

Chief Executive, Welsh Local Government Association
Chris Llewellyn

17 February 2026

Prioritising Education Within the Final Local Government Settlement

Dear Chris,

I am writing on behalf of the Committee following our recent general scrutiny session on 4 February with the Cabinet Secretary for Education.

During the session, the Cabinet Secretary reiterated her commitment to securing additional core funding for education within the Final Local Government Settlement – an objective she first set out during draft budget scrutiny on 27 November 2025¹. We welcome her confirmation that this had been reflected to a meaningful degree in the final budget, resulting in an additional £112.8 million for local government².

She also explained that, following discussions across Government, the Cabinet Secretary for Housing and Local Government wrote to local authorities on 20 January to underline that this additional investment recognises the financial pressures facing education services and social care.

We welcome this acknowledgement of the challenges schools are facing and of the importance of ensuring they are adequately funded. At a time when public finances remain extremely challenging, we recognise that the additional resource provided through the Revenue Support Grant may not

¹ [CYPE Committee, 27 November 2025, Record of Proceedings, paragraph 35](#)

² [CYPE Committee, 4 February 2026, Record of Proceedings, paragraph 11](#)

meet every pressure. However, we see the improved final settlement as a vital means of enabling local authorities to support schools as far as possible.

Throughout the budget process, we have been very aware of these financial pressures on schools. [Your submission to the Finance Committee's consultation](#) provided a clear account of the financial challenges facing local authorities, including the £137 million gap for 2026-27 and the escalating pressures associated with additional learning needs (ALN). The Cabinet Secretary for Education acknowledged the seriousness of this position during our budget scrutiny session on 27 November. She noted that some local authorities now have ALN on their corporate risk registers³. Her evidence reinforced the need for continued prioritisation of core education services.

Her view - one we share - is that what schools most need is stable, sufficient core funding to deliver their day-to-day work, where the greatest impact is made on children and young people's lives. We realise this fact is not lost on local authorities who are obviously closer to the 'chalk face'. We know that core funding for schools is delivered primarily through the Revenue Support Grant and local authorities decide how to allocate the resources available to them. Against that backdrop, the uplift in core funding presents an important opportunity to continue prioritising education. We want to see this funding reach education services.

We also note that the Cabinet Secretary for Housing and Local Government's letter to local authorities said the settlement "offers a valuable opportunity for local authorities to allocate significant resources to their schools, to focus on the key pressures of Additional Learning Needs (ALN), school transport, workforce, and workload".

In light of this and the Cabinet Secretary for Education's position, we wish to underline the importance of using the additional resources within the settlement to support schools. We fully recognise the difficult financial context in which local authorities are operating and the wide range of responsibilities you must balance, including the other main pressure of social care. Nonetheless, our shared ambition to improve outcomes for children and young people depends on ensuring that the system as a whole can sustain the progress we all want to see.

We therefore hope that local authorities will carefully consider how the uplift in core funding can best support education services, particularly in areas such as ALN, school transport, workforce and workload. With a new Senedd and Welsh Government term approaching, this feels like an important moment for all parts of the system to work closely together. Local authorities are fundamental delivery partners in education. We are keen to ensure that, as responsibility passes to a successor committee in the next Senedd, learners continue to receive the stability and support they need through sufficient funding for schools.

³ [CYPE Committee, 27 November 2025, Record of Proceedings, paragraph 34](#)

We are copying this letter to the Cabinet Secretary for Education, the Cabinet Secretary for Housing and Local Government and the Chair of the Local Government and Housing Committee for their awareness, recognising that this is an important moment to strengthen the foundations of the education system for the years ahead.



Buffy Williams MS

Chair

Children, Young People and Education Committee

Cc

Lynne Neagle MS, Cabinet Secretary for Education

Jayne Bryant MS, Cabinet Secretary for Housing and Local Government

John Griffiths MS, Chair, Local Government and Housing Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.