bill.</p>
<p>Recommendation 2. The Committee recommends that the Member in charge works with the Welsh Government to clarify how its existing and planned BSL policies will interact with the provisions of the Bill, to determine whether the cost estimates set out in the Regulatory Impact Assessment accurately reflect additional financial requirements, or whether some costs may already be covered through existing commitments</p>
<p>Accept Welsh Government will provide details of existing and planned BSL Policies to the Member in Charge. This will include details of the BSL Route Map which will be published early 2026, which will set out actions to support BSL in Wales in the eighteen months following publication.</p>
<p>Recommendation 3. The Committee recommends that the Member in Charge works with the Welsh Government to provide further clarity on the costs arising from the Bill for listed public bodies, particularly in relation to the implementation of BSL plans.</p>
<p>Accept in Principle The costs arising from the Bill for listed public bodies will depend on the content of the National BSL strategy and guidance which will be for a future Government to develop. Listed public bodies will determine the contents of their own plans in response to the guidance and will have the greatest understanding of their own needs. If required however, Welsh Government will provide the Member in Charge with information which may help with consideration of potential costs arising from the Bill for listed public bodies.</p>
<p>Recommendation 4. The Committee recommends that the Welsh Government conducts a post-implementation review of the Bill and for it to include an assessment of the overall costs and benefits of the Bill and whether this meets the expected costs set out in the Regulatory Impact Assessment.</p>
<p>Accept Welsh Government will conduct a post implementation review, which will include assessment of the costs and benefits. The impact of the implementation of the BSL Strategy and guidance will be monitored as part of the role of the BSL Adviser and assisting panel.</p>

Welsh
ConservativesCeidwadwyr
Cymreig

Peredur Griffiths MS
Chair, Finance Committee
Senedd Cymru
Cardiff Bay
CF99 1SN

27 November 2025

Dear Peredur,

British Sign Language (Wales) Bill

Thank you to the Finance Committee for your scrutiny of the British Sign Language (Wales) Bill ("the Bill") during Stage 1 and for the report which was published on 10 November 2025. I have set out my response to the Committee's conclusions and recommendations at Annex A.

It has not been possible for me to accept all of the Committee's recommendations, and I have provided reasons for this in the detailed response at Annex A. However, I would like to make the general point that should the Bill progress through the legislative process, I will continue to develop the RIA and will, of course, publish a revised RIA as appropriate.

Lastly, I wanted to make you aware that I will also be writing to the Chairs of the Equality and Social Justice Committee and the Legislation, Justice and Constitution Committee with respect to their Stage 1 Reports, and will copy the letters to all three Committee Chairs.

Regards

Mark Isherwood MS
Member of the Welsh Parliament for North Wales

Annex A

Response from Mark Isherwood, MS to the Finance Committee's Report on the British Sign Language (Wales) Bill

Conclusion 1. The Committee is broadly content with the financial implications of the Bill as set out in the Regulatory Impact Assessment, subject to the comments and recommendations in this report.

Conclusion 2. The Committee welcomes the collaborative approach between the Member in charge and the Welsh Government in developing the costs of the Bill, and considers this a model of good practice for future non-government Bills.

Conclusion 3. The Committee believes that the approach of estimating the costs of the Bill by drawing on comparable legislation makes effective use of existing data and methodologies and that this has produced a clear and credible overview of the financial implications of the Bill.

Response: Noted

I am happy that the Committee is broadly content with the financial implications of the Bill set out in the Regulatory Impact Assessment, as outlined in Conclusion 1. My response to the specific comments and recommendations made by the Committee are set out separately within this response.

I very much welcome, and appreciate, the Committee's Conclusion 2 regarding the collaborative approach between me as Member in charge of the Bill and the Welsh Government in developing the costs of the Bill. I am extremely grateful to the Cabinet Secretary for Social Justice in working closely with me on developing the Bill. This collaborative approach has been invaluable across all aspects of the Bill's development, and I look forward to that collaboration continuing as the Bill progresses through the Senedd's legislative process.

I also very much welcome the Committee's Conclusion 3. In developing the RIA, a significant amount of work was undertaken, including looking at comparable legislation and existing data, and I truly believe that the costs set out in the RIA are as robust and as complete as I could have possibly made them.

Recommendation 1. The Committee recommends that the Member in charge works with the Cabinet Secretary to analyse the cost benefits of the Bill and updates the Regulatory Impact Assessment to include further information on these benefits, including how they will be analysed and when they are anticipated to be delivered.

Response: Accept

I would be very happy to work with the Cabinet Secretary, where possible, to further analyse the cost benefits of the Bill.

However, as I set out in the Regulatory Impact Assessment, the benefits flowing from the Bill will very much depend on the detail and content of the National BSL strategy and the BSL plans. The strategy and plans will be the primary documents that will determine how BSL is promoted and its use facilitated in Wales. Without knowing the full detail of what those key documents will contain, it will not be possible to fully, and accurately, quantify the cost benefits.

I have been clear throughout this process that this is very much a framework Bill and as such, the detail of the BSL Strategy and Plans should be left for Welsh Government and local public bodies to agree. I have also been clear that in developing the BSL strategy and plans, it would be essential to consult the Deaf community and to engage with the BSL Adviser (to be established under the Bill). Much of that work can only be undertaken once the Bill has been enacted.

Recommendation 2. The Committee recommends that the Member in charge works with the Welsh Government to clarify how its existing and planned BSL policies will interact with the provisions of the Bill, to determine whether the cost estimates set out in the Regulatory Impact Assessment accurately reflect additional financial requirements, or whether some costs may already be covered through existing commitments.

Response: Accept

I would be very happy to work with the Cabinet Secretary, where possible, to clarify how its existing and planned BSL policies will interact with the provisions of the Bill.

As has been outlined during the Bill scrutiny, Welsh Government has been undertaking work in relation to BSL policy during the time I have been developing the Bill. This includes the establishment of the BSL stakeholder group that has now completed its work and has recently made specific recommendations.

The Government has also committed to developing a 'BSL route map' which will be a significant piece of work that will help towards the development of the BSL strategy etc. As a consequence of this work, I'm confident that this will not result

in additional costs above the estimates included within the RIA for producing a BSL strategy. If there was a reduction in costs of producing the BSL strategy, it is unlikely to be significant. It may also be that the BSL advisor and advisory panel can focus more time and effort on developing the details of the strategy because the route map will already be in agreed. All of this work, I believe, compliments the provisions of the Bill rather than there being any cross-over of work.

I don't believe that any of the work undertaken by the Welsh Government would fall within the costs estimate set out in the rest of the RIA, as these are specifically about the requirements on the face of the Bill, i.e. the development of the BSL Strategy, BSL plans and establishment of the BSL Adviser and panel.

There will inevitably be some cross over between on-going BSL policy in Welsh Government and the actions that fall from the strategy and plans. This can only accurately be assessed once the detail of the strategy and plans is known

Recommendation 3. The Committee recommends that the Member in charge works with the Welsh Government to provide further clarity on the costs arising from the Bill for listed public bodies, particularly in relation to the implementation of BSL plans.

Response: Reject

The RIA already considered by the Committee sets out the costs for listed public bodies in developing the BSL plans that are required under the Bill. I am content that the costs provided in this respect are accurate. However, in relation to the costs to listed public bodies in implementing the Bill, this will very much depend on the content and detail of the National BSL strategy and the BSL plans.

It will be for each of the listed public bodies to determine the contents of its own BSL plan. Each of the listed public bodies will have the greatest understanding of their own needs, whether that be within their defined local authority or health board areas, or more nationally for those listed public bodies that have a national role.

It will not be possible for the BSL plans to be developed in isolation, as listed public bodies will first need to consider the National Strategy and associated guidance before developing and finalising their plans. Without knowing the full detail of what those key documents will contain, the costs attributed to implementing them must be counted as unquantified.

Recommendation 4. The Committee recommends that the Welsh Government conducts a post-implementation review of the Bill and for it to include an assessment of the overall costs and benefits of the Bill and whether this meets the expected costs set out in the Regulatory Impact Assessment

Response: Noted

Whilst this recommendation is directed towards Welsh Government, rather than me as Member in charge of the Bill, I do not believe that a full 'post-implementation review' would be necessary.

Section 7 of the Bill already contains a statutory reporting provision that requires Welsh Ministers to prepare and publish a report that assesses the progress made in promoting and facilitating the use of BSL in accordance with the Act. Section 7 reports are required to be published at least once in every period of 3 years.

This reporting provision is broadly in line with the statutory review provisions within the Public Services Ombudsman (Wales) Act 2019, to which the Committee referred in the report.

As such I do not believe a separate post implementation review would be necessary.

I agree that an assessment of the overall costs and benefits of the Bill, and whether this met the expected costs set out in the Regulatory Impact Assessment could be beneficial. However, that will be for the Cabinet Secretary to consider and respond to.

Senedd Cymru
Welsh ParliamentWelsh
ConservativesCeidwadwyr
Cymreig

Jenny Rathbone MS
Chair, Equality and Social Justice Committee
Senedd Cymru
Cardiff Bay
CF99 1SN

12 December 2025

Dear Jenny,

British Sign Language (Wales) Bill

Thank you to the Equality and Social Justice Committee for your scrutiny of the British Sign Language (Wales) Bill ("the Bill") during Stage 1 and for the report which was published on 5 December 2025. I have set out my response to the Committee's conclusions and recommendations at Annex A.

It has not been possible for me to accept all of the Committee's recommendations, and I have provided reasons for this in the detailed response at Annex A.

As you will be aware, I have also be written to the Chair of the Legislation, Justice and Constitution Committee and the Chair of the Finance Committee with respect to their Stage 1 Reports, and have shared those responses with you.

Regards

Mark Isherwood MS
Member of the Welsh Parliament for North Wales

Annex A

Response from Mark Isherwood, MS to the Equality and Social Justice Committee's Report on the British Sign Language (Wales) Bill

Conclusion 1. It is vital that this Bill, if it becomes law, leads to real and tangible, rather than tokenistic, change.

Conclusion 2. To ensure meaningful change, the national BSL strategy should contain clear, measurable and time-bound targets. It is vital that the next Welsh Government ensures that this is reflected in the draft BSL strategy that is issued for consultation if the Bill becomes law.

Conclusion 3. A majority of the Committee have concluded that making it a legal requirement that the BSL Adviser is deaf cannot be achieved without risk of legal challenge that could derail the Bill in its entirety. A majority of the Committee consider this is an unacceptable level of risk. Two Members disagreed with this conclusion. They considered that these risks were outweighed by the strong support expressed by most individuals who gave evidence in favour of making it a legal requirement that the BSL Adviser is deaf.

Conclusion 4. We welcome the report of the BSL stakeholder group and hope that it will provide a firm basis for progressing issues irrespective of whether this Bill is passed.

Conclusion 5. The single biggest threat to effective implementation of this Bill, if it becomes law is the shortage of BSL translators and interpreters in Wales. This demands immediate and sustained action.

Conclusion 6. We note these concerns and think the Member in Charge should look at revising the costs in the Explanatory Memorandum to take account of inflation

I am grateful to the Committee for setting out its conclusions on the Bill. In relation to **conclusion 1**, I completely agree, and the intention all along has been to bring forward legislation that will make a real difference.

I also agree with **conclusion 2**. While I believe it will be impossible to pre-specify measurable targets for BSL translators and interpreters in Wales within the BSL Strategy, I proposed to bring forward an amendment at Stage 2 for the Strategy to specify that such targets will be required.

On **conclusion 3**, as I set out in my evidence to the Committee, I believe there is a risk of legal challenge if the Bill was to require the BSL adviser to be deaf. A successful legal challenge to a single provision requiring the BSL adviser to be deaf would mean that the whole Bill would fall. That would be unacceptable, and would let the entire deaf community down. I believe the Bill goes as far as it can to secure

that the person appointed as the BSL Adviser 'is able to communicate effectively in and uses BSL'.

I also very much welcome the report of the BSL stakeholder group, and agree with the Committee's view in **conclusion 4** that it will provide a firm basis for progressing issues.

I fully agree with **conclusion 5**. As I set out below in my response to Recommendation 12, I believe it is vital that the BSL interpreter workforce is expanded. BSL interpreters provide an absolutely essential service, and act as a vital link for Deaf BSL signers to those providing key services. The expansion of the BSL interpreter workforce would be necessary even without the additional duties that will be put in place should the Bill become law, although these additional duties would strengthen this.

This also links back to my response to conclusion 2, and the need for the Strategy to specify that targets will be required.

I note the detail of **conclusion 6**. The RIA will continue to be developed if the Bill progresses through the legislative process, and a revised RIA will be published after Stage 2.

Recommendation 1. We recommend that the Senedd agrees the general principles of the British Sign Language (Wales) Bill at Stage 1.

Response: Noted

I am extremely grateful the Committee has recommended that the Senedd agrees the General Principles of the Bill. There has been cross-party support for the Bill throughout the scrutiny process, and across committees, which I believe highlights the importance of this legislation.

Recommendation 2. We recommend that the Member in Charge reviews the description of BSL used in the Explanatory Memorandum to address the concerns raised by stakeholders and considers the merits of including a clear definition of BSL on the face of the Bill and whether amendments are needed to achieve this. The Member in Charge should aim to set out his response to this recommendation by 7 January 2026 so that if the Bill progresses, Members can consider the response ahead of Stage 2 proceedings

Response: Accept

I note the concerns raised by stakeholders about the description of BSL used in the Explanatory Memorandum that accompanied the Bill, and in particular paragraph

162 of the Explanatory Memorandum. Just to be clear, this description is also contained within the draft Explanatory Notes (that are included as part of the Explanatory Memorandum) that would be published alongside the Act should the Bill gain Royal Assent.

Given the concerns raised, I will be happy to review the description of BSL to make it as clear and accurate as possible. I will work with the Cabinet Secretary for Social Justice where possible for this purpose. If the description of BSL used needs to be amended, I will make the appropriate changes to the Explanatory Memorandum and Explanatory Notes.

I believe that the Explanatory Memorandum, Explanatory Notes that will accompany the Act, would be the most appropriate place to include the more detailed description of BSL, rather than this being included as a specific legal 'definition' on the face of the Bill.

Recommendation 3. We recommend that the Member in Charge of the Bill brings forward amendments at Stage 2 which would require Welsh Ministers to publish the BSL guidance within the same or similar timescales as those specified in relation to the national BSL strategy. We think that unless a compelling argument is made for a different timescale, 18 months after the Bill is enacted should be sufficient and appropriate

Response: Accept

The expectation has always been that the BSL guidance should be issued at the same time, or shortly after, the publication of the national BSL strategy. The Cabinet Secretary for Social Justice in her evidence session to the Committee reinforced this and confirmed that the BSL guidance should be provided and published alongside the national BSL strategy.

However, I recognise the concerns expressed that the Bill does not place any deadline for the BSL guidance to be issued. I will therefore table an amendment at Stage 2 that will require the BSL guidance to be published within the same or similar timescales as those specified in relation to the national BSL strategy.

Recommendation 4. We recommend that the Member in Charge brings forward amendments at Stage 2 which would require Welsh Ministers to consult on the content of the BSL guidance prior to its publication

Response: Accept

It will be essential going forward that the BSL strategy and the associated BSL guidance are developed together. Section 2(4) of the Bill places a duty on Welsh

Ministers to consult on the strategy, and I agree that a similar duty should be placed on Welsh Ministers with regards to the guidance, so that the process for both is as closely aligned as possible. I will therefore bring forward amendments at Stage 2 for this purpose.

Recommendation 5. The Welsh Government should set out in response to this report:

- how they would expect listed public bodies to collaborate across administrative boundaries in the preparation of local plans;
- how it will build the capacity of listed public bodies so that they are equipped with the right support and expertise to prepare and execute local plans effectively; and
- provide confirmation that the Implementation Team for the Bill has dedicated resources to fulfil this recommendation.

The Welsh Government should confirm that this will be in place ahead of the Stage 1 debate scheduled for 17 December 2025.

Response: Noted

This will be a matter for Welsh Government to consider rather than for me as Member in Charge of the Bill. I do, however, believe that the issues raised in Recommendation 5 are hugely important, and I look forward to the response from the Cabinet Secretary in this regards.

Recommendation 6. We note that under section 7(2) it is envisaged that Welsh Ministers must produce progress reports in every period of 3 years after publication of the national strategy. We recommend that the early progress reports required by the Bill, should it become law, involve consideration of whether other public bodies should be added.

Response: Accept

I fully expect that, as part of the reporting process, Welsh Ministers would consider the list of public bodies included in the Bill and whether any changes to that list were necessary. I therefore agree that the early progress reports required by the Bill should involve consideration of whether other public bodies should be added.

However, to ensure that this is done consistently, I will bring forward an amendment at Stage 2 to include a requirement that the progress reports under section 7(2) must include such consideration.

Recommendation 7. We recommend that the Welsh Government and the Member in Charge consider how the appointments process can ensure that the needs of the Deaf community are reflected appropriately in the appointments process for the BSL Adviser. We would welcome more detail on this matter in response to this report, which we expect in time for the Stage 1 debate on 17 December 2025.

Response: Accept

I will be very happy to work with the Cabinet Secretary for Social Justice to consider how the appointments process for the BSL Adviser can ensure that the needs of the Deaf community are reflected appropriately in that process. However, I am mindful that the detail of the specific appointment process cannot be finalised, or agreed, at this stage so it will not be possible to provide the Committee with the detail it is seeking before the Stage 1 debate.

Recommendation 8. We recommend that the role of BSL Adviser is recognised as a public appointment that is eligible for pre-appointment scrutiny and that the appropriate committee in the next Senedd is offered the opportunity to conduct a pre-appointment hearing with the preferred candidate. We agree that this change can be achieved informally through agreement between the Welsh Government and the Senedd and should be made now in order to provide a firm signal of intent for the next Welsh Government and Senedd.

Response: Accept

While this is not a matter that I can directly manage as Member in Charge of the Bill, I agree that a pre-appointment hearing for the BSL Adviser would add a level of assurance to the appointment process.

Recommendation 9. We recommend that the Member in Charge clarifies the options available to complainants requiring recourse in instances where public services are failing to meet their duties under the Bill (if enacted by the Senedd) and considers whether any changes to the Explanatory Memorandum are required that could help in that regard.

Response: Accept

I will be happy to update the Explanatory Memorandum that accompanies the Bill to clarify the options available to complainants requiring recourse in instances where public services are failing to meet their duties under the Bill. In doing so, my

intention will be to work with the Cabinet Secretary for Social Justice, and Welsh Government officials, to ensure that this information covers all relevant areas and procedures.

This updated information will be included in the revised Explanatory Memorandum published after Stage 2 proceedings.

Recommendation 10. We recommend that the Member in Charge brings forward amendments at Stage 2 which would place duties on Welsh Ministers to prepare and issue guidance on the appropriate route for BSL signers to make complaints about access to services. This should be accompanied by a duty to consult on that guidance with the Office of the Public Services Ombudsman for Wales specified as a mandatory consultee.

Response: Reject

The Bill does not include a specific complaints procedure, and as such I do not believe it would be appropriate for the Bill to place a duty on Welsh Ministers to prepare and issue guidance on the appropriate route for BSL signers to make complaints about access to services.

As set out in my response to Recommendation 9, my intention is to update the Explanatory Memorandum that accompanies the Bill to clarify the options available to complainants requiring recourse in instances where public services are failing to meet their duties under the Bill. These recourse options would also be relevant to BSL signers when making complainants about access to services, and this can be made clear in the updated text of the Explanatory Memorandum.

Recommendation 11. We recommend that the Member in Charge brings forward amendments at Stage 2 to ensure engagement and co-production by placing a formal requirement on Welsh Ministers to consult Deaf BSL signers on the national BSL strategy and guidance.

Response: Accept

I believe that for the BSL strategy and guidance to be developed successfully, engagement and co-production with the deaf community, including with Deaf BSL signers, will be essential. I will therefore bring forward an amendment at Stage 2 to place a formal requirement on Welsh Ministers to consult BSL signers on the national BSL strategy and the BSL guidance.

However, consultation itself is only one element of the wider engagement and co-production that will be necessary for the development of the strategy and guidance. The BSL Adviser, and BSL panel, will also have a major role to play in the

development of the strategy and guidance, and to help ensure the engagement and co-production needed.

Recommendation 12. We recommend that the Welsh Government ramps up efforts to expand the BSL interpreter workforce and commits to:

- reviewing the timescales for actions that are to be taken forward in the BSL Stakeholder Route Map to ensure they are aligned with the Bill;
- Setting annual targets for the training and recruitment of BSL interpreters and translators;
- Setting clearer and more ambitious target deadlines to prevent slippage.

Response: Noted

While this recommendation is directed to Welsh Government rather than to me as Member in Charge of the Bill, I believe it is vital that the BSL interpreter workforce is expanded. BSL interpreters provide an absolutely essential service, and act as a vital link for Deaf BSL signers to those providing key services.

The expansion of the BSL interpreter workforce would be necessary even without the additional duties that will be put in place should the Bill become law, although these additional duties would strengthen this.

Senedd Cymru
Welsh ParliamentWelsh
ConservativesCeidwadwyr
Cymreig

Mike Hedges MS
Chair, Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff Bay
CF99 1SN

10 December 2025

Dear Mike,

British Sign Language (Wales) Bill

Thank you to the Legislation, Justice and Constitution Committee for your scrutiny of the British Sign Language (Wales) Bill ("the Bill") during Stage 1 and for the report which was published on 4 December 2025. I have set out my response to the Committee's conclusions and recommendations at Annex A.

It has not been possible for me to accept all of the Committee's recommendations, and I have provided reasons for this in the detailed response at Annex A.

Lastly, I wanted to make you aware that I will also be writing to the Chair of the Equality and Social Justice Committee with respect to their Stage 1 Report, and will copy the letter to you at that time. I have already shared with you my response to the Finance Committee's Stage 1 report.

Regards

Mark Isherwood MS
Member of the Welsh Parliament for North Wales

Annex A

Response from Mark Isherwood, MS to the Legislation, Justice and Constitution Committee's Report on the British Sign Language (Wales) Bill

Recommendation 1. The Member in charge should table an amendment to the Bill to require that the statutory guidance issued under section 3, and any future revisions to it, are laid before the Senedd.

Response: Reject

I have considered this recommendation carefully, and have discussed the issue with the Cabinet Secretary for Social Justice. On balance I am rejecting the recommendation.

As the Committee has itself set out, the laying of Welsh Government guidance of this nature would be unusual, and guidance of this sort would not normally be directly scrutinised by the Senedd. Whilst this is the case, and as I outlined in my evidence to the Committee, I do expect that Senedd Members and Senedd committees will have a close eye on the guidance and on how the legislation in its entirety is implemented, and I believe that would be the case whether the guidance is laid or not.

As you may be aware, the Equality and Social Justice Committee has made two recommendations in relation to the BSL guidance required under the Bill. The first of these relates specifically to adding a requirement within the Bill that the guidance is published at the same or similar time to the National BSL Strategy. The second recommendation relates to adding a duty to consult on the guidance.

I will be accepting these recommendations, bringing forward the required amendments at Stage 2. If accepted, this would place a requirement on the face of the Bill that the guidance is published. While this falls short of the LJC Committee's call for it to be laid, it will place the guidance in the public domain as soon as it is available.

Recommendation 2. The Member in charge should consider the merits of specifying a minimum and maximum number of members that should sit on the panel.

Response: Accept

I will be very happy to consider the merits of specifying a minimum and maximum number of members that should sit on the panel. If it is felt necessary, or appropriate, I will bring forward amendment at Stage 2 to include a minimum and maximum number on the face of the Bill.

Recommendation 3. For clarity, the Member in charge should table an amendment to section 8(1)(c) to reflect the full names of the specified Welsh NHS Trusts by reference to their corresponding establishment orders.

Response: Accept

As I outlined to the Committee during Stage 1, I don't believe there would be any confusion caused from the wording of section 8(1) of the Bill. However, as this is purely a drafting issue I will bring forward amendments at Stage 2 to reflect the full names of the specific Welsh NHS Trusts.

Agenda Item 2.9



Cymorth Cymru
Y Deml Heddwch
Rhodfa'r Brenin Edward VII
Parc Cathays
Caerdydd
CF10 3AP

Cymorth Cymru
Temple of Peace
King Edward VII Avenue
Cathays Park
Cardiff
CF10 3AP

5th December 2025

Home Matters: Welsh Budget 2026/27

FAO: Senedd Finance Committee

Please see attached for 'Home Matters', a new report from Cymorth Cymru and Community Housing Cymru about funding for critical homelessness and housing support services in Wales.

This report outlines the impact of changes to employer National Insurance contributions on this year's funding allocation, progress towards paying the Real Living Wage, the increasing demand and complexity facing services, and the scenarios facing services if funding is not increased further in the final budget.

We would be grateful if this could be considered by the committee as part of its work to scrutinise the Welsh Government's Draft Budget for 2026/27.

Best wishes,

Katie Dalton
Director, Cymorth Cymru

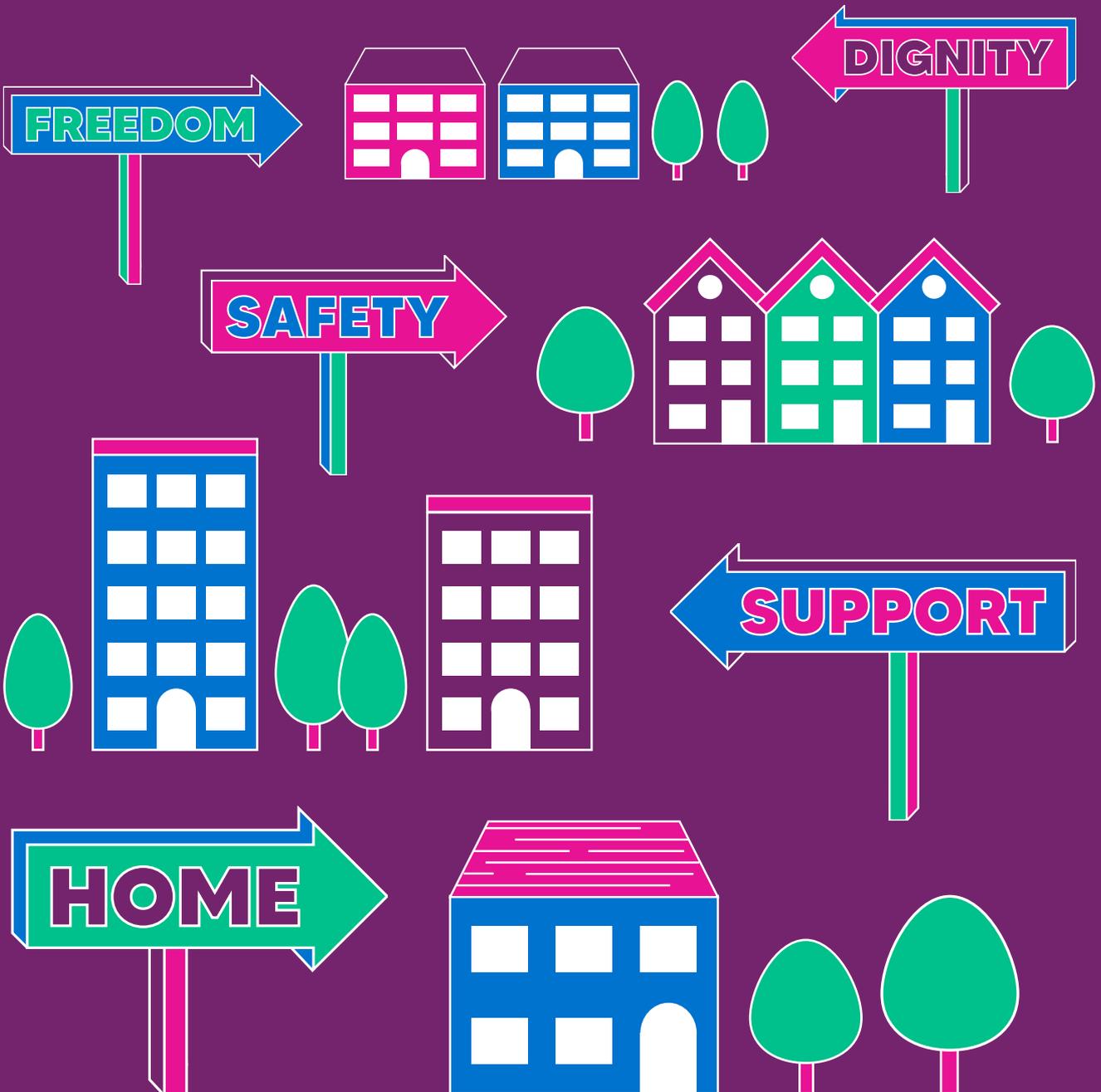
 www.cymorthcymru.org.uk

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Home Matters

Welsh budget 2026/27



Introduction

Everyone should have the right to a safe and secure home. We are calling for a further 10% increase to the Homelessness Support and Prevention budget in the Welsh Government's final budget for 2026/27.

The housing advice and support services funded by this budget play a vital role in preventing and alleviating homelessness, helping tens of thousands of people every year to recover from trauma and to live safely and independently. However, these services have been under constant pressure over the last decade, facing higher costs, funding constraints, a huge growth in demand, and an increase in the complexity of support needs.

In order to inform the Welsh Government budget for 2026/27, we have collected evidence from providers of homelessness and housing support services in Wales. We received data from 36 organisations, including small charities operating in one or two local authorities, larger charities operating regionally or nationally, and housing associations. These organisations provide the majority of homelessness and housing support services in Wales and we are therefore confident that our data is representative of the sector.

This provides clear evidence of the significant pressure and challenges facing services and organisations. It highlights the growing complexity and risk that frontline workers are facing on a daily basis, the impact on their wellbeing, and the need to make further progress on ensuring they receive the recognition, reward and support for the incredible work they do. While recent budget increases have started to close the funding gap created by a decade of austerity, the reality of the post-pandemic period, the cost-of-living crisis, and the growth in homelessness, means that demand for support services has outstripped supply, with further resources needed to help local government and their partners to meet people's needs.

A call for extra funding in the final budget

The Welsh Government's Draft Budget for 2026/27 shows a 2% increase to the *Homelessness Support and Prevention* budget line. As demonstrated by the evidence in this report, that simply isn't enough. Data from homelessness and housing support providers indicates that a 12% increase will be needed to cover the increase in the Real Living Wage and maintain differentials for immediate managers. As the Welsh Government and opposition parties meet to discuss the final budget, we urge you to prioritise funding for homelessness and housing support services to ensure that services can meet growing demand and complexity, pay frontline workers at least the Real Living Wage, and cover the costs of increased National Insurance contributions.

Cymorth Cymru is the representative body for providers of homelessness, housing and support services in Wales. Our members provide a wide range of services that support people to overcome tough times, rebuild their confidence and live independently in their own homes. We act as the voice of the sector, influencing the development and implementation of policy, legislation and practice that affects our members and the people they support. We want to be part of a social movement that ends homelessness and creates a Wales where everyone can live safely and independently in their own homes and thrive in their communities.

Community Housing Cymru is the voice of housing associations in Wales. We represent 30 not-for-profit housing associations that provide almost 174,000 homes to around 10% of the population across Wales. Our collective vision is to make Wales a country where good housing is a basic right for all. Home is central to all of our lives, which is why we and our members believe that helping people live healthy, fulfilled and connected lives should be at the core of Wales's national plans. We represent the views of housing associations on a national level, to ensure they can continue to carry out their vital work to sustain tenancies, support tenants through life challenges, and create sustainable communities.

What does the Homelessness Support and Prevention budget line fund?

Housing Support Grant (HSG)

The Housing Support Grant funds the vast majority of homelessness and housing-related support services in Wales, including tenancy support, supported accommodation, domestic abuse refuges, Housing First, and much more. It plays a key role in preventing homelessness, helping people who are at risk of eviction to overcome challenges and remain in their home. It also provides a range of emergency and supported accommodation for people who are homeless or fleeing abuse and violence. These services are critical to helping local authorities to respond to people's needs and meet their legal obligations to provide accommodation and support.

The Homelessness Prevention Grant (HPG)

While this is a smaller grant, it funds vital homelessness prevention services, including the national housing advice service, which supported almost 12,000 households in 2023/24, helping to prevent homelessness in 88% of cases, with 59% remaining in their original home. It also funds other key services such as Housing First and youth homelessness services, helping local authorities and their partners to prevent and alleviate homelessness.

Critical to ending homelessness

The pressure on the homelessness and housing support system has never been greater. Welsh Government [statistics](#) show that 160 people were sleeping rough and 10,876 people were in temporary accommodation on 30 September 2025. Ever since the pandemic, the number of people entering temporary accommodation has far exceeded the numbers who are moving out of temporary accommodation and into settled homes.

While the availability of suitable, affordable housing stock is critical to helping people to move swiftly out of temporary accommodation, housing support services also play a vital role. These services prevent more people from losing their homes and needing to enter temporary accommodation, as well as helping people to cope in temporary accommodation, and then move into and maintain a home from which they can rebuild their lives.

The Homelessness and Social Housing Allocation (Wales) Bill sets out a series of reforms that will improve the prevention of, and response to, homelessness in Wales. It is widely accepted that an increase in housing support services will be required to support implementation.

Reducing pressure on other public services

In addition to preventing homelessness, housing support services also reduce pressure on a myriad of public services, from health and social services to criminal justice. [Research](#) conducted by Cardiff Metropolitan University found that every £1 invested in HSG services delivers £1.40 net savings to public services in Wales.

Based on the current £204m Housing Support Grant budget, this translates to a total gross saving of £495m, with £229m to the health service, £199m to social care services and £79m to criminal justice services.

- Reducing demand on GP, hospital and ambulance services
- Helping people to better manage their mental health
- Helping people to overcome substance use issues
- Helping families to escape domestic abuse
- Reducing re-offending, improving community safety
- Enabling people with learning disabilities to live independently
- Reducing safeguarding risks and pressures on children's services

£495m
gross saving
to public
services

Every £1
invested in
HSG delivers
a net saving of
£1.40 to public
services

Impact of the 2025/26 budget

SAFETY



Impact of the 2025/26 budget

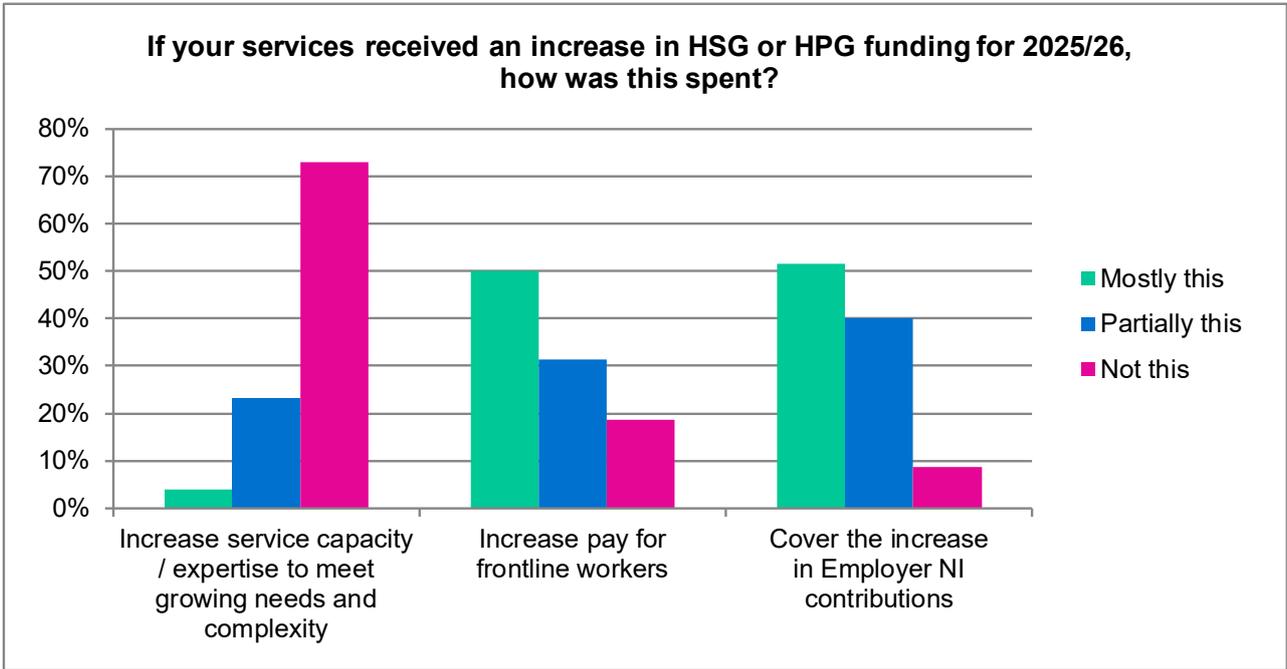
Last year the Housing Support Grant received an uplift of £21 million and the Homelessness Prevention Grant was increased by 3%. We wanted to understand how this has been utilised, particularly in light of the changes to employer National Insurance contributions.

How was the funding uplift utilised?

Following the announcement of the increase to the Housing Support Grant, the Welsh Government told local authorities that the uplift should be used to meet increased demand and complexity, and to increase frontline staff wages in line with the commitment to the Real Living Wage (RLW). However, the changes to employer National Insurance (NI) contributions, announced in the UK Government's Autumn Statement 2024, put an unexpected additional burden on support providers, with many reporting that the funding uplift would need to be re-directed to meet their NI costs. We have further explored this in our survey, asking providers how any increase in their HSG or HPG funding was utilised.

- **91% said it was used to cover the additional employer NI costs**, with 51% saying it was mostly used for this purpose.
- **81% said it was used to increase frontline worker pay**, with 50% saying it was mostly used to cover this. 19% said they were not able use the uplift to fund frontline worker pay increases.
- **Only 27% said they used it to meet increased demand and complexity**, with just 4% saying it was mostly used for this purpose.

91%
used the
uplift to cover
additional NI
costs



The clear impact of changes to NI contributions

While the data shows that most organisations were able to use the uplift to increase frontline worker pay, we know that the extent of this was constrained by the NI pressures, and there was a significant minority (19%) who were not able to use it for this purpose. It is clear from the data and comments that the increase in NI costs was the dominant factor in how the uplift was utilised.

In particular, the ability of services to increase capacity and expertise to meet the growing demand and complexity was significantly restricted by the additional NI burden, with 73% being unable to use it for this purpose.

"The positive increase in HSG funding was tempered by the increase in ER NI contributions which means we were not able to do as much with it, or stretch it as far, as we would have liked to. Without the NI increase we would have been able to increase staff salaries further, as well investing some of the increase back into new roles that could have started to address the reductions in team sizes that have taken place in the past, helping us to address the increased and more complex need of service users."

"Whilst we were extremely grateful for the additional funding, we were unable to increase capacity of our teams due to needing to increase salaries and the increased NI costs."

Others said that the funding increase only enabled them to maintain service provision or reduce the financial deficit for those services. Some said that the uplift was insufficient to cover the full costs of NI and the RLW, with restructuring being undertaken to reduce staffing costs.

Inconsistent uplifts

Some providers commented on the inconsistency between the uplifts awarded to the HSG and the HPG. Others highlighted the challenges posed by inconsistent approaches from local authorities in terms of how much, if any, uplift was passed on to providers. This poses challenges in maintaining a fair and legal salary structure for organisations receiving both funding streams and/or operating across multiple areas. Another respondent told us that their organisation had only just had their increased confirmed, six months after the start of the financial year. We know that others did not have confirmation of their funding award until after April 1st. This makes organisational planning extremely difficult, particularly in setting salaries for the year, and puts the sustainability of providers at risk, if the funding award turns out to be less than anticipated.

"The full increase from WG to LAs was not passed on in full by some LAs. In some areas we have only just had agreed the increased amount."

"There were some [local authorities] that did not pass on the full uplift, and in turn some of our services still run at a deficit."

"Our HSG funding received a larger uplift than our HPG funding. 25/26 budget announcement initially set out no increase for HPG funding but in the final budget an uplift of 3% was secured but this remained below the HSG uplift."

Maintaining differentials

While the increase in frontline worker wages has been warmly welcomed, there continues to be concerns about maintaining appropriate differentials for operational managers. This has an impact on recruitment, retention and progression.

"The uplifts were used to meet RLW commitments for frontline staff. Some uplifts were awarded to junior management but the gap between these 2 groups has been getting smaller and smaller causing lots of unrest."

"The issue of differentials is absolutely critical now; we, like many others I'm sure, have used previous uplifts to pay support workers above the RLW and strengthen their broader terms and conditions, training (in light of increased complexity) etc. Other roles have received lower percentage pay increases for several years now and this is becoming unsustainable – we are getting toward a position where it will be extremely difficult to recruit and retain seniors and managers within operational services."

Services operating at a deficit

As in previous years, a significant proportion of organisations are not receiving enough funding to cover the full costs of running their HSG or HPG-funded services.

This year, 66% of providers said they were running HSG or HPG-funded services at a deficit. This compares to 81% last year, which shows that the recent increases (especially to the HSG) have had a positive impact. However, 66% is still unacceptable and unsustainable.

66%
of providers
are running
services at a
deficit

"It is fantastic that WG has provided uplifts to meet RLW, but this does not cover all increases in costs to our projects. These other costs include other staff costs other than frontline caseworkers and inflationary increases to project overheads. This means we are not able to achieve full cost recovery for all of our projects."

We also asked providers to share the income sources that are being used to subsidise the services that do not receive enough funding to cover the costs of running the services.

60% of respondents said their organisation's reserves are being used to subsidise these services, which is entirely unsustainable. 47% are using income from other parts of the organisation, but we have been told by several providers over the last two years that their Boards and senior leadership teams are not prepared continue to subsidise services that should be fully funded by the HSG or HPG.

Have you had to subsidise your HSG services from any of the following sources?

Reserves	60%
Income from other parts of the organisation (e.g. rental income, training income)	47%
Fundraising revenue	27%

60%
are using
reserves to
prop up
services

How long can providers continue to subsidise services?

With 66% of organisations reporting that services are running at a deficit, and 60% using their reserves to subsidise services, we asked providers how long this could continue.

Answers ranged from 6 months to 3 years, with an average of 1.2 years.

This is further illustrated by the comments below:

"Our reserves are depleting so cannot go beyond this year."

"If no increase in 26/27 we won't be able to maintain the subsidy beyond the year in all services."

"At the end of March 2026 we will need to show that all projects/ services are being delivered within budget. This is a directive from our Board of Directors."

"It's on a service for service basis, but realistically our reserves can no longer support this."

Fair pay for homelessness and support workers



Fair pay and the cost of living crisis

Homelessness and housing support workers in Wales do incredibly challenging and skilled work, but funding constraints mean they have not received the reward and recognition they deserve. This has widely recognised over the last few years, by the [Homelessness Action Group](#), in [the Struggles from the Frontline](#) report, and by the recent Local Government and Housing Committee [report](#) into housing support for vulnerable people.

Workforce Task and Finish group

The Ending Homelessness National Advisory Board established a Workforce Task and Finish Group, to oversee work on creating a resilient and valued workforce, as detailed in the Ending Homelessness Action Plan. This group has a short-term recommendation that the Welsh Government should ensure that all service providers receive enough funding through the HSG and HPG to pay the Real Living Wage in 2026/27. The medium-term recommendations are focused on increasing frontline worker pay to reflect wages in similar roles across other sectors that support vulnerable people.

Recent action to increase frontline worker wages

In 2024/25 the Welsh Government increased the HSG by £13 million and told local authorities that this should be used to increase frontline worker wages, in line with the policy commitment to fair work and the Real Living Wage (RLW). In 2025/26 the HSG budget was increased by £21 million, and the Welsh Government told local authorities that this should, in part, be used to increase frontline worker wages. While these interventions have been warmly welcomed, the following evidence shows that we are still on the journey towards achieving the RLW, and this requires further investment..

Evidence of low pay and the cost-of-living crisis

This year's Frontline Network [annual survey](#) found that frontline homelessness and housing support workers in Wales were struggling to cover the cost of living on support worker wages, with the majority having taken on additional work:

- **Only 23% say their pay adequately covers living expenses** (34% across the UK)
- **53% have taken on extra paid work to cover living costs** (compared to 36% across the UK)

"Colleagues also pick up additional shifts as they cannot afford to live."

"Staff voluntarily decide to take on extra work, not because the employer demands it - indeed the employer monitors for excess overtime - but because of the general economic conditions and cost of living. The basic pay is not adequate - some of our staff live below the poverty line. The government relies a great deal on the good will of staff."

Paying the Real Living Wage

Given the Welsh Government's commitment to Fair Work and the Real Living Wage, and the directive from the last two Cabinet Secretaries that the 2023/24 and 2024/25 funding uplifts should be used to increase frontline worker pay, we were interested in the proportion of organisations who were actually paying the RLW. **91% reported that they are paying the RLW to all staff** within their HSG/HPG funded services, which is the same proportion as last year.

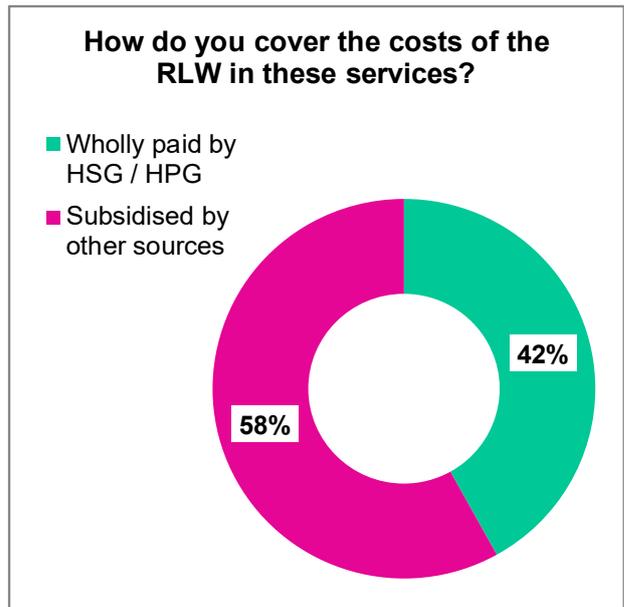
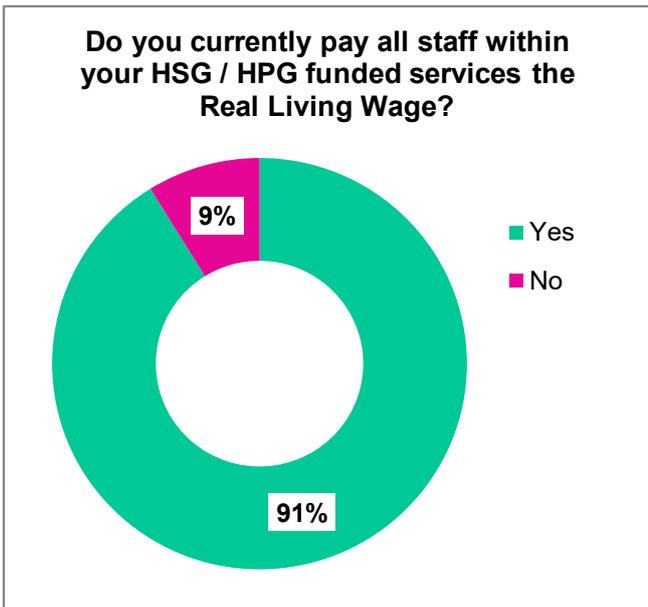
91%
are paying
the RLW

But the RLW is not fully funded

We were also interested in the extent to which they were able to cover this cost using their HSG or HPG funding, or whether they were having to subsidise it from other sources. **42% said that this was covered wholly by the HSG / HPG funding** they received, which compares to 21% last year.

This shows that homelessness and housing support providers are committed to the RLW, but the majority are not receiving enough funding to cover the full cost of this. The percentage has improved since last year but it is extremely concerning that it remains below 50%. As illustrated by the data in this report, the increase in employer NI costs has had an impact on the ability of providers to cover other costs, and shows that the Welsh Government, working with local authorities, needs to continue to progress towards achieving a fully funded RLW.

58%
said RLW costs not fully covered by HSG/HPG



Uplift required to pay RLW and maintain differentials

Given the data above, which shows that the majority of support providers do not receive enough funding to cover the full costs of the RLW and differentials for immediate managers, it is clear that further funding uplifts are required to enable payment of the RLW in future years.

On 22nd October the Real Living Wage Foundation announced a new RLW of £13.45 (currently £12.60). This has caused alarm among providers, with a number contacting us to express their concern about being able to meet these additional costs.

As a result, we asked them to estimate what percentage uplift in funding would be required to pay the new RLW and to maintain appropriate differentials for immediate managers. On average, support providers said they would **need an uplift of 12.2%** to cover these costs.

12.2%
uplift required, just to pay RLW and maintain differentials

Increased demand and complexity



Increased demand and complexity

The pressure on the homelessness and housing support system has never been greater. Welsh Government [statistics](#) show that 10,876 people were in temporary accommodation on 30 September 2025. Many of these people will need support to help them cope in temporary accommodation and then move into a settled home. Housing support services are also playing a key role in preventing even more people from entering temporary accommodation.

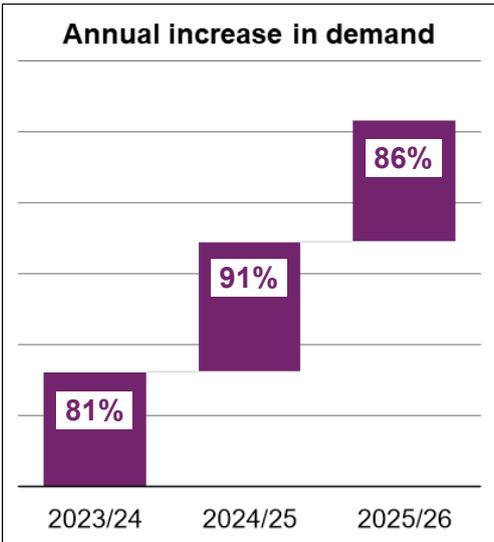
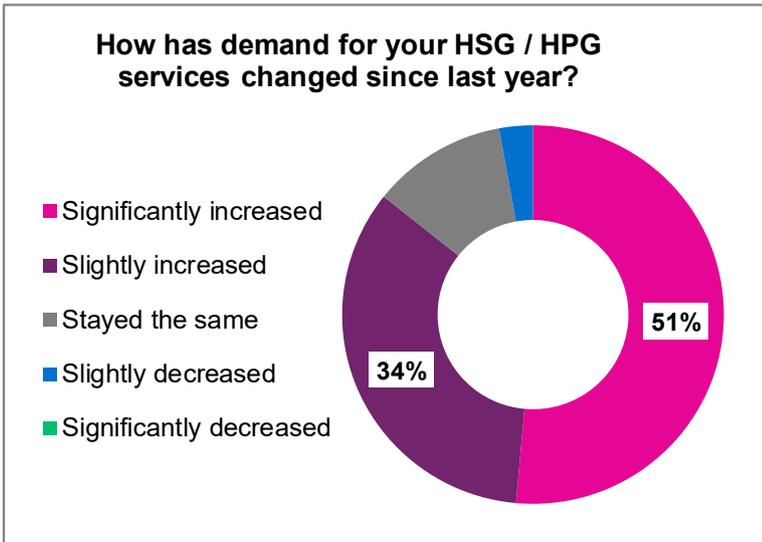
Demand for services

In our survey of support providers, **86% reported an increase in demand** for their services since last year. This is on top of the 91% that reported an increase in demand in 2024/25 and the 81% the year before.

In addition, the Frontline Network’s annual survey showed that **76% of frontline workers in Wales reported an increase in demand** in the past 12 months.



“In one of our areas, we are operating at 300% over contractual requirements due to the reduction in partner services. We are also seeing organisations close their service to new referrals which has an impact on our frontline workers.”



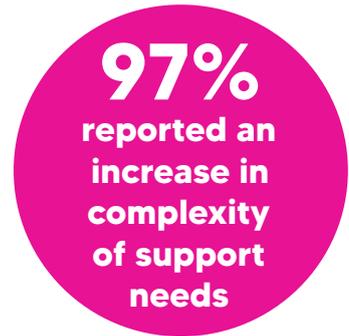
Case study: Organisation A

We are seeing a clear rise in both demand and complexity across our supported housing and homelessness prevention services. This is reflected in higher referral numbers, more acute and multiple needs, and greater pressure on already limited resources. Many of the people we are supporting are presenting with overlapping challenges – including mental health, trauma, substance use, domestic abuse, and the impact of poverty and the cost-of-living crisis. This has significantly increased the intensity of support required.

For people in service, this can mean longer waits to access support, or the need for more frequent and sustained contact once they are with us. Some find it harder to engage consistently, which means our teams need to be flexible, persistent, and trauma-informed in their approach. Due to the increasing complexity of individuals in our services, there is a clear need to invest in more specialist training. However, budget constraints mean we are unable to provide the level of training that would be most beneficial. Additional training on trauma-informed practice and supporting people with mental health challenges is particularly needed.

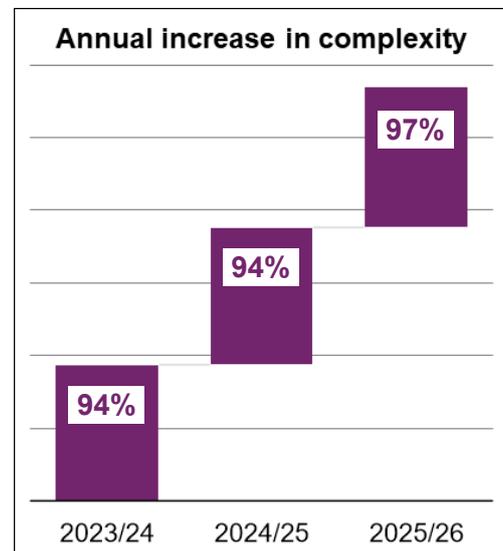
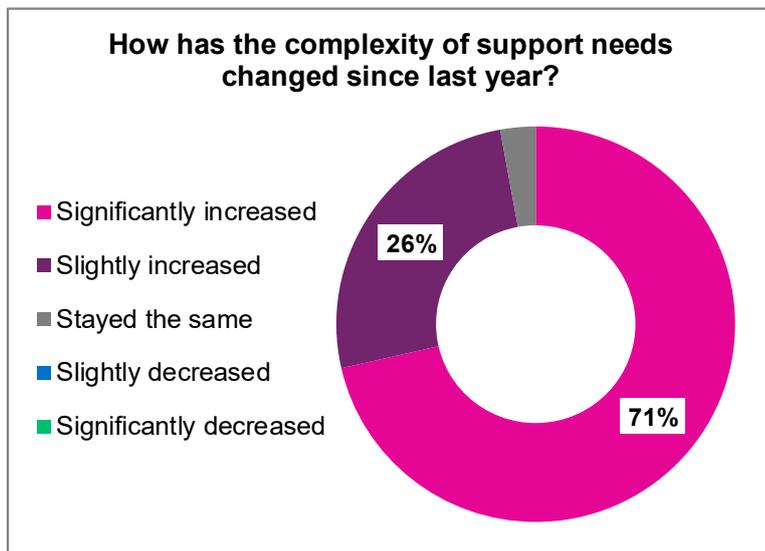
Complexity of support needs

The survey also showed that **97% of respondents reported an increase in the complexity of support needs** since last year. This follows 94% who reported increase in 2024/25 and 94% the previous year. The comments below highlight the nature of this increased complexity, with multiple references to mental health, substance use, safeguarding cases, weapons, threats to staff, self-harm and suicide. Providers also report that this partially due to the people they support being unable to access statutory services such as CMHTs.



"We are regularly getting clients who are suicidal."

"Safeguarding increased with now over 50% of clients open to children's services. Previously this was around 30%. Seriousness of safeguarding cases has massively increased. Seriousness in domestic abuse cases has increased."



Case study: Organisation B

Increased demand and complexity data can be found in the number of referrals we receive which have more a complex, multiple unmet need than just straight homelessness. Local Authority stats indicate a rise in temp accommodation across the country with record levels being recorded, and we are certainly seeing that in practice.

In one area specifically, the number of multiple complex clients in a residential service meant that staff's main focus was undertaking regular welfare checks (sometimes hourly / half hourly) to check if clients were still alive. Some clients were very physically ill and should have been in some sort of care or hospital setting, but the nature of their substance use meant that they weren't (either through choice of not wanting to be in hospital, or through there not being anywhere suitable for someone so chaotic and complex). Impact was that:

- Clients were in an inappropriate setting which couldn't adequately address their needs
- Staff were unable to focus on any 'regular' housing related support, instead focusing only on keeping people alive and dealing with crises. This mean that some lower need clients won't have been getting any support during this time
- Staff were thus very stressed and in a constant state of hyper-vigilance which led to burnout for some staff (resulting in staff sickness). It also made them question whether they were doing an adequate job or whether their job was actually helping people.

"The increasing complexity in our casework is evident in the year-on-year increases in safeguarding referrals that our casework team have to make. In 24/25 this increased by 11% over the previous year."

"We have seen increased use of weapons, threats to staff and other people we support, increase in numbers of people with serious self-harm or suicide ideation, and poor responses from health and other statutory services. This has contributed to higher turnover/ staff absence/vacancies and in some cases, we've had to double up staffing and use agency workers (extra cost) which is often not funded."

"Particular increase in demand for mental health support which is beyond the housing support originally intended. We are being asked to take on more complex clients but at the same time have difficulty getting them access to the type of support they actually need."

Impact on staff wellbeing and burnout

We have become increasingly aware of the negative impact on staff health and wellbeing caused by increased demand and complexity, coupled with restricted funding and job uncertainty.

In the Frontline Network's [annual survey](#), **52% of frontline workers in Wales said they feel at risk of burnout**. The following comments illustrate this further.

85%
reported
negative impact
on staff
wellbeing

"We lost a staff member to suicide last year and I fear that work-related stressors may have been a factor, although that cannot be proven."

"The increased demand and complexity has most certainly affected staff. More staff are experiencing burn out, are choosing to leave a job within a sector they have loved for many years because of the impact it has on their wellbeing."

"The health and wellbeing of workers is concerning, they are at capacity and are at risk of burnout. We have seen an increase in the request for counselling/clinical supervision from staff due to the increase in referrals and the very complex needs that come with these."

A number of comments reference the need for high quality training, support, supervision and reflective practice for staff, to enable them to have the time, space, skills and resilience to cope with the increased complexity. As highlighted earlier in this survey, services have not been able to invest in these areas due to the increase in employer NI contributions, despite the Welsh Government's intention that the funding uplift should be used to help deal with increased demand and complexity. These comments also align with the Workforce Task and Finish Group's recommendations on training and support systems for staff.

"For colleagues, the increased demand and complexity has meant carrying higher caseloads, managing greater levels of risk, and dealing with situations that are often emotionally challenging. This highlights the critical need for robust supervision, wellbeing support, and specialist training in areas such as mental health and neurodiversity - again no allocation in budget to provide this + impact due to turnover of staff. However, we are unable to provide clinical supervision due to lack of funding, leaving colleagues without the specialist support they need."

Staff turnover

67% of respondents reported an increase in staff turnover since last year, building on the 50% who reported an increase last year. We understand that this is due to a combination of low pay and the challenging environment that people are working in.



"Our staff turnover for HPG funded staff was 22% last year. Given the high demand for our services, all vacancies put significant additional pressure on remaining staff."

"It is becoming more common to have to put job adverts back out 2 or even 3 times in some local authority areas. Therefore, we are running with several vacancies at a time in some teams. This affects service provision greatly - it may reduce time spent with clients, and also increase waiting lists."

"We are also experiencing high turnover in essential roles such as waking night cover, where colleagues can earn better wages working in supermarkets."

Impact of increased turnover on clients and staff

Increased staff turnover is frustrating and costly for organisations, but also has a significant impact on people using services. Given the trauma that is present in many people's history, it can be very difficult for people to build trusting relationships. However, once they have done so, their relationship with their support worker can be a huge factor in their recovery and wellbeing. Staff turnover means that people lose these trusted relationships, and may find it difficult to engage. In addition, vacancies can lead to staff members taking on increased responsibilities, heightening the risk of burnout and reducing the time they can spend with people they are supporting.

"Trust and healthy relationships between staff and service users are essential for facilitating positive change; however, frequent staff turnover or inconsistency can impede progress and make it challenging to establish effective working relationships. Furthermore, teams sometimes experience decreased morale when they are required to assume additional responsibilities due to colleague absences."

"Staff Retention and wellbeing is a key challenge which affects continuity and quality of support for clients. Our services are based on trust, and this relies on continuity and effective relationships between staff and clients."

"Service users especially are frustrated and saddened to see staff they trust move on to other sectors of work for better pay/ opportunities."

"Colleagues feel obliged to pick up extra shifts as they don't want to let team mates and clients down [...] but long term this just adds to burnout."

What services need in 2026/27

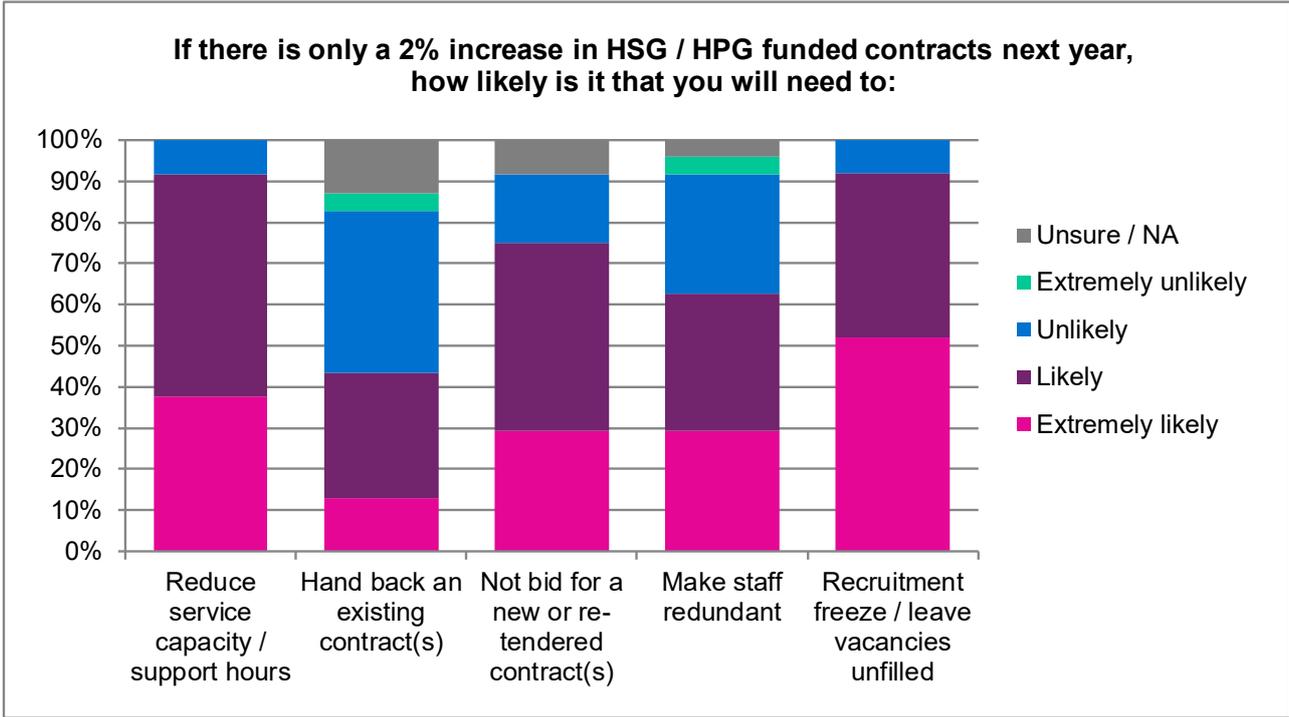
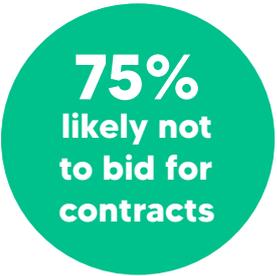
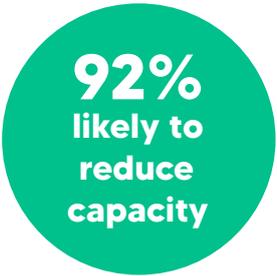


Looking to the future: Welsh budget 2026/27

Given the Cabinet Secretary for Finance’s confirmation of a roll-over budget plus 2%, and concerns that the providers need a much larger uplift to maintain service delivery and meet the additional wage and inflationary costs of service provision, we asked providers what was likely to happen if the HSG and HPG budgets were only increased by 2%.

The likely impact of a 2% increase to the HSG and HPG budgets:

- 92% said they would likely need to reduce service capacity
- 92% said they would likely need to freeze recruitment / leave vacant posts unfilled
- 75% said they would likely not bid for new or re-tendered contracts
- 63% said they would likely need to make staff redundant
- 43% said they would likely need to hand back an existing contract



Estimated reduction in workforce

Given that 92% of organisations would likely need to freeze recruitment, and 63% would likely need to make staff redundant if they only receive a 2% uplift, we wanted to try to quantify the impact on the size of the workforce. The data we received from providers suggests that the HSG/HPG-funded workforce would be reduced by an average of 10% in this scenario. If we estimate the homelessness and housing support workforce to be between 3,000 and 4,000 staff, this will equate to **300-400 members of staff losing their jobs.**



Our call to all politicians in the Senedd

Everyone should have the right to a safe and secure home. We are calling for a further 10% increase to the Homelessness Support and Prevention budget in the Welsh Government's final budget for 2026/27.

The data we have shared provides an insight into the state of homelessness and housing support services in Wales. While recent increases in funding have helped to close the gap left by over a decade of real term cuts, growing demand and complexity of support needs means that services need further investment.

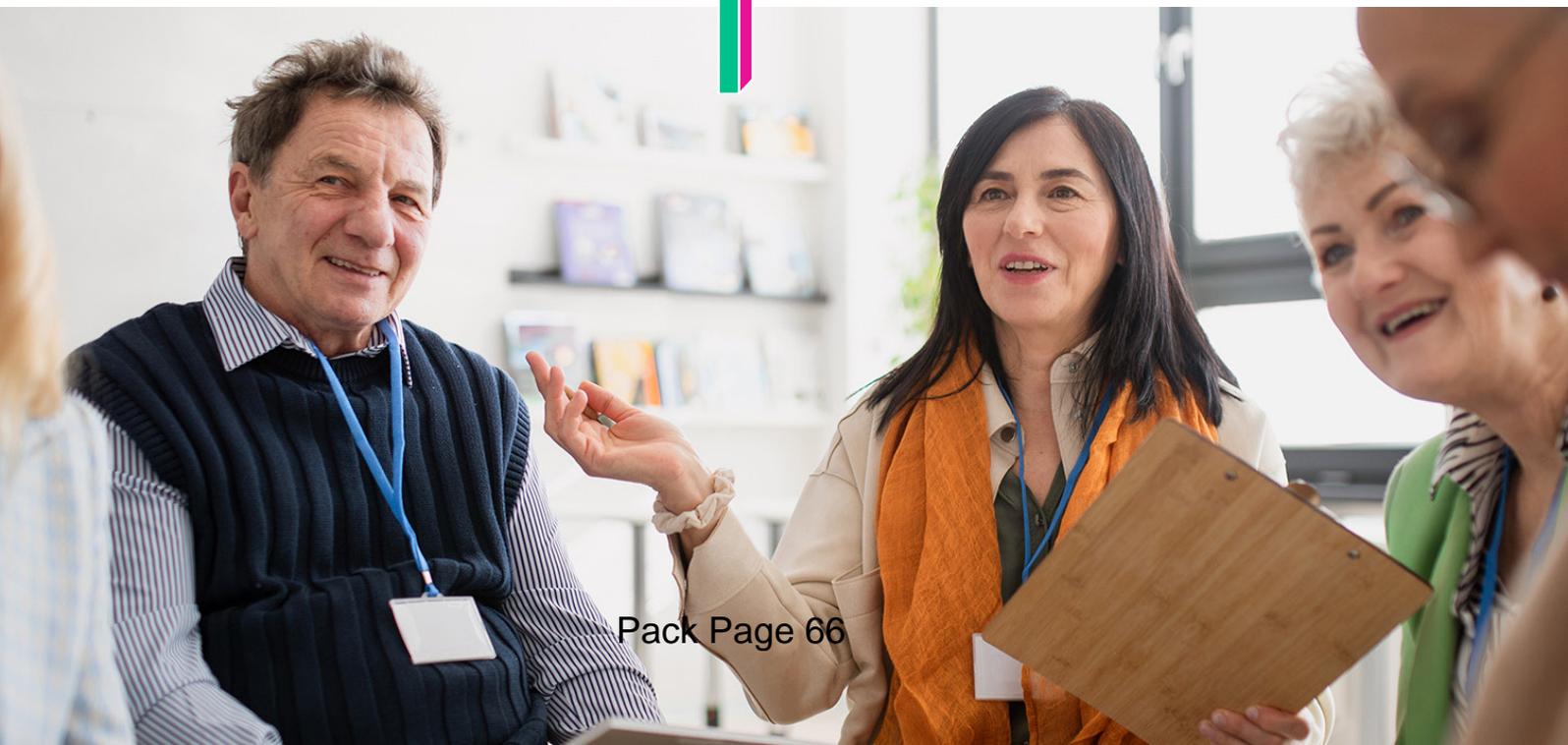
Last year's increase in employer National Insurance contributions has hit the sector hard - despite playing a critical role in helping public services to prevent and end homelessness, these services have not been protected from the added costs. In fact, the changes to NI have stopped services from being able to increase frontline staff wages as much as they would have liked, and have stood in the way of increasing service capacity and expertise to meet the increased demand and complexity.

We are calling on politicians of all parties to prioritise the Housing Support Grant and the Homelessness Prevention Grant in the final budget. As our data shows, increasing these funds is vital if we are to continue to support people out of homelessness.

We have made this clear to the Welsh Government, but hope that opposition parties who are scrutinising the budget and considering a budget deal will act on this report.

For further information, please contact:

- Katie Dalton, Director, Cymorth Cymru - katiedalton@cymorthcymru.org.uk
- Elly Lock, Head of Policy and Research, Community Housing Cymru - elly-lock@hcymru.org.uk





SOCIAL CARE

SURVIVAL

WELSH BUDGET 2026/27



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WHO WE ARE

Care Forum Wales

[Care Forum Wales](#) is a not-for-profit organisation with more than 400 members across Wales. It was set up in 1993 to give health and social care providers a collective voice in the debate about how to provide the best outcomes for those who need social care.



Cymorth Cymru

[Cymorth Cymru](#) is the representative body for not-for-profit providers of homelessness, housing and support services in Wales, including providers of supported living services for people with a learning disability. We want to see an end to homelessness and a Wales where everyone can live safely and independently in their own homes and thrive in their communities.



The Homecare Association

The [Homecare Association](#) is the UK's membership body for homecare providers, with over 2,200 members across the UK. Its mission is to ensure society values and invests in homecare, so we can all live well at home and flourish in our communities. The Homecare Association acts as a trusted voice, taking a lead in shaping homecare, in collaboration with partners across the care sector. It also provides hands-on support and practical tools for its members.



TOGETHER, WE REPRESENT HUNDREDS OF SOCIAL CARE SERVICE PROVIDERS, DELIVERING VITAL CARE AND SUPPORT SERVICES TO THOUSANDS OF PEOPLE ACROSS THE LENGTH AND BREADTH OF WALES.

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THE IMPORTANCE OF SOCIAL CARE SERVICES

Social care services provide invaluable support to tens of thousands of people across Wales, including vulnerable children and families, older people, and adults with mental health issues and/or learning disabilities.

Over eighty thousand people work tirelessly to deliver domiciliary care that enables people to stay in their homes, residential care that provides a safe, supportive environment for people who need it, supported living services that promote independence and wellbeing, and nursing homes that provide clinical care for people with some of the most complex needs, who would otherwise have to be in hospital

In 2023/24, a total of 48,519 adults and 19,803 children in Wales had a care and support plan, just a snapshot of the number of people being helped by local authority, not-for-profit, and private care providers. These services keep people safe, supported and well, they prevent people from going into hospital, and help people to live dignified and fulfilled lives.

SOCIO-ECONOMIC BENEFITS

As well as making a difference to people's lives, social care services play a key role in the preventative agenda by reducing pressure on health services by keeping people well and out of hospital, helping patient flow and availability of beds for people with clinical needs. Social care also plays an important role in the foundational economy, providing jobs and supporting local supply chains. In 2024, Alma Economics published a research on the *Economic and social value of the UK adult social care sector*, commissioned by the Skills for Care and Development. The report for [Wales](#) found that:

- In 2023, 88,232 people were employed in social care in Wales, up 15% from 2022.
- The total direct, indirect and induced value of the adult social care sector in Wales was £4.6bn.
- The socioeconomic benefits of the adult social care sector in Wales were £22.6bn in 2023, while the costs were £8.1bn.
- This means that for every £1 spent on adult social care in Wales, there was £2.78 worth of socioeconomic benefits.

£2.78 in
socio-economic
benefits for
every £1 spent
on social care

88,232
people in Wales
are employed
in adult social
care

Social
care in Wales
delivers
£22.6bn
in socio-
economic
benefits

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SUSAN'S STORY - THE DIFFERENCE HOMECARE MAKES

Susan, 61, lives alone in Bridgend. After multiple knee and hip replacements, a stroke, and developing lung disease, her mobility and balance have become severely limited. She now relies on crutches and a wheeled trolley to move around her home safely. Her conditions make everyday tasks such as showering, dressing, and managing compression stockings extremely difficult without help. Since receiving home care, Susan says it has given her back her dignity and independence.

"My carers are my lifeline. I rely on them every day. They know when something isn't right and make me feel safe in my own home. Without them, I couldn't stay here."

Continuity of care is especially important to Susan, who finds reassurance in familiar faces and the laughter they share. Her story shows how quality, consistent home care not only supports physical wellbeing but restores confidence, connection, and hope — allowing people to remain safely and happily in their own homes.

"It makes me feel like a worthwhile person — that I can still live my life as much as I can, with the right type of care around me."



'S' - THRIVING THROUGH INDEPENDENCE AND MEANINGFUL ENGAGEMENT

S moved into his care home in 2008 when his family were no longer able to meet his care needs. He has cerebral palsy, which affects his mobility and speech. While S is non-verbal, staff familiar with his gestures and vocalisations are able to understand his needs, enabling him to communicate effectively and participate fully in daily life.

Building Confidence and Purpose: Since moving in, S has developed strong relationships across the care home, which have significantly enhanced his confidence, wellbeing, and sense of purpose. He is an active and valued member of the home's gardening and maintenance teams. These roles give S meaningful responsibilities, foster social connections, and reinforce his sense of contribution and belonging.

Promoting Independence: S enjoys performing daily tasks independently wherever possible. He takes his laundry to the care home's laundry room, assists staff with small jobs, and delivers written notes or supplies. This active involvement in daily life supports his autonomy and self-esteem. S also maintains links with his wider community. Prior to COVID-19, he attended a local centre to participate in work activities and has recently returned. The centre, a Victorian walled garden, provides therapeutic and purposeful activities such as gardening and crafting, which have further strengthened his confidence, independence, and wellbeing.

Creative and Leisure Activities: S's interests extend to creative pursuits and personal hobbies. He participates in art classes at the care home, focusing on his favourite theme: cars. Through his artwork, he develops concentration, fine motor skills, and relaxation, with arm spasms reducing as he immerses himself in his creativity. These activities provide joy, engagement, and personal expression, enriching S's everyday life.

Outcomes and Impact: S is an integral member of the care home community. His involvement in household tasks, social interactions, creative projects, and community-based activities strengthens his confidence and self-esteem, enhances his sense of independence and purpose, provides meaningful social connections with peers and staff, and promotes overall wellbeing and engagement in daily life. S leads a happy, fulfilled, and meaningful life, empowered to pursue the activities that bring him joy. He is not only supported but also celebrated as part of the care home family he calls home.



'E' - MAINTAINING INDEPENDENCE AND CREATIVE EXPRESSION IN LATER LIFE

E was admitted to a care home in 2024 following a decline in health and an increase in falls at home due to Parkinson's disease. Despite the challenges of his condition, including reduced dexterity and movement difficulties caused by Parkinson's and dyskinesia, E is a fiercely independent individual who strives to retain his skills and abilities for as long as possible.



Creative Engagement and Wellbeing

With tailored support from the care home team, E has been empowered to continue his artistic pursuits, which are central to his sense of identity and wellbeing. He attends weekly art classes, which provide him with a sense of freedom, purpose, and personal achievement. The art tutor ensures E has the time and space to create at his own pace, accommodating fluctuations in his physical abilities due to Parkinson's.

E is a gifted and accomplished artist, and his involvement extends beyond the care home:

- He actively participates in external projects and art exhibitions, showcasing his work to the wider community.
- He hones his skills through research on classic artists, further developing his creative expertise.
- The act of creating art allows him to experience calm and focus, counterbalancing the frustration caused by his condition.

Positive Outcomes

Through continued engagement in art, E has experienced significant benefits:

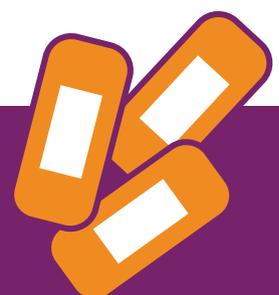
- Enhanced wellbeing: Art provides E with a therapeutic outlet, improving mood and reducing stress.
- Preservation of skills: Creative activities help E maintain dexterity, coordination, and cognitive engagement.
- Sense of purpose and pride: Contributing to exhibitions and projects reinforces his accomplishments and self-esteem.
- Empowerment and independence: Tailored support allows E to control his creative process, maintaining autonomy despite physical limitations.

E views his time in the care home as a positive new chapter, where he can continue to pursue his passions, maintain independence, and engage meaningfully with both staff and the wider community. His story demonstrates how personalised support and access to meaningful activities can help individuals with complex health conditions lead fulfilling, purposeful lives.

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WHY IS SOCIAL CARE UNDER THREAT?

Social care services in Wales are facing the greatest financial challenges since devolution, with several factors putting the sustainability of these critical organisations at risk.

While Welsh Government commitments to ethical [commissioning](#), fair work and the [Real Living Wage](#) for social care workers are supported by the sector, the government needs to ensure that providers receive the funding they need and the commissioning of care services reflects this approach.

INSUFFICIENT FUNDING

LACK OF TRANSPARENCY

NATIONAL INSURANCE

INSUFFICIENT FUNDING

The costs of delivering high quality social care have increased substantially over the last decade, with factors such as the increase in energy bills, insurance and staff costs putting significant pressure on budgets. Each year, the social care sector works together to publish the true costs of delivering services, but providers rarely receive sufficient funding.

FAILURE TO DELIVER REAL LIVING WAGE COMMITMENT

Care providers in Wales believe that frontline workers deserve a fair wage for their work, and support the Welsh Government's Real Living Wage commitment. However, they have not received the required funding to cover increases in the RLW, despite assurances from Ministers. This means that some providers have been unable to pay the RLW. Others have paid it, but now face huge budget deficits that put the sustainability of vital services at risk. We explore this issue in more detail on the next page.

NATIONAL INSURANCE CHANGES

The UK Government's decision to increase employer National Insurance contributions has devastated the social care sector. While additional funding was provided to help 'public services', this did not include commissioned social care services, which local authorities rely on to meet their social care responsibilities to vulnerable children and adults. This has left social care providers facing a considerable financial shortfall now and in the future.

LACK OF TRANSPARENCY AND ACCOUNTABILITY

The Welsh Government has repeatedly claimed that funding to cover the increase in the RLW has been provided to local authorities, but local authorities have disputed this. The lack of ring-fencing and transparency about this funding has resulted in a stalemate, but it is care providers who are left without the resources they need to pay the RLW.

LATE (OR NO) CONFIRMATION OF FUNDING

Too many care providers do not receive confirmation of their funding from their commissioner until after the start of the financial year, which makes it incredibly difficult to set budgets and ensure organisational sustainability. Some providers have still not received confirmation, despite being over six months into the financial year.

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A SPOTLIGHT ON THE RLW COMMITMENT

One of the key pledges in the Welsh Government's Programme for Government is to pay social care workers in Wales the Real Living Wage. The Welsh Government committed to providing additional funding in its budget to cover the uplift from the National Living Wage to the Real Living Wage. Costs falling to health boards are met from the Welsh Government's health budget and for local authorities it is provided through the local government un-hypothecated settlement.

A COMMITMENT TO PAYING THE REAL LIVING WAGE

Care providers in Wales wholeheartedly support the commitment to pay social care workers the Real Living Wage (RLW). They want their workers to be receive a fair wage that rewards their invaluable work and helps them to cover the cost-of-living, and they also recognise the importance of fair pay for improving recruitment, retention and the quality of care.

THE REALITY

While the majority of social care workers are being paid the RLW, the implementation of this policy beyond the first year has caused significant problems for care providers and commissioners. Cordis Bright have published a series of reports as part of their [evaluation](#) of this policy for the Welsh Government, including a [process evaluation](#), which states:

"Most providers and care commissioners reported that, in the first year of the policy's implementation, the level of funding was sufficient. However, in the second year of implementation, the funding provided was reportedly insufficient to pay the RLW."

The report also includes quotes from care providers:

"We are delighted as we wanted to pay the RLW for years and were not able to. We would like to pay more than RLW. We are a non-profit so don't have a lot to fall back on in terms of being able to fund ourselves. In Year 1 we were given the funding we needed by local authorities. This year we haven't had enough funding." (Care Provider)

"[We] did implement [the RLW] in 2022... It was very easy initially, but the journey became more and more difficult... We managed to do it and just about balance our books last year. But this year we have not been able to do it [pay the RLW]." (Care Provider)

The consequences of this, in conjunction with the inflationary pressures facing services, including service reductions and closure, have been outlined in the report:

"Some providers who have struggled financially with the implementation of the RLW policy, along with other recent pressures, reported that they have had to shut down certain services to reduce their costs. Several providers reported that they had reduced the range of services they offered since the introduction of the policy, and some said they knew of other organisations that had closed down completely in recent years, for various financial reasons including the cost implications of the RLW policy."

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THE FUNDING MECHANISM

Cordis Bright's [impact evaluation](#) report outlined the challenges caused by the mechanism the Welsh Government is using to provide additional funding to local authorities for the RLW, which is via the Revenue Support Grant (RSG). Over the last few years, the uplift to the RSG has been lower than the increase to the RLW. This means that funding to care providers has had to compete with other priorities within local government. The Cordis Bright report states:

“Care commissioners consistently reported that the RLW policy has placed significant financial strain on local authority budgets. Several commissioners highlighted the disparity between the percentage increase in the RLW and the percentage uplift in the Revenue Support Grant.”

Commissioners and providers are incredibly concerned and frustrated by the shortfall in funding. In addition, they have become exasperated by the lack of transparency and accountability caused by the funding mechanism, exemplified by the disagreement between Welsh Ministers and local government about whether sufficient funding has been provided. This is illustrated by some of the comments in Cordis Bright's [process evaluation](#) report.

“[We’re] told on the one hand by the Welsh Government that sufficient funds have been allocated and that they worked out costs needed. But being told by local authorities and health boards that they haven’t got the funding. It feels like providers caught in middle and people saying they want to do it but its someone else’s fault.” (National strategic stakeholder)

“We’ve had some friction due to publications that Welsh Government have released that say they have given us [local authorities] enough funding. Providers come back to us with this. This demonstrates the complete lack of cohesion between Welsh Government and local authorities.” (Care commissioner)

Cordis Bright concludes that the lack of ring-fencing for the RLW has exacerbated the challenging economic and funding context. They go on to recommend that the Welsh Government should consider ring-fencing in future, to improve transparency and accountability.

“6.2.3. The biggest obstacle for the policy is the economic and funding context, but this has been exacerbated by not ring-fencing funds for the RLW.”

“Consider the feasibility of ring-fencing funding to pay the RLW and associated oncosts, to improve transparency and accountability. If this is not feasible, Welsh Government could be more explicit with local authorities as to what funding is intended for the RLW within the non-hypothecated RSG.”

Cordis Bright also recommended that the Welsh Government increase transparency and communication around the calculation of the funding for the RLW policy and what it includes.

CONCLUSION

Care providers remain supportive of the Real Living Wage commitment for social care workers. However, they require sufficient funding to implement this policy without putting the sustainability of their services, and their organisation, at risk.

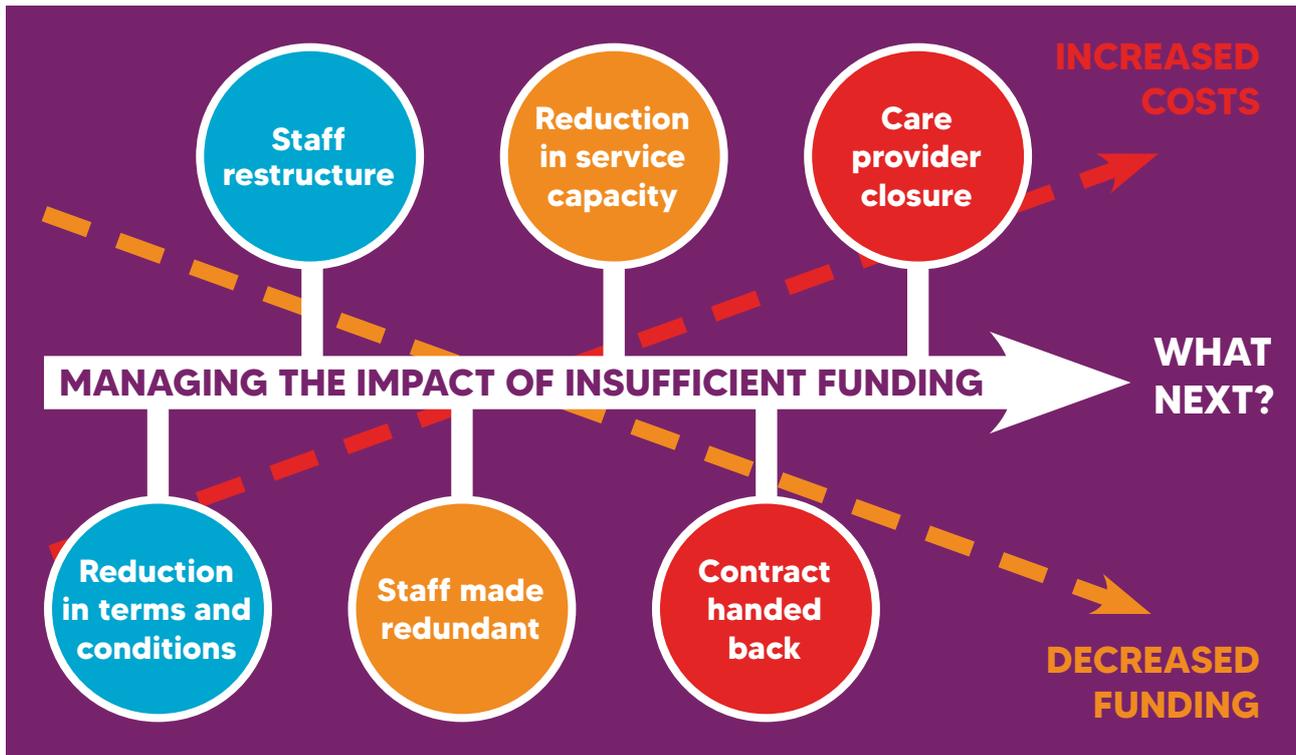
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THE IMPACT ON SOCIAL CARE

Over the last decade, care and support providers have had to contend with huge increases in costs, but have not received the level of funding required to meet these pressures. This has resulted in providers having to restructure staff teams, make staff redundant, reduce terms and conditions, reduce service capacity and hand back contracts, just to stay viable. In some cases, this has led to the closure of the organisation, creating fear and uncertainty for people in receipt of their services. Care providers are clear that there is nothing more to cut, and the continued pressure on services is likely to lead to further harm to the services that so many people rely on.



CARE FORUM WALES SURVEY OF CARE PROVIDERS:
92% OF RESPONDENTS STATED THAT THEY EITHER COULD NOT (71%) AFFORD THE EMPLOYER NATIONAL INSURANCE INCREASE OR MAY NOT BE ABLE TO AFFORD IT (21%)

71%
could not afford the increased NI costs

A RECENTLY PUBLISHED HOMECARE ASSOCIATION REPORT 'THE HOMECARE DEFICIT' FOUND:

- REAL LIVING WAGE FUNDING GAP OF £130.6 MILLION THIS YEAR FOR HOMECARE
- ONLY ONE COUNCIL IN WALES IS PAYING THEIR MINIMUM PRICE FOR HOMECARE

£130.6m
RLW funding gap for Homecare

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THE IMPACT OF A 2% BUDGET INCREASE

Following the publication of the Welsh Government’s Draft Budget for 2026/27 and the [announcement](#) of the new Real Living Wage, we surveyed care providers in Wales to understand the likely impact on the delivery of commissioned social care services, the workforce, and the sustainability of care providers. The data below represents a sample of care providers, and whilst we don’t know if their answers are representative of the whole sector, it clearly highlights the level of concern about the future.

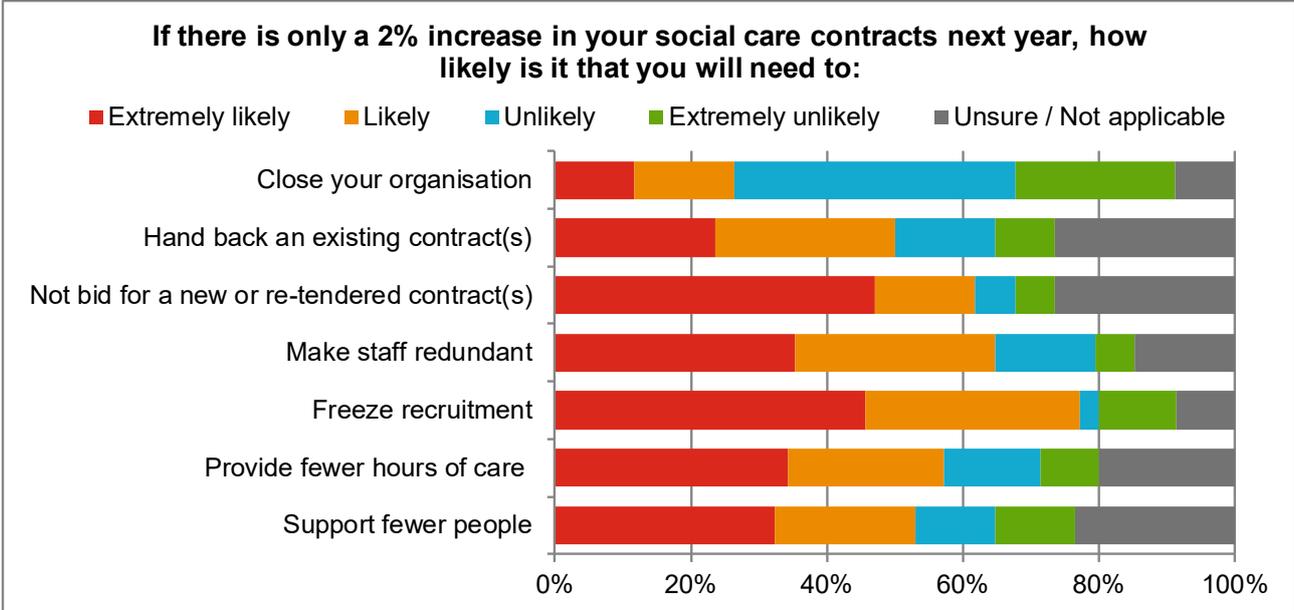
The responses to the survey indicated:

- 53% are likely to have to support fewer people
- 57% are likely to have to reduce hours of support
- 77% are likely to freeze recruitment
- 65% are likely to make staff redundant
- 62% are likely to not bid for new / re-tendered contracts
- 50% are likely to have to hand back contracts
- 26% are likely to have to close their organisation entirely

Estimated
50%
likely to
hand back
contracts

Estimated
26%
likely to have
to close their
organisation

Estimated
19.6%
reduction in the
social care
workforce



REQUIRED FUNDING UPLIFT FOR 2026/27

We also asked care providers to estimate the increase in funding they would need to meet the costs of the newly announced Real Living Wage and to maintain appropriate differentials for immediate managers in 2026/27 - the average being 9.4%. When asked what level of increase would be required to meet all service delivery costs, the average was 11.9%.

9.4%
increase
required to
pay RLW and
differentials

11.9%
increase
required to
cover all service
delivery costs

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CASE STUDY: ANHEDDAU

Anheddau is a long-established not-for-profit provider supporting around 140 disabled adults and employing over 400 staff across Gwynedd, Conwy, Anglesey, Denbighshire, and Wrexham. Despite a strong reputation for high-quality, person-centred care, the organisation now faces severe financial pressure as costs rise faster than local authority funding. For over 35 years, Anheddau has provided vital support for people with autism, learning disabilities, mental health conditions and other complex needs, enabling them to live more independently in their communities. However, funding from local authorities has not kept pace with the true cost of care.

In April 2025, the increases to the Real Living Wage and employer National Insurance contributions added approximately £400,000 to Anheddau's annual wage bill. Claire Higgins, Chief Executive, explains:

"We anticipated and planned for staff pay rises, but the National Insurance changes were a devastating blow. Finding £400,000 with little warning would be challenging for any business - for a small charity like Anheddau, it's catastrophic."

Anheddau has absorbed funding shortfalls for many years to protect the people it supports. Despite introducing efficiency measures, costs have risen by 11%, and local authority uplifts have not matched this. The charity has requested an 8% increase in fees; however, while 3 local councils offered circa 6%, 2 offered only 4%, a problem compounded by the lateness of the offers being agreed and the fact Anheddau is remunerated 6 weeks in arrears in some instances.

"It's a misconception that not-for-profit organisations have large reserves," Claire notes. *"Any surplus is reinvested into service delivery. Our reserves only meet statutory obligations such as redundancy costs."*

The challenges facing Anheddau are mirrored across the sector. In 2025, another charity, Cymryd Rhan, was forced to close due to similar financial pressures.

NOT-FOR-PROFIT SUPPORTED LIVING SERVICES

Cymorth Cymru conducted a snapshot survey of not-for-profit providers of supported living services for people with a learning disability. On average, it is costing them £707,133 to cover the increase in the Real Living Wage in 2025/26, and an average of £725,415 to pay the increased employer National Insurance contributions. To cover these costs, services required an average funding uplift of 8.3% - but as of 1st April, the average uplift offered was 3.6%, with 49% not having received an uplift yet. The average funding shortfall being faced by these providers during 2025/26 is £585,714, with the highest being £1.4 million.

Average
funding
shortfall of
£585,000
in 2025/26

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CASE STUDY: NOT FOR PROFIT SUPPORTED LIVING PROVIDER

This not-for-profit supported living provider has had to make hugely difficult decisions this year due to unmet Real Living Wage costs, and the impact of Employers National Insurance changes. They have already lost £1.8m from reserves as a result of insufficient uplifts in the last two budget rounds and if uplift rates follow Local Government increases will be looking at another £1m loss next year.

They have recently restructured, losing a lot of experienced colleagues. These were mostly managers, with many years of experience and expertise in developing and delivering supported living. These staff were experts in building communities and ensuring that supported living remains the powerful model it is. Whilst they managed to preserve their level of front line support for the people they support they are also having to consult on changes to terms and conditions, to reduce sick pay entitlement for their whole workforce.

Without a firm commitment on uplifts for the real cost of care next year, they face very difficult decisions about whether to compromise on paying the Real Live Wage, reduce even further their supported living model or whether they continue to make a loss in the hope that uplifts will meet rising costs.

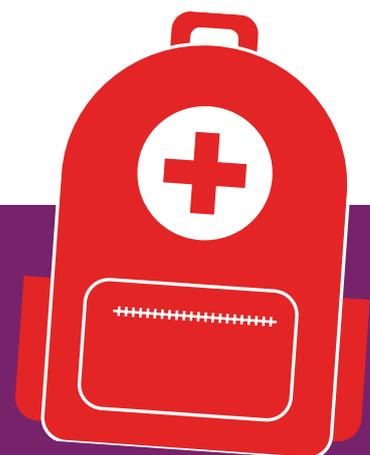
The impact of losing hugely valued and respected colleagues as well as the uncertainty around whether uplifts will meet rising Real Living Wage costs in the coming year is causing huge anxiety and disruption within the organisation.

CASE STUDY: FAMILY-RUN HOMECARE IN SOUTH EAST WALES

As a family-run homecare company based in South East Wales, we've been supporting our community for over 15 years. We employ local people to care for local people, supporting around 72 individuals to live independently. Our team's dedication has earned us an excellent CIW rating — we go above and beyond with things like Christmas dinners for clients, community events, remembrance wreaths, and even “fish and chip Fridays,” where carers bring lunch and share time with clients. Our staff genuinely make a difference every day.

Despite this commitment, the past year has brought significant challenges. A recent re-tendering process led to the loss of both clients and valued staff, while rising costs — particularly increases in National Insurance — have stretched us to the limit. We already pay time and a half for bank holidays and over Christmas and New Year, but this year we simply can't afford to give pay rises.

Without sustainable funding, our ability to reward and retain skilled carers is at real risk — and that ultimately impacts the people and communities we care for most.



SAVING

SUSTAINING

SURVIVING

BUDGET 2026/27: WHAT NEEDS TO HAPPEN NEXT?

The Welsh Government's budget for 2026/27 provides a critical opportunity to ensure that services can continue to provide essential care and support to people across Wales. Without action, many services will be at risk of closure.

We are calling on the Welsh Government to provide:

SUSTAINABLE AND TIMELY FUNDING FOR SOCIAL CARE

The Welsh Government must increase the social care budget and take steps to ensure social care services in Wales receive the funding they need to cover all of the costs associated with running high quality social care services. The Welsh Government should also undertake work with commissioners and providers to establish minimum fee rates and a consistent approach to funding care services across Wales. The Welsh Government should require local authority and health board commissioners to confirm the funding allocation for all commissioned care and support services before 1st April 2026.

FUNDING AND ACCOUNTABILITY ON THE REAL LIVING WAGE

The Welsh Government should address the significant problems with the delivery of the Real Living Wage commitment by ensuring that commissioners and care providers receive the funding they need to uplift salaries to the new Real Living Wage rate and maintain appropriate differentials for operational managers. In line with the Cordis Bright evaluation recommendations, they should provide greater transparency about the funding for the RLW and consider ring-fencing the funding to ensure it does not get spent on other priorities.

FUNDING FOR NATIONAL INSURANCE INCREASE

The Welsh Government should provide additional funding for commissioned social care services to cover the full costs of the increase in employer National Insurance contributions for as long as this policy remains in place. These services are fundamental to the delivery of public services in Wales and local authority statutory responsibilities, and should be recognised as such.

GREATER TRANSPARENCY AND ACCOUNTABILITY

The Welsh Government should be transparent about the calculations and amount of additional funding being provided for social care services to cover the increases in the Real Living Wage and employer National Insurance contributions over the last two years and in the future. Ministers should also collect data to confirm that sufficient uplifts are being passed on to care and support providers, to ensure that providers are not financially penalised for paying the Real Living Wage.



SAVING

SUSTAINING

SURVIVING

Briefing: Welsh Government Draft Budget 2026-27

December 2025

Introduction

Together, the Wales Women's Budget Group (WWBG) and the Women's Equality Network (WEN) Wales have analysed the Welsh Government's Draft Budget 2026-27 from a gender equality perspective. This briefing highlights some key points and recommendations, including those relating to the recent budget agreement between Welsh Labour and Plaid Cymru announced on 9th December 2025. Our full consultation response can be found [here](#), and a recording of our oral evidence session is available on [Senedd.tv](#). Additionally, our statement response to the Draft Budget 2026-27 is available to view [here](#).

1. Budget agreement, 9 December 2025

- 1.1. We warmly welcome the additional investment in Wales' public services as a result of the budget agreement reached between Welsh Labour and Plaid Cymru this week. Due to their unequal economic position, women in Wales are more likely than men to rely on public services, as well as to work within them and to become providers of last resort when services are cut or scaled back. In this context, the additional £300million announced for public services is positive news, particularly following the relative deprioritisation of public services in the UK Government's Autumn Budget 2025.¹
- 1.2. We were particularly pleased to see much-needed investment in Welsh local authorities which provide the vital public services women rely on and work within.
 - However, while the 4% funding floor and investment of £112.8million will help safeguard councils in the short term, it falls short of placing them on sustainable footing. As discussed below, a number of key public services have not received adequate support in this year's budget. In the context of the announced rises to National Living and Minimum Wages in the UK Autumn Budget, it is unlikely that this extra funding will meet growing cost pressures. This may result in increased service costs or cuts to service provision, both of which impact women in Wales disproportionately as lower earners, majority service users and employees. There is an urgent need for a long-term sustainable funding plan to adequately fund local authorities and protect the vital services they provide.
- 1.3. Women make up 78% of the health and social care workforce in Wales.² As noted in our response, the initial uplift allocated in the Welsh Government's detailed Draft Budget was wholly insufficient to meet growing demand and cost pressures within the sector.³ We therefore welcome the additional £180million which will be invested in health and social care next year.
 - We remain concerned, however, that poor pay, working terms and conditions continue to exacerbate the recruitment and retention crisis within social care specifically. It is therefore vital that the additional funding provided in the budget agreement is used to tackle the structural issues within the sector i.e. the prevalence of precarious, zero-hour contracts, lack of job security, and shortage of training and progression opportunities.

¹ WWBG (2025), *Autumn Budget 2025: What does it mean for women in Wales?*

<https://wwbg.org.uk/autumn-budget-2025-what-does-it-mean-for-women-in-wales/>

² WEN Wales (2025), *State of the Nation 2025* (forthcoming)

³ WWBG and WEN Wales (2025), *Wales Women's Budget Group (WWBG) and Women's Equality Network (WEN) Wales joint submission to the Finance Committee: Welsh Government Draft Budget 2026-27* <https://business.senedd.wales/documents/s500017595/WGDB26-27%2021%20Wales%20Womens%20Budget%20Group%20WWBG%20and%20Womens%20Equality%20Network%20WEN.pdf>

Potential questions:

- **What long-term action is the Welsh Government taking to support Welsh local authorities and the services they provide?**
- **How will the allocations in the Draft Budget 2026-27 be used to tackle the recruitment and retention crisis in the social care sector?**

2. Childcare

- 2.1. The unequal economic position of women in Wales means that they bear a disproportionate share of unpaid caring responsibilities. As a result, they are 2.5 times more likely than men to be working part-time and three times more likely to be economically inactive due to caring responsibilities.⁴ Inadequate childcare provision in Wales continues to represent a key barrier to women's workforce participation, their economic independence and gender equality more widely.
- 2.2. While we welcome restated funding for childcare in this year's Draft Budget, the system remains unaffordable, inaccessible and disjointed with gaps in provision driving parents, particularly mothers, out of work. Funded entitlements for the lowest-income families and children under three are extremely limited and often incompatible with typical working patterns. For example, the phased expansion of Flying Start only amounts to 12.5 hours per week, regularly delivered at 2.5 hours a day. Research shows that funded childcare in the region of 15 hours or less is largely ineffective in addressing parental employment, whereas expanding entitlements to 30 hours leads to significant increases in labour force participation and employment of mothers whose youngest child is eligible.⁵
- 2.3. The cost of childcare continues to rise for all ages in Wales, in some areas rising by more than 10% over the past year.⁶ As noted in recent research by WEN Wales, managing childcare led 60% of surveyed parents to reduce their working hours, 42% to reduce spending on essentials like food, rent or heating and 35% to reduce spending on non-essentials for their children, like clothing, toys or activities.⁷ This is particularly concerning for single parents – 80% of whom are women – who rely on a single income and remain the most likely household type to be living in relative income poverty in Wales, with 35% currently doing so.⁸
- 2.4. Despite high childcare costs, many providers in Wales struggle to break even let alone pay early years professionals a wage that reflects the demands and responsibilities of their role, leading to a continuing crisis in recruitment and retention and gaps in provision. These challenges are likely to become more acute following the increases to National Living and Minimum Wages announced in the UK Autumn Budget, which will result in increased wage bills for the sector. Unless the sector is adequately funded, higher labour costs will be passed on to service users or lead to reduced staffing and services. This represents a 'double whammy'⁹ for women as the majority of childcare workers and service users.
- 2.5. To address these issues, the Welsh Government must expand provisions for disadvantaged families and children under three and support providers to adopt more

⁴ WEN Wales (2025), *State of the Nation 2025* (forthcoming)

⁵ Institute of Fiscal Studies (2022), *Does more free childcare help parents work more?*
<https://ifs.org.uk/publications/does-more-free-childcare-help-parents-work-more>

⁶ Coram (2025), *Childcare Survey 2025* <https://www.coram.org.uk/wp-content/uploads/2025/03/ChildcareSurvey2025-1.pdf>

⁷ WEN Wales (2025), *Transforming Early Childhood Education and Care in Wales*
<https://wenwales.org.uk/wp-content/uploads/2025/10/Transforming-ECEC-in-Wales-Full-Report-ENG-DIGITAL.pdf>

⁸ Welsh Government (2025), *Relative income poverty: April 2024- March 2025*
<https://www.gov.wales/sites/default/files/pdf-versions/2025/3/4/1743067839/relative-income-poverty-april-2023-march-2024.pdf>

⁹ Women's Budget Group (2025), *The "Cost of Living Budget" 2025: What it Means for Women*
<https://www.wbg.org.uk/wp-content/uploads/2025/12/Budget-2025-Response-WBG-5.pdf>

flexible models of delivery for part-time entitlements. To deliver this, it is critical that the predominantly female workforce is paid in fair recognition for the responsibilities of their role.

Potential questions:

- **How will the Welsh Government ensure that its childcare and early years system effectively supports low income families and reduces child poverty, by supporting child development and parental employment?**
- **Is the Welsh Government confident that existing funding levels and mechanisms are suitable to ensure providers can fairly remunerate early years professionals, retain qualified staff and ensure high quality provision for all children?**

3. Housing

- 3.1. Having a safe, secure and affordable home is essential to us all. However, the housing crisis in Wales means that housing is increasingly unaffordable. A lack of social housing, rapidly increasing private rents and persistent issues with home ownership affordability are fuelling this crisis. While both men and women face issues of housing affordability, these are more acute for women in Wales due to their unequal economic position. Forthcoming research from WWBG indicates that private renting is unaffordable for women in 16 out of 22 Welsh local authorities and that women's incomes fall short of the average income required for a mortgage in all 22 local authority areas.¹⁰ Many women are thus locked out of private renting and home ownership and are more reliant on social housing. This is evidenced by the fact that single parent households – the majority of whom are women – are overrepresented on social housing waiting lists.¹¹
- 3.2. In this context, we welcome the Welsh Government's increased investment in social housing resource and capital. This will help to increase the availability and quality of social and affordable housing for women and other vulnerable groups, as well as reduce waiting list times. We are also pleased to see more available funding for the Welsh Government's Help to Buy Scheme, which makes home ownership more accessible. However, to determine the gendered impact of such schemes, the Welsh Government must improve the collection and publication of data related to them, to determine whether they are supporting men and women equitably.
- 3.3. We are concerned that the Draft Budget did not include any support for the private rental sector. As noted above, our forthcoming analysis shows that private renting is unaffordable for women in 16 of Wales' 22 local authorities. The least affordable areas are Cardiff, Newport and Torfaen, where rent takes up over 40% of women's monthly income. In contrast, for men, private rent is only unaffordable in two Welsh local authorities (Cardiff and Newport).¹² This disparity is likely to widen following the decision of the UK Government to not uprate the Local Housing Allowance in line with local rents in the Autumn Budget 2025. This decision will intensify rent pressures for low income households, disproportionately impacting women who spend more of their monthly income on housing. We therefore urge the Welsh Government to introduce the measures outlined in the *White paper on Adequate Housing* as a matter of urgency to improve affordability in the private rental market and support women and other low income households to cope as private rents continue to soar.

Potential questions

¹⁰ WWBG (forthcoming), Housing affordability in Wales – A gendered analysis

¹¹ Shelter Cymru (2025), Waiting for a home: An update on social housing waiting lists in Wales

<https://sheltercymru.org.uk/wp-content/uploads/2025/04/Waiting-For-a-Home-1.pdf>

¹² Ibid.

- **What action will the Welsh Government take to support low income private renters following the continued freeze of the Local Housing Allowance in the UK Autumn Budget?**
- **Are there plans to collate and publish gendered data on housing schemes such as Help to Buy?**

4. Third Sector

- 4.1. When public services are under pressure, vulnerable individuals often turn to third sector organisations in Wales for vital support. However, post-EU funding challenges, the cost of living crisis and increases to National Insurance Contributions have all had marked impacts on the third sector in Wales, with organisations facing increased demand and operational costs alongside limited resource.
- 4.2. These pressures are amplified for the Welsh women's sector, which faces unique and disproportionate pressures when compared to the wider charities sector. Recent research from the Rosa Foundation shows that 9 out of 10 women's organisations have experienced an increase in demand for their services over the past year. In contrast, only 65% of organisations in the wider charities sector have experienced an increase. 93% of women's organisations are expecting this demand to grow, rising to 100% for organisations supporting black and/or minoritised women and girls.¹³
- 4.3. Financial constraints are a critical barrier to women's organisations being able to meet this demand and deliver their vital services. Alongside increased costs, women's organisations in Wales and across the UK rely on a small number of narrow funding schemes. This is further problematised by the short-term nature of grants, which rarely last more than two years. This uncertainty falls far short of the long term security needed to meet growing demand and provide specialist services. It also affects organisations' ability to meet planned objectives and makes it extremely difficult to plan strategically for the future.
- 4.4. Faced with having to do more with less, three quarters of women's organisations have had to compromise in some way, either by reducing service provision and staff hours, increasing costs or even drawing on financial reserves to address shortfalls.¹⁴ The serious consequence of this situation is illustrated by the regrettable closure of longstanding organisations such as Chwarae Teg, which represented a significant setback in the fight for gender equality in Wales.
- 4.5. In this context, we were disappointed to see that the Social Justice portfolio received the smallest uplift of all departments in the Draft Budget 2026-27. Without adequate support, the Welsh women's and wider third sector is likely to contract further. To counteract the alarming loss of expertise in the Welsh third sector, the Welsh Government must take urgent action to protect its sustainability. We urge the Welsh Government to recognise the value of the third sector and to protect its organisations through targeted, medium to long-term funding, as delineated in its new Third Sector Scheme: code of practice for funding the third sector.¹⁵

Potential questions:

- **Is the Welsh Government confident that the funding levels are sufficient to halt the rapid loss of capacity in the Welsh third sector and protect the sustainability of support services?**

¹³ Rosa Foundation (2025), Underfunded, under resourced and under the radar: the state of the women and girls' social sector <https://rosauk.org/wp-content/uploads/2025/04/Underfunded-under-resourced-and-under-the-radar.pdf>

¹⁴ Ibid.

¹⁵ Welsh Government (2025), Third Sector Scheme: code of practice for funding the third sector <https://www.gov.wales/sites/default/files/pdf-versions/2025/5/3/1746614524/third-sector-scheme-code-practice-funding-third-sector.pdf>

- **How is this budget supporting third sector organisations, particularly women's organisations, to mitigate increased cost pressures including the continued impacts of increasing employer NICs?**

5. Gender Budgeting

- 5.1. Gender budgeting remains a key tool at the Welsh Government's disposal to tackle inequality and mitigate unequal gendered impacts such as those discussed above. It does so by ensuring that policy and spending decisions are rooted in fairness, equality and evidence, requiring decision-makers to respond to the needs of different groups of women and men, in a way that improves outcomes for all.
- 5.2. As an approach, gender budgeting works best when it is specific to the political, cultural and structural context, and responsive to what is feasible and effective therein. For this reason, we were pleased to see the evaluation of the Welsh Government's three gender budgeting pilots – Personal Learning Accounts, Young Persons Guarantee and E-Move – which were undertaken during 2019-2023, published alongside this year's Draft Budget.
- 5.3. While the evaluation was high-level in nature, it provided useful learnings including some positive examples of how gender budgeting improved outcomes. For example, gendered analysis within the E-Move pilot highlighted the barriers that women face to e-bike usage, including lack of secure storage, weight of bikes and the need to transport children and luggage. The bikes were adapted as a result which increased uptake by women who accounted for 48% of users over 3 years.¹⁶
- 5.4. However, it is now *critical* that the gender budgeting pilots do not become siloed, and that their context-specific learnings are used to support the wider roll out of gender budgeting across Welsh Government.

Potential questions:

- **How will the evaluation of the Welsh Government's gender budgeting pilots inform plans for the wider roll out of gender budgeting?**
- **What is the next stage of this process?**

For more information please contact:

Hannah Griffiths

Wales Women's Budget Group Coordinator



Dr Jessica Laimann

Women's Equality Network (WEN) Wales
Policy and Public Affairs Manager



¹⁶ Welsh Government (2025), Gender Budgeting in Practice: Learning from Pilot Schemes in Wales 2019-2024 [Gender Budgeting in Practice: Learning from Pilot Schemes in Wales 2019–2024](#)

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Agenda Item 2.12



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair
Finance Committee
Senedd Cymru

16 December 2025

Annwyl Peredur

I am writing to provide information on outturn figures from 2024-25 in comparison to the proposed figures for 2026-27 as requested in the Committee's Report on the 2025-26 Draft Budget. This information has not been included as part of the Draft Budget documentation this year as the outturn position was provisional at the time. The final outturn report will be made available in the coming days.

The attached tables show the 2024-25 outturn in the current MEG structure across all sources of finance and provides comparison against the 2025-26 Revised Baseline and the 2026-27 Draft Budget.

Yours sincerely

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

	2024-25 Outturn £m	2025-26 Revised Baseline £m	% Change 24-25 to 25-26	2026-27 Draft Budget £m	% Change 25-26 to 26-27	% Change 24-25 to 26-27	% Change 24-25 to 25-26 - Real Terms	% Change 25-26 to 26-27 - Real Terms	% Change 24-25 to 26-27 - Real Terms
FISCAL RESOURCE									
Health & Social Care	11,686.6	12,161.7	4.1%	12,422.8	2.1%	6.3%	2.4%	0.5%	4.6%
Housing & Local Government	5,196.0	5,558.6	7.0%	5,690.0	2.4%	9.5%	5.2%	0.7%	7.7%
Education	1,812.6	1,812.7	0.0%	1,851.9	2.2%	2.2%	-1.6%	0.5%	0.5%
Transport	570.9	668.3	17.1%	697.4	4.3%	22.1%	15.2%	2.6%	20.2%
Climate Change & Rural Affairs	544.0	568.0	4.4%	586.1	3.2%	7.7%	2.7%	1.5%	6.0%
Economy, Energy & Planning	411.0	480.3	16.8%	490.1	2.0%	19.2%	14.9%	0.4%	17.3%
Social Justice	137.4	135.3	-1.5%	143.6	6.1%	4.5%	-3.1%	4.4%	2.8%
Central Services & Administration	408.3	434.0	6.3%	445.5	2.7%	9.1%	4.6%	1.0%	7.3%
Total	20,766.9	21,819.0	5.1%	22,327.3	2.3%	7.5%	3.4%	0.7%	5.8%

	2024-25 Outturn £m	2025-26 Revised Baseline £m	% Change 24-25 to 25-26	2026-27 Draft Budget £m	% Change 25-26 to 26-27	% Change 24-25 to 26-27	% Change 24-25 to 25-26 - Real Terms	% Change 25-26 to 26-27 - Real Terms	% Change 24-25 to 26-27 - Real Terms
NON-FISCAL RESOURCE									
Health & Social Care	314.5	325.5	3.5%	325.5	0.0%	3.5%	1.8%	-1.6%	1.8%
Housing & Local Government	0.3	-	-100.0%	-	0.0%	-100.0%	-100.0%	0.0%	-100.0%
Education	263.5	267.6	1.5%	267.6	0.0%	1.5%	-0.1%	-1.6%	-0.1%
Transport	463.0	226.7	-51.0%	226.7	0.0%	-51.0%	-51.8%	-1.6%	-51.8%
Climate Change & Rural Affairs	22.7	20.9	-7.9%	20.9	0.0%	-7.9%	-9.4%	-1.6%	-9.4%
Economy, Energy & Planning	26.5	32.7	23.3%	32.7	0.0%	23.3%	21.3%	-1.6%	21.3%
Social Justice	0.6	0.5	-14.6%	0.5	-9.1%	-22.4%	-16.0%	-10.6%	-23.7%
Central Services & Administration	15.7	18.5	18.3%	18.5	0.0%	18.3%	16.3%	-1.6%	16.3%
Total	1,106.8	892.4	-19.4%	892.4	0.0%	-19.4%	-20.7%	-1.6%	-20.7%

	2024-25 Outturn £m	2025-26 Revised Baseline £m	% Change 24-25 to 25-26	2026-27 Draft Budget £m	% Change 25-26 to 26-27	% Change 24-25 to 26-27
GENERAL CAPITAL						
Health & Social Care	553.7	614.0	10.9%	625.8	1.9%	13.0%
Housing & Local Government	987.0	1,191.3	20.7%	1,215.1	0.0%	23.1%
Education	404.9	374.5	-7.5%	382.0	2.0%	-5.7%
Transport	721.2	528.8	-26.7%	551.4	4.3%	-23.6%
Climate Change & Rural Affairs	221.0	253.1	14.5%	312.2	23.3%	41.2%
Economy, Energy & Planning	266.9	221.3	-17.1%	312.1	41.0%	16.9%
Social Justice	14.8	17.9	20.5%	18.2	2.0%	22.9%
Central Services & Administration	9.6	14.6	51.8%	18.2	24.8%	89.6%
Total	3,179.3	3,215.6	1.1%	3,435.0	6.8%	8.0%

% Change 24-25 to 25-26 - Real Terms	% Change 25-26 to 26-27 - Real Terms	% Change 24-25 to 26-27 - Real Terms
9.1%	0.2%	11.2%
18.7%	0.3%	21.1%
-9.0%	0.3%	-7.2%
-27.9%	2.6%	-24.8%
12.6%	21.3%	38.9%
-18.4%	38.7%	15.0%
18.5%	0.3%	20.9%
49.4%	22.8%	86.5%
-0.5%	5.1%	6.3%

	2024-25 Outturn £m	2025-26 Final Budget £m	% Change 24-25 to 25-26	2026-27 Draft Budget £m	% Change 25-26 to 26-27	% Change 24-25 to 26-27
FINANCIAL TRANSACTIONS CAPITAL						
Health & Social Care	-	-	0.0%	-	0.0%	0.0%
Housing & Local Government	47.3	72.8	53.9%	82.5	13.3%	74.5%
Education	7.9	-1.7	-121.5%	-2.0	-17.6%	-125.3%
Transport	-0.5	-	-100.0%	-	0.0%	-100.0%
Climate Change & Rural Affairs	28.7	10.0	-65.2%	10.2	2.0%	-64.5%
Economy, Energy & Planning	24.8	16.5	-33.5%	27.5	66.7%	11.0%
Social Justice	1.0	1.5	50.0%	0.5	-66.7%	-52.5%
Central Services & Administration	-0.0	-	-100.0%	-	0.0%	-100.0%
Total	109.2	99.1	-9.2%	118.7	19.8%	8.7%

% Change 24-25 to 25-26 - Real Terms	% Change 25-26 to 26-27 - Real Terms	% Change 24-25 to 26-27 - Real Terms
0.00%	0.00%	0.00%
51.40%	11.48%	71.58%
-121.17%	15.73%	-124.90%
0.00%	0.00%	0.00%
-65.72%	0.34%	-65.04%
-34.55%	63.95%	9.08%
47.56%	-67.21%	-50.81%
0.00%	0.00%	0.00%
-10.7%	17.83%	7.0%

	2024-25 Outturn £m	2025-26 Revised Baseline £m	% Change 24-25 to 25-26	2026-27 Draft Budget £m	% Change 25-26 to 26-27	% Change 24-25 to 26-27	% Change 24-25 to 25-26 - Real Terms	% Change 25-26 to 26-27 - Real Terms	% Change 24-25 to 26-27 - Real Terms
AME									
Health & Social Care	276.2	278.0	0.7%	386.1	38.9%	39.8%	-1.0%	36.6%	37.5%
Housing & Local Government	1,098.5	1,114.8	1.5%	1,213.9	8.9%	10.5%	-0.2%	7.1%	8.7%
Education	1,277.8	1,252.3	-2.0%	1,278.8	2.1%	0.1%	-3.6%	0.5%	-1.5%
Transport	0.7	2.0	184.1%	46.9	2246.8%	6567.0%	179.5%	2208.6%	6458.4%
Climate Change & Rural Affairs	25.6	6.0	-76.6%	7.0	16.7%	-72.7%	-77.0%	14.8%	-73.1%
Economy, Energy & Planning	16.0	66.5	315.5%	66.5	0.0%	315.5%	308.8%	-1.6%	308.8%
Social Justice	-0.1	0.2	-496.5%	0.2	0.0%	-496.5%	-490.0%	-1.6%	-490.0%
Central Services & Administration	-2.0	3.2	-259.1%	3.2	0.0%	-259.1%	-256.5%	-1.6%	-256.5%
Total	2,692.8	2,723.1	1.1%	3,002.7	10.3%	11.5%	-0.5%	8.5%	9.7%

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Agenda Item 2.13



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref RoO24_25

Peredur Owen Griffiths MS
Chair
Finance Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN

22 December 2025

Dear Peredur

The Welsh Government's audited Consolidated Annual Accounts for 2024-25 were published on 15 December.

In line with this government's commitment to good practice and transparency, I am now able to provide the Finance Committee with a written report on the 2024-25 final outturn for the Welsh Government, set against spending plans approved in the Second Supplementary Budget 2024-25.

The report and supporting annexes provide a summary of expenditure by portfolio within HM Treasury control totals, variations compared to the budget, an explanation of significant variances and details of amounts to be carried forward in the Wales Reserve.

I am happy to respond to any questions you may have.

Yours sincerely,

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



Llywodraeth Cymru
Welsh Government

Welsh Government

Report on Outturn 2024-25

A report from the Cabinet Secretary for Finance and Welsh Language to the Senedd Finance Committee on the outturn of the Welsh Government 2024-25 set against the planned expenditure contained in the Second Supplementary Budget 2024-25. Published in December 2025.

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1. Introduction

1.1 This report has been produced in accordance with the protocol endorsed by the National Assembly for Wales on 21 March 2012 regarding changes to the budget motion and their impact on the in-year budget cycle.

1.2 As part of the protocol the Welsh Government agreed:

In line with the Welsh Government's commitment to working openly and transparently, the Welsh Government will provide a written report to the [Finance] Committee on final outturn. The report would include a comparison with the spending plans set out in the last Supplementary Budget of the year and an explanation of significant variations.

1.3 This commitment was reaffirmed in the revised protocol approved by the National Assembly for Wales on 21st June 2017.

1.4 This report addresses that commitment for the financial year 2024-25.

1.5 The Second Supplementary Budget for 2024-25 was approved by the Senedd on 18 March 2025. The final outturn follows publication of the Welsh Government's Consolidated Annual Accounts on 15 December 2025. The accounts are available from the internet link below.

[Welsh Government Consolidated Accounts 2024-2025](#)

1.6 There were no additional budget allocations from reserves between the publication of the budget and the end of the financial year.

1.7 The outturn is reported on the basis of the Welsh Government budget structure in force at the year end and reported in the audited annual accounts.

2. Main Expenditure Group¹ Outturn 2024-25

- 2.1** The Consolidated Accounts of the Welsh Government contain a Summary of Resource Outturn against the control totals approved in the Second Supplementary Budget motion of 2024-25.
- 2.2** This report provides details of final outturn against the lower-level controls operated and enforced by HM Treasury. These administrative budgets are reported in the documentation and tables which supported the Second Supplementary Budget 2024-25.
- 2.3** In line with previous years, the report also provides explanations for all overspends plus any underspends of greater than 1% of MEG level budgets in each of the control totals (subject to a de-minimis level of £1m).
- 2.4** The outturn has been analysed further to the level published in the Second Supplementary Budget 2024-25. The tables published with the budget show a break-down into Budget Expenditure Lines or 'BELs'. The outturn against the budget is provided on this basis in the Annexes to this report.

¹ Main Expenditure Group or MEG is a high-level budget representing a ministerial portfolio or central administration budget.

Resource (Revenue) DEL Outturn

Fiscal Resource DEL²

2.5 The Fiscal Resource outturn for the year resulted in an underspend of £96.1m representing a 0.5% variance to budget.

2.6 Table 2.1 sets out the year end position. Explanations for variances as determined in paragraph 2.3 follow.

Table 2.1: Fiscal Resource Outturn by MEG	Budget £m	Outturn £m	Under/ Over (-) Spend £m	%
Health & Social Care	11,702.7	11,686.6	16.1	0.1
Housing & Local Government	5,197.8	5,196.0	1.8	-
Education	1,821.2	1,812.6	8.6	1.9
Transport	570.2	570.9	-0.7	-0.1
Climate Change and Rural Affairs	554.8	544.0	10.8	1.9
Economy, Energy and Planning	469.7	411.0	58.7	12.5
Central Services & Administration	407.1	408.3	-1.2	-0.3
Social Justice	139.4	137.4	2.0	1.4
TOTAL	20,862.9	20,766.8	96.1	0.5

2.7 The Health and Social Care and Housing and Local Government underspend variances were below 1%.

2.8 The Education MEG underspent by £8.6m. The main variance was an underspend of £8.2m against the Higher Education Funding Council for Wales/Medr³ budgets. The resource outturn was confirmed by Medr officials late in the financial year. There were other variances on demand led budgets that were planned and managed within the MEG. This included an underspend on Universal Primary Free School Meals of £12.4m where claims from local authorities were less than anticipated. There was also a £2m underspend on the Teacher Development and Support budget. These were offset by planned overspends, including on

² Fiscal Resource DEL is a control total set by HM Treasury, is a subset of Resource DEL and is also referred to as 'revenue'.

³ On 1 August 2024, the Higher Education Funding Council for Wales was replaced by Medr, which is the new body responsible for funding and regulating tertiary education and research.

post-16 programmes of study at specialist further education establishments of £3m and the administration fee paid to the Student Loans Company (SLC) of £3.8m. Further support for school standards through the Local Authority Education Grant resulted in a £6.5m overspend. There were also overspends against the Tackling Barriers to Attainment budget of £1.5m and Curriculum and Assessment budget of £1.3m.

2.9 There was a small overspend against the Transport MEG budget. The overspend included the final outturn of Transport for Wales which resulted in a £67.2m overspend. This was offset by a £66m underspend against Bus Support budgets. The position also included several other offsetting overspends and underspends.

2.10 The underspend of £10.8m reported against the Climate Change and Rural Affairs MEG arose from a net saving across several budget lines. The main underspends in the MEG were against the Agriculture, Fisheries and Food budgets of £8.3m, Climate Change and Sustainability of £4.4m, Border Controls of £3.4m and Environment of £2.3m. An element of these underspends was reallocated to support emerging priorities. The main overspends were against Animal Health and Welfare budgets of £7.6m and grants to National Parks Authorities of £4.1m.

2.11 The Economy, Energy and Planning MEG underspend was £58.7m which represents 61% of the total variance for Welsh Government MEGs. The underspend was derived from variances on several budget lines. The main variance was against the Development Bank of Wales (DBW) where adjustments were reported by them late in the financial year leading to a £44m underspend. There was a further underspend of £20.7m against the Green Energy budget which was due to planned contingencies not being utilised. Further underspends totalling £4.8m were reported against the budgets covering culture and arts bodies, following reporting of adjustments late in the year, and Sectors and Business budgets of £1.1m.

These were offset by a £7.6m overspend on the Cadw budget following a change of accounting treatment for heritage assets, a £5.4m overspend on Property Infrastructure due to slippage of property related sales and an overspend of £1.3m against the Tourism budget.

2.12 There was an overspend of £1.2m against the Central Services and Administration MEG. The position included an £8m overspend against the EU Transition costs budget. There was also an overspend of £1.8m in relation to the Welsh Tribunals Unit which arose due to the demand led nature of the work coupled with judicial pay awards to ensure pay parity with England, pension contribution increases and pay awards. The Information Technology budget was overspent by £1.5m due to the annual running costs of the new Human Resources system coupled with inflationary pressures and unforeseen project costs. The impact of the overspends was reduced by savings against the General Administration Costs budget of £3.2m mainly due to the release of historic accrual adjustments, an underspend of £3m against the Procurement Services budget, £2.6m against Staff Costs and £1.1m in respect of the Covid-19 Inquiry.

2.13 The Social Justice MEG reported an underspend of £2m. There was a £9.4m underspend against the Financial Inclusion budget which includes the Discretionary Assistance Fund (DAF) which is demand led support. During the year the DAF experienced one quarter of reduced approval rates for applications. There was also a saving of £1.1m against the Equality, Inclusion and Human Rights budget due to several factors including staff vacancies and delays in delivering various activities. These were offset by an overspend against the Cohesive Communities budget of £6.7m which arose from providing additional support to local authorities to support homelessness services and to acknowledge the reduction in funding available from the UK Government. There was also an overspend of £1.9m against the Support for the Voluntary Sector and Volunteering budget. This was due to the decision to match fund grants administered by

the Welsh Council for Voluntary Action on behalf of Comic Relief. Finally, there was a £1.3m overspend against the Violence Against Women, Domestic Abuse and Sexual Violence budget relating to additional support to front-line services including additional funding for Regional Partnerships.

Non-Fiscal Resource DEL⁴

2.14 The Non-Fiscal Resource DEL budget was underspent by £70.3m, a variance of 6% of budget. It is important to note that the Non-Fiscal Resource budget is ring-fenced and cannot be re-directed to Welsh Government spending programmes. These budgets cover accounting adjustments that do not require cash such as depreciation and provision for write-off of student loans.

2.15 Table 2.2 sets out the year end position. Explanations for variances as determined in paragraph 2.3 follow.

Table 2.2: Non-Fiscal Resource Outturn by MEG	Budget £m	Outturn £m	Under/ Over (-) Spend £m	%
Education	432.5	263.5	169.0	39.1
Transport	348.7	463.0	-114.3	-32.8
Health & Social Care	318.8	314.5	4.3	1.4
Economy, Energy and Planning	35.8	26.5	9.3	25.9
Climate Change and Rural Affairs	22.0	22.7	-0.7	-3.2
Central Services & Administration	18.7	15.7	3.0	16.1
Social Justice	0.6	0.6	-	-
Housing & Local Government	-	0.3	-0.3	-
TOTAL	1,177.1	1,106.8	70.3	6.0

2.16 The Education MEG variance was an underspend of £169m. As in previous years the variance was wholly attributed to the Student Loans charge. The value of new and historic loans is determined by a statistical model which provides the amount of annual 'write-off'. This is significantly

⁴ Non-Fiscal Resource DEL is a control total set by HM Treasury that covers annual accounting adjustments for student loan write offs, other write offs and depreciation charges.

impacted by social and economic factors. The underspend was primarily due to contingencies built into the budget that were not used.

- 2.17** The Transport MEG budget was overspent by £114.3m. The overspend was mainly due to a change in the methodology used in an element of the estimated valuation of the Strategic Road Network, leading to a significant additional depreciation charge.
- 2.18** The Health and Social Care underspend was £4.3m. This was made up of two elements. The first was a delay on NHS capital schemes which led to adjustments for depreciation and impairments totalling £2.2m less for the respective assets. Secondly, there was a further underspend of £2.1m which was due to variances in leased asset activity across NHS organisations. Leased assets are treated like owned assets for accounting purposes.
- 2.19** The Economy, Energy and Planning underspend of £9.3m included impairment and depreciation charges within the property portfolio (£7.9m) and Cadw (£6.1m) following year end valuations. These were offset by a £5.6m overspend against the Business and Regional Development budget which was also a result of year end valuation charges for asset impairment and depreciation.
- 2.20** There was a small overspend against the Climate Change and Rural Affairs MEG. This was mainly due to additional depreciation on replacement fisheries vessels.
- 2.21** There was an underspend of £3m against the Central Services and Administration MEG. As in previous years, the provision for the depreciation of the Welsh Government estate was less than required.
- 2.22** There was no variance against the Social Justice MEG.

2.23 The small overspend against Housing and Local Government primarily reflected the year-end impairment of development assets within the Land Release Fund which was unplanned.

Capital DEL Outturn

2.24 An underspend of £167.3m was reported against Capital DEL budgets representing a 4.8% variance against budget. Capital DEL is split between General Capital and Capital Financial Transactions.

General Capital⁵

2.25 The General Capital DEL outturn for the year resulted in an underspend of £126.6m, a variance of 3.8% against budget.

2.26 Table 2.3 sets out the year end position. Explanations for variances as determined in paragraph 2.3 follow.

Table 2.3: General Capital Outturn by MEG	Budget £m	Outturn £m	Under/ Over (-) Spend £m	%
Housing & Local Government	997.5	987.0	10.5	1.0
Transport	764.0	721.3	42.7	5.6
Health & Social Care	578.7	553.7	25.0	4.3
Education	404.6	404.9	-0.3	-0.1
Economy, Energy and Planning	292.5	266.9	25.6	8.8
Climate Change and Rural Affairs	243.1	221.0	22.1	9.1
Social Justice	15.7	14.8	0.9	5.1
Central Services & Administration	9.7	9.6	0.1	1.0
TOTAL	3,305.8	3,179.2	126.6	3.8

2.27 There was an underspend against the Housing and Local Government MEG of £10.5m. The largest underspend was £47.3m against the Building Safety budget, resulted from slippage in claims for fire safety remediation works. There were further underspends against Health and Housing of £12.7m, Market Housing & Other Schemes for the Empty Properties Fund

⁵ General Capital DEL is a control total set by HM Treasury that covers capital grants and asset additions.

of £3.9m, Land Release Fund of £11.6m and Warm Homes Nest Scheme of £13.5m, reflecting delays in mobilisation during the first year of the new contract. These underspends were partially offset by £28.7m of Regeneration project expenditure brought forward, £17.3m in additional Major Repairs Allowance grant allocations to local authorities, £2.1m of additional spend for the Optimised Retrofit Programme, £16.1m allocated to accelerated Social Housing Grant schemes, £2m to Credit Union schemes to support council tax arrears, £5.5m against the Emergency Financial Assistance Scheme to support flood damage claims and £6.5m of additional funding to address capital pressures in local authorities.

2.28 The Transport MEG reported a £42.7m underspend against general capital. Several elements contributed to the underspend. The most significant underspends were against the Transport for Wales budget of £27.9m, Network Operations budget of £33.3m, Sustainable Travel of £5.2m and Road Safety of £4.6m. The underspends in respect of Network Operations, Road Safety and Sustainable Travel were largely due to slippage in projects caused by procurement delays and economic factors. The Transport for Wales underspend was mainly in relation to delays on the commencement date for rolling stock leases. These were offset by an overspend of £27.8m against New Road Construction and Improvement.

2.29 The main element of the Health and Social Care MEG underspend of £25m related to a saving against the leased asset budget which was ring-fenced. This was due to slippage of lease arrangements across the NHS organisations in Wales.

2.30 There was a small overspend against the Education general capital budget. This included an overspend of £2.4m against the Education Infrastructure budget. This was offset by underspends of £1.1m against the Medr capital budget, £0.9m against SLC administration and £0.2m for Estyn.

2.31 The Economy, Energy and Planning MEG underspend was £25.6m. This was derived from variances on several budget lines. The largest underspend was against the Sectors and Business budgets of £29.7m. Included in that total was £16m against the Future Proofing the NDR Fund following programme slippage, slippage on the Holyhead Breakwater project of £10m and £2.7m against the Tech Valleys budget. There were further underspends of £11.5m against ICT Infrastructure programmes (mainly extending highspeed broadband), £9m against Science and Innovation budgets, £8m against City and Growth deals following delays on North Wales projects, £6.3m on Green Energy, due to unutilised accruals, £5.4m on culture and arts bodies budgets and a £4.8m underspend on Cadw following a change of accounting treatment for heritage assets. These are offset by overspends of £35.2m against the DBW budget following late adjustments, a £10.4m overspend on Property Infrastructure projects aimed at securing grid capacity at several key sites, £3.1m against Creative budgets following additional grant claims and £2.7m against the European funding budgets following programme closure.

2.32 There was a £22.1m underspend reported against the Climate Change and Rural Affairs MEG. The most significant underspends were against Resource Efficiency and Circular Economy of £13.1m, Border Controls of £7.7m, Rural Investment Schemes of £9.9m, Coal Tip Safety of £1.5m and Local Places for Nature of £1.3m. The underspends in Resource Efficiency and Circular Economy and Border Controls were primarily due to slippage in projects caused by procurement delays and economic factors. The underspend on Rural Investment Schemes reflected a lower than anticipated level of scheme uptake. These were offset by overspends against Flood Risk Management of £5m and the Welsh Government Energy Service of £3.3m.

2.33 The Social Justice MEG and Central Services and Administration variances were below the de-minimis.

Capital Financial Transactions⁶

2.34 There was an underspend of £40.7m on the Capital Financial Transactions (FT) budget equating to a 27.2% variance against the budget.

2.35 Table 2.4 sets out the year end position. Explanations for variances as determined in paragraph 2.3 follow.

Table 2.4: Capital FT Outturn by MEG	Budget £m	Outturn £m	Under/ Over (-) Spend £m	%
Housing & Local Government	105.8	47.3	58.5	55.3
Climate Change and Rural Affairs	20.0	28.7	-8.7	-43.5
Economy, Energy and Planning	15.9	24.8	-8.9	-56.0
Education	7.7	7.9	-0.2	-3.2
Social Justice	0.9	0.9	-	-
Transport	-0.4	-0.4	-	-
TOTAL	149.9	109.2	40.7	27.2

2.36 There was an underspend of £58.5m against the Housing and Local Government MEG. This principally related to an underspend on the Help to Buy Wales Fund and other schemes, due to early redemption of Help to Buy Wales loans and a lower than anticipated uptake of Help to Stay loans in the financial year.

2.37 The Climate Change and Rural Affairs MEG reported an overspend of £8.7m. The overspend was against the Welsh Government Energy Service and in particular the ‘Digarbon’ loan scheme which was unplanned at the Second Supplementary Budget.

⁶ Capital Financial Transactions DEL is a control total set by HM Treasury that covers repayable capital (loans and equity).

2.38 The Economy, Energy and Planning MEG overspent by £8.9m. The overspend included £11m following late adjustments for DBW. There was also a £3.1m overspend against the Cardiff International Airport budget following the recognition of capitalised interest. These were offset by an underspend of £4m across Business & Regional Development mainly due to slippage on the Business Growth SME Fund.

2.39 There was a small overspend against the Education budget. This related to year end accounting adjustments reflecting the outturn of the Education Mutual Investment Model programme which is administered by DBW.

2.40 There were no variances against the Social Justice and Transport budgets.

Annually Managed Expenditure (AME) Outturn

2.41 A large proportion of the variance reported in the annual accounts was related to underspends against AME budgets.

2.42 HM Treasury recognise the volatility and demand led basis of certain programmes and the resultant difficulty in estimating costs over a period of time. As a result, these programme budgets are managed on an annual basis and funding cover is generally provided by HM Treasury. Most of the Welsh Government AME budgets cover accounting adjustments and examples include asset impairments, increases in provisions and pension valuations of sponsored bodies. Student loans issued and repaid are also within this classification. The Welsh Government is unable to recycle underspends against AME programmes.

2.43 Table 2.5 sets out the year end position. Explanations for variances as determined in paragraph 2.3 follow.

Table 2.5: AME Outturn by MEG	Budget	Outturn	Under/ Over (-) Spend	%
	£m	£m	£m	
Education	1,476.9	1,277.8	199.1	13.5
Housing & Local Government	1,112.0	1,098.5	13.5	1.2
Health & Social Care	367.1	276.2	90.9	24.8
Transport	199.2	0.7	198.5	99.6
Economy, Energy and Planning	126.5	16.0	110.5	87.3
Climate Change and Rural Affairs	42.0	25.6	16.4	39.0
Central Services & Administration	3.2	-2.0	5.2	162.8
Social Justice	0.2	0	0.2	125.2
TOTAL	3,327.1	2,692.8	634.3	19.1

2.44 The Education and Welsh Language MEG AME underspend of £199.1m was related to the student loans budget which covers issues and repayments administered by the Student Loans Company. The underspend was mainly due to tuition fees and issues of new loans for master's degrees being lower than forecast. The amount of interest added to loans at the end of the financial year was also lower than anticipated.

2.45 The underspend of £13.5m against the Housing and Local Government MEG was due to the local authority non-domestic rates budget. The support available from the AME budget is impacted by take up of the rates relief scheme funded through resource DEL.

2.46 There was an underspend of £90.9m against the Health and Social Care MEG. Of this, £82.6m related to underspend on the NHS impairments budget due to project slippage as well as inaccurate estimation in the NHS. The remainder of the underspend was against NHS provisions. There was a slower than expected transfer of claims in the Welsh Risk Pool.

2.47 The Transport MEG was underspent by £198.5m. The underspend was due to the budget for an estimated impairment of two road schemes not

being utilised. One scheme was complete but had no impairment, the second scheme is due to complete in 2025-26.

2.48 The Economy, Energy and Planning MEG underspend of £110.5m included an unutilised provision of £50m in Green Energy. There were also underspends totalling £52.6m against the pension liabilities budgets of arms-length bodies and £21m for property asset impairments. Additional underspends were also reported for the non-utilisation of bad debt provisions against Business and Regional Economic Development of £2.8m and Cadw of £1m. These underspends were offset by a £17.8m overspend on DBW budgets following late adjustments, mainly relating to unrealised losses on disposal of assets at fair value.

2.49 The Climate Change and Rural Affairs MEG underspend of £16.4m was made up of two main elements. There was an £11m underspend against the budget for the Natural Resources Wales (NRW) pension provision. There was a further underspend of £5m against NRW forestry and biological asset impairments.

2.50 The Central Services and Administration MEG reported an AME underspend of £5.2m. As in previous years, this variance was attributable to provisions for early retirements and other pension charges of Welsh Government staff. The pension charge represents the difference between benefits accrued during the year and financial contributions made into the fund, the latter being difficult to forecast.

2.51 The Social Justice MEG variance was below the de-minimis.

3. Carry Forward within the Wales Reserve

- 3.1** A separate Wales Reserve exists to help manage fluctuations in tax revenue and provides limited ability to carry underspends between years. The Wales Reserve is restricted to a total value of £350m. The amount that can be drawn down each year from the Wales Reserve is limited by HM Treasury. In 2024-25 it was limited to £125m Fiscal Resource DEL and £50m Capital DEL in 2024-25.
- 3.2** Table 3 shows the movements on the Wales Reserve in the 2024-25 financial year which are described in the following paragraphs.
- 3.3** Following agreement with HM Treasury of the final Wales Reserve balances for the previous year (2023-24) the opening balance for the Fiscal Resource DEL control subsequently increased by £2.1m.
- 3.4** In the Second Supplementary Budget 2024-25 the Welsh Government reported unallocated DEL reserves of £81m for Fiscal Resource, £102.3m for General Capital and £15.4m for Capital Financial Transactions (FT).
- 3.5** Following the publication of the Second Supplementary HM Treasury made a late adjustment to the Welsh Government budget relating to ringfenced funding resulting in a £9m reduction to the General Capital DEL.
- 3.6** Drawdown of £86m Fiscal Resource and £50m General Capital was included in the Final Budget 2025-25. A further £39m of Fiscal Resource DEL was drawn in the Second Supplementary Budget 2024-25 representing the maximum available.
- 3.7** Careful management of resources enabled a reduction in the planned capital borrowing of £70m. This is reflected in an adjustment to the reserve.

- 3.8** The Second Supplementary Budget included a Fiscal Resource to General Capital switch of £176m. The Welsh Government was permitted by HM Treasury to add a further £26m to this total after publication of the budget. The adjustment is reflected in the table.
- 3.9** The Welsh Government outturns for Fiscal Resource, General Capital and Capital FT DEL documented in this report above are reflected as movements in the Wales Reserve.
- 3.10** The outturns of the other bodies funded from the Wales DEL are also taken account of. These relate to the Senedd Commission, the Public Services Ombudsman for Wales, the Wales Audit Office and the Electoral Commission.
- 3.11** Devolved taxes receipts of £3,851.6m were planned in the Second Supplementary Budget. The actual taxes collected amounted to £3,865.9m. The surplus of £14.5m is reflected in the Wales Reserve.
- 3.12** Of the overall underspend on Capital FT, an amount of £45.8m will be repaid to HM Treasury. The repayment is reflected as a movement in the Wales Reserve.
- 3.13** Finally, part of the General Capital DEL is ring-fenced for leased assets covered by IFRS16. As such any underspends within the ring-fence cannot be used elsewhere and so must be surrendered back to HM Treasury. The underspend was £157.2m which is reflected in the table.
- 3.14** Unallocated and unspent Non-Fiscal Resource DEL lapses and cannot be carried forward within the Wales Reserve.

Table 3 Wales Reserve balance including carry forward resulting from Wales DEL outturn 2024-25

Wales Reserve	Fiscal Resource £m	Capital £m	Capital FTs £m	Total £m
Balance at 1 April 2024	243.2	83.2	-	326.4
Adjustment to opening balance	2.1	-	-	2.1
Unallocated DEL in Second Supplementary Budget 2024-25	81.0	102.3	15.4	198.7
HMT post budget adjustment to DEL	-	-9.0	-	-9.0
Drawdown from the reserve	-125.0	-50.0	-	-175.0
Borrowing reduction	-	-70.0	-	-70.0
Switch adjustment	-26.0	26.0	-	-
Welsh Government outturn	96.0	126.6	40.8	263.4
Other bodies outturn	0.6	1.5	-	2.1
Devolved taxes outturn	14.3	-	-	14.3
FT repayments	-	-	-45.8	-45.8
Surrender of IFRS 16 Capital	-	-157.2	-	-157.2
Balance at 1 April 2025	286.2	53.4	10.4	350.0

3.15 The total balance within the Wales Reserve at 1 April 2025 was £350m which is the maximum that could be carried forward.

3.16 In the current financial year, the Welsh Government has drawn down Fiscal Resource DEL funding of £40m in the First Supplementary Budget to support spending plans. The final amounts drawn down will be reflected in the Second Supplementary Budget 2025-26.

ANNEX 1: Resource DEL⁷ Outturn by BEL

HEALTH & SOCIAL CARE RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Core NHS Allocations	10,123,200	10,146,755	-23,555	-0.23
Core NHS Allocations - Non cash	305,447	300,840	4,607	1.51
Other Direct NHS Allocations	234,511	227,161	7,350	3.13
Digital Health and Care Wales	63,474	62,217	1,257	1.98
Digital Health and Care Wales - Non cash	11,295	10,088	1,207	10.69
Health Education Improvement Wales	329,784	329,181	603	0.18
Health Education Improvement Wales - Non cash	616	745	-129	-20.94
NHS Executive	45,456	39,741	5,715	12.57
Public Health Wales	140,523	140,672	-149	-0.11
Workforce (NHS)	33,564	34,194	-630	-1.88
A Healthier Wales	59,069	54,769	4,300	7.28
Other NHS Budgets (Expenditure)	14,703	15,441	-738	-5.02
Other NHS Budgets - Non-cash	202	183	19	9.57
Education and Training	26,346	29,511	-3,165	-12.01
Workforce Development Central Budgets	7,501	5,803	1,698	22.64
Mental Health	85,192	80,041	5,151	6.05
Substance Misuse Action Plan Fund	47,485	46,656	829	1.75
Food Standards Agency	5,210	4,887	323	6.20
Health Promotion	10,733	11,735	-1,002	-9.34
Targeted Health Protection & Immunisation	11,478	9,228	2,250	19.60
Health Improvement & Healthy Working	5,769	5,175	594	10.29
Health Emergency Planning	8,985	8,545	440	4.90
Research and Development	-	-	-	-
Safeguarding & Advocacy	2,365	2,282	83	3.52
Older People Carers & People with Disabilities	2,820	2,940	-120	-4.27
Partnership & Integration	227	211	16	7.01
Care Sector	299	2	297	99.42
Sustainable Social Services	108,591	108,222	369	0.34
Social Care Wales	25,461	25,003	458	1.80
Social Care Wales - Non cash	185	195	-10	-5.41
Support for Childcare and Play	82,378	78,377	4,001	4.86
Support for Childcare and Play - Non cash	911	911	0	0.00
Support for Children's Rights	1,445	1,153	292	20.22
Supporting Children	3,865	3,672	193	5.00
Support for Families and Children	5,535	1,823	3,712	67.06
Children and Communities Grant	179,583	177,079	2,504	1.39
Cafcass Cymru	15,873	15,323	550	3.46
Care Inspectorate Wales	15,908	15,215	693	4.36
Care Inspectorate Wales - Non cash	26	22	4	13.48
Healthcare Inspectorate Wales	5,345	4,971	374	6.99
Healthcare Inspectorate Wales - Non cash	89	89	0	0.24
Total Resource	12,021,449	12,001,060	20,389	0.17

⁷ The published budget tables report the Resource DEL total i.e. Fiscal and Non-Fiscal.

HOUSING & LOCAL GOVERNMENT RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Homelessness Support & Prevention	215,767	212,775	2,992	1.39
Housing Policy	1,368	1,378	-10	-0.70
Rapid Response to Independent Living	5,103	5,103	0	0.01
Warm Homes	3,731	3,423	308	8.24
Residential Decarbonisation & Quality	1,673	2,293	-620	-37.05
Building Safety	4,500	3,023	1,477	32.82
Housing Finance Grant	4,100	12,723	-8,623	-210.31
Housing Programme Revenue Funding	400	1,033	-633	-158.35
Land Release Fund	-1,550	-1,981	431	-27.81
Regeneration	671	1,758	-1,087	-162.01
Cardiff Harbour Authority	5,400	5,791	-391	-7.24
Local Govt General Revenue Funding	4,718,849	4,750,749	-31,900	-0.68
Non-Domestic Rates Rates Relief	68,461	56,598	11,863	17.33
Police General Revenue Funding	112,331	112,331	-	-
Local Govt PFI Revenue Consequences	2,596	2,530	66	2.53
Transformation & Legislation	6,462	5,481	981	15.18
Non-Domestic Rates Collection Costs	5,172	5,172	-	-
Emergency Financial Assistance	10,001	544	9,457	94.56
Valuation Office Agency Services	16,500	16,600	-100	-0.61
Valuation Tribunal for Wales	1,925	1,416	509	26.42
Local Taxation & Reform	2,300	287	2,013	87.52
Sponsorship of the Local Democracy and Boundary Commission for Wales	1,367	1,372	-5	-0.35
Expenditure to Promote Local Democracy	126	130	-4	-2.96
Election Policy	2,400	843	1,557	64.89
Improvement & Support	1,141	558	583	51.07
Academi Wales	1,269	1,365	-96	-7.60
Community and Town Councils	144	122	22	15.27
Fire & Rescue Services	3,426	3,463	-37	-1.08
Fire & Rescue Services - Communication Systems	1,275	984	291	22.85
Community Fire Safety	371	371	-	-
Ystadau Cymru	500	379	121	24.18
Private Rented Sector	-	1,929	-1,929	-
Market Housing and Other Schemes	-	-9,179	9,179	-
Social Housing Grants	-	-3,383	3,383	-
Land for Housing	-	-1,652	1,652	-
Total Resource	5,197,779	5,196,329	1,450	0.03

EDUCATION RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Curriculum & Assessment	14,354	15,657	-1,303	-9.08
Teacher Development and Support	48,544	46,532	2,012	4.14
Teacher Development and Support - Non cash	522	539	-17	-3.28
Education Reform (LAEG)	68,956	68,956	-	-
School Standards (LAEG)	193,385	199,886	-6,501	-3.36
Equity in Education (LAEG)	152,050	152,059	-9	-0.01
Cymraeg 2050 (LAEG)	9,880	9,882	-2	-0.02
Qualifications Wales	10,120	9,794	326	3.22
Qualifications Wales - Non cash	345	374	-29	-8.41
Post-16 Provision (CTER)	186,312	186,137	175	0.09
International Learning Exchange Programme	6,501	6,636	-135	-2.07
Commission for Tertiary Education and Research (CTER)	1,271	1,283	-12	-0.96
Medr Programme Expenditure	551,141	551,404	-263	-0.05
Medr Programme Expenditure - Non-cash	728	-	728	100.00
HEFCW Programme Expenditure (CTER)	69,000	60,755	8,245	11.95
HEFCW Programme Expenditure (CTER) - Non cash	100	265	-165	-165.00
School Standards Support	3,048	2,575	473	15.51
Tackling Barriers to Attainment	13,891	15,372	-1,481	-10.66
Supporting Digital Learning in Education	4,129	4,501	-372	-9.01
Supporting Digital Learning in Education - Non cash	2,488	2,487	1	0.02
Additional Learning Needs	7,553	7,340	213	2.82
Food & Nutrition in Schools	101,415	89,048	12,367	12.19
Post 16 Specialist Placements	14,708	17,730	-3,022	-20.55
Whole School Approach to Wellbeing	1,856	1,699	157	8.47
Vulnerable Groups	1,773	1,550	223	12.58
Student Support Grants	282,362	282,280	82	0.03
Student Loans Company / HMRC Administration Costs	18,147	21,934	-3,787	-20.87
Student Loans Resource Budget Provision	428,096	259,031	169,065	39.49
Tackling Disaffection	1,884	700	1,184	62.85
Community Schools	376	230	146	38.73
Offender Learning	11,066	11,041	25	0.23
Youth Engagement & Employment	15,077	13,749	1,328	8.81
Education Communications	413	-493	906	219.34
International Education Programme	524	524	-	-
Welsh in Education	6,579	7,251	-672	-10.21
Education Infrastructure	8,903	9,950	-1,047	-11.76
Estyn - Programme Expenditure	15,985	16,380	-395	-2.47
Estyn - Programme Expenditure - Non cash	276	241	35	12.68
School Improvement Grant	-	918	-918	-
Raising School Standards	-	-45	45	-
Total Resource	2,253,758	2,076,154	177,604	7.88

TRANSPORT RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Strategic Infrastructure Development	950	847	103	10.84
Network Asset Management	9,681	3,132	6,549	67.64
Network Operations	83,088	87,769	-4,681	-5.63
Network Operations - Non Cash	188,691	312,247	-123,556	-65.48
Aviation	722	319	403	55.86
Frontline Rail Services	600	573	27	4.53
Transport for Wales	339,693	406,897	-67,204	-19.78
Transport for Wales - Non cash	160,000	150,248	9,752	6.10
Bus Support	127,119	61,129	65,990	51.91
Local Transport Priorities	250	370	-120	-47.86
Sustainable & Active Travel	2,048	1,970	78	3.82
Road Safety	6,084	8,079	-1,995	-32.79
Armed Forces	20	311	-291	-1,453.38
Smartcards	-	13	-13	-
New Road Construction and Improvement	-	23	-23	-
Total Resource	918,946	1,033,927	-114,981	-12.51

CLIMATE CHANGE & RURAL AFFAIRS RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Environment Legislation, Governance and Communications	637	343	294	46.09
Welsh Government Energy Service	4,370	4,708	-338	-7.74
Environment Protection	6,402	3,554	2,848	44.49
Climate Change Action	3,546	3,189	357	10.05
Flood Risk Management & Water Policy Delivery	4,716	3,521	1,195	25.35
Landfill Disposals Tax Communities Scheme	500	500	-	-
Biodiversity, Evidence and Peatlands	11,395	11,634	-239	-2.09
Forestry	6,156	4,450	1,706	27.71
Forestry - Non cash	83	89	-6	-7.38
Local Places for Nature	2,950	2,350	600	20.34
Environment Act Implementation	740	652	88	11.87
Natural Resources Wales	105,867	105,086	781	0.74
Natural Resources Wales - Non cash	14,500	14,245	255	1.76
Environment Management (Pwllpeiran) - Non cash	38	34	4	10.97
Resource Efficiency and Circular Economy	32,400	31,691	709	2.19
Designated Landscapes & Countryside Access	12,326	16,440	-4,114	-33.38
Coal Tip Safety Delivery	3,836	3,437	399	10.41
Marine Policy, Evidence and Funding	1,561	589	972	62.29
Strategic Evidence, Monitoring & Intergovernmental Relations	2,639	2,380	259	9.80
Strategic Evidence, Monitoring & Intergovernmental Relations - Non cash	700	867	-167	-23.89
Agriculture Strategy	500	377	123	24.64
Local Authority Framework Funding	100	95	5	5.10
Agriculture Customer Engagement	350	-23	373	106.64
Agriculture Customer Engagement - Non Cash	4	6	-2	-37.50
County Parish Holdings Project	500	500	-	-
EID Cymru	2,659	1,547	1,112	41.83
Livestock Identification	1,647	1,827	-180	-10.94
Technical Advice Services	358	422	-64	-17.75
Commons Act	433	317	116	26.73
Basic Payment Scheme	238,000	233,842	4,158	1.75
RPW Administration	3,694	8,125	-4,431	-119.96
RPW Administration - Non cash	6,300	3,976	2,324	36.89
Rural Investment Schemes	42,770	42,767	3	0.01
Rural Development Plan 2014-20	1,500	-3,803	5,303	353.55
Research & Evaluation	520	613	-93	-17.81
Fisheries	3,605	2,294	1,311	36.38
Fisheries - Non cash	405	1,198	-793	-195.92
Promoting Welsh Food and Industry Development	4,790	4,799	-9	-0.19
Animal Health & Welfare Framework	1,108	1,148	-40	-3.64
Animal and Plant Health Agency	18,281	19,313	-1,032	-5.65
TB Slaughter Payments Costs & Receipts	13,810	21,409	-7,599	-55.03
TB Eradication	8,310	7,255	1,055	12.69
TB Eradication - Non cash	4	4	-	-
Plant and Wildlife Protection and Regulation	896	912	-16	-1.79
Border Controls	6,495	3,090	3,405	52.43
Constitutional Reform	2,014	813	1,201	59.62
Justice Transformation	488	388	100	20.43
Senedd Reform	1,943	2,017	-74	-3.79
Fisheries Schemes	-	-550	550	-
Rural Payments ICT	-	2,325	-2,325	-
Environment Management (Pwllpeiran)	-	8	-8	-
Old RDP Programme	-	8	-8	-
Total Resource	576,846	566,777	10,069	1.75

ECONOMY, ENERGY & PLANNING RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Business and Regional Economic Development	6,278	6,322	-44	-0.70
Business and Regional Economic Development - Non cash	599	5,595	-4,996	-834.09
Business Wales	24,191	23,381	810	3.35
Tech Valleys	1,760	1,663	97	5.53
Freeports	1,400	1,400	-	-
Valleys Task Force	102	55	47	45.66
Export, Trade and Inward Investment	4,104	3,892	212	5.17
Business Finance Funds - Non-cash	1,000	1,110	-110	-11.00
Property Infrastructure	2,771	8,155	-5,384	-194.31
Property Infrastructure - Non cash	14,758	6,862	7,896	53.50
Public Sector Broadband Aggregation	11,506	11,496	10	0.09
ICT Infrastructure Operations	847	36	811	95.70
ICT Infrastructure Operations - Non Cash	2,341	2,015	326	13.91
Digital Strategy for Wales	4,334	4,477	-143	-3.30
Healthy Working Wales	100	152	-52	-52.00
Corporate Programmes & Services	513	780	-267	-51.98
Strategic Business Events and Communications	65	5	60	92.97
Apprenticeships	140,733	140,851	-118	-0.08
Employability Including Young Persons Guarantee	98,976	98,101	875	0.88
Employability Including Young Persons Guarantee - Non cash	2,330	2,223	107	4.59
Business Innovation	309	335	-26	-8.36
Science	938	238	700	74.66
Tourism	11,001	12,322	-1,321	-12.01
Tourism - Non-cash	50	32	18	35.52
Events Wales	3,699	3,624	75	2.02
Creative Wales	7,185	7,632	-447	-6.22
Creative Wales - Non-cash	10	50	-40	-396.55
Programme Support	1,920	1,620	300	15.65
Cardiff International Airport	-3,000	-3,080	80	-2.67
Green Energy	28,357	7,690	20,667	72.88
Ynni Cymru	2,470	2,815	-345	-13.95
Social Partnerships	900	677	223	24.82
Planning and Environment Decisions Wales	3,125	3,163	-38	-1.21
Planning & Regulation Expenditure	2,145	1,801	344	16.02
Arts Council of Wales	32,836	32,235	601	1.83
Arts Council of Wales - Non cash	216	131	85	39.35
Amgueddfa Cymru - National Museums of Wales	26,720	23,668	3,052	11.42
Amgueddfa Cymru - National Museums of Wales - Non cash	3,300	3,515	-215	-6.52
National Library of Wales	12,672	11,879	793	6.26
National Library of Wales - Non cash	2,378	2,446	-68	-2.86
Support for Local Culture and Sport	6,550	6,243	307	4.69
Cadw	9,710	17,339	-7,629	-78.57
Cadw - Non cash	7,800	1,704	6,096	78.15
National Botanic Garden of Wales	525	569	-44	-8.33
Royal Commission on the Ancient and Historical Monuments of Wales	1,803	1,732	71	3.92
Royal Commission on the Ancient and Historical Monuments of Wales - Non cash	192	158	34	17.84
Sport Wales	22,169	22,889	-720	-3.25
Sport Wales - Non cash	783	611	172	21.97
Business Finance (FW) Funds	-	-43,953	43,953	-
Sport and Facilities Capital Loans	-	-1,126	1,126	-
European Regional Development Fund	-	-2	2	-
Total Resource	505,471	437,528	67,943	13.44

SOCIAL JUSTICE RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Basic Income	10,702	10,565	137	1.28
Financial Inclusion	35,107	25,729	9,378	26.71
Digital Inclusion	2,253	2,233	20	0.89
Digital Inclusion - Non cash	149	149	0	0.26
Supporting Communities	6,651	7,073	-422	-6.35
Older People Commissioner	1,636	1,582	54	3.30
Older People Commissioner - Non cash	52	32	20	38.46
Children's Commissioner	1,653	1,615	38	2.30
Children's Commissioner - Non cash	52	47	5	9.62
Public Appointments	101	69	32	31.68
Future Generations Commissioner Wales	1,667	1,593	74	4.44
Future Generations Commissioner Wales - Non-cash	10	11	-1	-10.00
Public Services Boards	585	378	207	35.33
Citizen Voice Body	7,817	7,733	84	1.07
Citizen Voice Body - Non cash	367	355	12	3.27
Violence against Women, Domestic Abuse and Sexual Violence	8,312	9,644	-1,332	-16.02
Equality, Inclusion and Human Rights	7,248	6,103	1,145	15.79
Equality, Inclusion and Human Rights - Non cash	3	-	3	100.00
Cohesive Communities	11,392	18,095	-6,703	-58.84
Equalities, Poverty and Children's Evidence & Support	1,686	1,534	152	9.02
Advice Services	13,931	13,464	467	3.35
Support for the Voluntary Sector and Volunteering	11,419	13,285	-1,866	-16.34
Community Support and Safety	15,488	15,422	66	0.42
Criminal Justice Delivery	1,094	1,201	-107	-9.76
Fuel Poverty Programme	640	73	567	88.53
Total Resource	140,015	137,986	2,029	1.45

CENTRAL SERVICES & ADMINISTRATION RESOURCE BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Staff Costs	274,916	272,296	2,620	0.95
General Administration Expenditure	20,259	17,027	3,232	15.95
General Administration Expenditure (Capital Charges - Non cash)	18,312	15,409	2,903	15.85
IT Costs	15,632	17,182	-1,550	-9.92
Enabling Government	1,857	1,709	148	7.99
Improve Economic & Labour Market Statistics	1,808	1,624	184	10.16
Geographical Information	654	808	-154	-23.57
Data Science	466	604	-138	-29.52
Central Research	2,626	2,102	524	19.95
Tribunals	4,302	6,109	-1,807	-42.01
Public Policy Institute	491	450	41	8.35
Events & Corporate Communications	314	310	4	1.38
Investigations	4,687	3,574	1,113	23.75
Welsh Revenue Authority	8,612	8,541	71	0.83
Welsh Revenue Authority - Non cash	228	140	88	38.60
Devolved Taxes	539	382	157	29.17
Cost of Borrowing	12,254	13,066	-812	-6.63
Economic Research	206		206	100.00
Commercial Procurement Programme Funding	2,723	2,061	662	24.31
e-procurement	3,500	1,070	2,430	69.42
Invest to Save	-3,844	-3,844	-	-
Invest to Save Fund Repayment	7,603	7,374	229	3.01
Cyber Resilience	905	930	-25	-2.77
Civil Contingencies and National Resilience	298	179	119	40.00
International Relations	8,054	7,903	151	1.87
International Sustainable Development	1,050	1,055	-5	-0.50
Welsh Language	33,941	34,614	-673	-1.98
Welsh Language Commissioner	3,243	3,240	3	0.10
Welsh Language Commissioner - Non cash	147	125	22	15.00
EU Transition Costs (Central Programme)	-	7,947	-7,947	-
Election Costs	-	-33	33	-
Economic Research	-	-4	4	-
Total Resource	425,783	423,949	1,834	0.43

ANNEX 2: Capital DEL⁸ Outturn by BEL

HEALTH & SOCIAL CARE CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Core NHS Allocations	456,818	459,054	-2,236	-0.49
Mental Health	546	546	-	-
Substance Misuse Action Plan Fund	2,500	1,696	804	32.17
Research and Development	48,066	48,026	40	0.08
Social Care Wales	20	20	-	-
Sustainable Social Services	70,000	40,876	29,124	41.61
Cafcass Cymru	684	200	484	70.82
Care Inspectorate Wales	20	-	20	100.00
Healthcare Inspectorate Wales	10	27	-17	-171.36
Health Emergency Planning	-	3,232	-3,232	-
Total Capital	578,664	553,676	24,988	4.32

HOUSING & LOCAL GOVERNMENT CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Rapid Response Adaption Programme	20,067	20,271	-204	-1.02
Private Rented Sector	1,500	1,128	372	24.80
Health & Housing	58,507	45,817	12,690	21.69
Warm Homes	24,000	10,477	13,523	56.35
Major Repairs Allowance and Dowry Gap Funding	104,200	121,500	-17,300	-16.60
Residential Decarbonisation & Quality	96,000	94,610	1,390	1.45
Social Housing Grants (SHG)	383,770	417,227	-33,457	-8.72
Land for Housing - Repayment	-3,000	-20,076	17,076	-569.21
Building Safety	60,000	12,746	47,254	78.76
Market Housing and Other Schemes	74,170	10,497	63,673	85.85
Homebuy	4,000	3,078	922	23.05
Land Release Fund	15,639	14,699	940	6.01
Regeneration	50,000	72,490	-22,490	-44.98
Local Govt General Capital Funding	211,000	217,500	-6,500	-3.08
Fire & Rescue Services	1,250	2,245	-995	-79.59
Fire & Rescue Services - Communication Systems	210	-	210	100.00
Community Fire Safety	1,000	1,000	-	-
Ystadau Cymru	1,000	988	12	1.24
Emergency Financial Assistance	-	5,495	-5,495	-
Local Taxation Reform	-	2,000	-2,000	-
Cardiff Harbour Authority	-	568	-568	-
Building Local Democracy	-	43	-43	-
Total Capital	1,103,313	1,034,301	69,012	6.25

⁸ The published budget tables report the Capital DEL total i.e. General Capital and Capital Financial Transactions.

EDUCATION CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Education Infrastructure	391,181	384,255	6,926	1.77
Education Infrastructure - Repayment	-1,686	7,911	-9,597	569.20
Student Loans Company / HMRC Administration Costs	2,500	1,584	916	36.65
Medr Programme Expenditure	19,700	18,580	1,120	5.69
HEFCW Programme Expenditure (CTER)	100	9	91	90.80
Qualifications Wales	250	233	17	6.80
Estyn - Programme Expenditure	250	70	180	72.00
Teacher Development and Support	-	183	-183	-
Welsh in Education	-	5	-5	-
Total Capital	412,295	412,829	-534	-0.13

TRANSPORT CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Strategic Infrastructure Development	4,000	4,389	-389	-9.74
Network Operations	170,080	136,801	33,279	19.57
Transport for Wales	457,439	429,549	27,890	6.10
Bus Support	16,980	16,104	876	5.16
Local Transport Priorities	29,550	28,997	553	1.87
Sustainable and Active Travel	73,357	69,603	3,754	5.12
Sustainable and Active Travel - Repayment	-372	-457	85	-22.76
Road Safety	12,600	8,033	4,567	36.24
New Road Construction and Improvement	-	27,770	-27,770	-
Total Capital	763,634	720,789	42,845	5.61

CLIMATE CHANGE & RURAL AFFAIRS CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Welsh Government Energy Service	23,606	35,648	-12,042	-51.01
Invest 2 Save - Green Growth	-	-865	865	-
Environment Protection	1,075	269	806	74.98
Flood Risk Management & Water Policy Delivery	24,700	29,659	-4,959	-20.08
Biodiversity, Evidence and Peatlands	12,500	14,858	-2,358	-18.86
Forestry	8,610	4,824	3,786	43.97
Local Places for Nature	19,290	17,970	1,320	6.84
Natural Resources Wales	25,936	27,145	-1,209	-4.66
Resource Efficiency and Circular Economy	19,618	6,463	13,155	67.06
Designated Landscapes & Countryside Access	8,900	8,746	154	1.73
Coal Tip Safety Delivery	19,430	17,910	1,520	7.82
EID Cymru	1,000	3,623	-2,623	-262.26
Rural Payments ICT	13,680	13,747	-67	-0.49
Rural Investment Schemes	45,320	36,337	8,983	19.82
Border Controls	39,491	31,772	7,719	19.55
Rural Development Plan 2014-20	-	671	-671	-
Commons Act	-	25	-25	-
Strategy and Government Relation	-	119	-119	-
Animal Health & Welfare Framework	-	147	-147	-
Fisheries	-	326	-326	-
Fisheries Schemes	-	351	-351	-
Total Capital	263,156	249,748	13,408	5.10

ECONOMY, ENERGY & PLANNING CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Business and Regional Economic Development	35,650	18,827	16,823	47.19
Business and Regional Economic Development - Repayment	-2,389	-451	-1,938	81.12
Business Wales	18,500	2,468	16,032	86.66
Tech Valleys	5,000	2,274	2,726	54.53
Business Finance Funds	35,000	35,234	-234	-0.67
Business Finance Funds - Repayment	-33,900	12,060	-45,960	135.57
Property Infrastructure	11,037	21,469	-10,432	-94.52
Property Infrastructure - Repayment	-365	-365	-	-
ICT Infrastructure Operations	27,920	16,398	11,522	41.27
Employability Including Young Persons Guarantee	2,376	2,154	222	9.36
Business Innovation	9,850	6,353	3,497	35.50
Science	5,000	-514	5,514	110.28
Tourism	4,000	2,363	1,637	40.92
Creative Wales	5,000	8,149	-3,149	-62.99
Cardiff International Airport	1,783	4,495	-2,712	-152.11
City and Growth Deals	105,857	97,857	8,000	7.56
Green Energy	17,200	9,796	7,404	43.05
Ynni Cymru	10,000	9,651	349	3.49
Planning and Environment Decisions Wales	80	160	-80	-100.09
Arts Council of Wales	400	-1,115	1,515	378.68
Amgueddfa Cymru - National Museums of Wales	5,000	-22	5,022	100.43
National Library of Wales	2,000	3,329	-1,329	-66.45
Support for Local Culture and Sport	23,801	23,621	180	0.76
Cadw	10,000	5,161	4,839	48.39
National Botanic Garden of Wales	200	292	-92	-46.04
Royal Commission on the Ancient and Historical Monuments of Wales	50	46	4	7.42
Sport Wales	10,315	10,306	9	0.09
Sports Capital Loans Scheme	-974	-974	-0	0.04
Valleys Task Force	-	-82	82	-
Digital Strategy for Wales	-	5	-5	-
European Regional Development Fund	-	2,730	-2,730	-
Total Capital	308,391	291,676	16,715	5.42

SOCIAL JUSTICE CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Financial Inclusion	80	80	-	-
Financial Inclusion - Repayments	-42	-39	-4	8.33
Digital Inclusion	50	21	29	58.59
Supporting Communities	1,720	1,720	-	-
Violence against Women, Domestic Abuse and Sexual Violence	2,025	2,132	-107	-5.31
Gypsy Traveller Sites	2,273	1,865	408	17.93
Future Generations Commissioner Wales	30	30	-	-
Citizen Voice Body	128	74	54	42.19
Criminal Justice Delivery	700	372	328	46.88
Community Facilities Programme	9,648	9,542	106	1.10
Children's Commissioner	-	12	-12	-
Total Capital	16,612	15,810	802	4.83

CENTRAL SERVICES & ADMINISTRATION CAPITAL BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
General Administration Expenditure	4,576	4,453	123	2.68
IT Costs	5,536	5,545	-9	-0.17
Welsh Revenue Authority	120	106	14	11.67
Invest to Save Fund Repayment	-561	-553	-9	1.52
Welsh Language Commissioner	50	50	-0	-0.73
Total Capital	9,721	9,602	119	1.22

ANNEX 3: Annually Managed Expenditure (AME) Outturn by BEL

HEALTH & SOCIAL CARE AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
NHS Impairments and Provisions - AME	323,385	233,435	89,950	27.82
NHS Impairments - AME	43,700	42,750	950	2.17
Total AME	367,085	276,185	90,900	24.76

HOUSING & LOCAL GOVERNMENT AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Market Housing - AME	3,986	-13,099	17,085	428.63
Non-Domestic Rates Distributable Amount - AME	1,079,000	1,082,842	-3,842	-0.36
Bad Debt Provision - AME	227	5	222	97.80
Fire Service Pensions - AME	28,799	28,799	-	-
Total AME	1,112,012	1,098,547	13,465	526.07

EDUCATION AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Student Loans - AME	1,476,870	1,277,796	199,074	13.48
Total AME	1,476,870	1,277,796	199,074	13.48

TRANSPORT AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Roads Impairment - AME	197,226	15	197,211	99.99
Transport for Wales - AME	2,000	689	1,311	65.55
Total AME	199,226	704	198,522	99.65

CLIMATE CHANGE & RURAL AFFAIRS AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
CCRA Provision for Bad Debt - AME	1,000	615	385	38.50
NRW Provision for Pensions - AME	6,000	-5,012	11,012	183.53
NRW Impairment of Forestry & Biological Assets - AME	35,000	30,030	4,970	14.20
Total AME	42,000	25,633	16,367	38.97

ECONOMY, ENERGY & PLANNING AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Business & Regional Economic Development	3,000	230	2,770	92.33
Property Related Infrastructure Impairment - AME	27,525	6,563	20,962	76.16
Careers Wales - AME	12,000	-3,787	15,787	131.56
Bad Debt Provision - AME	1,000	2	998	99.80
Amgueddfa Cymru - National Museums of Wales Pension Provision - AME	15,000	-4,511	19,511	130.07
National Library of Wales Pension Provision - AME	9,000	-583	9,583	106.48
Arts Council of Wales Provision - AME	3,000	-	3,000	100.00
Cadw Provisions - AME	1,000	-	1,000	100.00
Sport Wales Pension Provision - AME	5,000	261	4,739	94.78
Energy	50,000	-	50,000	100.00
Business Finance Funds - AME	-	17,835	-17,835	-
Total AME	126,525	16,010	110,515	87.35

SOCIAL JUSTICE AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
Bad Debt Provision - AME	226	-	226	100.00
Citizens Voice Body Provision - AME	-	-57	57	-
Total AME	226	-57	283	125.22

CENTRAL SERVICES AND ADMINISTRATION AME BELs				
Budget Expenditure Line	Budget £000s	Outturn £000s	Under/ Over(-) Spend	
			£000s	%
CSA Pensions Provisions - AME	3,000	-2,040	5,040	168.00
General Provisions - AME	200	29	171	85.50
Total AME	3,200	-2,011	5,211	162.84

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JB/PO/659/25

17 December 2025

Dear Peredur,

Thank you for your letter. My officials keep in close contact with Audit Wales on the completion of local government accounts and I am aware that there are a number of accounts still outstanding for the 2024-25 year. There are also a couple from the 2023-24 year due to very specific and technical reasons. The deadline for completion of accounts has moved forward over the last two years, following the disruption of the pandemic. We, Audit Wales and Local Government are keen that accounts become more timely. The intention is that Councils will return to draft completion of accounts by 30 June and sign off by 31 October for 2025-26, which are the long-standing expected dates.

I understand that there are a number of issues contributing to the current longer timetables for accounts preparation in some authorities. There have been several complicated changes to accounting standards, including the treatment of leases and asset valuations (particularly infrastructure assets), which have taken finance teams longer to process in the first few years of these new requirements. I also know that in some authorities staff changes and retirement of key members of the accounts preparation team has in some cases extended the preparation time. Accounts structure is also getting more complicated in some areas - for example the consolidation of CJsCs.

I think it is fair to also note that before the 2024-25 audits, Audit Wales were also facing staffing challenges which impacted their performance in completing audits and responding to queries. The use of remote and hybrid auditing rather than full on-site audits has also extended the time for queries to be raised and responded to. I understand that a new IT solution is now being used which is significantly helping the flow of information.

Audit Wales have met with the society of Welsh Treasurers to discuss the range of issues. I know that there is a very positive willingness on both sides to bring down the accounts production and audit time. Audit Wales have recently done two face-to-face day workshops, in South and North Wales, with finance staff who deal with the accounts production on a day-to-day basis. One of my officials also attended. These workshops looked at the issues in more depth and enabled good networking between the teams in different local authorities to share good practice and highlight how Audit Wales can work with and support authorities.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

It is for local authorities to manage the capacity, succession planning, and staff recruitment within their own finance teams. The local government finance community is well aware of the need to ensure resilience in these important roles. The Society of Welsh Treasurers has recently established and funded a development course to help grow the next generation of S151 Officers for example. The federation model which Blaenau Gwent and Torfaen are developing and applying should also offer a way forward especially across smaller councils.

I am aware the CIPFA are also looking at options for simplifying local authority accounts through its better reporting group and I look forward to seeing the impact of these changes going forward.

Yours sincerely,

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive style with a large, prominent initial 'J'.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

Llywodraeth Cymru
Welsh Government

Our Ref: JB/2722/25

Peredur Owen Griffiths MS
Chair Finance Committee
Senedd Cymru
Cardiff
CF99 1SN

19 December 2025

Dear Peredur,

I am grateful to the Finance Committee for its consideration of the Building Safety (Wales) Bill and the conclusion that the Committee welcomes the overall aims of the Bill. I am sorry to learn that you have concerns about the financial implications as presented in the Regulatory Impact Assessment. I am, of course, anxious to reassure the Committee, and will provide appropriate information to enable you to assess the financial impact of specific elements of the Bill.

I have set out my response to your recommendations below.

Recommendation 1. The Committee recommends that the Cabinet Secretary undertakes a comprehensive revision of the Regulatory Impact Assessment accompanying the Bill, so that it includes:

- a breakdown of costs and benefits by individual provisions;
- a detailed account of the costing methodology used; and
- details of the specific activities individual bodies will undertake,

and for this to be reflected in a revised Regulatory Impact Assessment, after Stage 2.

Response: Accept

In revising the Regulatory Impact Assessment after Stage 2 I will take account of the Committee's specific requests for information. However, as we discussed when I gave evidence to the Committee, the new building safety regime will consist of a package of measures. Attempting to assign benefits to individual provisions would be little more than guesswork and, therefore, not value adding.

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Recommendation 2. The Committee recommends that the Cabinet Secretary makes clear in the Regulatory Impact Assessment where key supporting documentation such as the Cost and Benefits Model reports are published and publishes any other associated information, such as the Excel Model referenced in the Cost Model report as soon as practicable.

Response: Accept

I will make clear where key supporting documents are published.

Recommendation 3. The Committee recommends that the Welsh Government publishes a detailed account of how any implementation funding already allocated for the Bill has been used to date, including a breakdown of activities undertaken, the amounts allocated, and how these relate to the delivery of the Bill.

Response: Accept

Details of the way in which the funding allocated has been used will not be available until the end of current financial year. To reduce the administrative burden on local authorities, I am not requiring detailed information to be provided on the use of the funding, but I would be happy to provide examples of how authorities have used the funding once the grant claims have been made.

In the meantime, I have asked officials to prepare and submit to the Committee in January, information on what funding has been allocated and to whom, along with information about the type of activities that the funding can be used to deliver.

Recommendation 4. The Committee recommends that the Cabinet Secretary clarifies the funding available to local authorities for the implementation of the Bill, including confirmation of whether the funding is additional to existing allocations and sufficient to meet the new statutory responsibilities.

Response: Accept in Principle

I have established a costs workstream with local authorities and the WLGA to review and update the cost assumptions relating to Building Safety Authorities included in the Regulatory Impact Assessment. I will provide an update on the work of this group, in the new year.

I am committed to ensuring that delivery partners are appropriately funded to be able to discharge all their duties effectively. Our agreement with local government, the Strategic Partnership Agreement, sets out our approach to funding, including in relation to new responsibilities.

However, decisions on long term funding will ultimately be for the next government to take.

Recommendation 5. The Committee recommends that the Cabinet Secretary provides further detail on the cost implications for residents and explains how it intends to support residents who may face financial burdens as a result of the Bill, including outlining any financial assistance, mitigation measures, or protections for leaseholders and tenants.

Response: Accept

I recognise the pressures on household budgets and the wider cost of living on residents. This is why we have built a proportionate approach with ongoing consultation to ensure the regime is both effective and affordable for all residents.

The Bill does not alter existing lease arrangements on the cost of works needed to manage building safety risks. Who pays for those works will depend on what each individual lease says. There are protections in place for leaseholders under the Landlord and Tenant Act 1985, which requires that any costs passed on via service charges must be reasonably incurred and for services or works to be of a reasonable standard. Leaseholders have the right to challenge any unreasonable charges.

The Bill amends the Landlord and Tenant Act 1985 to ensure that generally costs relating to enforcement of the regime (excluding enforcement of duties of residents and owners of residential units) and costs incurred as a result of negligence, cannot be passed on to leaseholders as service charges.

Further, I have introduced a Stage 2 amendment that requires landlords, if they are an accountable person, to investigate other funding options for building safety works before claiming costs back through the service charge. Landlords would be required to consider other funding streams before passing on the costs of works via service charges to residents or leaseholders. If a grant or funds are available, the accountable person would then be required to take reasonable steps to obtain them and deduct them from costs that may be charged via service charges.

The upcoming draft UK Commonhold and Leasehold Reform Bill, which is due to be published by the end of the year, is expected to include important reforms for leasehold homeowners in Wales. We are continuing to work with the UK Government on legislative reforms to improve protections and provide additional rights to leaseholders in Wales.

Additionally, officials are currently analysing the responses to our joint consultation on 'Strengthening leaseholder protections over charges and services', which included detailed proposals for implementation of service charge transparency measures in the Leasehold and Freehold Reform Act 2024.

We will continue to engage with leaseholder and resident groups about the cost implications as we develop regulations under the Bill, to ensure the regime is fair and practical.

Recommendation 6. The Committee recommends that the Cabinet Secretary provides details of discussions held with delivery partners for the Bill regarding operational costs of the new statutory framework, and any additional financial implications identified as a result of those discussions.

Response: Accept

We are working with local authorities and fire and rescue authorities to better understand the costs of the Bill. This work will inform the revisions to the Regulatory Impact Assessment after Stage 2 and will continue as we begin to develop the necessary regulations under the Bill. I will write to the Committee with an update on the discussions that have taken place in the costs workstream, in the New Year.

Recommendation 7. The Committee recommends that the Cabinet Secretary quantifies and publishes the actual costs and benefits arising from the Bill as part of the post-implementation review, and confirms the proposed timescales for the review.

Response: Accept

In the revised Regulatory Impact Assessment, I will clarify plans for the post-implementation review.

I am grateful to the Finance Committee for its recommendations, and I hope you are assured of my commitment to continue to robustly assess the costs of this Bill, alongside its significant benefits. I trust this response will help to inform further scrutiny of the Bill and I look forward to continuing to work with Committee Members as we proceed through the Senedd's legislative process.

I am copying this letter to the Chair of the Local Government and Housing Committee and Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely

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

Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

Agenda Item 2.16

Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government



Llywodraeth Cymru
Welsh Government

Our Ref: JB/2722/25

John Griffiths MS
Chair Local Government and Housing Committee
Senedd Cymru
Cardiff
CF99 1SN

19 December 2025

Dear John,

I am grateful to the Local Government and Housing Committee for its consideration of the Building Safety (Wales) Bill and the Committee's recommendation that the Senedd agrees to the general principles of the Bill. I also note the concerns raised in evidence provided to the Committee during Stage 1 and look forward to working in partnership to address them.

I have set out my responses in the table below and am pleased to note that I have accepted the majority of your recommendations.

I trust this response will help to inform further scrutiny of the Bill and I look forward to continuing to work with Committee Members as we proceed through the Senedd's legislative process.

I am copying this letter to the Chair of the Finance Committee and Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely

Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

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Recommendation	Government Response	Comments
<p>Recommendation 1: We recommend that the Senedd agrees to the general principles of the Building Safety (Wales) Bill but notes that significant concerns were raised in evidence provided to the Committee in respect of various aspects of the Bill, which the Welsh Government should address urgently.</p>	Noted	<p>I am grateful to the Committee for its consideration of the Bill and its recommendation that the Senedd agrees the general principles of the Bill, which it did on 9 December. However, I also note the concerns raised in evidence and commit to working in partnership to address them.</p>
<p>Recommendation 2: The Welsh Government should consult on and publish its building safety workforce plan as soon as possible. The plan should provide baseline data on current capacity for the undertaking of structural and fire risk assessments by competent persons and the undertaking of regulatory functions by the Building Safety and Fire Safety Authorities. It should include details of how and when progress in workforce development will be reviewed</p>	Accept in principle	<p>I agree with the Committee that the development of a workforce plan should be based on information on current skills capacity. We have established a workstream with a specific focus on local authority workforce capacity to resource the new building safety regime. Consultation with local authorities, WLGA and industry bodies underpins our approach.</p> <p>The workforce plan will focus on issues around recruitment, retention and skills development. The plan will feed into investment in skills and apprenticeship training under the new regime, so that we have a cohesive approach to workforce planning with clear milestones for development and review.</p> <p>Fire safety authorities will have similar functions under the Bill to those they have now under the</p>

		<p>Regulatory Reform (Fire Safety) Order 2005 (“FSO”). So, the Bill should not create the need for significant numbers of extra staff.</p> <p>Structural risk assessors and fire risk assessors are largely employed in the private sector, including by small businesses and as sole traders. We will continue to work with the fire safety sector and with the UK and other devolved governments to develop an agreed framework for fire risk assessor competence.</p>
Recommendation 3: The Welsh Government should undertake further work to ensure the additional resource requirements that will result from the Bill are fully understood.	Accept	Officials are working with local authorities and fire and rescue authorities to better understand the costs of the Bill. This work will inform the revisions to the RIA after Stage 2.
Recommendation 4: The Welsh Government should ensure that local authority landlords and housing associations receive such additional funding as is required to be able to discharge duties effectively	Accept in principle	<p>Officials will continue to liaise with local authorities and housing associations in preparation for implementation of the Bill and during the development of regulations made under it. This will include consideration of the cost implications of duties and how these might be funded.</p> <p>Decisions on long term funding will be for a future Government.</p>

<p>Recommendation 5: The Welsh Government should re-consider whether the fees that may be charged in accordance with the Bill for exercising regulatory functions should provide for full cost recovery. If not, the Welsh Government should clarify to the Senedd and those on whom regulatory duties are placed how any differences between the cost of exercising regulatory duties and the fees that may be charged are to be funded.</p>	<p>Accept in principle</p>	<p>If standard fee levels are kept reasonable and proportionate, it is unlikely that they could cover the full cost of regulating the regime. This is because only a relatively small proportion of buildings included within the new safety regime will be subject to such fees.</p> <p>Our agreement with local government, the Strategic Partnership Agreement, sets out the approach to funding, including in relation to new responsibilities. In accordance with that Agreement, there has been a commitment to ensuring that delivery partners are appropriately funded to be able to discharge all their duties effectively. Officials continue to work with them to ensure that there is a shared understanding of the likely costs arising from the Bill.</p> <p>Decisions on long term funding will be for a future Government.</p>
<p>Recommendation 6: The Welsh Government should engage with representative bodies on behalf of tenants and leaseholders, including those engaged in provision of legal advice, to consider the adequacy and effectiveness of existing legal protections against the passing on of unreasonable costs by landlords to tenants and leaseholders. The Welsh Government should also consider whether further</p>	<p>Accept</p>	<p>I accept the Committee's recommendation to consider the sufficiency and effectiveness of existing legal protections against the passing on by landlords of unreasonable costs to residents and leaseholders. We will continue to engage with representative bodies on behalf of tenants and leaseholders to ensure that there is an understanding of the legal protections</p>

<p>legal protections are needed within Welsh law, to ensure their suitability for the Welsh housing context</p>		<p>imposed by the Landlord and Tenant Act 1985 which imposes requirements for what costs can be taken into account when determining the amount of service charge payable. These requirements are that the costs are reasonably incurred and the service is of a reasonable standard. This will ensure that excessive costs are not permitted to be passed on to leaseholders.</p> <p>We are also working with the UK Government on legislative reforms to improve protections and provide additional rights to leaseholders in England and Wales. The upcoming draft Commonhold and Leasehold Reform Bill, which is due to be published by the end of the year, is expected to include important reforms for leasehold homeowners in Wales.</p> <p>Additionally, officials are currently analysing the responses to our joint consultation on ‘Strengthening leaseholder protections over charges and services’, which included detailed proposals for implementation of service charge transparency measures in the Leasehold and Freehold Reform Act 2024.</p>
<p>Recommendation 7: The Welsh Government should publish as soon as reasonably practicable (for consideration during</p>	<p>Accept</p>	<p>I believe that landlords should be required to consider other funding streams before passing on the costs of</p>

<p>the amending stages of the Bill at the latest) the findings of the work currently being undertaken to consider whether landlords should be required to consider other funding streams before passing on to tenants or leaseholders additional costs incurred in order to meet the Bill's requirements.</p>		<p>works via service charges to residents or leaseholders.</p> <p>I have therefore tabled an amendment that requires landlords, if they are an accountable person, to investigate other funding options for building safety works before claiming costs back through service charges.</p> <p>If a grant or funds are available, the accountable person would then be required to take reasonable steps to obtain them and deduct them from costs that may be charged via service charges.</p>
<p>Recommendation 8: The Welsh Government should provide clear justification for the inclusion of Category 3 buildings within the new building safety regime in terms of impact on the safety risk profile of Category 3 buildings. Due to insufficient evidence that the proposed approach to Category 3 buildings and HMOs is proportionate, the Welsh Government should consider adopting a stratified risk-based approach so that higher-risk Category 3 buildings and HMOs are brought into the new regime ahead of lower-risk Category 3 buildings and lower-risk HMOs</p>	<p>Accept in principle</p>	<p>The justification is that Category 3 buildings and HMOs are not "low risk". On the contrary, data consistently show a higher rate of fire casualties in HMOs and buildings converted into flats (almost all of which are in Category 3) than in purpose-built blocks. Furthermore, the Bill does not impose wholly new safety duties on these premises; it contains duties that are similar to those that already exist in the FSO, but which are tailored to the risks in residential buildings. The FSO will continue to apply in full until the Bill is brought into force. So delaying commencement would have no benefits at all; it would mean only that relatively high-risk buildings</p>

		<p>remained covered by the sub-optimal provisions of the FSO.</p> <p>We have taken a proportionate approach to the introduction of duties in Category 3. There is no duty to conduct structural risk assessments in Category 3 buildings or relevant HMOs, for example. Neither is there a requirement to register Category 3 buildings with the building safety authority.</p> <p>I have provided further information in the factsheet at Annex 1.</p>
<p>Recommendation 9: In light of the evidence received of the significant challenges to be faced in implementing the Bill's duties in respect of Category 3 buildings by the end of 2028, the Welsh Government should provide an update on its consideration of the timetable for the introduction of these duties</p>	<p>Accept in Principle</p>	<p>We will provide updates on the implementation of the Bill, but we do not believe there are significant challenges relating to Category 3 buildings. All Category 3 buildings are currently within scope of the FSO, and the duties the Bill would impose in respect of them are similar to those in the FSO, but expressed in clearer and more relevant terms.</p>
<p>Recommendation 10: The Welsh Government should engage with providers of specialist types of accommodation such as lighthouses to ascertain whether they should be within scope and ensure clarity is provided on all relevant types of accommodation to which the new regime does not apply.</p>	<p>Accept</p>	<p>I accept the Committee's recommendation to provide clarity to industry on all relevant types of accommodation to which the regime applies. We will continue to engage with the sector, including with those with an interest in specialist types of accommodation, to raise awareness of the new</p>

		regime and ensure the extent of its application is clear and understood. We are also encouraging future duty holders through representative bodies to prepare for the new regime. A greater focus on safety and engaging residents in buildings for which they are responsible is encouraged now.
Recommendation 11: The Welsh Government should ensure that clear definitions of the key terms used in chapter two of the Bill are provided in advance of the commencement of the provisions in this chapter, so as to ensure consistency in implementation of these provisions.	Accept	I consider the definitions in the Bill to be clear as drafted. The intention is that guidance issued under section 98 will include, amongst other things, guidance on the key terms in chapter 2 of the Bill where appropriate. In particular, we will consider the inclusion of examples of how the terms apply in practical scenarios and diagrams to aid understanding where appropriate.
Recommendation 12: The Welsh Government should engage further with relevant bodies including the Social Housing Law Association Wales, UK Finance and other relevant stakeholders to discuss and resolve concerns raised regarding the range of persons who could potentially be identified as Accountable Persons and Principal Accountable Persons and arrangements set out in the Bill for identifying them, including within buildings wholly owner-occupied. This is important in order to ensure lessons are learned from challenges experienced in England with arrangements for the	Accept	I accept the Committee's recommendation that the Welsh Government should engage further with relevant bodies to discuss and resolve concerns raised regarding the range of persons who could potentially be identified as accountable persons and principal accountable persons and arrangements set out in the Bill for identifying accountable persons and principal accountable persons. We will continue to engage with stakeholders, including Social Housing Law Association Wales and UK Finance, to ensure lessons are learned from challenges experienced in

<p>identification of Accountable Persons and Principal Accountable Persons.</p>		<p>identifying accountable persons and principal accountable persons in England.</p>
<p>Recommendation 13: The Welsh Government should ensure that guidance and support on the exercise of the duties of APs and PAPs are available in sufficient time before any persons are required to exercise such duties, to allow time for those identified as APs and PAPs to fully understand the requirements of the role and familiarise themselves with operational guidance before duties become effective.</p>	<p>Accept</p>	<p>I accept the Committee's recommendation that guidance and support on the exercise of the duties of accountable persons and principal accountable persons is available in sufficient time before any persons are required to exercise such duties.</p> <p>We recognise that timely guidance and support for accountable persons and principal accountable persons is pivotal to the success of the new regime and we will work with industry to develop the necessary guidance products.</p> <p>The guidance and support will be provided in good time prior to the commencement of the accountable persons and principal accountable persons duties for each of the building categories, and could include examples and diagrams where appropriate.</p>

<p>Recommendation 14: The Welsh Government should consult all relevant persons on any regulations to be made in respect of the meaning of a ‘competent person’ to carry out a fire risk assessment and in respect of how such assessments should be carried out, and provide adequate time for assessors and regulators to familiarise themselves with and prepare for new requirements set out or commenced in such regulations, before any such regulations take effect</p>	Accept	<p>I accept the Committee’s recommendation that the Welsh Government should consult all relevant persons on any regulations to be made in respect of the meaning of a ‘competent person’ to carry out a fire risk assessment and in respect of how such assessments should be carried out, and provide adequate time for assessors and regulators to familiarise themselves with and prepare for new requirements set out or commenced in such regulations, before any such regulations take effect. The Bill already requires consultation with relevant persons before making such regulations (sections 29(4), 31(3), 71 (4) and 73(3)). We will allow for those affected by the regulations to have as much time as possible to prepare for their coming into effect.</p>
<p>Recommendation 15: The Welsh Government should amend section 36 of the Bill to provide a more specific timescale for the preparation of a safety case report and its submission to the Building Safety Authority</p>	Reject	<p>Section 36 uses the phrase ‘as soon as reasonably practicable’. This phrase is often used in legislation because it recognises that it’s not always possible to achieve something in a set number of days. What is ‘reasonably practicable’ in one situation may differ in another. For example, setting a short, specific timescale would risk a principal accountable person being unable to meet that timescale, and consequently facing enforcement action, when it was not reasonable to have expected them to have met</p>

	<p>that deadline. Setting a longer specific timescale might allow and possibly encourage principal accountable persons to take longer to prepare and submit the safety case report than was required in the circumstances of the case.</p> <p>Requiring these actions to be taken 'as soon as reasonably practicable' is a fair and balanced way of approaching this matter. It avoids the arbitrary imposition of timescales that may either be unrealistically short or overly generous.</p> <p>Where a safety case report is not prepared as soon as is reasonably practicable, or a copy has not been submitted to the building safety authority as soon as possible after it has been prepared (in accordance with the duty set out section 36(4)) enforcement action can be taken by the building safety authority.</p> <p>Furthermore, section 41 provides the building safety authority with a power to direct the principal accountable person to apply for a building safety certificate within 28 days. Under section 42, that application must be accompanied by a current safety case report.</p>
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<p>Recommendation 16: The Welsh Government should amend the Bill to place a duty on Principal Accountable Persons to involve residents in the development of residents' engagement strategies, rather than specify in regulations when Principal Accountable Persons should consult residents on their preparation.</p>	Accept	<p>I accept the recommendation that the Welsh Government should amend the Bill to place a duty on principal accountable persons to always involve residents in the development of residents' engagement strategies. As such, I have tabled an amendment to section 39 to make provision on the face of the Bill requiring the principal accountable person to consult residents during the initial preparation of the strategy. However, we will retain the regulation-making power in subsection 39(7) to ensure that principal accountable persons must also consult residents in other circumstances specified in regulations when revising the strategy.</p>
<p>Recommendation 17: The Welsh Government should engage with those persons who may potentially be involved in the complaints processes to be established under sections 48 to 50 of the Bill, to consider if and how such processes can be made compatible with existing complaints processes. The Welsh Government should also engage with all regulatory bodies to whom complaints could currently be made against persons set out in sections 48 to 50 of the Bill, including the Public Services Ombudsman for Wales, to ensure the compatibility of new and existing complaints processes and to avoid duplication in processes.</p>	Accept	<p>Officials will engage with those persons who may potentially be involved in the complaints processes to be established under sections 48 to 50 of the Bill, to consider if and how such processes can be made compatible with existing complaints processes.</p> <p>The principal accountable persons and accountable persons, when meeting their requirements under sections 48 and 49 (as applicable), should be able to accommodate building safety complaints within any existing complaints processes they already have, providing the legislative requirements under the Bill are met.</p>

		<p>Officials have engaged with regulatory bodies, including local authorities and the Public Services Ombudsman for Wales, to consider the approach to handling of building safety complaints. They will continue to do so to ensure that there is no unnecessary duplication.</p>
<p>Recommendation 18: The Welsh Government should ensure that guidance prepared for Accountable Persons and Principal Accountable Persons in respect of residents' duties is clear that residents should be supported to meet their duties prior to enforcement measures being taken, and on how such support should be provided. The guidance should also reflect the additional support requirements of some vulnerable residents and ensure a proportionate approach to enforcement at all times</p>	<p>Accept</p>	<p>I accept the recommendation of the Committee that the Welsh Government should ensure that guidance prepared for accountable persons and principal accountable persons is clear that residents should be supported to meet their duties prior to enforcement measures being taken, and on how such support should be provided. Part of the rationale for the regulation making power enabling the placing of duties on accountable persons to provide building safety information to residents (section 46(1)(d)) is so residents are empowered to understand their rights and responsibilities under the regime.</p> <p>The primary focus of the duties placed on residents is to encourage a culture of safe resident behaviours. Should residents or owners of residential units breach their duties, we would expect informal steps to be taken by the principal accountable person or</p>

		<p>accountable person in the first instance by working with the resident to try and rectify the breach.</p> <p>I also accept the Committee's recommendation that guidance provided to accountable persons includes information on how residents should be supported in understanding their own duties under the Bill, with examples provided where appropriate.</p>
<p>Recommendation 19: The Welsh Government should consider steps to be taken to ensure that landlords or property owners who are not designated Accountable Persons or Principal Accountable Persons are fully aware of the duties and rights to be established by the new building safety regime, in order to be able to play their part in its implementation.</p>	<p>Accept</p>	<p>We are planning to extensively publicise the new regime through a comprehensive communication campaign to raise awareness of the requirements of the new regime and related duties.</p> <p>It is anticipated that the campaign will commence well in advance of Category 1 implementation in 2027.</p>

<p>Recommendation 20: The Welsh Government should engage with representative bodies on behalf of residents and other relevant persons to consider if withholding rent in accordance with section 65 of the Bill could give rise to unintended consequences for residents, and if so whether any changes are required to the Bill to avoid or address such consequences</p>	<p>Accept in principle</p>	<p>I am confident that the provision in section 65 is reasonable, as it is intended to ensure that residents are empowered with the vital information they need in order to raise any concerns about the safety of their building.</p> <p>Nevertheless, officials will continue to engage with representative bodies on behalf of residents and other relevant persons in relation to section 65 and all other matters in the Bill that impact them.</p>
<p>Recommendation 21: The Welsh Government should amend the Bill to provide further clarity as to the meaning of ‘relevant HMO’ outlined in section 67. In doing so, and in developing any subsequent regulations, engagement with the housing sector will be key to ensuring that all types of HMOs are taken into consideration and that all opportunities to simplify the definition are identified</p>	<p>Reject</p>	<p>I believe the legal meaning of “relevant HMO” in section 67 is already clear, and we have been unable to identify any amendments that would make the term easier to understand without changing its meaning. We will, though, publish guidance to explain the effect of section 67 in everyday terms.</p>

<p>Recommendation 22: The Welsh Government should provide clear guidance on the exercise of enforcement duties and powers and this should be provided in sufficient time to allow authorities to familiarise themselves with the guidance before the enforcement functions and powers take effect</p>	Accept	<p>We will provide full and comprehensive guidance in relation to the exercise of enforcement functions. To ensure that this happens, I have tabled an amendment for consideration at Stage 2 that would place a duty on the Welsh Ministers to issue guidance to building safety authorities and fire safety authorities on the exercise of their functions under the Bill and any associated regulations</p> <p>We will also ensure that the publication of this guidance happens in sufficient time for enforcement authorities to familiarise themselves with it before their functions are commenced.</p>
<p>Recommendation 23: The Welsh Government should give further consideration to the Bill's provisions on Special Measures Orders in light of the evidence received and discuss with local authorities, fire and rescue services and other relevant persons how special measures management functions can be effective in practice.</p>	Accept	<p>I will give further consideration to the Bill's provisions on Special Measures Orders in light of the evidence received and discuss with local authorities and fire and rescue authorities how special measures management functions can be effective in practice.</p> <p>I am aware of the concerns raised in relation to the capacity of enforcing authorities to bring forward a special measures order and the costs involved. This is something that we will explore further with the enforcing authorities at implementation. Whilst I do not currently consider changes are needed to the Bill's provisions, I agree that further consideration can</p>

		<p>be given to this, including discussions with the enforcing authorities at implementation, to ensure that the tool is effective.</p>
<p>Recommendation 24: The Welsh Government should bring forward amendments to include its preferred delivery model for enforcement on the face of the Bill. Amendments should also make it clear that not all 22 local authorities can be designated as Building Safety Authorities.</p>	<p>Reject</p>	<p>Any amendment on the face of the Bill that prescribes a particular model of delivery would remove the flexibility to adjust the model in the future to respond to changing circumstances.</p> <p>Under section 101(1)(b) of the Local Government Act 1972, local authorities already have the power to delegate non-executive functions to one another. This provides a ready-made mechanism for enabling the currently preferred model of concentrating building safety authority functions in a small group of local authorities that mirror the fire and rescue authority areas. I have tabled an amendment to section 100 of the Bill, which provides that functions of a building safety authority are not to be those of the local authority's executive, and this will ensure that the power set out section 101(1)(b) of the 1972 Act can be used by local authorities in this context.</p> <p>If it not possible to achieve the preferred delivery model through mutual consent, the Welsh Ministers have a power to direct the delegation of functions under section 102 of the Bill. To further facilitate this, I</p>

		<p>have tabled a Stage 2 amendment to section 102, that would enable the Welsh Ministers to direct multiple building safety authorities to arrange to delegate functions to one of their number rather than rely on multiple directions to achieve the same effect.</p> <p>I will, however, consider whether there is any other amendment that could be brought forward to further facilitate the implementation of a preferred delivery model, without losing the flexibility provided for in the Bill currently.</p>
<p>Recommendation 25: Given the intention to base Building Safety Authority teams within local authorities, the Welsh Government should work with local authorities to identify solutions to their concerns about taking on the responsibilities of Building Safety Authority including the problem of uncompetitive salaries for key roles within those teams.</p>	<p>Accept in principle</p>	<p>I recognise that the local authority salaries for some building safety roles can be uncompetitive within the wider jobs market. We have commissioned Local Partnerships to advise, and work with, local authorities on developing a “critical path” to implementation. Their work includes how resourcing pressures can be overcome, for example through paying a market supplement for particular staff.</p>

<p>Recommendation 26: The Welsh Government should make an urgent statement on the measures it intends to take, beyond those being taken at present, to address slow progress by some developers and to accelerate the pace at which remedial works are undertaken to address historic deficiencies in buildings in Wales.</p>	Accept	I will make a written statement before Christmas recess to update the Senedd on the progress being made and address stakeholder concerns with the remediation programme.
<p>Recommendation 27: The Welsh Government should amend the Bill to include provisions for legally enforceable deadlines and sanctions in respect of remediation, and for penalties for failures by developers to address deficiencies within required timescales</p>	Reject	Developers have signed up to a contract committing to remediate the buildings they are responsible for. It would not be appropriate to include legally enforceable deadlines for remediation in the Bill.

Conclusion	Government Response
<p>Conclusion 1: We support the Welsh Government's intention to work with delivery partners to develop a building safety workforce plan to ensure the Bill's requirements can be met in future, and to establish a degree apprenticeship scheme for environmental health officers. Workforce planning will be key to the successful delivery of the new building safety regime for Wales and should be prioritised.</p>	I welcome the Committee's support for our work with delivery partners to develop a building safety workforce plan to provide more certainty for stakeholders on implementation. We will work with stakeholders to understand where skills training can be expanded and where new degree apprenticeship programmes can be developed.

<p>Conclusion 2: We recognise that many of the organisations and services upon whom responsibilities will be placed by the Bill are already under financial pressures and that they may struggle to meet additional resource requirements</p>	<p>Work is already underway with local authorities to further examine the cost and resource implications of the building safety authority functions. I am committed to ensuring that our delivery partners are appropriately funded to be able to discharge all their duties effectively. Our agreement with local government, the Strategic Partnership Agreement, sets out our approach to funding, including in relation to new responsibilities.</p>
<p>Conclusion 3: The evidence received demonstrates that this Bill could have an unintended consequence on housing supply in Wales and may therefore impact upon achievement of the Welsh Government's targets for increased social and affordable housing supply. The Welsh Government should reflect on the evidence received and consider whether changes are required to the Bill to ensure consistency with the policy aim of increasing social and affordable housing supply</p>	<p>We are committed both to increasing social and affordable housing supply and to improving building safety.</p> <p>Whilst I acknowledge some of the evidence the Committee heard was that the Bill may have an indirect impact on housing supply, we will not help to solve the challenges we're facing in housing by putting people into unsafe homes.</p> <p>We know from our engagement with social housing providers that many of the measures set out in the Bill have already been implemented by them. I saw this firsthand when I visited St Tydfil's Court in Merthyr Tydfil in the summer.</p>
<p>Conclusion 4: We do not believe that the Welsh Government has made a clear case that the inclusion of Category 3 buildings and HMOs within the new regime is necessary. It has not demonstrated that the additional costs and resource implications arising from greater regulation, and the potential risk to housing supply, would be proportionate to any safety benefits to be achieved via the application of the new regime to such buildings</p>	<p>The risks are significant in all multi-occupied buildings, not just tall ones. Fires also occur in smaller buildings occupied by multiple households, and on some measures, these are the most hazardous of all. We cannot ignore the evidence.</p> <p>If we did not include Category 3 buildings or relevant HMOs in the Bill, they would just continue to be subject to the FSO, which was</p>

	not designed for residential buildings and is complex for landlords to understand and apply. Our independent analysis estimated that the average annual cost of the regime would be unlikely to make building owners or landlords exit the market.
Conclusion 5: We welcome the Cabinet Secretary's commitment to engage with representative bodies on behalf of disabled people to identify suitable protections for vulnerable residents in regulated buildings and how best to establish such protections.	I recognise the importance of engaging with representative bodies to identify suitable protections for vulnerable residents and will continue to engage interested parties as we develop proposals and options.
Conclusion 6: We welcome the Cabinet Secretary's commitment to provide to Accountable Persons and Principal Accountable Persons such guidance and support as will be required to be able to undertake their duties effectively. This will be key to the effective delivery of the Bill's aims	I fully support the Committee's conclusion and believe it is essential to the success of this regime that accountable persons, and others, are supported. We are committed to issuing guidance to support those with duties under the regime.
Conclusion 7: The Welsh Government should consult all relevant persons on any regulations to be made under section 33 relating to structural risk assessments, and provide adequate time for those assigned duties in respect of structural risk assessments to familiarise themselves with and prepare for new requirements set out in such regulations, before any such regulations take effect	Section 33 places a duty on the Welsh Ministers to consult with all relevant persons before making regulations under this section. I agree that adequate time must be provided for those subject to the duties that will be placed upon them under the Bill, including in relation to structural risk assessments, to familiarise themselves with and prepare for the new requirements, prior to any regulations or new duties taking effect.

<p>Conclusion 8: We note the calls made for structural and fire risk assessments to be conducted holistically rather than separately, due to the interdependence between structural and fire risks within buildings. While we do not have a view on whether or not the Bill should be amended accordingly we acknowledge that this may be an issue for further consideration by the Welsh Government and relevant stakeholders.</p>	<p>While there is some overlap between fire and structural risks, particularly in that structural defects can compromise compartmentation, the two types of risk are not generally interdependent. There are many common examples of fire hazards which have no structural implications at all, such as defective or missing fire doors, obstructed escape routes, accumulations of combustible waste in common areas, inadequate emergency lighting and signage, and poorly maintained electrical installations, firefighting lifts or smoke control systems. Equally, structural problems like subsidence, penetration of foundations by groundwater or tree roots and overloaded balconies typically have no fire safety implications. The two types of risk are also basically different. Fire can break out at any time and does so suddenly, while most structural problems develop very slowly and gradually. Therefore, the approach to, and frequency of, assessing such risks should also be different.</p>
<p>Conclusion 9: We agree with the view expressed that it would be useful for the Welsh Government to provide a template for safety case reports and other documents that must be prepared in accordance with the Bill's requirements, as a means of helping to address concerns raised about the resource implications of such duties for delivery partners</p>	<p>I accept the Committee's conclusion that templates could be helpful. We will consider this as we work with partners and stakeholders to determine the appropriate format for the documents that must be prepared in accordance with the Bill's requirements.</p>

<p>Conclusion 10: We agree that it will be important for all parties to be fully aware of the requirements upon them, whether as occupiers or as landlords. We therefore welcome the Cabinet Secretary's assurance on the development of a residents' handbook. However, we are not aware of arrangements to raise awareness among landlords or property owners who are not Accountable Persons or Principal Accountable Persons, and ask for further information from the Cabinet Secretary on how this will be done</p>	<p>My officials are exploring the development of a residents' handbook to support residents and owners of residential units in understanding their rights and responsibilities under the new regime. The handbook will help residents and owners who are landlords to understand what their duties mean in practice.</p> <p>We are planning to extensively publicise the new regime through a comprehensive communication campaign intended to raise awareness of the new regime.</p>
<p>Conclusion 11: We believe that clarification of key terms used in Chapter 7 in respect of residents' duties is needed to ensure clarity on persons to whom such duties apply, including the term 'adult resident'</p>	<p>We will ensure that the explanations of key terms in respect of resident duties are explained in the residents' handbook, setting out examples if needed.</p>
<p>Conclusion 12: We agree with the Cabinet Secretary that the success of the policy aim of the requirement in section 65 relating to the provision of building safety information to residents will depend on such information being appropriate to residents' needs and presented in a way which is understandable to them. Regulations made in respect of the provision of such information will need to take into account the additional work and resources required of those on whom duties are placed and ensure an appropriate balance between information to be provided to residents and information which should be 'made available'</p>	<p>It is our intention to use regulations under new section 49B(5)(e) of the Landlord and Tenant Act 1987 (as inserted by section 65 of the Bill) to set out what relevant building safety information, in addition to what is already set out in subsection (5) must be given to tenants under sections 47B and 49B of the Landlord and Tenant Act 1987. That information is not intended to be overly onerous on landlords - the intention is to ensure that vital building safety information is given to tenants.</p>

<p>Conclusion 13: If enforcement functions and powers provided by the Bill are to be split between Building Safety Authorities and Fire Safety Authorities, both will need clear guidance from the Welsh Government on how they should work together to enforce their legislative duties and requirements. Guidance should also set out how the enforcement functions and powers in this legislation will interact with existing enforcement functions and powers set out in current building safety legislation</p>	<p>I accept the Committee's conclusion. We will publish guidance accordingly, working with enforcing authorities on its development. To that end, I have tabled an amendment that will require the Welsh Ministers to publish guidance on the exercise of functions by enforcing authorities. Another amendment will require building safety and fire safety authorities to co-operate with each other in the exercise of their relevant functions in certain circumstances. Guidance issued by the Welsh Ministers may include advice on compliance with this co-operation duty.</p>
<p>Conclusion 14: Whilst we recognise that the proposal for three Building Safety Authorities with jurisdictions mirroring the footprint of each of the three fire and rescue services will be attractive to at least some of our witnesses, it is regrettable that the Welsh Government's preferred delivery model for enforcement was not made known in time for us to consider it in the detail during our stage one scrutiny. We have not been able to consider the costs and benefits of the proposed model or the potential risk of duplication of responsibilities that may arise from establishing more than one regulatory authority</p>	<p>The preferred delivery model is not explicit in the Bill and therefore is not costed.</p>
<p>Conclusion 15: We acknowledge the representations made in respect of the volume of detail on implementation being left to guidance and regulations and not included within the Bill. We note that the Senedd's Legislation, Justice and Constitution Committee has considered this issue in detail</p>	<p>I have considered the recommendations of the Legislation, Justice and Constitution Committee and written to the Committee with my response.</p>

<p>Conclusion 16: We welcome the Welsh Government's commitment to provide support and guidance on the exercise of duties imposed by the Bill before duties take effect.</p>	<p>I am grateful to the Committee for recognising our approach to providing support and guidance on the exercise of duties imposed by the Bill prior to their commencement and are committed to a smooth transition to the new regime where duty holders have the timely information to allow them to prepare for undertaking their responsibilities.</p>
<p>Conclusion 17: Our understanding of the approach to remediation adopted by the Welsh Government, as described by the Cabinet Secretary, is that it is dependent upon the goodwill of developers to begin works by the end of 2026, with no legal requirement to abide by this date. There is also no deadline, legislatively backed or otherwise, for completing works. Whilst we acknowledge that some progress has been made we are of the view that a different approach must now be taken to ensure that life-threatening historic deficiencies within buildings are addressed urgently</p>	<p>I am pleased to note that all developers signed up to the Welsh Government contract have agreed to begin remediation works by the end of next year. We continue to monitor the delivery of the contract closely and should the agreed terms not be met we would take steps to address this.</p>
<p>Conclusion 18: We welcome the Cabinet Secretary's acknowledgement that solutions are needed to ensure vulnerable and disabled people are evacuated quickly and safely in the case of a fire in a regulated building. We note the Welsh Government's ongoing engagement with disabled people and look forward to hearing the outcomes of the work to be undertaken to explore such solutions</p>	<p>My officials are exploring options and solutions to ensure vulnerable and disabled people are evacuated quickly and safely in the case of a fire. We are committed to working with our stakeholders to identify the most appropriate means of ensuring provisions are in place to plan for the evacuation of residents whose ability to self-evacuate is compromised. We look forward to sharing the outcomes of this work upon completion.</p>

Conclusion 19: We note that the Senedd's Legislation, Justice and Constitution Committee has considered in greater detail the issue of consultation with residents on regulations and guidance made and issued in line with the Bill.

I have consider the recommendations of the Legislation, Justice and Constitution Committee and written to the Committee with my response.

Annex 1: Building Safety (Wales) Bill

Category 3 buildings and Relevant Houses in Multiple Occupation

Risks

Category 3 buildings and Houses in Multiple Occupation are among the highest risk premises for fire.

StatsWales data indicate broadly similar casualty rates of around 25 casualties per 100 fires in both converted premises and in purpose-built blocks since 2009. The difference becomes starker when different levels of occupancy are factored in. For example, take a 3-storey house converted into 4 flats with 10 residents and a 10-storey tower block with 40 flats and 100 residents. If a fire breaks out in both of them, any given individual in the converted building is, all other things being equal, more than 10 times as likely to be killed or injured than any given individual in the tower block. There are several reasons why this might be so, the simplest being that individuals in the smaller converted building are more likely to be close to the fire than those in the tower block. But it would be plainly wrong to see Category 3 buildings as low risk simply because of their size; indeed their small size may well contribute to them being relatively high risk.

Fire Safety Duties

The Regulatory Reform (Fire Safety) Order 2005, or “FSO”, currently applies to all Category 3 buildings and all Houses in Multiple Occupation that are covered by the Bill. The Bill, and regulations made under it, will create a regime that is tailored to the risks in residential premises. It includes broadly comparable duties to those that currently apply under the FSO, for example:

Regulatory Reform (Fire Safety) Order 2005	Building Safety (Wales) Bill
Duty to take general fire precautions (art.8)	Duty to take steps to minimise fire risk (s31)
Duty to make a “suitable and sufficient” fire risk assessment (art.9(1))	Duty to conduct a fire risk assessment (s28) Requirement for a fire risk assessment to be made by a competent person (s29)
Duty to review assessment and keep it up to date (art.9(3))	Duty to review assessment annually and redo it if out of date and/or if “trigger events” occur (s30)
Duty to apply “principles of prevention” (art.10 and Sch.1)	Duty to pursue fire safety outcomes (s32(2)).

New Duties

Proposed new requirements	Rationale
<p>Duty to keep information and documents</p> <p><i>This includes information and documents important for assessing and managing fire safety risks. The requirements will be set out in regulations but may include: a copy of the most recent fire risk assessment; information about complaints raised by residents relating to fire safety risks and any action taken by the PAP or AP in response to those complaints.</i></p>	<p>It is important that key information about buildings is securely maintained and accessible throughout the building’s lifecycle. This formed part of the recommendations made in the Hackitt Review, which called for greater transparency for residents. The review highlighted widespread concern over the ineffective operation of existing rules for creating, maintaining, and handing over building and fire safety information.</p> <p>The intention is that this duty will be applied in a proportionate way to Category 3 buildings. It will only extend to information about fire safety risks.</p>
Duty to give information and documents to other persons	A key recommendation of the Hackitt Review. Hackitt emphasised that residents need access to clear, accurate information to understand the safety measures in place and to

<p><i>Regulations will set out the information to be provided to residents and what must be made available, if requested.</i></p>	<p>play an active role in managing risks. Section 46(2) provides that the regulations may specify when and how the information or copies of documents must be given, and the format in which they must be given. These regulations will be subject to public consultation.</p>
<p>Duty to arrange consideration of complaints*</p> <p><i>Regulations will set out the arrangements for the consideration of complaints in categories 2 and 3 that are proportionate, effective, and tailored to the needs of residents. For a category 3 building, this might include:</i></p> <ul style="list-style-type: none"> • <i>Providing residents a point of contact, such as an email address or phone number, to make a complaint</i> • <i>Informing residents of how a complaint will be resolved</i> • <i>Providing residents information on how to escalate a complaint to the BSA</i> 	<p>A key recommendation of the Hackitt Review. Hackitt reported many residents lack clarity on who to contact or how to raise safety concerns, leading to a loss of confidence in those responsible for managing their buildings. Section 49 addresses this by requiring accountable persons in Category 3 buildings to make, and give effect to, arrangements for considering complaints. Regulations made under this section will be subject to public consultation.</p>
<p>Co-operation and co-ordination duty</p>	<p>A key recommendation from Hackitt. Hackitt identified the need for clear collaboration across all duty holders. The co-operation and co-ordination duties in section 60 ensure persons with responsibilities for assessing and managing building safety risks work together to deliver a 'whole building' approach. This is critical because safety risks do not respect boundaries between different parts of a building.</p>

*Does not apply to Houses in Multiple Occupation

Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

Agenda Item 2.17



Llywodraeth Cymru
Welsh Government

Our Ref: JB/2722/25

Mike Hedges MS
Chair Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff
CF99 1SN

19 December 2025

Dear Mike,

I am grateful to the Legislation, Justice and Constitution Committee for its consideration of the Building Safety (Wales) Bill.

I have set out my responses in the table below and am pleased to note that I have accepted, or accepted in principle, all of the Committee's recommendations.

I trust this response will help to inform further scrutiny of the Bill and I look forward to continuing to work with Committee Members as we proceed through the Senedd's legislative process.

I am copying this letter to the Chair of the Local Government and Housing Committee and Chair of the Finance Committee.

Yours sincerely



Jayne Bryant AS/MS
Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Recommendation	Government Response	Comments
<p>Recommendation 1: The Welsh Government should clarify whether the implementation of the proposals for local authorities to work collaboratively in their role as building safety authorities in three groups to mirror the footprint of the fire and rescue authorities will require amendments to the Building Safety (Wales) Bill, namely:</p> <p>i. If the Welsh Government intends to table amendments to the Bill to give effect to these proposals, the Cabinet Secretary should clarify what those amendments are likely to be and the intended purpose and effect of each of those amendments.</p> <p>ii. If the Welsh Government does not intend to table amendments to the Bill to give effect to these proposals, the Cabinet Secretary should set out the governance arrangements under which it intends to establish the proposed collaborative structures, and the Senedd's role in considering and approving those governance arrangements.</p>	Accept	<p>Save for the amendment to section 100 set out below, I can confirm that amendments to achieve the preferred model are unnecessary.</p> <p>Under section 101(1)(b) of the Local Government Act 1972, local authorities already have the power to delegate non-executive functions to one another. This provides a ready-made mechanism for enabling the preferred model of concentrating building safety authority functions in a small group of local authorities that mirror the fire and rescue authority areas. I have tabled an amendment to section 100 of the Bill, which provides that functions of a building safety authority are not to be those of the local authority's executive, and this will ensure that the power set out in section 101(1)(b) of the 1972 Act can be used by local authorities in this context.</p> <p>If it not possible to achieve this through mutual consent, the Welsh Ministers have a power to direct the delegation of functions under section 102 of the Bill. To further facilitate this, I have tabled a Stage 2 amendment to section 102 that would enable the Welsh Ministers to direct multiple building safety</p>

		<p>authorities to arrange to delegate functions to one of their number rather than rely on multiple directions to achieve the same effect.</p> <p>I will, however, consider whether there is any other amendment that could be brought forward to further facilitate the implementation of a preferred delivery model, without losing the flexibility provided for in the Bill currently.</p>
<p>Recommendation 2: At the earliest opportunity, the Welsh Government should commission the Law Commission to scope the potential for the consolidation and codification of housing law in Wales.</p>	<p>Accept in principle</p>	<p>The Welsh Government supports the consolidation and codification of housing law in Wales, and work is underway to consider some of the practical implications of this. The Law Commission can and indeed has provided valuable insights into the process of consolidation, but their involvement is not always the most appropriate way forward for a scoping exercise. Future consolidation projects, and the precursor phase of scoping, will be a matter for the next Government as it develops its programme to improve the accessibility of Welsh law.</p>
<p>Recommendation 3: The Welsh Government should table amendments to the Bill to ensure that there are active duties on the government to consult with residents in relation to the development of guidance and secondary legislation, where relevant and appropriate.</p>	<p>Accept in principle</p>	<p>I accept it would be beneficial to amend the Bill to reflect the importance of consultation and engagement with residents. To that end, I have tabled a Stage 2 amendment that would require the Welsh Ministers to publish a strategy setting how and on what matters, including regulations and</p>

		guidance, they will consult and otherwise engage with residents.
Recommendation 4: The Welsh Government should table amendments to section 5 of the Bill to place a duty on the Welsh Government to consult relevant stakeholders during the development of the regulations, including residents, before laying the regulations subject to the approval procedure.	Accept in principle	<p>I accept the recommendation to place a duty to consult relevant stakeholders during the development of regulations under section 5.</p> <p>I also accept it would be beneficial to amend the Bill to reflect the importance of consultation and engagement with residents. This will be addressed by the Stage 2 amendment described in relation to recommendation 3. That amendment will require the Welsh Ministers to publish a strategy setting how and on what matters, including regulations and guidance, it will consult and otherwise engage residents.</p>
Recommendation 5: The Welsh Government should table an amendment to section 6 of the Bill to include the definition of “storey” by which categories of regulated buildings will be defined.	Accept in principle	I accept the Committee’s points about tabling an amendment to section 6 of the Bill to include a definition of “storey”. I have asked my officials to consider what such an amendment may look like.
Recommendation 6: The Welsh Government should table amendments to section 14 of the Bill to limit the scope of the regulation-making power to the matters set out in sections 14(2)(a) and 14(2)(b).	Accept in principle	I note the Committee’s points about the potential broad application of section 14 and I plan to bring forward an amendment to limit the powers to some degree.

<p>Recommendation 7: The Welsh Government should table amendments to section 16 of the Bill to limit the scope of the regulation-making power to the matters set out in sections 16(2)(a), 16(2)(b)(i) and 16(2)(c).</p>	<p>Accept in principle</p>	<p>I accept the Committee's points about the broad powers in section 16 and will consider where these powers can be limited, with a view to bringing forward an amendment to limit to some degree the scope of the regulation-making powers. This is in addition to the work being undertaken to consider applying additional scrutiny requirements to draft regulations under section 16.</p>
<p>Recommendation 8: The Welsh Government should table amendments to section 16 of the Bill to ensure that any powers given to the Welsh Ministers to amend primary legislation in respect of crucial definitions set out in the Bill (such as those relating to the description of "building") are subject to an enhanced approval procedure, such as one that requires a draft of the regulations to be consulted on before being laid for scrutiny purposes.</p>	<p>Accept</p>	<p>I will table an amendment to section 16 in response to this recommendation.</p>
<p>Recommendation 9: In its response to this report, and taking into account its response to recommendations 7, 8 and 9, the Welsh Government should set out:</p> <ul style="list-style-type: none"> i. any occasion whereby two or more powers in the Bill could potentially be used for the same purpose; and ii. why each individual Henry VIII power in the Bill is necessary and distinct from the other regulation-making powers in the Bill (Henry VIII or otherwise). 	<p>Accept</p>	<p>In response to recommendations 6 and 7, I plan to table amendments to limit, to some extent, the scope of sections 14 and 16. As recommendation 9 asks for the information requested in points (i) and (ii) to take into account the responses to earlier recommendations I am not able to respond fully to this recommendation at this stage, as the detail of the limitations of scope are still being considered. I will write to you with an update when the</p>

		<p>amendments as a result of recommendations 6 and 7 are tabled.</p> <p>When I wrote to you on 30 October I set out why each of the Henry VIII powers currently in the Bill is necessary, reasonable and proportionate. When I write to you, once the amendments as a result of recommendations 6 and 7 are tabled, I will provide an updated version of this analysis.</p>
<p>Recommendation 10: The Welsh Government should table an amendment to section 19(3) of the Bill to place a duty on the Welsh Ministers to make regulations about the process by which building safety authorities register buildings under 19(1).</p>	Accept	<p>I will table an amendment to section 19(3) to reflect this recommendation, together with similar amendments to sections 23(3) and 57(2) to ensure consistency of approach across the Bill.</p>
<p>Recommendation 11: The Welsh Government should table an amendment to section 27 of the Bill to subject the powers in sub-section (2) to an enhanced approval procedure, which retains the Welsh Government's requirement to consult on the regulations, and also provides the Senedd with the opportunity to scrutinise draft regulations and an explanatory document before being approved by the Senedd.</p>	Accept	<p>I will table an amendment in respect of regulations under section 27(2) to reflect this recommendation.</p>
<p>Recommendation 12: The Welsh Government should confirm that a full and robust assessment has been made of the guidance that duty holders will require to discharge their duties in the Bill effectively, in consultation with relevant persons and anticipated duty holders, and that this assessment has</p>	Accept	<p>Assessments of what guidance might be required for duty holders to discharge their duties under the Bill effectively have been made throughout the development of the Bill. Further consideration will be given to this, working in close collaboration with all relevant persons, as part of implementation. As a</p>

concluded that only guidance relating to fire safety risks should be mandatory as specified in section 98(2).		result of this ongoing review, I have tabled a Stage 2 amendment that would require the Welsh Ministers to issue guidance to the enforcing authorities and am considering tabling other amendments that signify a stronger expectation that guidance must be issued where it is appropriate to do.
Recommendation 13: The Welsh Government should keep under review throughout the scrutiny process whether additional guidance should be made mandatory in the Bill to reflect changes made to the Bill and/or any changes to how the Bill will be implemented (for example, how local authorities work together to discharge their duties as building safety authorities).	Accept	As above, we are continually assessing what guidance will be required or needs to be made mandatory and will continue to do so in the light of any changes made to the Bill and/or any changes to how the Bill will be implemented.

Conclusion	Government Response
Conclusion 1: We note the Cabinet Secretary's comments in respect of the Bill's impact on Convention rights but believe that, as a matter of good practice, an Explanatory Memorandum should always include a commentary on the consideration given to such implications	I am satisfied that the provisions of the Bill comply with the European Convention on Human Rights. The Welsh Government carries out a full Human Rights assessment before introduction of any bills as part of its thorough assessment of legislative competence. The full suite of impact assessments is also published on the Welsh Government website.
Conclusion 2: The Welsh Government should have created a building safety regime solely via Welsh legislation, rather than by a hybrid of UK legislation making provision for Wales alongside this Bill.	At the time the Legislative Consent Memoranda were laid in respect of what is now the Building Safety Act 2022, the reasons for taking the approach were explained to the Senedd. We remain of the view that the most effective way for amendments to be

	<p>made, to the design and construction phase regime and the regulation of the building control profession, was through amendments to the Building Act 1984. Since the 2022 Act was passed, the Committee will be aware that various suites of regulations have been made by the Welsh Ministers to implement the design and construction phase reforms, as well as the new regulatory regime for the building control profession. This implementation work is ongoing with further regulations due to be made shortly.</p>
<p>Conclusion 3: The Welsh Government should have carried out a consultation on a draft of the Building Safety (Wales) Bill before its introduction to the Senedd.</p>	<p>We consulted on a very substantial and detailed White Paper. The Bill reflects the results of that consultation, and our subsequent engagement with stakeholders.</p> <p>If we had also consulted on a draft Bill, we would not have had time to legislate in the current Senedd. Eight years since the Grenfell Tower fire, taking extra time to consult on a draft Bill would be very hard to justify.</p>
<p>Conclusion 4: The sheer extent of the powers given to the Welsh Ministers in the Bill, combined with the extent of the practical workings of the Bill that have been left to regulations to establish, places the balance of power inappropriately in favour of the executive.</p>	<p>I accept that there are a significant number of delegated powers in the Bill. However, I am satisfied an appropriate and proportionate balance has been struck between what is on the face of the Bill and what will be set out in regulations. Delegated powers are included where the nature of those provisions will be too detailed or technical to be on the face of the Bill, or where they may be needed to enable the regime to adapt or take into account unforeseen scenarios and future developments e.g. in building design.</p>

<p>Conclusion 5: Sections 14 and 16 of the Bill represent an unacceptable delegation of regulation-making powers to the Welsh Ministers.</p>	<p>As noted in my responses to recommendations 6 and 7, I will consider whether there is scope to limit the regulation-making powers to some extent.</p>
<p>Conclusion 6: The Cabinet Secretary has not made an adequate case for the inclusion of section 16(2)(b)(ii) in the Bill.</p>	<p>I note the Committee's conclusion and have asked my officials to consider this matter as part of considerations of limiting section 16, as outlined in recommendation 7.</p>

Agenda Item 2.18

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Delyth Jewell MS

Chair - Culture, Communications, Welsh Language, Sport and
International Relations Committee

SeneddCulture@senedd.wales

5 January 2026

Dear Delyth,

Thank you for the Culture, Communications, Welsh Language, Sport and
International Relations Committee's report in relation to the Prohibition of Greyhound
Racing (Wales) Bill, published on 5 December 2025.

I welcome the Committee's recommendations and considerations of the Bill. I have
set out the Government's response in the annex to this letter. I am pleased to have
accepted or accepted in principle six recommendations.

I am copying this letter to the Chair of the Finance Committee and the Chair of the
Legislation, Justice and Constitution Committee for information.

Yours sincerely,

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni
fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and
corresponding in Welsh will not lead to a delay in responding.

Prohibition of Greyhound Racing (Wales) Bill

Government response to the recommendations from the Culture, Communications, Welsh Language, Sport and International Relations Committee

Recommendation 1: We recommend the Welsh Government undertake a comprehensive assessment of the economic and social implications of the Bill before it is brought into force.

Response: Accept

The Welsh Government laid its Explanatory Memorandum and Regulatory Impact Assessment alongside the Bill and has published an Integrated Impact Assessment which was based on the best information available at the time of writing.

Officials will continue to consider any new information provided to Welsh Government, including through the Implementation Group and ongoing dialogue with the racing industry. This will include consideration of the economic and social impacts of the Bill on the single business affected, its employees, and the local community. This approach remains proportionate to the likely scale of the Bill's impact.

We have taken steps to build a clear picture of the popularity of greyhound racing in the local community and the potential consequences of prohibition, and we will evaluate any new information which is made available to the Welsh Government.

A detailed socio-economic duty assessment has been completed, and a summary is included in the Explanatory Memorandum. This will be published in full to complement the existing impact assessments.

The Integrated Impact Assessments and the Regulatory Impact Assessment will be updated ahead of Stage 3 to reflect any additional information received since the Bill's introduction. Reports from the Implementation Group, along with any updated impact assessments, will be published on the Welsh Government website, and the Committee will be notified when these are available.

Recommendation 2: We recommend the Welsh Government fully assess the needs of affected workers as a consequence of the Bill and put in place targeted support to mitigate hardship before it is brought into force

Response: Accept

We will assess the needs of affected workers and provide guidance and support to those who may be affected by the Bill.

Steps are already underway to assess these needs and ensure targeted support is in place to mitigate any impact before the Bill is brought into force. The Welsh Government is committed to delivering a coordinated, multi-agency response, utilising all available initiatives that can support employability and help mitigate the impact of redundancy for those affected. This includes the use of Working Wales, ReAct+, and Communities for Work+, which, subject to eligibility, will provide tailored assistance for employees directly employed by Valley Greyhound Stadium as well as those individuals connected to the industry. We will work directly with the employer and through the Implementation Group to ensure these needs are met.

Recommendation 3: We recommend the Welsh Government closely monitor the potential displacement of racing activity across borders and engage with Animal Licensing Wales as necessary to assess and mitigate potential welfare impacts.

Response: Accept in principle

We acknowledge the Committee's recommendation and recognise the importance of mitigating any potential impacts that the prohibition of greyhound racing in Wales may have on greyhound welfare.

We will explore what information could be gathered through ongoing work with the Implementation Group and engage with Animal Licensing Wales and local authorities as appropriate to monitor welfare concerns suspected as a result of displacement.

Recommendation 4: We recommend the Welsh Government engages with the Sentencing Council before the Bill takes effect to develop clear sentencing guidelines.

Response: Accept

Before the provisions contained in the Bill are commenced, the Welsh Government will write to the Sentencing Council drawing their attention to the new legislation so that the Sentencing Council may consider whether guidelines are required.

Recommendation 5: We recommend the Cabinet Secretary tables an amendment to the Bill to enable the Welsh Government to issue statutory guidance to inspectors in relation to enforcement of the offences in the Bill.

Response: Reject

The Welsh Ministers are already able to issue guidance to support public bodies, and inspectors appointed by them, in the exercise of their powers to enforce offences created by Senedd Acts.

My officials will work collaboratively with the Implementation Group, our stakeholders and partners, to consider whether guidance specific to the powers to be exercised by inspectors in relation to enforcement of offences in the Bill, is required.

Recommendation 6: We recommend the Welsh Government establishes national agreements to support evidence-led investigations and collaboration between enforcement agencies and the Police.

Response: Accept in principle

We agree with the principle of supporting evidence-led investigations and collaboration between enforcement agencies and the Police. This is already embedded within existing national structures through the National Police Chiefs' Council (NPCC), which provides strategic leadership and coordination for policing issues related to animal welfare, dangerous dogs, and wildlife crime. The policy intention is for the Prohibition of Greyhound Racing (Wales) Bill to be enforced primarily by appointed local authority inspectors. If enacted and once in force, we anticipate the number of enforcement actions as a result of the Bill to be minimal.

Should there be instances where a multi-agency approach is needed, the Welsh Government will work with NPCC and its existing collaborations with local authorities to ensure the provisions of the Prohibition of Greyhound Racing (Wales) Bill are absorbed into these structures. This approach avoids duplication, leverages national expertise, and strengthens multi-agency enforcement in Wales.

Recommendation 7: We recommend the Welsh Government undertakes a detailed assessment of enforcement capacity, including training needs, and ensures that local authorities have access to adequate funding and support to implement the legislation.

Response: Accept

Officials will continue to maintain close contact with local authorities, Animal Licensing Wales and the Implementation Group to assess enforcement capacity and training need.

As outlined in the Regulatory Impact Assessment, these costs are expected to be minimal, as breaches of the prohibition are anticipated to be rare. This has been reflected in our discussions with Caerphilly County Borough Council and Animal Licensing Wales who have also suggested that the cost of enforcement will be minimal given the limited scale of greyhound racing in Wales.

Huw Irranca-Davies AS/MS
 Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
 Newid Hinsawdd a Materion Gwledig
 Deputy First Minister and Cabinet Secretary for Climate
 Change and Rural Affairs



Llywodraeth Cymru
 Welsh Government

Mike Hedges MS
 Chair, Legislation, Justice and
 Constitution Committee

SeneddLJCC@senedd.wales

5 January 2026

Dear Mike,

Thank you for the Legislation, Justice and Constitution Committee's report in relation to the Prohibition of Greyhound Racing (Wales) Bill, published on 5 December 2025.

I welcome the Committee's recommendations and considerations of the Bill. I have set out the Government's response in the annex to this letter. I am pleased to have accepted or accepted in part three recommendations.

I am copying this letter to the Chair of the Finance Committee and the Chair of the Culture, Communications, Welsh Language, Sport and International Relations Committee for information.

Yours sincerely,

Huw Irranca-Davies AS/MS
 Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Prohibition of Greyhound Racing (Wales) Bill

Government response to the recommendations from the Legislation, Justice and Constitution Committee

Recommendation 1: Prior to the Stage 1 debate on the general principles of the Bill, the Cabinet Secretary should publish a written statement explaining:

- **how the Bill is compatible with Article 8 of and Article 1 of Protocol 1 to the European Convention on Human Rights**
- **how he reached that view given that relevant impact assessments do not appear to have been fully completed prior to the Bill's introduction and are subject to ongoing review**
- **why he believes that the completion of the impact assessments will not affect his view that the Bill is compatible with the European Convention on Human Rights.**

Response: Reject.

Bill provisions are always subject to a thorough assessment of legislative competence, including Convention rights, before they are introduced.

The outcome of the Welsh Government's assessment of the Bill's compatibility with Convention rights, at introduction, is included in the Explanatory Memorandum which accompanies the Bill. Ministers also note that the Llywydd has determined that the provisions of the Bill would be within the legislative competence of the Senedd.

Where additional information is received during the Bill's scrutiny by the Senedd, the Welsh Government will re-assess the Bill's provisions for compatibility with Convention Rights in light of that information and, as set out in my letter dated 4 November, I have committed to updating the equality, diversity, inclusion and human rights assessment which will be reflected in the Regulatory Impact Assessment ahead of Stage 3.

Recommendation 2: If the general principles of the Bill are agreed at Stage 1, the Cabinet Secretary should lay Written Statements in good time before tabling deadlines for Stage 2 and Stage 3 proceedings, detailing any updates to impact assessments and clearly identifying any impact on the provisions in the Bill.

Response: Accept in part.

In my letter dated 4 November I committed to updating the equality, diversity, inclusion and human rights assessment which will be reflected in the Regulatory Impact Assessment ahead of Stage 3.

Otherwise, the impact assessments will be updated should new information become available. In line with Welsh Government's commitment to write to Committees responsible for scrutinising the Bill, I will write to Committee Chairs to set out changes made to the Regulatory Impact Assessment, and whether these effect the provisions in the Bill.

Recommendation 3: The Cabinet Secretary should confirm which persons are liable for offences committed under section 1 of the Bill and paragraph 12 of Schedule 2 to the Bill, and, if appropriate, update the Explanatory Memorandum accordingly.

Response: Accept

Section 1 of the Bill creates two offences. A person commits an offence if they are an operator of a stadium or similar venue in Wales and they use it, or knowingly permit it to be used, for greyhound racing. A person also commits an offence if they are involved in organising greyhound racing in Wales.

Schedule 2 of the Bill creates two offences. A person commits an offence if they fail without reasonable excuse to comply with a requirement for assistance reasonably made under paragraph 9(c) of Schedule 2 or if they intentionally obstruct another in the exercise of a function under Schedule 2.

Chapter 3 of the Explanatory Memorandum sets out the offences under the Bill. I will revisit this content and ensure it is clarified. A revised Explanatory Memorandum will be laid ahead of Stage 3.

Recommendation 4: Should it be necessary, the Cabinet Secretary should table an amendment to the Bill to replace the word “section” in paragraph 12(2) of Schedule 2 with the word “paragraph”.

Response: Accept

I accept this recommendation and will table a government amendment to replace the reference.

Recommendation 5: The Cabinet Secretary should table an amendment to the Bill to provide for a post-implementation review of the legislation.

Response: Reject

While the Bill does not introduce new systems or reporting duties that would require a statutory post-implementation review, the Welsh Government remains committed to good practice in policy evaluation.

The Explanatory Memorandum sets out how the legislation will be subject to a post-implementation review no later than five years after it has come into force. A review will monitor the effects and impacts of the ban, in particular the effectiveness of enforcement, unintended consequences, and the broader impact of the legislation. This was reinforced by the Deputy First Minister in his 4 November response to the Committee.

As this work forms part of the wider Animal Welfare Plan for Wales, which is scheduled for review in 2026, a commitment to assess the effects of the legislation can also be incorporated there. This would help ensure that future governments have a clear responsibility to review its impact.

Conclusions

Conclusion 1: We consider that the Welsh Government's approach to legislating for a ban on greyhound racing has, in several respects, fallen short of the standard of good legislative practice that we would normally expect.

On 18 February 2025 I decided to pursue a ban on greyhound racing and subsequently determined that the policy should be implemented through primary legislation. I made this decision after considering Senedd debates, public petitions, campaign activity, and evidence gathered during the Animal Welfare consultation. The purpose of the Animal Welfare consultation was to seek views on the licensing of certain activities which were not subject to regulation. The Animal Welfare consultation included two questions on the regulation of greyhound racing, by way of evidence gathering only. This included a question on a phased ban, but it was not formal consultation on the policy as there were no extant proposals to ban at the time of this consultation. Nevertheless, my assessment of the information available, and the weight of feeling in favour of a ban, was that this was the time to move forward with a ban.

The Bill, Explanatory Memorandum and Regulatory Impact Assessment were submitted to the Llywydd for Determination on 28 August in line with Standing Orders. Following the Llywydd's Determination that the provisions of the Bill would be within the legislative competence of the Senedd, it was laid at introduction alongside the Explanatory Memorandum and Regulatory Impact Assessment, in line with Standing Orders.

Conclusion 2: As a general matter of principle, we consider it good practice that a Bill should normally not be introduced into the Senedd until all relevant impact assessments are, so far as practicable, sufficiently advanced for their key findings to be included in the Explanatory Memorandum that must accompany a Bill in accordance with Standing Order 26.6. In this case, that principle does not appear to have been fully observed, which we regard as regrettable.

The Explanatory Memorandum and Regulatory Impact Assessment laid alongside the Bill at introduction included an assessment of impact and shortly after introduction a number of impact assessments were published, including biodiversity, children's rights, data protection, equality, diversity, inclusion and human rights and the Welsh language.

In my letter to the Committee dated 4 November I noted that the impact assessments published alongside the Bill are subject to ongoing review, and I committed to updating the equality, diversity, inclusion and human rights impact assessment to reflect the assessment undertaken in respect of Article 8 of the European Convention on Human Rights. I will also seek to provide further information to Members of the Senedd where requested.

Mark Isherwood MS

Chair, Public Accounts and Public Administration Committee
Senedd Cymru

Peredur Owen Griffiths MS

Chair, Finance Committee
Senedd Cymru

Date: 8 January 2026

Dear Chairs,

Re: Industry Wales - 2024-25 Audit Opinion and Reflections on the 2023-24 Disclaimer

On behalf of the Board of Industry Wales, we are writing to update both Committees on the publication of Audit Wales' **unqualified** opinion on our 2024-25 accounts, and to reflect on the events following the **disclaimed opinion** issued early in 2025.

We consider this correspondence important to support the Senedd's scrutiny role, to highlight learning for the audit and oversight of small arm's-length public bodies, and to raise concerns regarding transparency and process that we believe merit Committee consideration.

1. From Disclaimed Opinion to Unqualified Opinion: What Has Been Resolved

Audit Wales has confirmed that all matters identified in the 2023-24 audit, principally relating to procurement documentation and asset valuation evidence, have now been fully addressed. No uncorrected misstatements or recommendations have been issued for 2024-25, and the opinion is entirely unqualified.

It is important to be clear that the issues giving rise to the disclaimer were **historic, technical and time-bound**, rather than indicative of organisational

performance, financial mismanagement or governance failure **of the current executive team.**

Audit Wales had discretion to extend the audit timetable where needed. Had that discretion been exercised, the remaining documentation would have been available, and the application of a disclaimed opinion **would not have been necessary.**

Given the **severity of a disclaimed audit opinion**, particularly for a small arm's-length body, we believe there should be a clear expectation that auditors explore all reasonable and proportionate options to avoid such outcomes wherever audit integrity is not compromised.

2. Financial and Operational Impact of the 2023–24 Disclaimer

The reassessment and re-audit of our accounts resulted in **additional audit costs in excess of £40,000.** For Industry Wales, the **smallest arm's-length body owned by Welsh Government**, this represented a material diversion of public funds away from direct support for manufacturers and supply-chain businesses across Wales.

At the same time, the organisation's limited internal capacity was necessarily redirected away from delivery and stakeholder engagement towards managing the audit process, significantly constraining our ability to fulfil our remit during a critical period for the sectors we support.

We also consider it reasonable to note that the reputational impact of the disclaimer, amplified by public commentary at the time, may have influenced the wider context in which the decision to dissolve Industry Wales was taken. While Welsh Government has consistently framed the decision as cost-driven, perceptions of organisational robustness and value inevitably shape such judgements.

3. Relationship with Audit Wales

We wish to place on record our appreciation for the professional and constructive engagement with our current Audit Wales team during the 2024–25 cycle. The guidance and clarity provided by them were instrumental in resolving the matters identified.

However, the Committees should also be aware that the reassessment process was **protracted**. This was due in part to internal bureaucratic processes beyond the control of Industry Wales, the **extended delays in audit timetabling and decision-making**, and periods of uncertainty regarding responsibilities between Audit Wales and Welsh Government.

At several points, the organisation was left without timely direction or practical support, despite assurances that it would be assisted through the process. For an organisation of our size, this significantly compounded both financial and operational pressure.

4. Transparency of the Dissolution Decision

The Board also wishes to draw the Committees' attention to concerns regarding the **opacity of the decision-making process** that led to the announcement that Industry Wales would be dissolved.

Despite repeated formal requests, **the Board has not been provided with the review report** that informed the Cabinet Secretary's decision. Nor has Welsh Government set out the evidence base underpinning the conclusion beyond general references to cost considerations.

This lack of transparency has:

- Prevented the Board from understanding the rationale for the decision
- Limited the organisation's ability to respond meaningfully to scrutiny
- Made it difficult to provide clear explanations to staff, partners and stakeholders
- Undermined confidence in the robustness of the review process

We raise this matter not to challenge ministerial authority, but because **effective scrutiny depends on access to evidence**, particularly where decisions result in the closure of a public body and the unfortunate loss of jobs.

5. Scrutiny and Committee Engagement

At its meeting in March 2025, the Public Accounts and Public Administration Committee indicated that it would follow up comments made by the Auditor

General for Wales regarding the accounts of Industry Wales. To date, **no Senedd committee has contacted the organisation** in relation to this matter.

Given the seriousness of a disclaimed audit opinion and the public commentary surrounding it, we would have welcomed the opportunity to provide evidence, clarify context, and assist the Committees in their scrutiny role. Industry Wales was ready and willing to engage openly had it been invited to do so.

6. Learning for Future Audits and Oversight

We offer our experience as a learning case for future audit and scrutiny arrangements, particularly in relation to:

- Proportionality in auditing very small arm's-length bodies
- The impact of audit timing decisions
- The vulnerability of organisations with limited internal capacity
- The importance of timely and coordinated communication between auditors, sponsoring departments and delivery bodies
- The need for early committee engagement when exceptional audit outcomes arise

Our intention is not to revisit past decisions, but to support more effective, proportionate and resilient public-sector audit and governance practice in the future.

7. Transition Planning and Ongoing Sector Support

Finally, we wish to draw the Committees' attention to a significant and ongoing concern regarding transition planning.

Despite assurances from Welsh Government that it would work closely with Industry Wales and its forum partners to develop a transition plan ensuring continued support for advanced manufacturing sectors, **no formal meetings with officials have yet taken place** to discuss handover arrangements.

As a result, Industry Wales is currently **unable to provide businesses with clarity** on future points of contact, alternative support mechanisms, or how existing engagement will be maintained once the organisation is dissolved. Businesses continue to approach us seeking guidance, yet we are unable to

direct them to appropriate officials or structures because these arrangements have not been established or communicated.

This lack of clarity presents a real risk to continuity of support for strategically important sectors and stands in contrast to the commitments made publicly regarding a managed and orderly transition.

8. Looking Ahead

Industry Wales will conclude its operations in March 2026. Until that point, our focus remains on supporting Welsh manufacturing and supply-chain businesses as effectively as our resources allow.

We hope the Committees will consider the issues raised in this letter and the learning they offer. We would welcome the opportunity to provide oral or written evidence should either Committee consider it helpful.

Yours sincerely,



Professor Keith Ridgway

Chair, Industry Wales

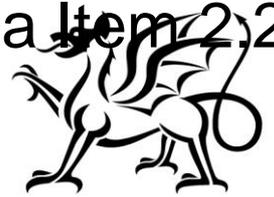


Dr Jenifer Baxter

Chief Executive, Industry Wales

Julie James AS/MS
Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni
Counsel General and Minister for Delivery

Agenda Item 2.21



Llywodraeth Cymru
Welsh Government

Peredur Griffiths
Chair, Finance Committee

9 January 2026

Dear Peredur

Senedd Cymru (Member Accountability and Elections) Bill

Thank you for the Finance Committee's report in relation to the Senedd Cymru (Member Accountability and Elections) Bill published on 19 December 2025. Please see my responses to the set of recommendations within the report at Annex 1.

I am providing a written response to the Stage 1 Committee reports in advance of the general principles debate.

I would like to express my thanks to the Committee for scrutinising the Bill and its supporting documentation. I look forward to continuing to work with Members as the Bill progresses through the Senedd process.

I am copying this letter to the Chair of the Member Accountability Bill Committee and the Chair of the Legislation, Justice and Constitution Committee for information.

Yours sincerely,

Julie James AS/MS
Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Annex 1

Committees Recommendation	Welsh Government Response
<p>Recommendation 1. The Committee recommends that the Counsel General continues to work closely with electoral administrators, the Electoral Commission, political parties, the Senedd Commission and the Commissioner for Standards to refine cost estimates during the Bill's passage through the Senedd, ensuring the Regulatory Impact Assessment remains robust and reflects any changes to the Bill.</p>	<p>Accept</p> <p>As is standard practice, following Stage 2 proceedings, my officials will revise the Explanatory Memorandum to the Bill, including the RIA. In developing the revised EM, my officials will engage with key stakeholders to reflect changes to the financial implications as a result of any amendments.</p>
<p>Recommendation 2. The Committee recommends that the Counsel General, in consultation with the Senedd Commission, establishes the estimated cost of providing lay members with an induction and ongoing support, and incorporates this into a revised Regulatory Impact Assessment after Stage 2.</p>	<p>Accept</p> <p>My officials will engage with Senedd Commission officials to attempt to make an assessment of the costs of an induction programme for lay members.</p>
<p>Recommendation 3. The Committee recommends that the Senedd Commission establishes a separate and clearly identifiable budget line for lay member costs in its annual budget documentation to ensure clarity and transparency.</p>	<p>Noted</p> <p>I note that this recommendation is for the Senedd Commission to respond to.</p>
<p>Recommendation 4. The Committee recommends that the Counsel General, in consultation with the Senedd Commission and the Commissioner for Standards, establishes the opportunity costs associated with undertaking own-initiative investigations and incorporates this into a revised Regulatory Impact Assessment after Stage 2.</p>	<p>Accept</p> <p>My officials will engage with Senedd Commission officials and the Commissioner for Standards to further attempt to assess the opportunity costs associated with undertaking own-initiative investigations.</p>
<p>Recommendation 5. The Committee recommends that the Bill be amended to include a statutory requirement for a post-implementation review, triggered by the first use of the recall poll, and that the review should include an assessment of the associated costs and benefits of the legislation.</p>	<p>Accept in principle</p> <p>I agree with the principle of the Committee's recommendations, that a review of a new system should be undertaken once it has been utilised. However, I do not consider that it is necessary to create a statutory review duty in respect of Recall Polls, and there may be complications by it being tied to the first use of the recall poll.</p> <p>I am conscious that the Bill already requires the Electoral Commission to prepare and publish a report on the administration of any recall poll, and that as the financial regulations provisions are developed, consideration will be given to the extent</p>

to which spending incurred by registered campaigners or equivalents is required to be reported to Constituency Returning Officers or the Electoral Commission.

The Welsh Government, as a matter of course, publishes the administration costs incurred by Constituency Returning Officers, and recharged to the Welsh Consolidated Fund in respect of Senedd elections, and the Welsh Government will take the same approach to administration costs incurred in respect of recall polls.

Given that a recall system is - at its heart - policy owned by the Senedd, I consider that it would be most appropriate for the Senedd to undertake any such post-legislative review. This is in line with the approach taken with regards to the Senedd Reform programme as a whole and set out in the Senedd Cymru (Members and Elections) Act. It is of course open to the Senedd to undertake any such review of the operation of a recall system, and the Senedd should have the discretion to determine the most appropriate time to do so.

Llywodraeth Cymru
Welsh GovernmentDavid Rees
Chair, Member Accountability Bill Committee

9 January 2026

Dear David

Senedd Cymru (Member Accountability and Elections) Bill

Thank you for the Member Accountability Bill Committee's report in relation to the Senedd Cymru (Member Accountability and Elections) Bill published on 23 December 2025. Please see my responses to the set of recommendations within the report at Annex 1.

I am providing a written response to the Stage 1 Committee reports in advance of the general principles debate.

I would like to express my thanks to the Committee for scrutinising the Bill and its supporting documentation. I look forward to continuing to work with Members as the Bill progresses through the Senedd process.

I am copying this letter to the Chair of the Legislation, Justice and Constitution Committee and the Chair of the Finance Committee for information.

Yours sincerely,

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Annex 1

Committees Recommendation	Welsh Government Response
<p>Recommendation 1. If the Senedd supports the general principles of the Bill and it advances to the next stage of the legislative process, we recommend that all Parts of the Bill be amended and improved before it is passed and enacted. In relation to Part 3, the Bill must be amended to meet our recommendation 11</p>	<p>Noted</p>
<p>Recommendation 2. Section 4 should be removed from the Bill.</p>	<p>Noted</p> <p>Whilst the Welsh Government remains of the view that a notification system for the Courts in England and Wales is appropriate in relation to recall trigger event A, I note that the Committee has concluded that consistency between the consequences of a criminal conviction in the Courts of England & Wales, and the Courts of Scotland and Northern Ireland is of greater importance than creating notification requirements on courts where it is within the competence of the Senedd. Therefore, I will give further consideration to this issue.</p>
<p>Recommendation 3. Section 5 of the Bill should be amended so that the Standards of Conduct Committee, established in accordance with section 18, is required to issue guidance about the matters to be taken into account by that committee when considering whether to recommend submitting a Member of the Senedd to a recall poll.</p>	<p>Accept</p> <p>I will prepare an amendment to place a requirement on the Standards of Conduct Committee to lay draft recall guidance before the Senedd. Members will note that this differs slightly from the recommendation that the Standards of Conduct Committee should be under an obligation to issue recall guidance. This is because the approval of the Senedd is required to issue guidance, and therefore a duty to issue guidance is not one which can be exercised entirely within the gift of the Standards of Conduct Committee. A duty to lay draft guidance is therefore considered more appropriate, as it delivers on the spirit of the recommendation by ensuring the draft guidance is brought forward without affecting the discretion of the Senedd to approve (or not) the draft guidance.</p>
<p>Recommendation 4. A majority of the Committee considers that the Bill should be amended so that the Standards of Conduct Committee is able to issue recall guidance so long as a simple majority of the total number of votes cast by the Senedd are in favour of the resolution.</p>	<p>Accept</p> <p>As I made clear in the Member Accountability Bill Committee scrutiny sessions, I am happy to be led by the Committee's view as to what the threshold for agreeing recall guidance should be. While the Bill as introduced aligned with the two-thirds threshold to approve changes to Standing Orders, I recognise that the Code of Conduct and standards</p>

	<p>procedure only require a simple majority to be amended. Therefore, I will prepare an amendment that would lower the threshold for the Senedd to agree the guidance to a simple majority.</p>
<p>Recommendation 5. Given the importance of the section 11 regulations to the recall process, the Bill should be amended so that the Welsh Ministers are required to make the regulations, rather than enabled to do so as section 11(1) is currently drafted.</p>	<p>Reject</p> <p>I recognise the importance of the regulations to be made under section 11 to the implementation of the recall system. However, I consider that "may" in section 11(1) is not a true discretion as if no regulations are made, the Act, if passed can never be implemented which would amount to a frustration of the will of the Senedd. Furthermore, as the regulations are subject to the Senedd approval procedure, placing the Welsh Ministers under a duty to "make" the regulations may create a tension between the need for Ministers to comply with the duty and the discretion of the Senedd to approve (or not) the draft regulations laid before it. Therefore, I do not consider it necessary or appropriate to amend the existing power to a duty.</p>
<p>Recommendation 6. The Welsh Government must consult with the Electoral Commission and other electoral stakeholders on the format of the ballot paper for recall polls and it should be subject to user testing at the earliest opportunity, if the Bill is passed and enacted.</p>	<p>Accept</p> <p>I acknowledge the evidence received by the Committee in relation to the format of the ballot paper, and its importance in the effective running of a recall poll.</p> <p>The only element of the ballot paper that is prescribed by the Bill is the question and possible responses that must be used, the remainder in terms of form and content will be for regulations. Regulations made under section 11 include the power to prescribe the format of the ballot paper, as this would fall within the scope of 11(1)(a) – ‘provision about the conduct of a recall poll’. This is the equivalent to the power in section 13 of the Government of Wales Act, to make provision about the conduct of a Senedd election.</p> <p>Members will be aware that the Conduct Order includes - at Form 12 - a sample ballot paper template that must be used by Returning Officers. Regulations made under section 11 of the Senedd Cymru (Member Accountability and Elections) Bill will similarly set out the ballot paper template that Returning Officers must use in respect of recall polls.</p> <p>Section 11, subsection 4 of the Senedd Cymru (Member Accountability and Elections) Bill sets out that "Before making any regulations under subsection (1), the Welsh Ministers must consult</p>

	<p>the Electoral Commission". The Welsh Ministers would also undertake a wider public consultation on the draft regulations, which would involve electoral stakeholders beyond the Electoral Commission. Therefore, there is already a statutory obligation on Welsh Ministers to consult with the Electoral Commission on the format of the Ballot Paper. As part of the consultation, I will consider further - alongside the Electoral Commission - what the most appropriate form of user testing is.</p>
<p>Recommendation 7. The Bill should be amended to make it explicit that recall polls will fall within the statutory functions of the Electoral Management Board.</p>	<p>Accept</p> <p>I accept the Committee's conclusions based on the views expressed to them by the Electoral Management Board, that its functions should apply to Senedd recall polls. I will bring forward amendments to the Bill to give effect to this.</p>
<p>Recommendation 8. We agree that the Bill should make provision:</p> <ul style="list-style-type: none"> • for a mandatory Standards of Conduct Committee, • enabling lay members to be appointed to Senedd committees considering matters relating to the standards of conduct of Members of the Senedd; • that prohibits the following from being appointed lay members: • current and former elected members of all parliaments and legislatures of the UK, • members of the House of Lords, • current and former elected members of community, county and county borough councils in Wales, • current and former police and crime commissioners for a police area in Wales, as well as • persons holding the disqualifying offices in the second column of the table in Part 2 of Schedule 1A to the 2006 Act (except the judicial offices); <p>and consequently, do not consider that any other provision currently in section 18 is</p>	<p>Accept</p> <p>I note the Committee's view that elements of the provisions in respect of the Standards of Conduct Committee are too prescriptive and therefore the Senedd should have the discretion to determine the detail of its own arrangements. I also note that there are interdependencies with Conclusion 9 in the Committee's report, as to what matters should be required via Standing Orders.</p> <p>My officials will consider further and prepare amendments to remove elements of specificity from the face of the Bill where appropriate. However, in doing so, I will wish to give further consideration to the extent of the disqualification criteria for lay members. In particular, whether it is necessary to disqualify former Local Government members and those who have previously held any of the offices listed in in Part 2 of Schedule 1A to the 2006 Act. While I understand the Committee's consideration of this point, such offices are not necessarily party political and I would want to ensure that any such disqualification criteria are not overly restrictive and have the potential to significantly reduce the pool of prospective lay members.</p>

<p>required, and the Bill should be amended accordingly.</p>	
<p>Recommendation 9. The Bill should be amended so that the following persons are disqualified from being appointed as the Senedd Commissioner for Standards:</p> <ul style="list-style-type: none"> • current and former elected members of all parliaments and legislatures of the UK, • members of the House of Lords, • current and former elected members of community, county and county borough councils in Wales, • current and former police and crime commissioners for a police area in Wales, as well as • other persons holding the disqualifying offices in the second column of the table in Part 2 of Schedule 1A to the 2006 Act (except the judicial offices). 	<p>Accept</p> <p>My officials will prepare amendments in response to this recommendation. However, I believe any disqualification criteria for the role of the Senedd Commissioner for Standards should replicate that for lay Members, as far as possible. Therefore, as set out in response to Recommendation 8, I will wish to give further consideration to the extent of the disqualification criteria in relation to former Local Government members and those who have previously held any of the offices listed in in Part 2 of Schedule 1A to the 2006 Act to ensure that any such disqualification criteria are not overly restrictive and have the potential to significantly reduce the pool of prospective Commissioners.</p>
<p>Recommendation 10. The Counsel General should amend the <i>Welsh Language (Wales) Measure 2011</i> to include the Senedd Commissioner for Standards within the list of public bodies listed in Schedule 6 to the Measure. We note that such an amendment to Schedule 6 could be achieved either by including a provision on the face of the Bill or by bringing forward an order under section 35 of the Measure. Similarly, the Counsel General should also include the Senedd Commissioner for Standards in a relevant set of Welsh Language Standards regulations. We note that this could be achieved either by including provision on the face of the Bill or through regulations made using powers under the Measure. If these changes are not included on the face of the Bill, the appropriate statutory instruments should be brought forward at the earliest opportunity.</p>	<p>Accept in principle</p> <p>I accept the Committees conclusion that the Standards Commissioner should be subject to the Welsh Language standards. I have asked my officials to engage with the Welsh Language Commissioner, and subject to their views will seek to prepare amendments for Stage 2 in response to the recommendation.</p>
<p>Recommendation 11. The Welsh Government should:</p> <ul style="list-style-type: none"> • draft detailed provisions for the proposed offence, to be included on the face of the Bill, which prohibit the making or publishing of false or misleading statements of fact before or during an election for the purpose of affecting the return of any candidate; 	<p>Noted</p> <p>I have been clear throughout Stage 1 that the creation of a new offence is a novel and complex issue and isn't something that should be rushed. As the committee notes, in the development of any offence, it is imperative that a full assessment of the impacts on the justice system, human rights considerations, wider electoral law is undertaken, alongside comprehensive consultation. I will consider the feasibility and implications of</p>

<ul style="list-style-type: none"> • consult on those provisions, including comprehensive engagement with the police, the Crown Prosecution Service and the Ministry of Justice, and publish details of those consultation responses; • conduct and publish justice and human rights impact assessments; and subsequently • table the relevant amendments at Stage 2 that would place the full details of the offence on the face of the Bill. <p>If these changes cannot be done in time for Stage 2 proceedings, or the amendments tabled at Stage 2 are deemed insufficient and are therefore not supported, the majority of the Committee recommend that section 22 of the Bill should be removed to allow for further work on the issue to be taken forward in future primary legislation. Sioned Williams believes that section 22 can be further amended to further define the scope of the power.</p>	<p>undertaking that work in such time as to insert an offence into the Bill as a Stage 2 amendment.</p> <p>I am grateful to the Standards of Conduct Committee for their work on this topic, and their recommendations set out in their report published in February 2025 and noted by the Senedd in April 2025. It was important that the work of the government took into account the evidence gathered as well as the deliberations and conclusions of that Committee.</p> <p>In light of the Senedd election in 2026, the provision at section 22(3) was designed to ensure the work to establish the offence would be continued by the next Welsh Government.</p> <p>I note that the Committee has been unable to reach a consensus as to the proper course of action if the Government does not believe that it is possible or appropriate to insert such an offence at Stage 2.</p>
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Llywodraeth Cymru
Welsh GovernmentMike Hedges
Chair, Legislation, Justice and Constitution Committee

9 January 2026

Dear Mike

Senedd Cymru (Member Accountability and Elections) Bill

Thank you for the Legislation, Justice and Constitution Committee's report in relation to the Senedd Cymru (Member Accountability and Elections) Bill published on 23 December 2025. Please see my responses to the set of recommendations within the report at Annex 1.

I am providing a written response to the Stage 1 Committee reports in advance of the general principles debate, which is also in line with Committees recommendation 1 that set out that the Welsh Government should respond at least two working days before the debate.

I would like to express my thanks to the Committee for scrutinising the Bill and it's supporting documentation. I look forward to continuing to work with Members as the Bill progresses through the Senedd process.

I am copying this letter to the Chair of the Member Accountability Bill Committee and the Chair of the Finance Committee for information.

Yours sincerely,

Julie James AS/MSY Cwnsler Cyffredinol a'r Gweinidog Cyflawni
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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Annex 1

Committees Recommendation	Welsh Government Response
<p>Recommendation 1. The Counsel General should respond to the conclusions and recommendations we make in this report at least two working days before the Stage 1 general principles debate takes place.</p>	<p>Noted</p> <p>As recommended by the Committee, I am providing this written response two working days in advance of the general principles debate.</p>
<p>Recommendation 2. Subject to recommendation 3, the Counsel General should write to the Committee in the first week of February 2026 providing an update on the position regarding the consent required for section 4 of the Bill.</p>	<p>Noted</p> <p>I am happy to write to the Committee in the first week of February with an update on the process to obtain the necessary Minister of the Crown consents. Members will be aware that the recommendation to remove Section 4 of the Bill - the notification requirements on the Courts of England and Wales - has implications for the requirement to obtain consent for that provision.</p>
<p>Recommendation 3. The Counsel General should table an amendment to remove section 4 from the Bill.</p>	<p>Noted</p> <p>Whilst the Welsh Government remains of the view that a notification system for the Courts in England and Wales is appropriate in relation to recall trigger event A, I acknowledge that the Committee has concluded that consistency between the consequences of a criminal conviction in the Courts of England & Wales, and the Courts of Scotland and Northern Ireland is of greater importance than creating notification requirements on courts where it is within the competence of the Senedd. Therefore, I will give further consideration to this issue.</p>
<p>Recommendation 4. An amendment should be tabled to section 5(1) of the Bill to place a duty on the Standards of Conduct Committee to produce recall guidance within a specified timeframe.</p>	<p>Accept</p> <p>Noting that the Member Accountability Bill Committee has taken evidence on this issue and given both this Committee and the Bill Committee has concluded that some indication of a timeframe for the Standards of Conduct Committee to produce the guidelines is wanted, I will prepare an amendment to place a requirement on the Standards of Conduct Committee to lay recall guidance before the Senedd. Members will note that this differs slightly from the recommendation that the Standards of Conduct Committee should be under an obligation to issue recall guidance. This is because the approval of the Senedd is required to issue guidance, and therefore a duty to</p>

	<p>issue guidance is not one which can be exercised entirely within the gift of the Standards of Conduct Committee. A duty to lay draft guidance is therefore considered more appropriate, as it delivers on the spirit of the recommendation by ensuring the draft guidance is brought forward without affecting the discretion of the Senedd to approve (or not) the draft guidance.</p>
<p>Recommendation 5. The Counsel General should table an amendment to remove section 5(7)(b) from the Bill.</p>	<p>Accept</p> <p>I am happy to be led by this Committee's view as well as the same view expressed by the Member Accountability Bill Committee as to what the threshold for agreeing recall guidance should be. While the Bill as introduced aligned with the two-thirds threshold to approve changes to Standing Orders, I recognise that the Code of Conduct and standards procedure only require a simple majority to be amended. Therefore, I will prepare an amendment that would lower the threshold for the Senedd to agree the guidance to a simple majority.</p>
<p>Recommendation 6. The Counsel General should table an amendment or amendments to the Bill to require that a recall poll may not be triggered until any appeals made by the Member against the relevant conviction have been determined or otherwise disposed of.</p>	<p>Reject</p> <p>In developing the provisions in relation to Trigger Event A, I sought to strike a balance between the competing tensions of maintaining fairness towards the Member in question, whilst ensuring that the recall system is workable and effective. I concluded that preventing recall processes from taking place until appeal avenues have been exhausted would create a real risk that the purpose behind the creation of a system of recall is frustrated.</p> <p>The Committee will be aware that the Member Accountability Bill Committee, having taken significant evidence on this point, concluded that the current provisions in the Bill are most appropriate. Therefore, I do not propose to prepare amendments on this basis.</p>
<p>Recommendation 7. The Counsel General should table an amendment to the Bill to require the Welsh Ministers to make regulations under section 11(1) within a specified timeframe.</p>	<p>Reject</p> <p>I recognise the importance of the regulations to be made under section 11 to the implementation of the recall system. However, I consider that "may" in section 11(1) is not a true discretion as if no regulations are made, the Act, if passed can never be implemented which would amount to a frustration of the will of the Senedd. Furthermore, as the regulations are subject to the Senedd approval procedure, placing the Welsh Ministers under a duty to "make" the regulations may create</p>

	<p>a tension between the need for Ministers to comply with the duty and the discretion of the Senedd to approve (or not) the draft regulations laid before it. As indicated by the supporting documentation to the Bill, including the Regulatory Impact Assessment, I would anticipate that if the Bill is passed by the Senedd the regulations would be prepared, consulted on, finalised and presented to the Senedd in 2026-27. However, there would be considerable risk in determining what the appropriate specified timeframe would be. Therefore, I do not consider it necessary or appropriate to amend the existing power to a duty or to apply a specified timeframe.</p>
<p>Recommendation 8. The Counsel General should explain what the amendment of section 13 of the 2006 Act by section 22 of the Bill would enable regulations under section 11(1) to include that would not be possible if section 22 did not form part the Bill.</p>	<p>Accept</p> <p>In my response to recommendation 2, I have committed to writing to the Committee in the first week of February to provide an update on the process to obtain UK Government Ministerial consents. As part of that correspondence, I will also address the Committee's query set out in this recommendation.</p>
<p>Recommendation 9. The Counsel General should state whether the power contained in section 11(3)(a)(ii) of the Bill could be used to apply the prohibition of the making or publishing of false or misleading statements of fact to recall polls and whether that is the intention.</p>	<p>Accept</p> <p>In my response to recommendation 2, I have committed to writing to the Committee in the first week of February to provide an update on the process to obtain UK Government Ministerial consents. As part of that correspondence, I will also address the Committee's query set out in this recommendation.</p>
<p>Recommendation 10. The Counsel General should table an amendment to the Bill to include on its face any new criminal offences that would apply in relation to recall polls.</p>	<p>Reject</p> <p>The conduct of a recall poll - including any criminal offence in respect of such a poll - will be set out in regulations made under Section 11 of the Bill. This is consistent with the approach taken to the regulation of Senedd general elections, via the "Conduct Order", made under s13 of the Government of Wales Act 2006.</p> <p>Furthermore, establishing precisely which criminal offences it will be necessary to apply to recall poll is a significant task, and it is appropriate that a comprehensive review of those offences that apply at a Senedd General election is undertaken in advance of establishing them via the s11 regulations.</p>
<p>Recommendation 11. If the intention is not to create new criminal offences the Counsel General should table an amendment to</p>	<p>Reject</p>

<p>section 11 of the Bill to limit the offences referred to in section 11(3)(c) to criminal offences that already exist in legislation.</p>	<p>As the Committee notes, it is the intention of the Government to seek to apply - as far as is appropriate - the offences that take effect at a Senedd General election, to a recall poll. The detailed work developing the rules that will regulate a recall poll is yet to be undertaken. In light of that, it is not possible to say with certainty that there will not be any bespoke criminal offences that are required in respect of a recall poll only. For example, in the UK Parliamentary recall system, there is a specific "accredited campaigner" regime that applies only in respect of recall, and includes particular criminal offences in respect of that regime. Whilst decisions in respect of the oversight of expenses at a recall poll have yet to be taken, it is important to ensure that the Government has the ability to make regulations that can appropriately govern the conduct of a recall poll.</p>
<p>Recommendation 12. If the Counsel General rejects recommendations 10 and 11, she should provide a detailed explanation of why she believes it is not possible to place new criminal offences on the face of the Bill in respect of recall polls.</p>	<p>Accept</p> <p>I have set out my rationale for the rejection of recommendations 10 and 11 in the responses above.</p>
<p>Recommendation 13. The Counsel General should table an amendment to the Bill to make it a requirement for there to be a public consultation before making regulations under section 11.</p>	<p>Reject</p> <p>Section 11 of the Bill includes a statutory duty on the Welsh Ministers to consult with the Electoral Commission on any regulations relating to the conduct rules for a recall poll. There is also legitimate public expectation that the Welsh Government will consult with the public more widely on regulations such as these. The Welsh Government has a long-standing commitment on this, as shown recently when we consulted on The Senedd Cymru (Representation of the People) Order 2025, ahead of it being approved by the Senedd last summer. On this basis I do not consider it to be necessary to amend the Bill to require the Welsh Ministers to conduct such a consultation.</p>
<p>Recommendation 14. The Counsel General should table amendments to section 18 of the Bill such that it only makes provision for:</p> <ul style="list-style-type: none"> • there to be a committee with responsibility for standards of conduct of Senedd Members; • non-Members of the Senedd to be appointed to the Standards of Conduct 	<p>Accept in principle</p> <p>The Committee will be aware that the Member Accountability Bill Committee has taken evidence on the provisions in Section 18 of the Bill and has made a recommendation setting out that the Bill should be less prescriptive as to how the Senedd should set out its own arrangements. My officials will consider further the level of prescription that is wanted on the face of the Bill and will prepare amendments to remove elements of specificity where appropriate.</p>

Committee (or a sub-committee of that Committee).	
Recommendation 15. Subject to recommendation 14, the Counsel General should ensure the equivalence of the English and Welsh texts of the Bill.	<p>Accept</p> <p>My officials will prepare amendments to correct the terminology in the Welsh language version of the Bill.</p>
Recommendation 16. We recommend that the Counsel General tables an amendment to remove section 22 from the Bill and instead sets the prohibition on the making or publishing of false or misleading statements of fact before or during a Senedd election on the face of the Bill by amendment at Stage 2 proceedings.	<p>Noted</p> <p>I have been clear throughout Stage 1 that the creation of a new offence is a novel and complex issue and is not something that should be rushed. As the committee notes, in the development of any offence, it is imperative that a full assessment of the impacts on the justice system, human rights considerations, wider electoral law is undertaken, alongside comprehensive consultation. I will consider the feasibility and implications of undertaking that work in such time as to insert an offence into the Bill as a Stage 2 amendment.</p> <p>I am grateful to the Standards of Conduct Committee for their work on this topic, and their recommendations set out in their report published in February 2025 and noted by the Senedd in April 2025. It was important that the work of the government took into account the evidence gathered as well as the deliberations and conclusions of that Committee. In light of the Senedd election in 2026, the provision at section 22(3) was designed to ensure the work to establish the offence would be continued by the next Welsh Government.</p>
<p>Recommendation 17. We recommend that in drafting an amendment to place the prohibition on the face of the Bill the Welsh Government must:</p> <ul style="list-style-type: none"> • consult the police, the Crown Prosecution Service, the Ministry of Justice, and other relevant stakeholders, and make a statement setting out the responses received from these organisations and summarising the outcomes of any consultation undertaken alongside amendments tabled; and • complete and publish a human rights impact assessment and a justice impact assessment on the new provisions in a revised Explanatory Memorandum. 	<p>Noted</p> <p>The steps outlined in the recommendation are inherently sensible and will of course be undertaken by the Government during the development of any offence.</p>

<p>Recommendation 18. If the Counsel General does not accept recommendations 16 and 17, a majority of the Committee believe that section 22 should be removed from the Bill.</p>	<p>Noted</p> <p>I note that the Committee has been unable to reach a consensus as to the proper course of action if the Government does not believe that it is possible or appropriate to insert such an offence at Stage 2. As stated in response to recommendation 16, I will consider the feasibility and implications of undertaking the work necessary to insert an offence into the Bill as a Stage 2 amendment.</p>

Peredur Owen Griffiths
Chair
Finance Committee
Senedd Cymru

13 January 2026

Dear Peredur

Financial implications of the Senedd Cymru (Member Accountability and Elections) Bill

Thank you for your Stage 1 report on the Senedd Cymru (Member Accountability and Elections) Bill.

A number of recommendations are directed to the Counsel General, but with the intention of her working in consultation with the Senedd Commission and other bodies to deliver them. Subject to the Counsel General's view, the Senedd Commission will continue to work constructively with the Welsh Government to refine cost estimates during the Bill's passage.

However, Recommendation 3 is specifically directed to the Senedd Commission. A response is detailed below:

Recommendation 3: "The Committee recommends that the Senedd Commission establishes a separate and clearly identifiable budget line for lay member costs in its annual budget documentation to ensure clarity and transparency."

Response: Accept.

The Senedd Commission will seek to deliver this recommendation, whilst taking into account that it will be for the Senedd to determine whether to appoint Lay



Members, and their number. Commission officials will consider what to use as the basis of an estimate and where the budget will sit.

Yours sincerely,

A handwritten signature in purple ink that reads "Elin Jones".

Elin Jones MS

Llywydd

Croesewir gohebiaeth yn Gymraeg neu Saesneg / We welcome correspondence in Welsh or English





Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: HID-PO-004-26

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru

9 January 2026

Dear Mike

I am writing in accordance with the inter-institutional relations agreement, and further to my letter of 11 November, to draw to your attention a [Written Ministerial Statement](#) summarising discussions at the most recent meeting of the Inter-Ministerial Standing Committee ('IMSC').

This letter has been copied to the Chairs of the following Committees: Finance; Economy, Trade and Rural Affairs; Culture, Communications, Welsh Language, Sport, and International Relations; Health and Social Care; and Equality and Social Justice.

Yours sincerely,

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



Llywodraeth Cymru
Welsh Government

Agenda Item 2.26

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Ein cyf/Our ref: MA-MDFWL-3074-25

Peredur Owen Griffiths MS
Chair
Finance Committee
Senedd Cymru
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9 January 2026

Dear Peredur,

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Thank you to you and the Committee for your detailed scrutiny of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill, your report, published on 17 December 2025, and the accompanying recommendations.

I have set out the Government's response to the Committee's recommendations in the Annex to this letter, and I look forward to discussing the Bill further at the general principles debate on 13 January.

I am copying this letter to the Chairs of the Economy, Trade, and Rural Affairs Committee, and the Legislation, Justice and Constitution Committee for information.

Yours sincerely,

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

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Annex

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Finance Committee – Stage 1 Report Recommendation Responses

Recommendation	Response	Comment
Recommendation 1: The Committee recommends that the Cabinet Secretary clarifies which body or bodies he proposes will undertake licensing authority functions in a revised Regulatory Impact Assessment after Stage 2, including an assessment of the financial implications for these delivery partners.	Accept	The RIA as drafted sets out the best estimate of the cost of administering the licensing system in the Bill irrespective of where those functions fall, given this is subject to ongoing discussions with delivery partners and the development of the digital system to underpin the scheme, and the cost of administering the scheme will be met through licence fees. The RIA uses Welsh Government pay scales to model the anticipated administrative cost of the scheme to reflect the legislative default that it is the responsibility of the Welsh Ministers. The RIA will be updated following Stage 2 to set out more clearly my assumptions as to where some of these functions may be carried out.
Recommendation 2: The Committee recommends that the Cabinet Secretary updates the Regulatory Impact Assessment after Stage 2 to reflect the £430,000 investment in 2025-26 to support the Welsh Revenue Authority's discovery work to align the register and licensing systems.	Accept	An RIA for a Bill does not usually include costs incurred as part of the policy development and preparation for implementation before the Bill receives Royal Assent. However, given the interaction between this Bill and the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025, the RIA will be updated following Stage 2 to reflect those costs being incurred on discovery work for the licensing system during this financial year.
Recommendation 3: The Committee recommends that the Cabinet Secretary conducts a sensitivity analysis in relation to the number of compliance cases per year that will require inspection showing the potential range of costs, and includes this information in a revised Regulatory Impact Assessment after Stage 2.	Accept	The RIA provides a range of indicative operational costs for administering the licensing system, and highlights the impact this may have on the licence fee, depending on the number of premises requiring a licence. This provides an indication of the sensitivity of the licence fee both to administrative cost and scale of the sector. The RIA will be updated following Stage 2 to highlight more specifically how the administrative cost varies with changes in assumptions about the number of compliance cases requiring inspections.

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Annex

<p>Recommendation 4: The Committee recommends that, as part of the postimplementation review, the Welsh Government quantifies the benefits arising from the Bill.</p>	<p>Accept in principle.</p>	<p>I would expect to quantify the measurable benefits arising from the Bill as part of the post-implementation review, and we are already considering what baseline data may be needed to do so effectively. As part of this exercise, we will need to consider which impacts on the visitor accommodation and wider tourism sector can be attributed to the Bill and which may be a result of other regulatory interventions or wider market or economic forces.</p>
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Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Agenda Item 2.27



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA-MDFWL-3074-25

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff Bay
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CF99 1SN

9 January 2026

Dear Mike,

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Thank you for your scrutiny of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill, your report, and the accompanying recommendations. Those recommendations included requests for further information ahead of the Senedd debate on the general principles of the Bill scheduled for 13 January. I have included responses to those requests in this letter.

The Committee asked me to explain how I had assessed the Bill as compatible with Article 1 of Protocol 1 to the European Convention on Human Rights (A1P1), including the basis for concluding that the interference with property rights is justified as being in the public interest, and that the provisions of the Bill have a reasonable foundation and strike a fair balance between the public interest and the protection of an individual's rights.

As you know, every Senedd bill has to be compatible with rights under the European Convention on Human Rights for it to be within the Senedd's legislative competence and therefore law. Accordingly, in the development of any Government Bill the effects upon Convention rights are taken into account.

As set out in the Equality Impact Assessment and Explanatory Memorandum for the Bill, our conclusion was that the Bill is compatible with Convention rights, including the rights to peaceful enjoyment of property under A1P1.

The Explanatory Memorandum to the Bill sets out its purpose: to promote the development of tourism in Wales, the mechanism by which it achieves that purpose, the background to

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the Bill and the case for change. This explains the need for this Bill, what it is intended to achieve and why this in the public interest.

I was pleased that the Economy, Trade and Rural Affairs Committee, in their Stage 1 report on the Bill and consideration of its interaction with A1P1, agreed that “these proposals have a clear basis in seeking to promote tourism and improve standards of visitor accommodation in Wales.”

Some of form of regulation of property is axiomatic to achieving this purpose. Critical to the regulation being compatible with A1P1, is the question of whether the interference with property is proportionate, including whether the provisions strike a fair balance between the public interest and the property rights of individuals.

We have developed the Bill to ensure the interference with property is proportionate. That proportionality has been fundamental to some of the core policy questions for the Bill, including what the licensing scheme is assessing, what should be asked of providers, and what reassurance it offers visitors about the standards met in regulated visitor accommodation in Wales. This has shaped the decisions we have made about the nature of the licensing scheme.

As I have discussed during Stage 1 scrutiny, in relation to the specific fitness standards, the Bill imposes only modest additional requirements on visitor accommodation providers beyond existing guidance and obligations. The Bill will promote accommodation in Wales without requiring significant additional investment for providers who are already doing what is expected of them.

We have deliberately chosen the specific fitness standards, which are assessed at the point of application, as requirements which should not be difficult for providers to evidence and which will offer reassurance to visitors that key standards are met. This choice highlights the balance the Bill strikes of not, for example, requiring an inspection for all applications to confirm the general fitness standard is met; or conversely undermining the reassurance the scheme offers visitors by licensing accommodation without checking documentation to confirm certain standards are met. If regulations are made to modify or extend the requirements of the scheme in future, these regulations will need to be subject to their own human rights analysis and will need to be compatible with A1P1 as well.

This highlights how, for those doing the right things, the Bill achieves its objectives with a modest imposition on accommodation providers. I have also set out in Committee during scrutiny that the aim of this Bill is to support compliance with the standards it sets out, not to have enforcement as a first port of call. However, the Bill also includes protections for providers in those cases where enforcement proves necessary.

To take powers of entry as an example, as we discussed in Committee, there are a series of protections in the Bill which limit the circumstances in which they can be used. First, the Welsh Ministers need reasonable grounds to believe that a condition of a licence has been breached or an accommodation provider is providing false or misleading information. Then they need to consider that entry to the premises is necessary or expedient for the purpose of determining whether this is the case. Reasonable notice must be given and entry cannot be by force. Then, if the accommodation provider is unwilling to grant an authorised officer entry to the premises, or the premises is not licensed, an application would have to be made to a magistrates' court for a warrant. This shows, in this aspect of the Bill, how we have again sought to make the Bill robust enough to be effective, but proportionate in its impact on providers.

The balance between the imposition on accommodation providers and ensuring the Bill is sufficiently robust to achieve its objective has been a central consideration throughout its development, and I was pleased that the Economy, Trade and Rural Affairs Committee reached the same conclusion as I did in their report: that “the Bill appropriately balances the rights of visitor accommodation providers with the general interest and is therefore compliant with A1P1”.

The Committee also asked me to explain whether I feel any need to revise my conclusions on human rights as a result of evidence received during Stage 1. I’m happy to confirm this is not the case, and I remain satisfied that the Bill is compliant with Convention rights.

I hope this explanation helps the Committee, and Members across the Senedd, in their consideration of the Bill ahead of the debate on the Bill’s general principles on 13 January and I hope it will encourage Members to support the Bill to progress to the next stage of scrutiny. I look forward to discussing the Bill further at the debate.

I am copying this letter to the Chairs of the Economy, Trade, and Rural Affairs Committee, and the Finance Committee for information.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Drakeford". The signature is written in a cursive, slightly slanted style.

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru
Welsh Government

Agenda Item 2.28

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Ein cyf/Our ref: MA-MDFWL-3074-25

Andrew RT Davies MS
Chair
Economy, Trade, and Rural Affairs Committee
Senedd Cymru
Cardiff Bay
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12 January 2026

Dear Andrew,

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill

Thank you to you and the Committee for your detailed scrutiny of the Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill, for your report, published on 19 December 2025, and the accompanying recommendations.

I am pleased that the Committee supports the general principles of the Bill.

I intend to respond to the key points raised in the recommendations during the debate itself, and I will write again following the debate, should there be any further information it would be helpful to share ahead of Stage 2. However, as requested, please find preliminary responses to recommendations 6, 13, 15, 17, 18, 20, 21, and 23 in the Annex attached, each of which proposes that the Government should provide information 'in advance' of the Senedd debate on the general principles of the Bill.

I am copying this letter to the Chairs of the Legislation, Justice and Constitution Committee, and the Finance Committee for information.

Yours sincerely,

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

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Economy, Trade and Rural Affairs Committee – Stage 1 Report Recommendations Preliminary responses

Stage 2 Amendments

Recommendation 6

In advance of the Stage 1 debate, the Cabinet Secretary should set out what amendments he plans to bring forward at Stage 2.

In responding to this recommendation, I have set out below various amendments the Government intends to bring forward at Stage 2, including those in response to matters raised by Committee members and other stakeholders during Stage 1 scrutiny, and recommendations in both this and the Legislation, Justice and Constitution Committees' reports.

Officials are also continuing to review the Bill in the light of evidence given during Stage 1 scrutiny, including the supplementary written evidence referenced in recommendation 23, to consider where there may be other opportunities to clarify the Bill's intended effect and I will bring forward various amendments throughout the Bill for this purpose.

Returning to **recommendation 6**, the amendments set out below also encompass my response to a number of other recommendations from this Committee, as well as recommendations 3, 5, 7 and 8 from the Legislation, Justice and Constitution Committee. (In each of these cases, I intend to accept the corresponding recommendations, either in full or in principle). The proposed amendments are as follows:

- Commencement and coming into force (Section 59) – To include a sunrise provision as a backstop to commence the Act, if it has not been commenced by the date specified.
(ETRA Committee Recommendation 4 refers.)
- Post-implementation review – To include a requirement to undertake a post-implementation review.
(ETRA Committee Recommendation 7 and LJC Committee Recommendation 3 refer.)
- Procedure for extending the definition of regulated visitor accommodation (Section 5)– To include a requirement to consult for a minimum period prior to the use of the power under paragraph 5(1)(b).
(ETRA Committee Recommendation 9 and LJC Committee Recommendation 5 refer.)
- Fire prevention standard (Section 9) – To clarify the requirement and ensure parity with the Fire Safety Order 2005.
(ETRA Committee Recommendation 13 refers.)

- Licence periods (Section 25) – To include a power to make regulations to provide for different licence periods.
(ETRA Committee Recommendation 16 refers.)
- Procedures for Regulations (Section 57) – To include reference to sections 27 (provisional licences), 38 (fees) (for the first time such regulations are made), and 40 (provision relating to campsites and caravan sites) within the list of powers subject to Senedd Approval.
(ETRA Committee Recommendation 19 and LJC Committee Recommendations 7 and 8 refer.)
- Criminal offences – To include a limitation on provisions under the Bill that include the power to create offences, so that convictions may not result in custodial sentences.
(LJC Committee Recommendations 6 and 10 refer.)

Further information on the detail of these amendments, and any others required, will be available in the purpose and effect document shared upon tabling at Stage 2.

Additional matters

The remainder of this Annex sets out the further information requested in the respective recommendations in advance of the debate on the General Principles of the Bill.

Recommendation 15

In advance of the Stage 1 debate, the Cabinet Secretary should review the additional evidence provided by the Short Term Accommodation Association and confirm the average number of total licences that Rent Smart Wales deals with each year and the time taken to process applications at present. The Cabinet Secretary should also set out any estimate he has made of the length of time it will take to process and issue the estimated 30,000 visitor accommodation licences that will need to be issued in the first year of operating the licensing scheme.

Officials are reviewing the additional evidence shared by the Short Term Accommodation Association and I will follow up in writing with the Committee, alongside any other information required, as set out in my response to recommendation 23 below.

Recommendation 17

In advance of the Stage 1 debate, the Cabinet Secretary should provide further information to the Senedd about how the provision for complaints in section 22 is expected to work in practice, including how complaints will be assessed and what the practical effect will be of a complaint being upheld.

The provision in relation to complaints in section 22 provides a mechanism for all visitors to be informed of how to raise issues about the licence status of accommodation in which

they are staying, as complaints will be one of the primary sources of intelligence on potential breaches of licence conditions.

Formal action can only be taken under the Bill if a complaint gives the licensing authority reason to believe that a licence condition has been breached or that the accommodation provider has committed an offence by providing false or misleading information to the licensing authority. In this case, the licensing authority may need to obtain more information from the provider, either informally or under an information notice; undertake an inspection; or, where it is satisfied a breach has occurred, issue a remedial notice informing the provider of the action they need to take to keep their licence.

Issues should generally be raised with the provider or the booking agent in the first instance, but we would highlight the types of issues that should be brought to the attention of the licensing authority. Guidance will provide additional detail on how complaints will be dealt with, to ensure visitors and providers understand the process.

Recommendation 18 – Roles of Local Authorities and Visit Wales

In advance of the Stage 1 debate, the Welsh Government should update the Committee on discussions with local authorities as to their potential role in the enforcement process, and clarify the potential role Visit Wales might play.

Officials have had – and continue to have - discussions with the WLGA about the potential role local authorities may play in the enforcement process on the basis I described when giving evidence in Committee. Those discussions focus on the operational details of implementing the Bill.

The Welsh Government delivers its existing tourism functions through its internal tourism team (Visit Wales), and will ensure that the delivery of tourism functions under the Bill is coordinated with this work.

If other types of accommodation were brought within the scope of the licensing regime in future, or new types of conditions added, it would be necessary to review those arrangements in that new context.

Recommendation 20

In advance of the Stage 1 debate, the Welsh Government should set out in further detail how the provision in section 42 is intended to work in practice, including its justification for the inclusion of 42(4).

The intention behind the contractual provisions is to complement the licensing scheme, so that in addition to the enforcement of licensing conditions by the authority, visitors have a clear route to redress if accommodation is not fit for them to stay in. Together, these provisions incentivise compliance, reinforce visitor confidence, and promote standards in visitor accommodation in Wales.

A visitor already expects providers to fix issues quickly and, where that is not possible, to agree a fair and suitable resolution. This could include, for example, a full or partial refund, or suitable alternative accommodation where the issue is significant. In practice, the same applies under these provisions, in that we would expect a provider and visitor to resolve these issues between themselves, without the need for legal action. If the issue cannot otherwise be resolved, depending on the circumstances, the Bill codifies the visitor's entitlement to seek a remedy via the courts. We would not, however, anticipate the involvement of the licensing authority in these matters, except in so far as they interact with the authority's functions to deal with potential breaches of licensing conditions.

The Bill does provide limitations to ensure the obligation is reasonable and proportionate in practice. Sections 43 and 44 limit the provider's liability where the visitor's own actions are the cause of the problem, where the provider was not (or could not reasonably have been expected to be) aware of problems, or, where upon becoming aware, the issues were resolved within a reasonable time.

Finally, subsection 42(4) clarifies the scope of the obligation where other parties are involved, to ensure, for example, that in cases where a booking is made on behalf of the visitor by another person, or where one person has made a booking for a group of people, the obligation applies to each of the visitors staying at the accommodation. Guidance will include further information on these provisions ahead of implementation.

Recommendation 21

In advance of the Stage 1 debate, the Cabinet Secretary should:

- *provide an update on discussions with booking platforms / agents regarding the provisions in sections 46 and 47,*
- *provide further information on the rationale for extending the proposed offence to bodies other than visitor accommodation providers, and*
- *provide further information on the specific steps that may need to be taken to establish a defence to the proposed offence.*

Engagement

WRA have already been in discussions with some of the larger visitor accommodation booking platforms about requirements for registration numbers. The intention is to work towards a solution that works at scale, to help them meet the requirements as easily as possible. My officials also continue to engage with stakeholders across the sector, including with platforms and representative bodies, on the Bill as a whole, and will continue to work with them throughout its implementation. Our aim is to develop similar solutions for smaller booking platforms and other providers, as well as developing operational guidance to set out clear expectations and help ensure that those who advertise visitor accommodation in Wales are able to comply easily with the requirements.

Rationale

During the development of the Bill, we have considered the best way to ensure visitors are able to see whether particular visitor accommodation is licensed. The best way to ensure clarity, transparency and reassurance to everyone - visitors, the sector and communities alike – is to have a single public source of information.

For this reason, the Bill provides:

- for the creation of a Visitor Accommodation Directory (via section 45);
- for all visitor accommodation premises to be issued with a unique number upon registration (via an amendment to the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the VARL Act”) at Schedule 2 to the Bill) which is included on the Directory; and
- a requirement for that number to be shown in any advertising and marketing, whoever is advertising the accommodation.

Together, these provisions create a simple and transparent system whereby anyone can use a premises registration number in an advertisement to check the directory to see whether particular visitor accommodation is registered or licensed – and if it is not licensed, why not.

The purpose of the Bill is to promote tourism in Wales, and the advertising requirements under sections 46 and 47 are key to reassuring visitors booking regulated visitor accommodation that it meets the required standards. They are a fundamental part of ensuring the integrity of the scheme, providing a tool for the licensing authority, WRA, visitors and others to more easily determine compliance by providers. And, where they aren't compliant, helping to prevent them from advertising, undercutting other providers, and undermining visitor confidence in accommodation in Wales. This will help reduce any risk of rogue operators, or underground or illegal markets being created for non-compliant accommodation.

This can only achieve its intended effect if the publicly available information is reliable. Hence the requirements need to be robust, and to apply to all visitor accommodation in Wales, across all advertising.

If we were to limit the offence to providers alone, either it would not apply when a third party advertises their accommodation, or it could make providers liable for any advert for their accommodation, irrespective of whether they control it. The former would create loopholes in the system whenever accommodation is advertised indirectly and would give platforms and other agencies little incentive or responsibility to ensure registration numbers are included on advertising at all. The latter could result in visitor accommodation providers being prosecuted for inaccurate or missing information on advertising for which they may have little or no control.

It is not unreasonable for booking platforms to be held accountable for ensuring the adverts they list for visitor accommodation are compliant. We have, however, tried to keep the system, and these requirements, as simple and straightforward as possible to help

them comply, with a single unique number assigned to each and every visitor accommodation premises across Wales. We will also continue to work through the operational practicalities with them, and develop detailed guidance to set out what we will expect of providers, booking platforms and other types of agents in respect of these requirements.

This is a scheme that focuses first and foremost on supporting the tourism sector in Wales through improving standards, but we must also have legal safeguards available where necessary. The offence at section 47, including adverts posted by platforms and agencies, therefore, is necessary to supporting the integrity and efficacy of the scheme.

Defence

We will work with providers and platforms on the operational detail, including the format and how best to display registration numbers, and what other information may be required, so that we can develop a process which works for the industry and ensures visitors can easily verify the accommodation's registration and/or licence information.

I have made clear throughout, that prosecution would not be the first step in dealing with compliance matters, whether that be with a provider, a travel or booking agent, or a large booking platform. Provided booking platforms, or anyone captured by this requirement, follow the guidance and work with the licensing authority to deal with instances of non-compliant accommodation as efficiently as is reasonably practicable, I would expect there to be few occasions where the licensing authority would pursue prosecution of an offence under section 47. In the event that prosecution is required, however, it would be for the courts to determine whether the actions taken in a particular case are sufficient to amount to a reasonable excuse for not showing the correct registration number.

Recommendation 23

In advance of the Stage 1 debate, the Cabinet Secretary should respond to the specific additional evidence received by the Committee.

Analysis of the additional evidence provided to the Committee is underway, and I will follow up in writing with any additional clarifications or responses required.

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language

Agenda Item 2.29



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
 Chair of Finance Committee
 Senedd Cymru
 Cardiff Bay
 CF99 1SN

15 January 2026

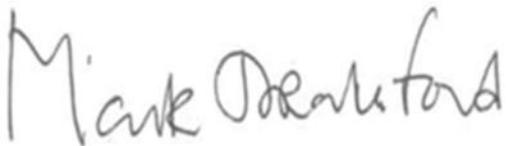
Dear Peredur,

I am writing to provide the Committee with details of the Welsh Government's Barnett formula consequentials from the UK Government's autumn budget announced on 26 November 2025.

The information set out in Annex A shows resource changes for the financial years 2025-26 to 2028-29 and general capital changes for the financial years 2026-27 to 2029-30. There were no changes to financial transactions capital.

I remain committed to continuing to present our budgetary information in an open and transparent manner to support the Committee's scrutiny and trust this information will help to inform our discussions when I attend Finance Committee on 21 January.

Yours sincerely,



Mark Drakeford MS
Cabinet Secretary for Finance and Welsh Language
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Annex A

UK Government Autumn Budget 2025 – Barnett Formula consequentials

The tables below summarise the Welsh Government's Barnett formula consequentials from the recent UK Government Autumn Budget.

The tables show fiscal resource and general capital funding by the UK Department where the underlying changes took place. There were no changes to financial transactions capital. The tables show changes relative to the 2025 Spending Review position.

Resource Barnett Formula Consequentials (£m)				
	2025-26	2026-27	2027-28	2028-29
Transport	0	7	8	7
Health	25	25	-3	-46
MHCLG Local Government	0	3	0	-5
Education	2	2	5	-27
Environment, Food and Rural Affairs	0	2	2	2
Work and Pensions	0	31	22	17
Business Rates	0	114	78	47
Other	0	1	1	-1
Total	27	186	113	-5

General Capital Barnett Formula Consequentials (£m)				
	2026-27	2027-28	2028-29	2029-30
Transport	-6	75	-25	0
Health	0	17	0	31
Energy Security and Net Zero	17	26	26	17
MHCLG	1	1	0	0
Environment, Food and Rural Affairs	1	1	1	1
Total	14	120	2	50

Peredur Owen Griffiths MS
Chair of the Finance Committee
Welsh Parliament
Cardiff Bay
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Professor David Miles and Tom Josephs
Members of the Budget Responsibility Committee
102 Petty France
London SW1H 9AJ
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16 January 2026

Dear Peredur,

Re: Finance Committee Report: Scrutiny of the Welsh Government Draft Budget 2026-27

Thank you for your letter of 7 January and for sharing the Finance Committee's report on the Welsh Government Draft Budget 2026-27. We are grateful for the opportunity to contribute to your scrutiny, including through the Committee's oral evidence sessions.

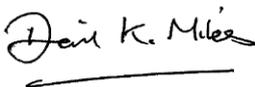
We welcome Recommendation 7 and agree on the importance of continuing to produce and develop outputs that help foster understanding of the impact of devolved taxation on the Welsh Government's budget.

In our next Welsh Taxes Outlook, to be published alongside the Welsh Final Budget, we have dedicated a new chapter to describing and analysing the latest projections for the net tax position across each of the Welsh devolved taxes. This includes analysis of the impact of the UK Government's freezes to income tax thresholds on the Welsh budget. We also intend to continue publishing analysis of changes in the Welsh net tax position as part of our devolved tax and spending forecasts, with our next publication due on 3 March. We will look for further opportunities to develop this analysis in our future publications.

We will continue to work closely with Welsh Government officials on devolved tax and forecast-related matters and would be happy to keep the Committee informed of any further significant improvements to our Welsh outputs.

In line with OBR policy, we will be publishing this reply together with your original letter on our website.

Yours Sincerely,



Professor David Miles

Members of the Budget Responsibility Committee



Tom Josephs

Agenda Item 3

By virtue of paragraph(s) ix of Standing Order 17.42

Document is Restricted

Agenda Item 6

By virtue of paragraph(s) ix of Standing Order 17.42

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Public Services Ombudsman for Wales

2nd Supplementary Budget – 2025/26

Explanatory Memorandum to the Chair of the Finance Committee

This Supplementary Budget submission has been prepared in accordance with Welsh Parliament Standing Orders 18A.2 and 20.36 (dated January 2025).

Changes to staff costs

There are 2 matters that have resulted in changes to our staff costs:

- A staff secondment to the Ombudsman Association ended in August 2025. There are efficiency savings of £14k, in unpaid wages following the departure of the staff member, which is offset by a reduction in secondment income we will no longer receive. The net effect of this change is nil.
- £16k relates to expenditure that is no longer needed following the death of one of the spouses of former Local Government Commissioners, to whom PSOW has responsibility for pension payments.

Our Estimate submission for 2026/27 reflected the full year effect of these changes, and this Supplementary Budget reflects the in-year impact on our budget.

Additional Resources Sought

In summary, we propose a variation to the annual budget motion in compliance with Standing Order 20.36 in respect of:

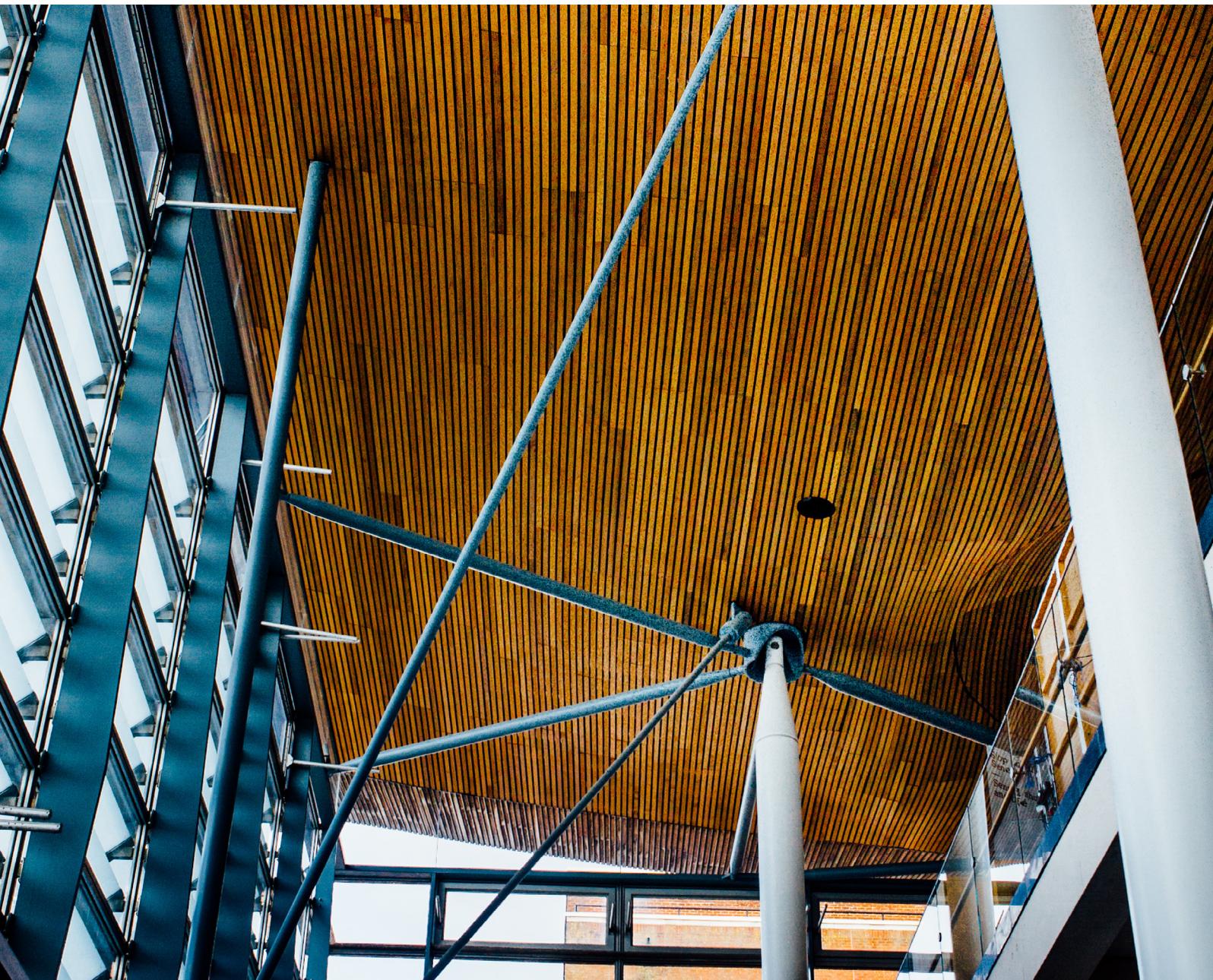
- A reduction of £16k (cash and resource) to reflect changes to a staff secondment and payments due to former Local Government Commissioners.

All figures in £000s	Estimate 1 st Supp	Changes	Revised Estimate
Staff salaries and related costs	5,194	(30)	5,164
Premises and facilities	162		162
Professional fees	267		267
IT costs	351		351
Investment in IT & Digital Strategy	105		105
Office costs	105		105
Travel, training and recruitment	43		43
Communications	70		70
Total Revenue Expenditure	6,297	(30)	6,267
Total Income	(27)	14	(13)
Net Revenue Expenditure	6,270	(16)	6,254
Capital Expenditure – DEL	5		5
Total Resources Required	6,275	(16)	6,259
Depreciation and amortisation	70		70
Depreciation – leased assets	87		87
Interest charge – leased assets	44		44
Capital AME – dilapidations	-		-
Total Resource Expenditure	6,476	(16)	6,460
Depreciation and amortisation	(70)		(70)
Depreciation – leased assets	(87)		(87)
Interest charge – leased assets	(44)		(44)
Capital AME – dilapidations	-		-
Change in working capital	147		147
Other non-cash movements	20		20
Cash Requirement from WCF	6,442	(16)	6,426

Second Supplementary Budget 2025-26

Explanatory Memorandum

February 2026



The Welsh Parliament is the democratically elected body that represents the interests of Wales and its people. Commonly known as the Senedd, it makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.

An electronic copy of this document can be found on the Senedd website:
www.senedd.wales

Copies of this document can also be obtained in accessible formats including Braille, large print, audio or hard copy from:

Welsh Parliament
Cardiff Bay
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Second Supplementary Budget 2025-26

Explanatory Memorandum

February 2026





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Croeso
i'r Senedd
—
Welcome
to the
Senedd

Background

The 2025-26 Commission Budget was included in the Annual Budget Motion under Standing Order 20.26 and was approved in Plenary on 20 November 2024, following scrutiny by the Senedd's Finance Committee.

The budget motion provided the Commission with £83.845 million of Resource Budget in relation to:

- Expenditure under the Commission's direct control, including a Project Fund (the operational budget);
- Three ring-fenced budgets for specific programme work;
- Expenditure relating to preparatory work for Senedd Reform;
- Ways of Working programme of works; and
- Pre-Election preparatory work.
- Depreciation (a non-cash expense);
- The budget identified for the Independent Remuneration Board's Determination on Members' Pay and Allowances;
- The budget for the clerking, administrative and other costs to provide support to the Independent Remuneration Board;
- The budget for the Office of the Standards Commissioner; and
- The accounting provision for the Members of the Senedd Pension Scheme under HM Treasury's Annually Managed Expenditure ("AME") heading (Pension Finance Cost).

In line with Standing Order 20.32, an Explanatory Memorandum was laid on 17 June 2025, supporting a variation to the Commission's 2025-26 budget within the Supplementary Budget Motion (standing Order 20.30). The Supplementary

Budget Motion was approved in Plenary on 8 July 2025 following consideration by the Senedd's Finance Committee.

This increased the Commission's budget to £84.618million to adjust for the increase in employer national insurance contributions from 13.8% to 15% and a reduction in the level at which employers start paying contributions from £9,100 to £5,000.

This second Explanatory Memorandum is laid in compliance with Standing Order 20.32, in support of changes to be proposed to the Commission's approved 2025-26 budget, via a second Supplementary Budget Motion.

Explanatory memorandum

The effect of the Commission's supplementary budget will be to decrease the overall Commission budget by £4.001 million and decrease the net cash requirement by £3.501million. The following changes are proposed:

- **A decrease to the Commission's total budget of £0.082 million to return funding for National Insurance;**
- **A decrease in the budget for Members' salaries and related costs of £0.460 million to reflect anticipated underspend (in addition to the National Insurance funding adjustment);**
- **A decrease in the budget for Annually Managed Expenditure of £0.500million to reflect the updated forecast costs (non-cash):**
- **A re-allocation of revenue funding to capital of £4.182million**
- **A decrease in both resource and cash requirements resulting from a refund in relation to the payment of 'Rates' of £2.959million.**

Budget Amendments

A return of funds in relation to employer National Insurance contributions

The Commission sought funding in the first Supplementary Budget to cover the cost of an increase in Employer National Insurance contributions from 13.8% to 15% and a lowering of the level at which contributions become payable from £9,100 to £5,000, which was effective from 1 April 2025.

The expectation at the time of laying was that full funding would be made available by HM Treasury; however, the eventual settlement was 85%, including an element of funding from Welsh Government reserves.

In consideration of the Commission's First Supplementary Budget for 2025-26, the Finance Committee recommended that the Commission:

“...provide a breakdown of how the additional funding provided through the First Supplementary Budget 2025-26 covers costs relating to the increase in employer National Insurance Contributions within their organisations, including whether this covers staff employed by third parties as well as permanent staff costs, once details of the UK Government's main supply estimates are known”

And;

“confirm that any surplus funding allocated for this purpose is returned to the Welsh Consolidated Fund”

Given the complexity in working out the precise cost of the changes, the Commission instead propose returning £0.082million of the funding initially requested. This will equalise the position compared to the rest of the public sector bodies across Wales.

Budget Impact

The return of funds is split between Commission and ring-fenced budgets as follows:

- **A decrease in the Commission's operational staffing budgets (including the Senedd Reform ring-fence) of £0.041million**
- **A decrease in the budget for the Remuneration Board's Determination of £0.040million**
- **A decrease in the budget to support the Independent Remuneration Board of £0.001million**

Budget for the Independent Remuneration Board's Determination

The Independent Remuneration Board determines the pay and remuneration of Members and their staff and provides the system of financial support needed for Members to fulfil their responsibilities as elected representatives.

The budget for the Determination provides full funding for the permitted salaries, expenses and allowances associated with being a Member or Office Holder.

The final costs will not be calculated until after 31 March 2026; however, based on latest estimates, not all the available funding will be required.

It is recommended that the budget is reduced by £0.460 million (in addition to the amount being returned in relation to National Insurance), taking the budget from £20.823million to £20.323million which returns the majority of unutilised funding whilst retaining sufficient contingency for any variation between the latest estimate and the final year end out-turn position.

Annually Managed Expenditure

The budget for Annually Managed Expenditure is to cover the movement in actuarial valuation of the Members' Pension Scheme. The final cost will not be known until after the year-end but estimates indicate that the current budget of £1.000 million is in excess of the requirement for the year.

It is recommended that the budget is reduced from £1.000million to £0.500million.

Reallocation of revenue to capital expenditure

In order to properly recognise the costs of the Siambr works, as well as a consequential increase in capital expenditure associated with having an increased project fund for the 2025-26 financial year, and progress in the Bay 32 project to secure Commission accommodation post 2032, an adjustment in the spending profile of £4.182million from revenue to capital is requested.

This does not impact on either the total resource requirement (against which the Commission is audited), nor the cash requirement for the year.

A decrease in both resource and cash requirements resulting from a refund in relation to the payment of 'Rates'

The Senedd Commission received confirmation during the year that an appeal, undertaken on behalf of the Commission by its external property advisers was successful. As a result, a refund of £3,512,353.55 became payable for financial years 2017-2025, with a further in-year reduction of £90,880 for 2025-26. The total refund due is £3,603,233.55.

The Commission agreed a proposal in December to retain £0.644million in order to undertake required, priority estates works on the Senedd building and return the balance of the refund (£2,959,233.55) to the Welsh Consolidated Fund.

These estates works will address accessibility and compliance issues and were planned for the 2026-27 financial year. Bringing them forward reduces the significant pressure on the Project Fund, which has projects with indicative costs of £4.4million and an available fund of £2million.

The balance of the funding has been returned to the Welsh Consolidated Fund in year via a reduction in both the resource and cash requirement for the year.

Budget Ambit

This Supplementary Budget submission is laid in compliance with Senedd Standing Order 20 to assist in the compilation of the Budget Motion required by Section 126 of the Government of Wales Act 2006. This submission seeks to amend the resource and annually managed expenditure requirements of the Senedd Commission for the year ending 31 March 2026.

The Supplementary Budget Motion authorises the net resources to be used for the services and purposes of Members and Senedd Services. The Motion includes the maximum income (or accruing resources) that may be retained for use on those services and purposes instead of being paid into the Welsh Consolidated Fund, and the cash amount that will need to be issued from the Welsh Consolidated Fund to meet the anticipated net amounts falling due for payment by the Commission.

The amended 2025-26 Budget for the Senedd Commission, addressing the revised requirements, is set out in Table 1 below.

Table 1: 2025-26 Budget for the Senedd Commission against requirements

Senedd Requirements	2025-26 £'000
Resources other than accruing resources for use by the Senedd Commission ('the Commission') on resource and capital costs associated with the administration and operation of services to support the Senedd; promotion of the Senedd including payments to the Electoral Commission and others; payments in respect of the Commissioner for Standards and the Independent Remuneration Board; any other payments relating to the functions of the Senedd or functions of the Commission. Resources other than accruing resources for use by the Commission in respect of the decisions of the Independent Remuneration Board and expenditure in respect of Members of the Senedd Pension provision	£80,616
Accruing resources for retention pursuant to section 120(2) of the Government of Wales Act 2006 and use by the Commission from the disposal of fixed assets and other capital income for use on the purchase or acquisition of fixed assets, rental income, gifts, grants, cheques, recharges and income from commercial sales and other services provided to the public or others for use on administrative costs of the Senedd.	£61
Amount to be issued from the Welsh Consolidated Fund to meet the anticipated amounts falling due for payment in the year and in respect of the above services and purposes less expected receipts and recoverable VAT	£76,846

Table 2 below reconciles the net resource requirement to the cash drawing requirement from the Welsh Consolidated Fund.

Table 2: Cash requirement	£'000 2025-26 1st Supplementary	£'000 2025-26 Revised Budget
Members' net revenue requirement	20,823	20,323
Office of the Standards Commissioner	106	106
Independent Remuneration Board Costs	609	608
Senedd Reform	4,686	4,683
Ways of Working	2,135	2,135
Commission net revenue requirement	52,951	45,772
Net capital requirement	2,308	6,490
Annually Managed Expenditure	1,000	500
Subtotal	84,618	80,616
Adjustments		
Depreciation	(5,000)	(5,000)
Interest charges/Capital adjustments	(600)	(600)
Rental payments	2,330	2,330
Movements in provisions	(1,000)	(500)
Net cash requirement from the Welsh Consolidated Fund	80,348	76,846
Decrease in cash requirement		(£3,501)





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Manon AntoniazziPrif Weithredwr a Chlerc y Senedd
Chief Executive and Clerk of the Senedd

10 December 2025

Peredur Owen Griffiths AS
Chair of Finance Committee
Welsh Parliament
Tŷ Hywel
Cardiff Bay
CF99 1SN

Dear Chair,

The Commission has recently received confirmation that an appeal, undertaken on our behalf by our property advisers regarding the rateable value of the Cardiff Bay estate, has been successful. As a result, we are now entitled to a refund of monies paid, backdated to the 2017-18 financial year. The refund is significant, amounting to £3.221 million plus interest of £0.291million plus a reduction on the current year charges of £0.091million (a total of £3.603million) and was received into the Commission bank account on 28 November.

At their meeting of 4 December 2025, the Commission agreed a proposal to retain £644,000 (approximately 20% of the total, excluding interest) to undertake necessary building works at the Senedd and return the remainder to the Welsh Consolidated Fund. These priority works did not secure funding from this year's Project Fund due to significant competing pressures but will require funding within the next two years. They will address statutory accessibility and compliance issues and would be completed ahead of the forthcoming election. Specifically, the works comprise:

- Essential upgrades and repairs to the Senedd lifts
- Replacement of lighting in the Senedd with LED fixtures

As you will be aware, the Commission has recently submitted its 2026-27 budget request. This request will accelerate spending from future years but as current pressures within our project pipeline will still far exceed the available Project Fund there would be no corresponding budget reduction in 2026-27. Advancing this expenditure will simply alleviate some pressure on that fund.

As always, if the Committee require any further information, I will be more than happy to provide it.

Yours sincerely,

**Manon Antoniazzi****Prif Weithredwr a Chlerc y Senedd / Chief Executive and Clerk of the Senedd**

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.

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Lesley Griffiths MS
Commissioner for Budget and Governance
Senedd Commission
By email

15 December 2025

Dear Lesley,

The Committee is grateful for the letter from the Chief Executive and Clerk of the Senedd, dated 10 December 2025, notifying us of the refund the Commission has received regarding the rateable value of the Cardiff Bay estate.

Are you able to confirm that the proposed variations to the Commission's budget, and the remaining refund being returned to the WCF, will be made through the supplementary budget process, in accordance with the requirements set out under Standing Order 20.32?

We would also be grateful if you could provide further information in response to the following questions:

- Can you explain how the Commission arrived at the figure of £644,000 it wishes to retain from the refunded amount?
- Given that the Portfolio Management Project List, contained as an annex to the Commission's letter of 15 July 2025, set out a project pipeline with estimated project costs of £150,000 for the phased replacement of lights in Senedd building to LED and £164,000 to fund lift upgrades, can you provide a breakdown by project of how this £644,000 additional funding would be spent?
- Could you confirm whether the successful appeal will impact at all on the rental costs included in the Commission's 2026-27 budget?

The Committee will consider supplementary budget requests from the Directly Funded Bodies in the new year, ahead of the Welsh Government laying its Second Supplementary Budget 2025-26 on 24 February 2026. We would appreciate a response to these questions by the beginning of the spring term on Monday 12 January, to enable us to consider these issues alongside any requests made.



Yours sincerely,

Sam Rowlands MS, Temporary Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. | We welcome correspondence in Welsh or English.

19 December 2025

Peredur Owen Griffiths AS
Chair of Finance Committee
Welsh Parliament
Tŷ Hywel
Cardiff Bay
CF99 1SN

Dear Chair,

Thank you for your response to my previous correspondence regarding the rates refund received by the Commission in December.

In relation to your enquiry about the calculation of the £644,000 figure, this sum was determined following a review of the Estates' Forward Maintenance Register, to identify projects scheduled for the next two to three years pertaining solely to the Senedd building. The intention is to approve expenditure now where it may alleviate future budgetary pressures.

The projects identified for prioritisation are as follows:

Replacement of the remaining lights in Senedd with LED	£150,000*
Senedd lift upgrades (Lift 3 – Neuadd / Oriel public lift)	£164,000*
Senedd lift upgrades (Lifts 1 & 2 – external lifts)	£330,000*
Total	£644,000

*cost estimates provided by the Commission's professional estates advisers

As noted, two of the proposed projects were anticipated for the current year's programme, whilst the third was originally planned for 2026–27. Given the substantial upgrades recently undertaken in the Siambr for the new Senedd, it is considered timely to also advance these works prior to the commencement of the new term. As previously discussed with the Committee, the Commission's Project Fund is consistently over-subscribed at the start of each financial year, necessitating the prioritisation and phased delivery of projects so that the Fund can be managed responsively and effectively, maximising value and accommodating emerging priorities. For 2025–26, the total value of submitted, worked-up projects was £4.903 million, set against a Fund of £2.5 million.

This approach to managing the Project Fund has been particularly pertinent in recent weeks, following several failures in the broadcasting infrastructure which disrupted committee proceedings. Three business cases have now been presented directly as a result of these broadcast issues, amounting to £270,000, all originally scheduled for 2026–27. The 2026–27 Project Fund is also over-subscribed, with indicative project values of £4.4 million and an available fund of £2 million.



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The Commission's intention is to return the balance of the refund to the WCF by treating the funds received as 'drawdown' and consequently reducing the amount drawn for the year. This will not affect the overall cash requirement or the total resource requirement for the year; it simply alters the method of receipt. The refund will be noted in the Supplementary Budget, with no consequential changes to the financial figures.

Once the new charge for office rates is confirmed, the 2026–27 budget will be updated through a supplementary budget.

Should you require any further detail or clarification, please do not hesitate to contact me.

Yours sincerely,



Manon Antoniazzi

Prif Weithredwr a Chlerc y Senedd / Chief Executive and Clerk of the Senedd

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.



15 January 2026

Peredur Owen Griffiths AS
Chair of Finance Committee
Welsh Parliament
Tŷ Hywel
Cardiff Bay
CF99 1SN

Dear Chair,

I wrote to you in response to your letter of 11 December 2025 providing further information on the treatment of the rates refund recently received by the Commission. I am writing to provide a further update to you on the Second Supplementary Budget, specifically the accounting treatment for this cash rebate.

The Commission engaged with Welsh Government early in the process to confirm how the monies could be returned to the Welsh Consolidated Fund and had confirmation that the proposed approach was sound. This approach was outlined in my letter dated 8 December 2025, whereby the Commission would reduce the amount of cash drawn down so that the total quantum of cash received remained the same, but the method of receipt was part 'drawdown' and part 'refund'.

However, when Welsh Government has tried to apply the changes through the budget in practice, it has become clearer that, whilst it is a perfectly proper accounting treatment (hence the initial position), a transfer of cash between the Commission and the Welsh Consolidated Fund would not reflect the refund in a way which would make the money available to the wider public sector.

To that end, the numbers in the Second Supplementary Budget have been updated to reflect a reduction in both the cash and resource required for the year. This is so that the monies can properly be recognised.

For assurance, the Commission has not changed its position in terms of the amount being returned; this is a technical accounting adjustment, to be able to properly recognise the amount in budgetary terms, only.

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The changes are reflected in the Explanatory Memorandum that the Committee will consider in January.

If you need any further clarification, I will be happy to provide it.

Yours sincerely,

Manon Antoniazzi

Manon Antoniazzi

Prif Weithredwr a Chlerc y Senedd / Chief Executive and Clerk of the Senedd

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.



Agenda Item 7

By virtue of paragraph(s) ix of Standing Order 17.42

Document is Restricted

Fee Scheme 2026-27

January 2026

This is a fee scheme prepared by the Wales Audit Office under section 24 of the Public Audit (Wales) Act 2013.

This fee scheme is laid before the Senedd under section 24(4)(c) of the Public Audit (Wales) Act 2013.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

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Adrian Crompton
Auditor General for Wales



Dr Ian Rees
Chair, Wales Audit Office

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Introduction

- 1 This Fee Scheme has been prepared under section 24 of the Public Audit (Wales) Act 2013 (the Act) (**Appendix 1**). The Fee Scheme, following approval by the Senedd, provides the basis on which we charge fees.
- 2 This Fee Scheme sets out:
 - the enactments under which we charge audit fees (**Appendix 2**); and
 - the arrangements for setting those fees, which comprise either:
 - fee scales that set out fee ranges for particular areas of audit work in local government; or
 - fee rates for work not covered by fee scales.
- 3 Broadly, 64% of our expenditure is funded through fees charged to audited bodies. The remaining 36% is provided from the Welsh Consolidated Fund through the budget motion passed by the Senedd.
- 4 Legislation requires that the fees we charge a body **may not exceed** the full cost of exercising at that body the function to which the fee relates. We set our audit fees based on our estimated cost base, the estimated skills mix for audit work and the estimated number of days required to complete the work. We do not and cannot make profits on our work. Our fee rates are set at a level to recover the estimated full cost but no more.
- 5 There is a tension between providing audited bodies with an up-front fee for the work to be undertaken on specific audits and having a sufficiently flexible regime that recognises the inevitability of variances. We set our audit fees based on our estimated expenditure, the estimated skills mix and the estimated number of days required to complete the work. Where the required work is significantly greater than that originally estimated, because of complexities experienced during the audit, we may charge a higher fee, as permitted by legislation.
- 6 As set out in our consultation on proposed fees in September 2025, you will remember that for 2025-26 we identified efficiencies which allowed us to increase our fee rates by less than 1.7% despite facing inflationary pressures on our cost base, amplified by fierce competition for public sector auditors, and ever-increasing quality demands. At the same time, our review of the new ISA315 audit approach allowed us to reduce our actual fees for the audit of accounts by an average of 3%.

- 7 For 2026-27, we are having to increase our fee rates by an average of 5.3% to meet that same combination of inflationary pressures on our cost base and quality expectations. For a large unitary authority with a turnover of £1 billion, this will translate into a cash increase in our typical audit fee of just £14,000. For a smaller body, such as a Fire and Rescue Authority, the increase equates to around £2,000.
- 8 Taken together, our fee rates over the two financial years – 2025-26 and 2026-27 – will have increased by 7.1%. The efficiencies that we have driven in our work mean that, despite this increase in fee rates, the average fee for our audit of accounts work will have increased by just over 2% over that two-year period.
- 9 A recent report by the [Audit Reform Lab](#) discusses the breakdown of public audit in England and the significant costs associated with this. The report shows that public audit in Wales is in a much better and more cost-effective position.
- 10 We are acutely aware of the pressures facing the bodies that we audit and have challenged our operating model to ensure that our audit fees continue to provide value for money, whilst continuing to invest in audit quality, which is central to all decisions we make.
- 11 The actual fee that any individual audited body will pay depends not just on our fee rates but on the quantum of work and the skill mix required
- 12 We went beyond the statutory fee consultation requirements and, in September 2025, consulted all audited bodies and other stakeholders on our proposed fee rates and fee scales for 2026-27.
- 13 We received 17 responses of which 10 expressed concerns about the above-inflation increase in fee rates for 2026-27. The Auditor General has written to all respondees to explain the reasons for this increase and what we are doing to mitigate the impact on audit fees.
- 14 The Board has reflected on these responses and has responded by identifying further efficiencies, to reduce the proposed increase to an average of 5.3%.
- 15 Our fees in Wales must also be considered against the position in England where the PSAA¹ announced fee increases of 151% for the audit of 2023-24 accounts followed by 9.5% increases for 2024-25 and recently announced a 4% increase for 2025-26.

Fee rates and fee scales

Fee rates 2026-27

1 Our proposed fee rates for 2026-27 are set out in **Exhibit 1**.

Exhibit 1: proposed fee rates 2026-27

Grade	Rate (£ per hour) 2026-27	Rate (£ per hour) 2025-26
Audit Director	187	183
Audit Manager	144	141
Audit Lead	118	115
Senior Auditor	95	91
Auditor	72	66
Graduate trainee	63	59
Apprentice	49	47

2 We plan to continue to provide access to the National Fraud Initiative on a free-of-charge basis.

Local Government Fee scales 2026-27

- 3 Fee scales are a means of regulating the cost of public audit, through setting limits and by reviewing fees against those limits. Fee scales also provide a framework for auditors to assess the amount of annual audit work necessary and the fee to be charged for that work at a particular audited body.
- 4 Fee scales for the audit of 2025-26 financial accounts, together with fee-funded performance audit work to be undertaken in 2026-27, are provided in **Appendix 3** in relation to unitary authorities, fire and rescue authorities, national park authorities, police and crime commissioners, chief constables, town and community councils, and local government pension funds.
- 5 A separate fee scale is provided in relation to the NFI.
- 6 Performance audit includes sustainable development examinations, improvement information audits, improvement assessments and special inspections. Not all these functions apply to all types of audited body.
- 7 Audited bodies not covered by the statutory requirement for a fee scale have their estimated audit fees calculated in the same way as for those which are covered – that is, through applying the fee rates published in this Fee Scheme to the estimated team mix and hours of input required for the audit.
- 8 Auditors undertake grant certification work on behalf of the Auditor General. The amount of grant certification work undertaken in any year is dependent on the number of schemes subject to audit and the number of audited bodies participating in those schemes. Charges for this work are calculated using the fee rates and reflecting the size, complexity or any particular issues in respect of the grant in question.
- 9 The fee rates apply to all audit work except to the extent that the fee scales, where applicable, regulate the amount to be charged (or in the case of work done under agreements made prior to 1 April 2014, rates are in terms as agreed). If it subsequently appears that the work involved in a particular audit differs substantially from that originally envisaged, we may charge a fee which differs from that originally notified.

- 10 In the case of the provision of other administrative, professional or technical services provided, fees will be charged in accordance with the relevant agreement, subject to such amounts being capped at the full cost of providing the service.
- 11 To meet statutory responsibilities, it is sometimes necessary for auditors to carry out work which goes beyond their general duties. Additional work can include reports in the public interest, extraordinary audit, special inspections and further work in relation to electors' questions and objections, and the prevention of unlawful expenditure. Charges for this type of work will reflect the nature of the work required and are calculated by applying the fee rates published in this Fee Scheme to the team mix and hours of input required for the work.
- 12 Where specialist support or legal or other professional advice is required, this will be charged to audited bodies in addition to the cost of our audit staff.

Charging of fees

- 13 Each body's Engagement Director will explain the skills mix needed for the audit and the factors influencing the overall fee. Charging arrangements are agreed with audited bodies and may encompass one-off, periodic, regular or annual charging, as appropriate in the circumstances.
- 14 Audited bodies are expected to pay our invoices within their performance target for creditor payments, which is usually ten days. We may charge for the administrative costs incurred in pursuing late payments.
- 15 If required by audited bodies, a purchase order for the agreed audit fee should be raised in advance of invoices being sent.
- 16 On completion of audit assignments, we will assess the actual costs incurred in undertaking the assignment in comparison with the fee charged. We will refund any excess of fee over cost and, conversely, we may charge additional costs where the fee falls short. We will process refunds and additional charges in a manner which seeks to minimise administrative costs, such as through offsetting against future fees or fees for other aspects of audit activity.



Appendices

- 1 Public Audit (Wales) Act 2013 – full text of section 24**
- 2 List of enactments under which Audit Wales may and must charge fees**
- 3 Fee scales from 1 April 2026**

1 Public Audit (Wales) Act 2013 – full text of section 24

- (1) The Wales Audit Office must prepare a scheme relating to the charging of fees by the Wales Audit Office.
- (2) The scheme must include the following:
 - (a) a list of the enactments under which the Wales Audit Office may charge a fee;
 - (b) where those enactments make provision for the Wales Audit Office to prescribe a scale or scales of fees, that scale or those scales;
 - (c) where those enactments make provision for the Wales Audit Office to prescribe an amount to be charged, that amount;
 - (d) where no provision is made for a scale or scales of fees or for an amount to be prescribed, the means by which the Wales Audit Office is to calculate the fee.
- (3) The scheme may, amongst other things:
 - (a) include different provision for different cases or classes of case; and
 - (b) provide for times at which, and the manner in which, payments are to be made.
- (4) The WAO:
 - (a) must review the scheme at least once in every calendar year;
 - (b) may revise or remake the scheme at any time; and
 - (c) must lay the scheme (and any revision to it) before the National Assembly^[2].

2 The extant legislation refers to the 'National Assembly' despite the change in name to 'Y Senedd/The Welsh Parliament'.

- (5) Where the Welsh Ministers prescribe a scale or scales of fees under:
 - (a) section 64F of the Public Audit (Wales) Act 2004 (fees for data matching); or
 - (b) section 27A of the Local Government (Wales) Measure 2009 (Welsh Ministers' power to prescribe a scale of fees) to have effect instead of a scale or scales prescribed by the Wales Audit Office, the Wales Audit Office must revise the scheme to include the scale or scales prescribed by the Welsh Ministers instead of those prescribed by the Wales Audit Office.
- (6) If a revision made in accordance with subsection (5) is the only revision to a scheme, it does not require the approval of the National Assembly.
- (7) The scheme takes effect when approved by the National Assembly or, in the case of a revision made in accordance with subsection (5), once it has been laid before the Assembly.
- (8) The Wales Audit Office must publish the scheme (and any revision to it) as soon as reasonably practicable after it takes effect.

2 List of enactments under which Audit Wales may and must charge fees

Nature of work	Enactments
The Wales Audit Office may charge fees for the following activities	
Audit of accounts by the Auditor General (other than local government accounts).	Section 23(2) Public Audit (Wales) Act 2013
Value for money studies undertaken by agreement (except educational institutions and local government bodies—see below).	Section 23(3)(a), (b) and (c) Public Audit (Wales) Act 2013
An examination, certification or report under section 31 of the Tax Collection and Management (Wales) Act 2016 in respect of the Welsh Revenue Authority's Tax Statement.	Section 23 (3)(ba) Public Audit Wales Act 2013
An examination under section 15 of the Well-being of Future Generations (Wales) Act 2015 (anaw 2) (examinations of public bodies for the purposes of assessing the extent to which a body has acted in accordance with the sustainable development principle).	Section 23(3)(ca) Public Audit (Wales) Act 2013
Any functions of a relevant authority exercised by the Wales Audit Office or the Auditor General and undertaken by agreement, and any administrative, professional or technical services to be provided by the Wales Audit Office or the Auditor General by arrangement under section 19 of the Public Audit (Wales) Act 2013.	Section 23(3)(d) Public Audit (Wales) Act 2013
An extraordinary audit of the accounts of a local government body.	Section 37(8) of the Public Audit (Wales) Act 2004

Nature of work	Enactments
Advice and assistance provided by the Auditor General for registered social landlords.	Section 145D(2) of the Government of Wales Act 1998 Terms of payment may only be made in accordance with a scheme for charging fees under s24 of the Public Audit Wales Act 2013
The Wales Audit Office must prescribe fee scales for the following activities	
Audit of accounts of local government bodies	Section 20(A1)(a) of the Public Audit (Wales) Act 2004
Assistance to HM Chief Inspector of Education and Training Wales	Section 41A(6) of the Education Act 1997
Studies relating to Registered Social Landlords (housing associations)	Section 145C(3) of the Government of Wales Act 1998
Studies at request of local government bodies	Section 20(A1)(b) of the Public Audit (Wales) Act 2004
Benefit administration studies for the Secretary of State	Section 45(7) of the Public Audit (Wales) Act 2004
Grant certification services	Section 23(4)(a) Public Audit (Wales) Act 2013
Studies at the request of educational bodies	Section 23(4)(b) Public Audit (Wales) Act 2013
Improvement information audits, improvement assessments and special inspections of Welsh Improvement Authorities	Section 27 of the Local Government (Wales) Measure 2009
Special inspections of principal councils	Section 101 of the Local Government & Elections (Wales) Act 2021

3 Fee scales from 1 April 2026

Fee scales for work undertaken under the National Fraud Initiative (data matching)

- 17 The Auditor General conducts the NFI using his statutory data-matching powers under Part 3A of the Public Audit (Wales) Act 2004.
- 18 The NFI matches data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. The NFI has been a highly effective tool in detecting and preventing fraud and overpayments.
- 19 Our recent biennial report identified outcomes valued at £7.1 million across Wales's public services, increasing cumulative outcomes to £56.5 million since 1996.
- 20 Since April 2015, the Senedd has met the costs of running the NFI through payment from the Welsh Consolidated Fund. This is intended to encourage participation of organisations on a voluntary basis and to simplify arrangements for mandated participants. As required by legislation, the fees for mandatory participants are shown in **Exhibit 2**.

Exhibit 2: NFI fees

	Fee 2026-27
Unitary authority; police and crime commissioners and chief constables; fire and rescue authorities; NHS trusts; local health boards	Nil
Voluntary participants	Nil
All participants may also be provided with access to the NFI Application Checker (App Check).	Nil

Fee scales for Local Government bodies

Unitary authorities

Exhibit 3: fee scale for the audit of 2025-26 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
100	146	172	198	166
200	176	207	238	200
300	196	230	265	222
400	211	249	286	240
500	224	264	303	255
600	235	277	319	267
700	245	289	332	279
800	254	299	344	289
900	262	309	355	298
1,000	270	317	365	306
1,100	277	325	374	315
1,200	283	333	383	322

Exhibit 4: fee scale for 2026-27 performance audit work

All unitary authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	114	121	137	118

Local Government Pension Funds

Exhibit 5: fee scale for audit of 2025-26 accounts

All pension funds	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	44	58	61	56

Fire and Rescue Authorities

Exhibit 6: fee scale for audit of 2025-26 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
20	43	50	58	49
40	52	61	70	59
60	57	68	78	65
80	62	73	84	70
100	66	77	89	75

Exhibit 7: fee scale for 2026-27 performance audit work

All fire and rescue authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	20	21	24	18

National Park Authorities

Exhibit 8: fee scale for audit of 2025-26 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
2	27	31	36	30
4	32	38	43	36
6	36	42	48	40
8	38	45	52	44
10	41	48	55	46

Exhibit 9: fee scale for 2026-27 performance audit work

All national park authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	22	24	27	23

Police and Crime Commissioners

- 21 Auditors undertake audits of two statutory bodies in a police area – the Police and Crime Commissioners (PCCs) and the Chief Constables (CCs). The split of the total fee between the two bodies in a particular police area will be a matter for auditors to determine, based on accounting requirements and the operational arrangements put in place by each of the bodies.

Exhibit 10: fee scale for audit of 2025-26 accounts

Combined Gross Expenditure of PCC and CC £ million	Combined fee range for PCCs and CCs			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
50	74	85	96	82
100	87	100	114	97
150	96	111	126	107
200	103	119	136	115
250	108	126	144	122
300	113	132	150	127
350	118	137	156	132

Town and community councils with annual income or expenditure under £2.5 million

- 22 Town and community councils in Wales are subject to a limited assurance audit regime. The audit arrangements are made to discharge the Auditor General's duties under the Public Audit (Wales) Act 2004. The audit is not commissioned by individual councils.
- 23 In October 2020, the Auditor General published a [paper](#) setting out how these audits will be carried out on a three-year cycle as set out in **Exhibit 11**.

Exhibit 11: three-year audit cycle for town and community councils

	Group A	Group B	Group C
2024-25 audits	Full audit	Basic audit	Basic audit
2025-26 audits	Basic audit	Full audit	Basic audit
2026-27 audits	Basic audit	Basic audit	Full audit

- 24 Charges for this work are based on time taken to the complete the audit at fee rate charges as set out in **Exhibit 1** on page 6.
- 25 **Exhibit 12** provides a range of fees for differing sizes of councils as measured by income and expenditure. These updated ranges take into account Audit Wales' experience of fees arising from the 2021-22 to 2024-25 audits.

Exhibit 12: estimated time charges for the audit of 2025-26 accounts of town and community councils

	Band 1 (<£10k)	Band 2 (<£25k)	Band 3 (<£50k)	Band 4 (<£100k)	Band 5 (<£500k)	Band 6 (>£500k)
Full audit	£400-£780	£420-£820	£500-£900	£600-£1,100	£900-£1,400	£1,000-£3,600
Transaction audit	£200-£260	£200-£260	£200-£260	£220-£300	£220-£300	£240-£320

Fee rates for other work in local government

- 26 Other than those types of bodies for which fee scales have been prescribed as shown above, there are a small number of other types of local government body where our prescription of the fee scale is a matter of converting the resource requirements into fees directly based on the costs of delivering the work or by applying the fee rates as set out in **Exhibit 1**. This will include audits of Corporate Joint Committees. It remains the case that for audits of these bodies, we apply a zero-based approach to audit planning.

- 27 For all types of local government body, to meet his statutory responsibilities, it is sometimes necessary for the Auditor General to carry out work which goes beyond general duties (those set out in section 17 of the Public Audit (Wales) Act 2004 and in section 15 of the Well-being of Future Generations (Wales) Act 2015). Additional work can include reports in the public interest, extraordinary audit, special inspections and further work in relation to elector challenge and the prevention of unlawful expenditure. Charges for this type of work will reflect the nature of the work required.
- 28 Auditors may also undertake grant certification work at local government bodies on behalf of the Auditor General. The amount of grant certification work undertaken in any year is dependent on the number of schemes subject to audit and the number of audited bodies participating in those schemes. Charges for this work are made on a per-hour basis and reflect the size, complexity and/or any issues in respect of the grant in question as set out in **Exhibit 13**.

Exhibit 13: estimates of the relative proportions of audit staff grades to be used for different types of grants work

Grade of staff	Complex grants staff mix %	All other grants staff mix %
Engagement director	1 to 2	0 to 1
Audit Manager	4 to 6	1 to 2
Audit Lead	18 to 21	12 to 16
Auditor/graduate trainee/ apprentice	71 to 77	81 to 87

- 29 Complex grants include:
 - BEN01 Housing and council tax benefits scheme
 - LA01 National non-domestic rates return
 - PEN05 Teachers’ pensions return



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

We welcome correspondence and telephone calls in Welsh and English.

Agenda Item 9

By virtue of paragraph(s) ix of Standing Order 17.42

Document is Restricted