



# **Culture, Communications, Welsh Language, Sport, and International Relations Committee**

## **Evidence paper on Draft Budget 2026-27 – Welsh Language Budgets**

This paper provides information to the Culture, Communications, Welsh Language, Sport and International Relations (CCWLSIR) Committee on budget allocations relevant to the Welsh language in proposals outlined in the detailed Draft Budget 2026-27 (stage 2) published on 3 November. It also provides an update on specific areas of interest to the Committee.

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## 1. Commentary on Actions and detail of Budget Expenditure Line (BEL) allocations

The table below summarises the 2026-27 draft budget allocations as relevant to Welsh language policy.

Table 1 Cymraeg 2050 budget allocations 2026-27

Budgets Relating to the Welsh Language – Summary	2026-27					
	2025-26 Final Budget (Feb 2025)	Baseline Adjustments	Revised Baseline	Additional Allocations	Other Changes	Draft Budget (Oct 2025)
£000s						
<b>Central Services &amp; Administration (CSA) MEG</b>						
Fiscal resource (revenue)	41,806	78	41,884	845	80	42,809
Non-Fiscal resource (non-cash)	138	0	138	0	0	138
<b>Resource Total - CSA MEG</b>	<b>41,944</b>	<b>78</b>	<b>42,022</b>	<b>845</b>	<b>80</b>	<b>42,947</b>
<b>Education MEG</b>						
Fiscal resource (revenue)	15,190	0	15,190	700	-2,426 <sup>1</sup>	13,464
<b>Resource Total - Education MEG</b>	<b>15,190</b>	<b>0</b>	<b>15,190</b>	<b>700</b>	<b>-2,426</b>	<b>13,464</b>
<b>Total Resource - Cymraeg 2050</b>	<b>57,134</b>	<b>78</b>	<b>57,212</b>	<b>1,545</b>	<b>-2,346</b>	<b>56,411</b>
<b>Central Services &amp; Administration (CSA) MEG</b>						
Capital	50	0	50	0	0	50
<b>Total Capital - CSA MEG</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>50</b>
<b>Total - Cymraeg 2050</b>	<b>57,184</b>	<b>78</b>	<b>57,262</b>	<b>1,545</b>	<b>-2,346</b>	<b>56,461</b>

This information is consistent with the budgets presented to the Committee last year, with budget lines split across two Main Expenditure Groups (MEGs): the Education MEG (Welsh in Education and Cymraeg 2050 (LAEG) BELs) and the Central Services and Administration (CSA) MEG (Welsh Language and Welsh Language Commissioner BELs). Whilst excluded from the *Cymraeg 2050* budgets presented above, it is recognised that other BELs within the Education MEG (including the Education Infrastructure, Teacher Development and Support and Curriculum and Assessment BELs) and BELs across other Ministerial portfolios also support Welsh language policy delivery (see 'Other information' section).

The total indicative budget for *Cymraeg 2050* as presented above stands at **£56.461m** for 2026-27, which includes fiscal resource (revenue) of £56.273m, non-fiscal resource (non-cash) of £0.138m and capital of £0.05m. Across both MEGs, this represents a decrease of £0.8m on resource (-1.4%), however this decrease is impacted by the administrative transfer of £2.4m for Adnodd within the Education MEG. Funding has been transferred from the Welsh in Education BEL to the

<sup>1</sup> This is not a reduction in funding but an administrative transfer of the Adnodd budget from the Welsh in Education BEL to the Curriculum and Assessment BEL of the Education MEG following the transfer of the sponsorship management role for Adnodd from 1 April 2025.

Curriculum & Assessment BEL to reflect the Curriculum and Assessment Division taking on the Adnodd partnership management role from 1 April 2025.

Excluding this transfer, there has been an increase to *Cymraeg 2050* budgets of £1.6m, a 2.8% increase when compared to the revised baseline. This includes an inflationary increase of £0.845m (2%) on revenue for the CSA MEG, and a £0.7m (4.6%) increase to the Education MEG (*Cymraeg 2050* LAEG BEL) specifically in relation to recurrent funding for Welsh immersion provision.

As requested by the Committee, a detailed breakdown of 2026-27 draft budget allocations, together with 2024-25 final outturn and 2025-26 forecast outturn (as at Period 5) by MEG, Action and BEL is attached at [Annex A](#).

The revised baseline used for the 2026-27 Draft Budget uses the 2025-26 Final Budget as the starting point, adjusting for recurring funding provided to support increases to public sector pay in 2025-26 and to support with increases in employers' National Insurance Contributions from April 2025. This has resulted in baseline changes totalling £0.078m across the Welsh Language and the Welsh Language Commissioner BELs.

### Welsh Language BEL

The purpose of the Welsh Language BEL (within the CSA MEG) is to support the delivery of *Cymraeg 2050* in relation to Theme 2 and 3 of *Cymraeg 2050* – to increase language use and to secure the best conditions and infrastructure to deliver the strategy. The indicative resource budget for the Welsh Language BEL is **£39.334m** in 2026-27. This represents a cash increase of £0.85m (2.21%) in 2026-27 when compared to the revised baseline.

In addition to the inflationary uplift to the BEL of £0.772m (2%), £0.08m of this increase relates to a recurrent transfer from the Education MEG for the Welsh Language in Patagonia Project from 2026-27 onwards. The project places teachers in Patagonia to teach Welsh in local schools and the local community, supports a network of Patagonian Welsh tutors, creates opportunities to use the language within the community and develops links to Wales.

We need the collective support of our partners to achieve our *Cymraeg 2050* goals. This inflationary uplift builds on the £4.6m (13.4%) increase to this BEL in 2025-26, which provided support to the Welsh language sector.

The funding in this BEL support activities to deliver *Cymraeg 2050*, including funding for key stakeholders to:

- deliver Welsh language training through the National Centre for Learning Welsh (NCLW);
- create opportunities to train and study in Welsh in the tertiary sector through the Coleg Cymraeg Cenedlaethol;
- increase language use through Eisteddfod Genedlaethol Cymru and Urdd Gobaith Cymru;

- increase the use of Welsh, through grants to key partners including: the network of Mentrau Iaith and Papurau Bro (Welsh-medium community newspapers); Merched y Wawr; Cymdeithas Eisteddfodau Cymru; Cymdeithas Cyfieithwyr Cymru; and the Wales Federation of Young Farmers Clubs;
- Cymraeg i Blant (Cymraeg for Kids) via Mudiad Meithrin to support parents, prospective parents and other family members in using Welsh at home, transmit Welsh to their children, and to support children's linguistic development in a social and educational context;
- deliver our Welsh language technology priorities;
- national activities related to the Siarter Iaith which supports and promotes the informal use of Welsh amongst school-age children;
- support the Welsh Language Communities Housing Plan; and
- undertake research, evaluation and marketing in respect of the strategy.

### Welsh Language Commissioner BEL

This budget (within the CSA MEG) supports the Welsh Language Commissioner, with further detail provided in the 'Welsh Language Commissioner' section.

### Welsh in Education BEL

The Welsh in Education BEL (within the Education MEG) supports delivery of Theme 1 related to Welsh-medium and Welsh language education within *Cymraeg 2050*. The indicative budget for 2026-27 is **£3.991m**, a decrease of £2.426m from the revised baseline. However, this relates to an administrative transfer within the Education MEG for Adnodd (as noted above).

The funding remaining in this BEL supports:

- funding for Mudiad Meithrin to increase Welsh-medium childcare provision as a pathway into Welsh-medium education;
- the continuation of funding for the e-sgol programme; and
- implementation of the 10-year Welsh in Education Strategic Plans (WESPs).

### Cymraeg 2050 (LAEG) BEL

The Cymraeg 2050 (LAEG) BEL was established from 2024-25 as part of our new approach for pre-16 education grants with the creation of the Local Authority Education Grant (LAEG), delivering on our Programme for Government commitment to reduce the administrative burden on local authorities. This strand of the grant combines funding for the Welsh in Education Grant, Professional Learning, late immersion provision and the Siarter Iaith, and will support delivery of the Welsh Language and Education (Wales) Act 2025.

The budget increases by £0.7m to **£9.473m** in 2026-27, due to the allocation of additional funding for Welsh immersion units to support delivery of *Cymraeg 2050* and implementation of the Welsh Language and Education (Wales) Act 2025.

## **2. Other Information**

*An analysis of the impact of an “inflation only” budget on policy delivery and initiatives aimed at meeting Cymraeg 2050 targets.*

The Outline Draft Budget published on 14 October sets out our approach to the 2026-27 Draft Budget which delivers stability and certainty for public services as we approach the end of the Senedd term. The Draft Budget re-states the strong foundations and significant investments made in the 2025-26 Budget which provided additional investment of £4.6m from 2025-26 to support the Welsh language, increasing departmental budgets to reflect inflation forecasts. This ensures continued support to deliver our *Cymraeg 2050* targets and implementation of the Welsh Language and Education (Wales) Act 2025.

*Information on how spending and delivery of the Welsh language portfolio is monitored and evaluated to demonstrate value for money.*

Clarity over how we use our resources effectively is central to delivering the priorities set out in *Cymraeg 2050: A million Welsh speakers* and the Programme for Government. Once expenditure is planned in line with priorities, I have well-established processes in place to ensure that resources are used effectively for the purposes intended. The governance and monitoring procedures in place reflect the nature of our relationships with delivery partners.

Progress against the Cymraeg 2050 Work Programme for 2021 to 2026 is monitored annually through a process which includes the publication of an annual Action Plan at the beginning of the financial year, followed by an Annual Report at the year end to report back on the actions detailed in the Action Plan. Regular reviews to monitor expenditure and outcomes are undertaken to ensure that any available resources are reprioritised to deliver the strategy.

The Welsh Language Partnership Council plays a role in advising on progress towards the 2050 targets and the efficacy of our programmes and interventions. The Cymraeg 2050 Programme Board within the Welsh Government is tasked with assessing risks and identifying steps to mitigate them and mainstreams the strategy in each of the Government’s policy areas.

*Information on allocations (and their location) in your portfolio, as well as allocations in other Ministerial portfolios that directly impact on Welsh language policy delivery and support Cymraeg 2050 targets, such as the Cymraeg 2050 (LAEG). This should include information on how the Cabinet Secretary plans to monitor the impact of spending decisions across ministerial policy areas.*

*Cymraeg 2050* is a cross-government effort that is mainstreamed into all Welsh Government portfolio areas. Expenditure on implementing the strategy is therefore embedded in delivery within many other ministerial portfolios, including health, housing and the early years. As noted in our response to the Committee’s request for further information last year, it is recognised that it is not possible to identify total

spending on the Welsh language across Welsh Government given the intrinsic nature of funding. Cymraeg 2050 officials stay in close contact with colleagues across Government to monitor the impact of spending decisions on *Cymraeg 2050*.

Section 1 outlines further information on allocations within my portfolio (CSA MEG) as well those within the Cabinet Secretary for Education's portfolio (Education MEG) which includes the Cymraeg 2050 (LAEG) BEL. The Cymraeg 2050 (LAEG) BEL is increasing by £0.7m in 2026-27 for immersion provision which directly supports *Cymraeg 2050* targets and implementation of the Welsh Language and Education (Wales) Act 2025.

### ***Commentary on commitments in the Welsh Government's Programme for Government in relation to the Welsh language***

Some of the Programme for Government commitments in relation to Welsh language, for example to create a Welsh Language Communities Housing Plan, are covered separately in this paper. An update on other Programme for Government commitments are outlined below.

- **Streamline the process for implementing Welsh Language Standards**  
A review was carried out following recommendations from the Senedd's Culture, Welsh Language and Communications Committee in 2020 to simplify the process for introducing Welsh Language Standards. These principles are now being applied as we prepare standards for Registered Social Landlords following a consultation on draft Regulations.

In 2024-25, six additional bodies and Special Health Authorities were incorporated into existing standards regulations, rather than creating new bespoke regulations. This streamlined approach benefits the bodies as well as the Welsh Language Commissioner.

The costs for the Welsh Language Commissioner of implementing these regulations will be met from the Commissioner's resource budget. The Regulatory Impact Assessments (RIAs), which will accompany the Statutory Instrument, will outline any financial implications of the regulations on the bodies subject to them.

- **Deliver a phased expansion of early years provision to include all two-year-olds, with particular emphasis on strengthening Welsh medium provision**  
Expanding Welsh-medium provision in the early years as an entry point to Welsh-medium education is one of our main priorities. This is a strong example of cross-government working between the Cymraeg 2050 and Early Years divisions.

*Cymraeg 2050* sets the target to expand early years provision in Welsh by 150 more nursery groups over 10 years. We fund Mudiad Meithrin (through the Welsh in Education BEL) to lead this expansion through its *Sefydlu a Symud*

(Set-up and Succeed/SaS) programme. Now in its eighth year, SaS has already opened or expanded 92 new groups with 19 other projects currently being developed. The programme is set to exceed the target set for this Senedd term of supporting the expansion of 60 Welsh-medium childcare provisions.

The growth of Welsh-medium early years provision through the SaS programme has supported the expansion of Flying Start, with 49 of the supported provisions offering Flying Start.

WG funding has enabled more Welsh-medium settings to offer early education provision in the foundation phase, as well as more Welsh-medium provision to deliver childcare to 2 year olds.

- **Legislate to strengthen and increase our Welsh language education provision**  
The Welsh Language and Education (Wales) Bill that received Royal Assent on 7 July is central to our ambitions of *Cymraeg 2050*. The main aim of the Welsh Language and Education (Wales) Act 2025 is to ensure, by 2050, that all pupils are independent and confident Welsh language users, at least, by the time they reach the end of compulsory school age. This budget provides continued funding for the National Centre for Learning Welsh to deliver Welsh language training and provide opportunities for people to learn and increase their use of the Welsh language, including through the *Cymraeg Gwaith* scheme. It also supports the implementation of the Act, and the costs of establishing the *Athrofa* (the National Institute for Learning Welsh), as a new body responsible for supporting people (of all ages) to learn Welsh.
- **Expand the Pupils Immersion Programme**  
Since 2021, the investment through the late immersion grant has enabled every local authority to offer late immersion provision in their area, with over 9,000 learners benefiting from late immersion programmes. We have also established a network to support immersive education, raising awareness of the various provisions, developments, and best practices across Wales. Through this budget, we are allocating an additional £0.7m into the LAEC from 2026-27 to support Welsh immersion provision.
- **Expand the role of and increase funding to the Coleg Cymraeg Cenedlaethol and the National Centre for Learning Welsh**  
The role of the Coleg has been expanded to cover Further Education, and work-based learning, and Welsh Ministers have designated the Coleg as a statutory advisor to Medr in relation to its duties relating to the Welsh language across the entire tertiary sector. The National Centre has also expanded its role supporting schools and now provides Learn Welsh training to the education workforce. Funding in this budget will provide continued support for both the Coleg and the National Centre for Learning Welsh in 2026-27 (Welsh Language BEL).
- **Introduce a pilot project which will incentivise young Welsh speakers to return from universities to help teach Welsh in schools**

We are funding the Coleg Cymraeg Cenedlaethol to facilitate Cadw Cyswllt ('keep in touch'), a community of Welsh-speaking students studying outside Wales, to inform them about a variety of opportunities such as training, events, resources, jobs, work experience, and research opportunities (see below).

***An outline of funding allocations, across portfolios, for specific commitments connected to the Welsh Language and Education (Wales) Act, including:***

**I. Funding to expand the proportion of the education workforce who can teach and work through the Welsh language;**

Within the Cabinet Secretary for Education's portfolio, the Teacher Development and Support BEL provides funding to implement the 10-year Welsh in education workforce plan. The total funding available in 2026-27 is approximately £8.7m.

Approximately £3.8m will fund initiatives and incentives targeted at increasing the number of Welsh-medium teachers, including:

- continuation of the primary to secondary conversion programme;
- continuation of the capacity development grants to enable schools to develop innovative solutions to address teacher shortages;
- funding to support the viability of Welsh A Level provision in schools and FE Colleges;
- the fourth year of the teacher retention bursary; and
- funding for CYDAG to support collaboration and strategic working across Welsh-medium schools.

Professional learning is a key feature of our approach to strengthening Welsh-medium teaching capacity and supporting practitioners to develop their Welsh language skills in line with the Professional Standards for Teaching and Leadership. We are working with our partners to ensure that practitioners are identified and supported to engage with professional learning to improve the teaching of Welsh in English-medium schools and to support all schools to move along a continuum. This approach will be enhanced by working with Dysgu, the new national professional learning and leadership body.

Funding allocated to the National Centre for Learning Welsh delivers access to free Welsh language lessons to all education practitioners. The Centre is now taking a co-ordinated role in planning the delivery of Welsh language professional learning for the education workforce. Based on a full scoping exercise, working with all local authorities to understand needs at a local level, the Centre has now developed a plan for new delivery models, including school-based support, residential courses, tutor-led online courses and professional learning resources. £1.1m will be allocated from the Teacher Development and Support BEL in 2026-27 to support this work.

The Centre will be managing the intensive courses available, on a range of levels for teaching assistants and teachers, through the Sabbatical Scheme alongside the other courses being developed for the education workforce. Approximately £3.8m will be allocated within the Teacher Development and Support BEL in 2026-27 to

the Sabbatical Scheme. Much of this budget funds the supply costs related with releasing practitioners from schools to undertake the courses, with approximately £1.3m funding the Centre to deliver intensive Welsh language professional learning, and professional learning on language teaching methodology, for practitioners.

The Coleg Cymraeg Cenedlaethol will continue to allocate £0.150m from their grant (Welsh Language BEL) in 2026-27 to develop two specific projects to continue to:

- deliver the Dysgu'r Dyfodol project to provide mentoring for undergraduate learners to support them to prepare for ITE through the medium of Welsh; and
- develop the Cadw Cyswllt network to engage with Welsh-speaking graduates studying in England and promote opportunities for them to return to Wales to prepare to teach.

A further £5.9m will be allocated to local authorities as part of the *Cymraeg 2050* strand of the LAEG to support the delivery of local authority Welsh in Education Strategic Plans (WESPs) and the ambitions of the Welsh Language and Education (Wales) Act 2025. This funding includes £1.4m for professional learning and £4.5m for the Welsh in Education Grant (WEG), which was re-established in 2023-24 following discussions with local authorities. With 30% match funding from local authorities, the total value of the WEG is £5.85m.

Considering the requirements of the 2025 Act, and the development of the Strategic Education Workforce Plan, we will be working closely with stakeholders to consider what further actions can be taken. We will also be working to prepare a National Framework setting out the steps Welsh Ministers will take to ensure that training, professional development and support is available for education practitioners in Wales to improve ability in Welsh.

## **II. Establishing the Athrofa.**

The National Centre for Learning Welsh (“the Centre”) currently undertakes some of the functions that will be carried out by the Athrofa from August 2027. The Centre is funded through an annual grant from the Welsh Government (Welsh Language BEL) and was established following a competitive grant process in 2016 as a limited company under guarantee; and wholly owned by the University of Wales Trinity Saint David. The current grant arrangement for the Centre will come to an end on 31 July 2027.

Work is underway to establish the Athrofa by 1 August 2027 in accordance with the Welsh Language and Education (Wales) Act 2025, with costs outlined in the published RIA when the legislation was introduced. An element of the inflationary uplift to the Welsh Language BEL will be used to support the establishment of the Athrofa.

### 3. Specific Areas

*A breakdown of grant allocations from the Welsh Language BEL for 2026-27 for all organisations that receive grant funding to promote and support the Welsh language.*

The review of the grant scheme to promote and facilitate the use of the Welsh language, provided insights into the grant processes currently in place in the Cymraeg 2050 Division. Consideration of the findings and recommendations of the review is ongoing. The review highlighted the need for a longer-term duration of funding. Currently, grants are allocated annually, and work has been undertaken in 2025-26 to consider extending grant allocations for up to three years.

As a result of last year's increase to the Welsh Language budget, we allocated a minimum grant uplift of 5% in 2025-26. In addition, some organisations received additional support to help increase their impact on the *Cymraeg 2050* objectives. For example, we provided a minimum grant allocation of £0.1m to the mentrau iaith to ensure they have the necessary staffing structures to support the use of the language at a community level. For 2026-27, the 2% inflationary uplift to the Welsh Language BEL will be used to reinforce the delivery of *Cymraeg 2050* objectives.

*An analysis of take-up and expenditure on the Iaith Athrawon Yfory scheme since it was established, as well as other schemes to incentivise people to enter the Welsh-medium teaching profession.*

The Iaith Athrawon Yfory incentive scheme provides a £5,000 grant to students who undertake an eligible secondary postgraduate initial teacher education (ITE) programme enabling them to teach through the medium of Welsh. The scheme is available to both full-time and part-time students (salaried PGCE students are not eligible for the incentive schemes). The incentive payments totalling £5,000 is made in two instalments:

- £2,500 on successful completion of an eligible PGCE and the award of QTS.
- £2,500 on successful completion of induction in Wales (in a Welsh-medium secondary school or in any maintained secondary school if teaching Welsh as a subject).

The table below provides a summary of claimants and expenditure to date (correct as of 11 September 2025).

*Table 2: Iaith Athrawon Yfory incentive scheme expenditure*

Academic Year	QTS Payment instalment Claimants	Induction Payment instalment Claimants	Spend to date
AY2018/19	60	45	£140,000
AY2019/20	95	80*	£435,000*
AY2020/21	130	110*	£597,500*
AY2021/22	105	85*	£470,000*
AY2022/23	75	60*	£342,500*

AY2023/24	85	40*	£307,500*
AY2024/25	80	n/a	£195,000*
<b>Total Claimants</b>	<b>630</b>	<b>Total spend to date</b>	<b>£2,487,500</b>

Source: Welsh Government grant management information

Table notes:

- Claimant numbers rounded to the nearest 5.
- Only claimants who received a QTS payment instalment are eligible for the Induction payment instalment. In addition, to be eligible for the induction payment instalment, the teacher should have completed their statutory induction period working in a Welsh-medium or bilingual setting or in teaching Welsh as a subject in an English-medium setting.
- \* denotes that this figure is subject to change as the deadline for claiming the induction instalment has not passed (correct as of 11<sup>th</sup> September 2025)
- QTS Payment instalment indicates those eligible to claim the first payment and not those registered on the scheme

The Priority Subject incentive scheme provides a £15,000 grant to students who study on a postgraduate ITE programme in specific subjects (priority subjects). The priority subjects include Welsh as a subject. The scheme is available to both full-time and part-time students. The incentive payments totalling £15,000 is made in three instalments for full-time students, or four instalments for part-time students paid.

Eligible individuals can avail themselves of each of Welsh Government's incentive schemes. In this academic year (2025/26) and the next academic year 2026/27, a total amount of £25,000 is available to those that meet the requirements of all three schemes:

- Priority Subject Incentive scheme (£15,000)
- Iaith Athrawon Yfory scheme (£5,000)
- Minority Ethnic Incentive scheme (£5,000)

An evaluation of incentives as a recruitment tool is being conducted under the Evaluation of ITE Programmes in Wales, which is expected to report Spring 2026. We are also undertaking a data linking exercise with the Education Workforce Council (EWC) to ascertain the retention rates of persons who received a priority subject incentive. We have received the data set and are finalising the data linking work and expect to publish a report on the findings this autumn. Should this exercise be successful, we will explore conducting it annually and expanding to the Iaith Athrawon Yfory incentive scheme.

***An update on grant allocations in support of the Welsh Language Communities Housing Plan, and an assessment on spend, impact and value of specific grants such as Perthyn for initiatives that support the Welsh language in communities across Wales.***

***To provide details on revenue support provided by the Welsh Government to aid the work of the Commission for Welsh Speaking Communities, and on any funding allocated to implement its Phase 1 recommendations.***

For 2025-26, a budget of £0.560m has been earmarked for the delivery of Perthyn. Cwmpas has been responsible for delivering Perthyn since 2022. We have earmarked funding to Cwmpas to deliver the two elements of Perthyn:

- £0.157m for a bespoke advice and support service to empower communities to develop solutions to the social, economic and linguistic challenges they are

facing. This is done by providing an early-stage advisory service to communities to develop and turn ideas and projects into new social enterprises and community led housing projects.

- £0.4m for the Perthyn grant scheme to provide vital early financial assistance to support communities turn ideas into viable projects. In October 2025, we extended the Perthyn grant scheme to an all-Wales scheme to enable all communities to develop new social enterprises and community led housing projects – where the Welsh language is central to their aims and objectives. Total grant allocations available to each group is £10,000 and to date, a total of 67 small grants have been awarded to support community led enterprises, co-operatives and/or community led housing projects. The Perthyn grant scheme will continue to prioritise support to projects within Welsh-speaking communities with a high number of second homes.

A further £0.210m is available to support other projects within the Welsh Language Communities Housing Plan, including research, an independent evaluation of the plan, the Commission for Welsh-speaking communities, the Cultural Ambassadors and the 'Fair Change Scheme'. In 2026-27, we will continue our evaluation of the Plan and will provide revenue to support the work of the Commission for Welsh-speaking communities and implement its recommendations.

***An update on revenue expenditure on Arfor 2 scheme during 2025-26 and any planned expenditure for 2026-27.***

The ARFOR 2 programme was allocated funding of £11m over the two years to the end of March 2025 (£4m in 2023-24 and £7m in 2024-25) to support a small number of strategic interventions, aimed at supporting the economy and the Welsh language in the four local authority areas of Ynys Môn, Gwynedd, Ceredigion and Carmarthenshire. The programme, allocated as a grant to Gwynedd Council on behalf of the four local authorities, has been delivered via a number of contracted services, as well as some elements of direct delivery via the local authorities themselves.

For the current financial year, £0.5m has been made available to Gwynedd Council on behalf of the four local authority areas to continue with aspects of the ARFOR programme, including the funding of the programme co-ordinator, aspects of the programme concerned with young people (Llwyddo'n Lleol) and to provide a period to "pause and reflect" on the lessons learnt from the ARFOR 1 and 2 programmes, the independent evaluation and to consider learning, best practice and opportunities for mainstreaming. No funding has currently been earmarked for ARFOR beyond this timeframe. However, the above work will be key, building on the work already underway, to inform the most effective ways to mainstream and the broader way forward.

#### **4. Welsh Language Commissioner**

*Allocations and commentary in respect of the budget allocation for the Welsh Language Commissioner in 2026-27, including any additional revenue or capital funding provided.*

In line with the Welsh Government's approach to this draft budget, and to ensure a cross-government approach to funding of our Commissioners, we have uplifted the revenue budget for the Welsh Language Commissioner by 2% (£0.073m) in 2026-27, to provide support for the next round of public sector pay awards. We have also baselined into 2026-27 funding for public sector pay and increased employers' National Insurance Contributions in 2025-26 totalling £0.057m. This provides a total revenue budget for the Commissioner of £3.475m in 2026-27.

There have been no changes to the Commissioner's non-cash or capital budgets for next year, which remain at £0.138m and £0.050m respectively for 2026-27

*Commentary on how the Commissioner's budget estimate for the financial year is reflected in the draft budget.*

There is a statutory requirement on the Welsh Language Commissioner to present a Financial Estimate for the forthcoming financial year by 31 October. The Commissioner submitted a Financial Estimate for 2026-27 to Welsh Ministers on 1 October.

The Commissioner's Estimate includes a requirement of £3.558m revenue funding. This request includes an additional £0.060m for the 2026-27 salary award, based on an assumption of a 2.2% pay deal. This compares to an additional £0.073m revenue funding has been allocated in the 2026-27 draft budget.

The Commissioner has also requested an additional £0.066m to allow her to increase the work undertaken to increase the use of Welsh in workplaces, and £0.030m for programmes. Specific additional funding for these purposes has not been included in the draft budget for 2026-27. However, I am satisfied that the Commissioner has been allocated a sufficient budget to fulfil her statutory duties, and can prioritise activities within the budget.

The Commissioner's Estimate also includes a request for £0.050m capital funding, and £0.132m non-cash (depreciation). The 2026-27 draft budget allocates the Commissioner £0.050m capital funding and £0.138m non-cash (depreciation).

## **5. Capital Expenditure in relation to the Welsh Language**

*Progress on expanding capacity and opening of new Welsh-medium schools, the distribution of the Welsh Medium Capital Grant and progress to date across local authorities in Wales.*

The Welsh Medium Capital Grant is funded from the Education Infrastructure BEL of the Education MEG. Its aim is to increase capacity in Welsh-medium schools, establish new Welsh-medium provision, support late immersion provision as well as support learners of all ages to improve their skills and confidence in Welsh. The grant was established in 2018 to support *Cymraeg 2050* and WESP implementation. Over £128m of Welsh-medium capital funding has been approved to date to increase Welsh-medium education provision across Wales.

There are commitments in the WESPs to open 23 new Welsh-medium schools and expand 25 that already exist. Since 2022, Band B investment and the Welsh Medium Capital Grant have supported 56 projects to increase Welsh-medium provision across Wales, including:

- 17 new schools have opened or been relocated to increase their capacity to accept more learners; and
- 39 projects to expand Welsh-medium provision have been completed which also include some childcare, ALN projects and language centres.

The next phase of the Sustainable Communities for Learning Programme is designed to go hand in hand with the 10-year WESPs. Careful collaboration has taken place with Sustainable Communities for Learning Programme officials to ensure that plans for the 9-year Rolling Programme reflect the requirements and targets of the 10-year WESP. Building on the successful delivery of the Welsh Medium Capital Grant since 2018, a commission was issued on 9 September 2025 to gauge local authority interest in a budget allocation of £15m per annum to support the delivery of further Welsh Medium Capital projects over a three-year period (2026-27 to 2028-29). This grant will be subject to the Cabinet Secretary for Education's approval within existing budgetary constraints. The closing date for the submission of Expressions of Interest is 12 December 2025.

*Details of any other capital expenditure to support and promote the Welsh language.*

Please see section 4 on the Welsh Language Commissioner. Additionally, the Welsh Government will continue to consider ways to support the Welsh language when awarding capital funding. This approach applies across government and all relevant capital funding streams, ensuring that applications are assessed not only against technical and financial criteria, but also for their potential to support broader Welsh Government priorities, including the promotion of the Welsh language. This consideration forms part of the assessment process for many capital grant schemes.

## **6. Summary**

The 2026-27 draft budget allocation as relevant to the Welsh language is presented to the Committee for consideration.

Mark Drakeford MS

Cabinet Secretary for Finance and Welsh Language

## 7. Annex

### Annex A - Budgets relating to the Welsh Language by Action and BEL for 2024-25 (outturn), 2025-26 (forecast outturn) and 2026-27 Resource

Action	BEL Description	2024-25	2025-26			2026-27						
		2024-25 Final Outturn	2025-26 Final Budget (February 2025)	2025-26 1st Supp Budget (June 2025)	Forecast Outturn (Period 5)	2025-26 Final Budget Feb 2025	Baseline changes	Revised Baseline	Transfers to/from other MEGs	Transfers Within MEG	Additional Recurrent Funding since Revised Baseline	Draft Budget Oct 2025
£000s												
<b>Central Services &amp; Administration MEG</b>												
Welsh Language	Welsh Language	34,614	38,461	38,475	38,475	38,461	21	38,482	80	0	772	39,334
	Welsh Language Commissioner	3,240	3,345	3,382	3,382	3,345	57	3,402	0	0	73	3,475
	Welsh Language Commissioner - Non-Cash	125	138	138	138	138	0	138	0	0	0	138
<b>Total Welsh Language BEL (CSA MEG)</b>		<b>37,979</b>	<b>41,944</b>	<b>41,995</b>	<b>41,995</b>	<b>41,944</b>	<b>78</b>	<b>42,022</b>	<b>80</b>	<b>0</b>	<b>845</b>	<b>42,947</b>
<b>Education MEG</b>												
Pre-16 Education LA Support	Cymraeg 2050 (LAEG)	9,882	8,773	8,773	9,475	8,773	0	8,773	0	0	700	9,473
<b>Total Pre-16 Education LA Support BEL (Education MEG)</b>		<b>9,882</b>	<b>8,773</b>	<b>8,773</b>	<b>9,475</b>	<b>8,773</b>	<b>0</b>	<b>8,773</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>9,473</b>
Welsh in Education	Welsh in Education	7,247	6,417	3,991	3,991	6,417	0	6,417	0	-2,426	0	3,991
	Welsh in Education - Non-Cash	4	0	0	0	0	0	0	0	0	0	0
<b>Total Welsh in Education BEL (Education MEG)</b>		<b>7,251</b>	<b>6,417</b>	<b>3,991</b>	<b>3,991</b>	<b>6,417</b>	<b>0</b>	<b>6,417</b>	<b>0</b>	<b>-2,426</b>	<b>0</b>	<b>3,991</b>
<b>TOTAL BUDGETS RELATING TO THE WELSH LANGUAGE</b>		<b>55,112</b>	<b>57,134</b>	<b>54,759</b>	<b>55,461</b>	<b>57,134</b>	<b>78</b>	<b>57,212</b>	<b>80</b>	<b>-2,426</b>	<b>1,545</b>	<b>56,411</b>

## Capital

Action	BEL Description	2024-25	2025-26			2026-27						
		2024-25 Final Outturn	2025-26 Final Budget (February 2025)	2025-26 1st Supp Budget (June 2025)	Forecast Outturn (Period 5)	2025-26 Final Budget Feb 2025	Baseline changes	Revised Baseline	Transfers to/from other MEGs	Transfers Within MEG	Additional Recurrent Funding since Revised Baseline	Draft Budget Oct 2025
£000s												
<b>Central Services &amp; Administration MEG</b>												
Welsh Language	Welsh Language Commissioner	50	50	50	50	50	0	50	0	0	0	50
Total Welsh Language Commissioner BEL (CSA MEG)		50	50	50	50	50	0	50	0	0	0	50
<b>Education MEG</b>												
Welsh in Education	Welsh in Education	5	0	0	0	0	0	0	0	0	0	0
Total Welsh in Education BEL (Education MEG)		5	0	0	0	0	0	0	0	0	0	0
<b>TOTAL BUDGETS RELATING TO THE WELSH LANGUAGE</b>		<b>55</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>