

Draft Budget 2025 to 2026: evidence to the Senedd Culture, Communications, Welsh Language, Sport, and International Relations Committee

Written evidence by the Cabinet Secretary for Finance and Welsh Language: December 2024

Written evidence by the Minister for Culture, Skills and Social Partnership: December 2024

Written evidence by the Minister for Culture, Skills and Social Partnership: December 2024 - Annex A – BEL Tables – restated

Written evidence by the Minister for Culture, Skills and Social Partnership: December 2024 - Annex B - Explanation of movements at BEL level

Written evidence by the Minister for Culture, Skills and Social Partnership: December 2024 - Annex C – Welsh Screen Fund and Bad Wolf Studios Investment

Written evidence by the First Minister: December 2024



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

Evidence paper on Draft Budget 2025-26 – Welsh Language Budgets

Evidence session: Thursday 16 January 2025 – 9:15-10:45

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 draft Budget 2025-26, published on 10 December 2024. 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 2025-26 draft budget allocations as relevant to Welsh language policy.

Table 1 Cymraeg 2050 budget allocations 2025-26

Budgets Relating to the Welsh Language – Summary	2025-26					
	2024-25 Final Budget Restated (Sept 2024)	Baseline changes	Revised Baseline	Additional Allocations	Other Changes	Draft Budget (Dec 2024)
	£000s					
Central Services & Administration (CSA) MEG						
Fiscal resource (revenue)	37,157	76	37,233	4,596	50	41,879
Non-Fiscal resource (non-cash)	121	0	121	26	-9	138
Resource Total - CSA MEG	37,278	76	37,354	4,622	41	42,017
Education MEG						
Fiscal resource (revenue)	16,211	7	16,218	19	-1,100 ¹	15,137
Resource Total - Education MEG	16,211	7	16,218	19	-1,100	15,137
Total Resource - Cymraeg 2050	53,489	83	53,572	4,641	-1,059	57,154
Central Services & Administration MEG						
Capital	50	0	50	0	0	50
Total Capital - CSA MEG	50	0	50	0	0	50
Total – Cymraeg 2050	53,539	83	53,622	4,641	-1,059	57,204

This information is consistent with the budgets presented to the Committee last year, although budget lines are now split across two 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) following the Cabinet changes announced in September. Whilst excluded from the *Cymraeg 2050* budgets presented above, it is recognised that other BELs within the Education MEG (including the Education Infrastructure BEL and Teacher Development and Support BEL) and BELs across other Ministerial portfolios also support Welsh language policy delivery (see Other information section).

¹ Reflects an administrative transfer to the Teacher Development and Support BEL within the Education MEG to develop and deliver national professional learning for Welsh-medium practitioners and to develop the language skills of all practitioners.

The total indicative budget for *Cymraeg 2050* as presented above stands at **£57.2m** for 2025-26, which includes fiscal resource (revenue) of £57.016m, non-fiscal resource (non-cash) of £0.138m and capital of £0.05m. Across both MEGs, this represents an increase of £3.5m on resource (6.7%), however this increase is impacted by the transfer of £1.1m within the Education MEG (see footnote 1). Taking the CSA MEG alone, there is an increase in resource of nearly £4.7m (12.5% increase) for 2025-26 when compared to the revised baseline for 2025-26.

As requested by the Committee, a detailed breakdown of 2025-26 draft budget allocations, together with 2023-24 final outturn and 2024-25 forecast outturn (as at Period 6) by MEG, Action and BEL is attached at **Annex A**. This confirms the final outturn in 2023-24 for *Cymraeg 2050* budgets within the previous Education and Welsh Language MEG of just under £49m, together with a forecast for this financial year of £54m.

The revised baseline used for the 2025-26 Draft Budget is the 2024-25 Final Budget (restated September 2024) adjusted for recurring baseline adjustments for 2024-25 to support 2024-25 public sector pay award and increases to pension contributions from April 2024 due to a change in rate called Superannuation Contributions Adjusted for Past Experience (SCAPE). This has resulted in baseline changes for 2025-26 for the Welsh Language Commissioner, Adnodd and *Cymraeg 2050* staff.

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 budget for the Welsh Language BEL is **£38.534m** in 2025-26. This represents a cash increase of £4.55m (13.4%) in 2025-26 when compared to the revised baseline.

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);
- the Coleg Cymraeg Cenedlaethol, following the transfer of this budget from the Welsh in Education BEL as part of the Cabinet restructure;
- 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 Young Farmers Clubs Movement;
- *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 the Welsh Language Technology Action Plan;
- national activities related to the Siarter Iaith which supports and promotes the informal use of Welsh amongst school-age children (with £0.5m now in Cymraeg (2050) LAEG BEL);
- the Welsh Language Communities Housing Plan; and
- research, evaluation and marketing in respect of the strategy.

We need the collective support of our partners to achieve our *Cymraeg 2050* goals. Of the increase to the BEL, £3.5m relates to the reinstatement of funding reprioritised to reserves as part of last year's budget. This will be used to provide stability across the entire Welsh language sector to ensure that infrastructure is maintained, which is critical to support the Welsh Language and Education (Wales) Bill and the recommendations of the Commission for Welsh-speaking Communities. A further £1m will be used to support existing commitments against the BEL, including support for Welsh language technology and the Urdd's National Youth Theatre. The budget also reflects the £0.05m recurrent transfer in from the Education MEG to fund Welsh language digital support for the FE sector via the Coleg Cymraeg Cenedlaethol. Further details on allocations to stakeholders is outlined in the 'Specific Areas' section of the paper.

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 2025-26 is **£6.537m**, a small increase (£0.019m) from the revised baseline specifically in relation to Adnodd, to provide them with additional support for the next round of public sector pay awards in 2025-26. The 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 (£0.6m per annum);
- the implementation of the 10-year Welsh in Education Strategic Plans (WESPs); and
- Adnodd, which became operational on 1 April 2023, responsible for commissioning bilingual teaching and learning resources in support of the curriculum and its qualifications.

Cymraeg 2050 (LAEG) BEL

The Cymraeg 2050 (LAEG) BEL was established from 2024-25 as part of our new grant 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 forthcoming Welsh Language and Education (Wales) Bill.

Whilst the budget reduces by £1.1m to £8.6m in 2025-26, this reduction relates wholly to an administrative transfer to the Teacher Development and Support BEL within the Education MEG. In October 2024, the Cabinet Secretary for Education announced her intention to bring together the current functions of the National Academy for Education Leadership and some of the functions of the regional consortia and local authority partnerships into a national body. This body will be responsible for designing and delivering professional learning and leadership support on a national level in response to changing practitioner and Welsh Government priorities. As a result, the £1.1m will still support professional learning for Welsh-medium practitioners and develop the language skills of all practitioners, but instead be allocated to develop and deliver national professional learning.

2. Other Information

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

In terms of 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 my 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 97 27 Work Programme for 97 98 to 97 93* 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 97 27 targets– This should include information on how the Cabinet Secretary plans to monitor the impact of spending decisions across ministerial policy areas–

Since launching *Cymraeg 2050*, we have been working towards a series of milestones to achieve our targets of a million Welsh speakers and doubling daily use of Welsh by 2050. We follow a trajectory that was developed based on the 2011 Census. At the outset, we committed to pause once we had the 2021 Census results in order to take stock and review our work plans and the trajectory to reach a million Welsh speakers as necessary. We are now considering the Census data alongside other sources of information for example the Annual Population Survey to ensure that we remain on track with our aim of doubling the daily use of our language and reaching a million Welsh speakers by 2050.

Following the 2024-25 draft budget scrutiny session with the Minister for Education and Welsh Language on 11 January 2024, the Committee requested further information on the budgets across government departments that are contributing to *Cymraeg 2050*. The response issued to the Committee on 5 March 2024 outlined that *Cymraeg 2050* is mainstreamed into all Welsh Government portfolio areas and there is already expenditure on the language embedded in delivery within many other ministerial portfolios, including health, housing and

early years. It therefore recognised that it is not possible to identify total spending on the Welsh language across Welsh Government given the intrinsic nature of funding. For example, the culture and arts sector contributes to the delivery of *Cymraeg 2050* and information on the allocations for this sector is set out in the Minister for Culture, Skills and Social Partnership's evidence paper to this Committee. *Cymraeg 2050* officials stay in close contact with colleagues across Government to monitor the impact of spending decisions on *Cymraeg 2050*.

Information on how[if at all]the review of the Welsh Government's Grant Scheme to promote and facilitate the use of the Welsh language has impacted on allocations for 2025-26

The review of the grant scheme to promote and facilitate the use of the Welsh language, provided an insight and evaluation of the grant processes currently in place by the *Cymraeg 2050* Division. Consideration of the findings and recommendations of the review is ongoing. The review highlighted the need for a longer funding period. Currently the grant is allocated on a yearly basis, and work will be undertaken in 2025-26 to examine the possibility of extending grant allocations for up to three years.

In addition, our regular discussions with grant partners have concluded that the financial challenges they face because of not receiving inflationary increases are negatively impacting their ability to retain staff and to fully implement their work programmes.

As a result of the uplift to the Welsh Language budget, we propose that partners receiving grants to promote and facilitate the use of the Welsh language receive a minimum 5% uplift in 2025-26. In addition, some organisations will receive additional support to help increase their impact on the *Cymraeg 2050* objectives. For example, we propose that the minimum grant allocation to the mentrau iaith will increase from £60k to £100k.

Commentary on commitments in the Welsh Government's Programme for Government in relation to the Welsh language[and an outline of current or provisional funding implications for these specific commitments]

Many of the Programme for Government commitments relating to the delivery of *Cymraeg 2050* are detailed throughout this paper for example:

- Create a Welsh Language Communities Housing Plan.
- Expand the Pupils Immersion Programme.

Below, we include additional information on some of the specific commitments requested by the Committee.

- Increasing apprenticeships in care and recruiting more Welsh speakers.

The main source of funding is the mainstream allocations for apprenticeship provider. Aligned to the wider post-16 delivery network, apprenticeship providers have been impacted by increasing costs over recent years. In response to these

pressures, framework values increased by 5% in 2022/23 and 2023/24 and by 3.5% in 2024/25.

For 2024-25, we are investing £144m in the apprenticeship programme. This budget should enable us to maintain the number of targeted apprenticeships starts for young people during this Senedd Term. For 2025-26 draft budget we have maintained our investment in our apprenticeship programme at £144m.

The apprenticeship programme supports delivery via the medium of Welsh or bilingually. The funding model applies an uplift for apprenticeship provision delivered bilingually or through the medium of Welsh and apprenticeship providers have targets to increase delivery in priority sectors, including Health and Social Care, Childcare, Construction and Agriculture.

The role of the Coleg Cymraeg Cenedlaethol has been expanded to provide targeted support for the further education and apprenticeship sectors. As a result of our additional investment in 2022-23 and 2023-24, the Coleg Cymraeg Cenedlaethol has provided funding for 21 assessors in priority apprenticeship sectors including Health and Social Care, Childcare, Business, Creative Arts and Hospitality.

The additional posts funded by the Coleg should lead to a continued growth in the numbers of apprenticeship learners accessing Welsh-medium or bilingual provision as part of their apprenticeship programme. We will be regularly monitoring the number of apprenticeships starts during this financial year; albeit we do not expect to have a full picture until year end.

The National Centre for Learning Welsh's Cymraeg Gwaith (Work Welsh) programme provides dedicated support for learners in the Health and Social Care and Childcare Sectors to Learn Welsh and improve their Welsh language skills. Further information on the Cymraeg Gwaith programme is set out under the 'Specific areas' section below.

- Legislation to strengthen and increase our Welsh language education provision.

There is no specific ring-fenced funding for implementing the Welsh Language and Education (Wales) Bill, with costs being met from existing BELs within the Education MEG and the Central Services and Administration MEG.

The implementation of the Bill is a long term policy aim to contribute to the target of a million Welsh speakers by 2050. Costs associated with this Bill will fall at different points between Royal Assent (expected in Summer 2025) and 2050 and I, along with other Ministers, will be required to make financial decisions during that time frame.

A Regulatory Impact Assessment (RIA) detailing the costs and benefits arising from the provisions of the Bill was laid before the Senedd upon the introduction of the Bill on 15 July 2024. This set out total costs associated with the legislation of £103m over the 10 year appraisal period from 2025-26, which includes costs for the

Welsh Government, local authorities, schools, Estyn and the National Institute for Learning Welsh, which will be established by the Bill. In line with the RIA, it is our assessment that the Bill will be affordable over the appraisal period.

- Implementing Welsh Language standards on public transport, health sector regulators, newly established public bodies, & water companies & begin work on implementing standards on housing associations.

During this Senedd term, Welsh Language Standards Regulations have already been approved for healthcare regulators and for water and sewerage undertakers who provide services to members of the public in Wales. In addition, legislation establishing the Corporate Joint Committees and Medr (the Commission for Tertiary Education and Research) has also included these bodies within existing Regulations.

Draft regulations to add more bodies to existing standards regulations were consulted upon earlier this year, and Regulations will be laid before the Senedd early in 2025. We are continuing to work through the standards programme outlined in the Programme for Government and are currently undertaking policy work to prepare standards for housing associations. Subsequently, we will move on to preparing regulations for public transport providers.

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

- Supporting an increase in Welsh speaking spaces, including workplaces.

The National Centre for Learning Welsh

The National Centre's Cymraeg Gwaith (Work Welsh) programme provides courses ranging from online self-study taster courses to intensive learning courses. As well as increasing the number of Welsh speakers and Welsh language use, Cymraeg Gwaith also allows organisations to provide better Welsh language services to their users.

The strength of the Cymraeg Gwaith programme is its ability to respond to the needs of a diverse range of employers and workplaces. The Scheme has expanded in recent years to include a new Cymraeg Gwaith Academy, which is a dedicated resource to support employers. As a result, increasing numbers have been reached, leading to wider engagement and use of Welsh in workplaces across Wales. In 2023-24, 578 employers were supported under the Cymraeg Gwaith scheme.

2023-24 also saw the launch of a dedicated programme for workers in the Health and Care Sector. The National Centre has worked in partnership with local health boards to establish schemes to increase the Welsh language skills of the NHS Wales workforce, including the Codi Hyder scheme which aims to build confidence amongst NHS staff. During 2023-24, 1,514 employees were supported to develop their skills under the Health and Care Sector programme.

In addition to the support outlined for education practitioners (see 'Specific areas' section below), our funding to the National Centre for Learning Welsh also supports a range of interventions for the post-16 workforce, including the Cymraeg Gwaith scheme delivered in conjunction with the Coleg Cymraeg Cenedlaethol. During 2023-24, 901 practitioners were supported to develop their skills, with 7 universities and 11 further education colleges committing to the scheme. A further 212 practitioners followed self-study courses with the help of a tutor.

The increase to the Welsh Language BEL in 2025-26 will support an uplift in the funding we provide to the National Centre. It is proposed that £2.625m will be allocated within the Welsh Language BEL in 2025-26 to support the Cymraeg Gwaith scheme, a 5% increase of £0.125m on the funding allocated for 2024-25. A further £1.758m will be allocated to the National Centre to support the Ymlaen Gyda'r Dysgu scheme, which provides free Welsh language lessons for young people aged 16-25 and the education workforce. This is in addition to the £1.1m which will be allocated from the Teacher Development and Support BEL in 2025-26 (see 'Specific areas' section below).

Cwmpas

During 2024-25, we have allocated funding of up to £0.35m to Cwmpas to continue their work of supporting people to establish new Welsh language spaces, i.e. cooperatives that encourage the use of the Welsh language at a community level. More information regarding Perthyn is in section 3 under the *Welsh Language Communities Housing Plan*. Out of the £0.35m allocated to Cwmpas, £0.15m provides a specialist advisory and support service to community groups, whilst the remaining £0.2m provides a small grant scheme to help develop new social enterprises and cooperatives. For 2025-26, in line with the proposed minimum 5% uplift for our grant partners, it is proposed that funding for the Cwmpas advisory and support element increases from £150,000 to £157,500.

We have continued to fund (£67,000) Bangor University to develop the ARFer programme – a behavioural pledge programme, which encourages Welsh speakers to use their language more frequently in the workplace. Bangor University have also received funding to develop an app to facilitate wider adoption of the programme thereby contributing to the creation of more bilingual and Welsh language workplaces.

Our 'Leading in a Bilingual Country' programme, which promotes the integration of *Cymraeg 2050* values and practices into organisational culture, has ended its pilot phase and we will launch a 5-year iteration of the programme in 2025-26. It's a joint programme between Academi Wales and the Cymraeg 2050 Division to an

estimated sum of £380,000 over 5 years, subject to a forthcoming procurement procedure.

Welsh Government

In terms of the Welsh Government itself as a workplace, our internal Welsh language strategy *Cymraeg. It belongs to us all*, commits us to becoming a truly bilingual organisation by 2050. Since we published the strategy in 2020, we have:

- transformed how we offer Welsh learning to staff, by offering a more extensive and flexible programme, with methodologies to suit different learning styles.
- as a result, we have seen a 758% increase in staff pursuing formal learning at work (from 73 in 2020 to 627 learners in 2024),
- focused on leadership in the Senior Civil Service and getting senior leaders to model exemplar behaviour in their use of the Welsh language with staff; and
- revised exactly how we recruit in terms of Welsh language requirements, emphasising that Welsh language skills are an asset to working in the Welsh Government no matter what the role.

3. Specific Areas

Updates on allocations in the 2024-25 budget

An analysis of the impact of budget reductions across Ministerial departments on policy delivery and initiatives aimed at meeting Cymraeg 97 27 targets–

The UK Government's budget on 30 October provided a much welcome investment for Wales, with our settlement being £1.7bn higher over 2024-25 and 2025-26. The additional funding allocated to Wales through the UK Budget has meant that all Ministerial portfolios have received an uplift in funding for 2025-26 to support our Government priorities. I am not aware of any budget reductions for 2025-26 across other Ministerial portfolios which will impact on delivery of our Cymraeg 2050 targets.

Grant allocations from the Welsh Language BEL for key stakeholders that promote and support the Welsh language[including Mentrau Iaith Cymru[yr Urdd and the National Eisteddfod for 979132 and allocations to these stakeholders over the past 25 financial years–

The increased funding to the Welsh Language BEL will support all our grant partners, with a proposed minimum uplift in funding of 5% for 2025-26. This will provide support to these organisations to manage inflationary cost pressures and make plans for a pay award in 2025-26.

Mentrau Iaith

The annual core grant allocations for the network of mentrau iaith is £2.368m and has remained the same over the last five years. The grant allocation is distributed between 22 local mentrau iaith as well as funding for Mentrau Iaith Cymru, the umbrella organisation for the mentrau iaith. In 2022-23, an additional one off payment of 4% was provided to the mentrau iaith to help with inflationary pressures and wage increases. The mentrau iaith provides a wide range of activities to support the language in the community. These activities are usually developed after a language profile exercise has been undertaken to determine the linguistic needs of their local areas. The funding allocations for individual mentrau iaith range from £0.060m to £0.160m, with the minimum grant expected to increase to £0.1m from 2025-26. The total funding in 2025-26 for the mentrau iaith is expected to increase by £0.428m.

Eisteddfod Genedlaethol Cymru

Since 2020, Eisteddfod Genedlaethol Cymru (National Eisteddfod for Wales) has received revenue funding in excess of £1m per annum. Prior to this five-year period, the National Eisteddfod received approximately £0.6m per annum. The significant

increase in investment has not only ensured that the Eisteddfod was able to fully recover from the pandemic, but also allowed it to expand its artistic programme and the reach of its community engagement activities that happen all year round. The strengthening of the organisation's structures has allowed it to forge new partnerships and deepen its work within each Eisteddfod area. The Eisteddfod also acts as a producer and catalyst for broader Welsh-medium arts and cultural activities, all while bringing Welsh communities closer to the language and supporting the delivery of *Cymraeg 2050*. We also provided the Eisteddfod with £0.640m in capital funding in 2021-22 to strengthen the festival's infrastructure. In recent years, we have also supported the National Eisteddfod in broadening the festival's reach and accessibility by offering funded tickets free of charge for low-income families. The sum has varied year on year depending on the budget available and the needs of the local community. In addition to a proposed uplift of 5% for 2025-26, a further £0.2m is also proposed next financial year to support free entry to low-income families to widen access to new audiences to the language.

Urdd Gobaith Cymru

The Urdd is recognised as an integral partner in delivering *Cymraeg 2050*. Since 2020-21, the Urdd's core grant from the Welsh Government has increased from £0.990m to £2.4m per annum. Additionally, in 2022-23, we committed to providing an additional £0.2m per annum for 5 years for the Urdd to re-establish their National Youth Theatre, Y Cwmni up to the end of 2026-27. Over recent years, the Welsh Government has also funded the Urdd to support the government's international strategy. The Welsh Government's investment is used by the Urdd to provide a range of unique and dynamic opportunities for children and young people across Wales to use the Welsh language and to experience the language as a vibrant cultural component of Welsh life. The Urdd's gwersylloedd (residential camps) have also received significant capital funding from the Welsh Government in recent years; from the redevelopment of Pentre Ifan in Pembrokeshire to the opening of a new residential wing, canteen, and activity space at Llangrannog. For many children, their visit to the Urdd's gwersylloedd will be the first time they stay away from home independently, with Welsh culture and the language at the heart of their visits. Similar to the National Eisteddfod, the Welsh Government has also supported the Urdd Eisteddfod in broadening the reach and accessibility of the Eisteddfod by providing a grant to allow the Urdd to offer tickets free of charge for eligible families to enjoy what the Urdd Eisteddfod has to offer. In addition to a proposed uplift of 5% for 2025-26, a further £0.2m is also proposed next financial year to support free entry to low-income families to widen access to new audiences to the language.

Coleg Cymraeg Cenedlaethol

The core grant allocations the Coleg Cymraeg Cenedlaethol for the past 5 financial years are shown below.

Table 2: Coleg Cymraeg Cenedlaethol - Core Grant Allocations from 2020-21

BEL	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Welsh Language					£9,888,000	£9,888,000
Welsh in Education	£6,370,333	£7,303,000	£8,513,000	£9,838,000		£32,024,333
Total	£6,370,333	£7,303,000	£8,513,000	£9,838,000	£9,888,000	£41,912,333

The Coleg's core funding supports its higher education programme and its Welsh-medium scholarship scheme. In higher education, its funding directly supports Welsh-medium provision across universities and subject areas, with essential support provided through Coleg branches to lecturers, staff development and publications.

In the post-16 sector, the funding supports the delivery of the Coleg's Further Education and Apprenticeship Welsh-medium Action Plan, which provides development grants in priority areas including Health and Social Care, Agriculture, Childcare and Public Services.

Within its core funding, the Coleg provides training and mentoring through Sgiliaith, to enable tutors and assessors to gain confidence in teaching bilingually and support for the apprenticeship sector. Additional grant funding from other areas is provided for digital and other resource development, the ambassador project and support for developing Welsh as a subject and Welsh-medium teachers.

In 2024-25, additional funding provided under the Co-operation Agreement was maintained at 2023-24 levels, with £2.825m provided to the Coleg and £1.675m to the National Centre for Learning Welsh. Maintaining the budget at 2023-24 levels allowed us to reprioritising funding to protect core services to support our ambitions for *Cymraeg 2050*. In particular, we were able to maintain funding linked to the Welsh Language and Education (Wales) Bill, Mudiad Meithrin and the Welsh in Education budget to support Welsh language delivery.

As a result of our additional investment in 2022-23 and 2023-24, the Coleg has provided funding for additional practitioners in the FE sector as well as assessors in priority apprenticeship sectors including Health and Social Care, Childcare, Business, Creative Arts and Hospitality.

The draft budget for 2025-26 includes a proposed allocation of £10.382m for the Coleg Cymraeg Cenedlaethol, which includes an increase of £0.494m for front-line delivery. This additional funding will allow the Coleg to re-start the work of extending provision by expanding its programme of development grants for further education colleges and apprenticeship providers.

The National Centre for Learning Welsh

The National Centre's core grant allocations for the past 5 financial years are shown below.

Table 3: National Centre for Learning Welsh - Core Grant Allocations from 2020-21

BEL	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Welsh Language	£6,216,525	£10,337,100	£13,465,000	£14,885,000	£14,885,000	£59,788,625
Welsh in Education	£5,686,475	£2,913,000				£8,599,475
Total	£11,903,000	£13,250,100	£13,465,000	£14,885,000	£14,885,000	£68,388,100

The draft budget for 2025-26 includes a proposed allocation of £15.629m for the National Centre. This is an increase of £0.744m (5%) on its allocation for 2024-25 and is broken down as follows:

Cymraeg Gwaith (Work Welsh)	£2,625,000
Ymlaen Gyda'r Dysgu (additional funding supporting provision for 16-25 year olds and education workforce)	£1,758,750
Operational Grant (running costs of the Centre)	£1,995,000
Recurrent Grant (grants for Learn Welsh providers)	£9,250,500
Total	£15,629,250

The National Centre's Recurrent Grant supports its mainstream Learn Welsh delivery through its network of 11 course providers across Wales. The number of people learning Welsh with the National Centre continues to increase and additional funding of £0.450m has been allocated for 2025-26 to support this delivery.

£2.625m will be allocated within the Welsh Language BEL in 2025-26 to support the Cymraeg Gwaith scheme, this represents an increase of £0.125m or 5% on the funding allocated for 2024-25.

The £1.759m for Ymlaen Gyda'r Dysgu builds on the additional funding provided under the Co-operation Agreement in 2024-25 and will be used to further extend provision for 16-25 year olds and the education workforce in order to provide free access to Welsh courses. As part of the offer, eligible learners aged 18 and over will be able to access the mainstream Learn Welsh courses in the community. Provisional data indicates that 1,633 young learners accessed provision during 2023-24.

The National Centre began offering free courses for teachers and other workers in the education sector in September 2022 and the additional funding has enabled the Centre to extend this provision for 2023-24. Provisional data from the National Centre shows that 1,613 individuals accessed provision during 2023-24. A further £1.1m will be allocated from the Teacher Development and Support BEL in 2025-26 to provide Welsh language learning for education practitioners. Further information on this allocation is set below.

Details on funding allocations in 979 19, 2 to develop Welsh language skills and capacity of the education workforce[and how the 979 19, 2 budget impacted on

the work to deliver an increase in the number of teachers who can teach Welsh as a subject and teach through the medium of Welsh–

Within the Cabinet Secretary for Education's portfolio, there is funding available within the Teacher Development and Support BEL to support the implementation of our 10-year Welsh in education workforce plan. The total funding available in 2025-26 is £8.72m.

Approximately £3.8m will be prioritised to support the aims of the plan and will be mainly targeted at increasing the number of Welsh-medium teachers. Funding will be prioritised for the following activities:

- continuation of the primary to secondary conversion programme;
- continuation of the grants to schools to develop innovative solutions to addressing teacher shortages;
- funding to support the viability of Welsh A Level provision in schools and FE Colleges;
- the third year of the teacher retention bursary; and
- funding for CYDAG to support collaboration across Welsh-medium schools in a number of policy areas.

The Coleg Cymraeg Cenedlaethol will continue to allocate £0.150m from their grant (Welsh Language BEL) in 2025-26 to develop two specific projects to continue to:

- deliver the Addysgu'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.

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 in order to improve the teaching of Welsh in English-medium schools and to support all schools to move along a continuum.

Approximately £3.8m will be allocated within the Teacher Development and Support BEL in 2025-26 to the Sabbatical Scheme to deliver intensive Welsh language and language teaching methodology professional learning for practitioners. Courses are available on a range of levels for teaching assistants and teachers. The majority of this budget funds the supply costs related with releasing practitioners from schools to undertake the courses.

Funding allocated to the National Centre for Learning Welsh also delivers access to free Welsh language lessons to all education practitioners. During 2025-26, the

Centre will continue to develop new bespoke provision to meet the needs of the sector. For example, a pilot course for secondary teachers in English-medium schools with some Welsh will be developed to be delivered flexibly and a short on-line confidence / 'gloywi' course for those teaching in a range of settings. £1.1m will be allocated from the Teacher Development and Support BEL in 2025-26 to support this work. This is an additional £0.5m in 2025-26 and is funded through the transfer out from the Cymraeg 2050 strand of the LAEG.

£5.9m will be allocated to LAs 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) Bill. 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 LAs, the total value of the WEG is £5.85m.

We recently published an updated data analysis document that sits alongside the Welsh in education workforce plan. We are making some progress in supporting the increase in Welsh-medium teachers and to develop the Welsh language skills of practitioners, however, the impact of a number of the activities funded need to be measured on a medium to long-term basis. Over the next year, we will continue to monitor the immediate uptake in the funded activities and will also be working closer with local authorities to analyse the data on a local level to understand key trends and priorities to inform the National Framework proposed in the Welsh Language and Education (Wales) Bill and revised targets.

An analysis of take-up and expenditure on the Iaith Athrawon Yfory scheme[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. The incentive payments totalling £5,000 is made in 2 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)

Table 4 provides a summary of claimants and expenditure to date.

Table 4: 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	50*	£317,500*
AY2023/24	85		£215,000*
Total Claimants	550	Total spend to date	£2,174,500

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 25th November 2024)

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 3 instalments for full-time students, or 4 instalments for part-time students paid at the following points during their ITE programme and early career:

Full-time students only:

- £6,000 following completion of the first term of the PGCE.

Part-time students only:

- £3,000 following completion of the first term of the PGCE.
- £3,000 following completion the first year and the first term of the second year of the PGCE.

Both Full-time and Part-time students:

- £6,000 on successful completion of the PGCE and award of QTS.
- £3,000 on successful completion of induction in a maintained setting in Wales

Eligible individuals can avail themselves of each of Welsh Government's incentive schemes. In academic year 2024/25 and next academic year 2025/26, 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 update on grant allocations in support of the Welsh Language Communities Housing Plan[and an assessment on spend[impact and value of speciĀc grants

such as Perthyn for initiatives that support the Welsh language in communities across Wales–

Creating a *Welsh Language Communities Housing Plan* is one of the priorities of the Programme for Government. It was published in October 2022 and includes a number of interventions to support communities and address issues related to affordability, second homes and the Welsh language.

For 2024-25, a budget of £0.560m has been earmarked for the *Welsh Language Communities Housing Plan* as follows:

Perthyn

Cwmpas has been responsible for delivering Perthyn since 2022. It is a project aimed at providing support to Welsh-speaking communities with high numbers of second homes to develop social enterprises, community-led housing and Community Land Trusts. We allocated up to £0.350m to Cwmpas to deliver both elements of the project in 2024-25:

- The 'Perthyn Small Grants' scheme (£0.2m):
The small grant scheme is available to support Welsh-speaking communities with a high number of second homes to turn ideas into viable social enterprises. The response to the consultation on the *Welsh Language Communities Housing Plan* showed the need for a small pot of revenue funding to help communities develop their ideas to support their social, economic and linguistic needs. The total grant allocations available to each group is £10,000. To date, the Perthyn small grant scheme has supported a total of 47 community groups. Up to 16 community projects will receive financial support through the Perthyn small grants during 2024-25.
- A bespoke advice and support service (£0.15m):
The bespoke advice and support element of Perthyn is to support specific community groups to turn their ideas into viable social enterprises and community-led housing projects. The core element of this project is to help 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. Since establishing this project, we have seen new community groups being established as well as individuals becoming effective community leaders.

A further £0.210m is available to support other projects within the *Welsh Language Communities Housing Plan* (including research and evaluation of the plan) including the Commission for Welsh speaking communities, Cultural Ambassadors and the 'Fair Change Scheme'.

An update on grant allocations to support the Arfor 9 scheme[and any recent evaluation of impact and value for money–

Arfor funding for this financial year is £7m, with £2m of that being capital. The primary purpose of ARFOR 2 is to support the communities that are strongholds

of the Welsh language to flourish through economic interventions that will also contribute to increasing opportunities to see and use the Welsh language daily basis in Ynys Môn, Gwynedd, Ceredigion and Carmarthenshire.

The ARFOR 2 programme has sought to build on the experience of the earlier pilot programme and the independent evaluation undertaken of it, whilst also complementing existing or planned interventions which are of relevance. The following strategic objectives were agreed for the ARFOR 2 programme which aims to:

- create opportunities for young people and families (35 years old or younger) to stay in or return to their local communities - supporting them to succeed locally through enterprise or developing a career and ensuring a livelihood that meets their aspirations;
- create enterprising communities - supporting commercial and community enterprises that aim to preserve and increase local wealth;
- maximise the benefits of collaborative activity – by establishing a mindset of learning by doing and continuous improvement, learning from an activity in one area to extend it to other areas; and
- strengthen the identity of communities with a high percentage of Welsh speakers - by supporting the use of the Welsh language and ensuring it is more visible, whilst emphasizing what is common across the region.

The programme comprises of five key elements:

- Llwyddo'n Lleol (Succeeding Locally)
- Cymunedau Mentrus (Enterprising Communities)
- Cronfa Her ARFOR (ARFOR Challenge Fund)
- Bwrlwm ARFOR
- Independent evaluation / Lessons Learnt

The programme is currently in delivery and the ongoing evaluation has yet to conclude. Discussions are taking place with partners regarding the future of the programme and the opportunities for mainstreaming the learning from it.

4. Welsh Language Commissioner

Allocations and commentary in respect of the budget allocation for the Welsh Language Commissioner in 2025-26 [including any additional revenue or capital funding provided]

In line with Welsh Government planning assumptions, and to ensure a cross-government approach to funding of our Commissioners, we have uplifted the revenue budget for the Welsh Language Commissioner by 3% (£0.096m) to support funding the next round of public sector pay awards in 2025-26. We have also baselined into 2025-26 funding for public sector pay and increased pension costs in 2024-25 totalling £0.060m. This provides a total revenue budget for the Commissioner of £3.345m for 2025-26.

There have been no changes to the Commissioner's capital budget which remains at £0.050m for 2025-26.

The Commissioner's non-cash budget has increased by £0.017m to £0.138m in 2025-26, which reflects additional funding for the implementation of the accounting standards for leases IFRS16 (£0.026m) and to support depreciation costs as outlined in the Commissioner's estimate (-£0.09m).

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

The Commissioner submitted a Financial Estimate for 2025-26 to Welsh Ministers on 23 October. I have examined the Estimate, and it was laid in the Senedd on 10 December.

The 2025-26 Estimate requested an additional revenue allocation of £60,000 to the 2024-25 allocation of £3.189m, bringing her revenue budget for 2025-25 to £3.249m. This was to fund increased employer pension contributions and the pay award. In this instance, I am pleased to be able to award the Commissioner an allocation of £3.345m.

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 a cross local authorities in Wales–

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

The Welsh-medium capital budget 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.

A Welsh-medium capital funding 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.

This funding aims to increase the capacity of Welsh-medium schools, establish new Welsh-medium provision and support Welsh-medium late immersion provision as well as helping learners of all ages improve their skills and confidence in Welsh.

There are commitments in the WESP 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 39 projects to increase Welsh-medium provision across Wales, including:

- 14 new schools have opened or been relocated to increase their capacity to accept more learners.
- 25 projects to expand Welsh-medium provision have been completed which also include some childcare projects.

The next phase of the Sustainable Communities for Learning Programme is designed to go hand in hand with the 10-year Welsh in Education Strategic Plans. 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. All authorities' schemes have been approved, except for Torfaen, who haven't submitted their scheme yet.

Future Welsh-medium Capital Grant funding will be targeted to fund priority areas such as Additional Learning Needs (ALN), immersion, temporary expansion and adult education.

It is important that when we consider local authorities' school planning proposals, that we continue to look at the bigger picture, e.g. the impact of moving or introducing new Welsh-medium education provision on a local community; travel needs; suitable Welsh-medium nursery provision. All of these matters need to be considered and examined carefully to assess their impact on Welsh-medium education.

6. Summary

The budgets as relevant to the Welsh language in Draft Budget for 2025-26 is presented to the Committee for consideration.

Mark Drakeford MS

Cabinet Secretary for Finance and Welsh Language

7. Annexes

Annex A – Budgets relating to the Welsh Language breakdown by Action and BEL for 2023-24, 2024-25 and 2025-26

Resource

		2023-24	2024-25			2025-26							
Action	BEL Description	2023-24 Final Outturn	2024-25 Final Budget (June 2024)	2024-25 1st Supp Budget (Oct 2024)	Forecast Outturn (Period 6)	2024-25 Final Budget Restated Sept 2024	Baseline changes	Revised Baseline	Transfers to/from other MEGs	Transfers Within MEG	Additional Allocations from Reserves	Transfers to Reserves	Draft Budget (Dec 2024)
£000s													
Central Services & Administration MEG													
Welsh Language	Welsh Language	26,271	33,968	33,925	33,925	33,968	16	33,984	50	0	4,500	0	38,534
	Welsh Language Commissioner	3,279	3,189	3,183	3,183	3,189	60	3,249	0	0	96	0	3,345
	Welsh Language Commissioner - Non Cash	187	121	147	147	121	0	121	0	0	26	-9	138
Total Welsh Language BEL (CSA MEG)		29,737	37,278	37,255	37,255	37,278	76	37,354	50	0	4,622	-9	42,017
Education MEG													
Pre-16 Education LA Support	Cymraeg 2050 (LAEG)	0	9,700	9,880	9,880	9,700	0	9,700	0	-1,100	0	0	8,600
Total Pre-16 Education LA Support BEL (Education MEG)		0	9,700	9,880	9,880	9,700	0	9,700	0	-1,100	0	0	8,600
Welsh in Education	Welsh in Education	19,238	6,511	6,424	6,865	6,511	7	6,518	0	0	19	0	6,537
	Welsh in Education - Non Cash	4	0	0	0	0	0	0	0	0	0	0	0
Total Welsh in Education BEL (Education MEG)		19,242	6,511	6,424	6,865	6,511	7	6,518	0	0	19	0	6,537
TOTAL BUDGETS RELATING TO THE WELSH LANGUAGE		48,979	53,489	53,559	54,000	53,489	83	53,572	50	-1,100	4,641	-9	57,154

Capital

		2023-24	2024-25			2025-26							
Action	BEL Description	Final Outturn	Final Budget (Sept 2024)	1st Supp Budget (Oct 2024)	Forecast Outturn (Period 6)	2024-25 Final Budget Restated Sept 2024	Baseline Adjustments	Revised Baseline	Transfers to/from other MEGs	Transfers Within MEG	Additional Allocations from Reserves	Transfers to Reserves	Draft Budget (Dec 2024)
£000s													
Central Services & Administration MEG													
Welsh Language	Welsh Language Commissioner	94	50	50	50	50	0	50	0	0	0	0	50
Total Welsh Language Commissioner BEL (CSA MEG)		94	50	50	50	50	0	50	0	0	0	0	50
Education MEG													
Welsh in Education	Welsh in Education	13	0	0	0	0	0	0	0	0	0	0	0
Total Welsh in Education BEL (Education MEG)		13	0	0	0	0	0	0	0	0	0	0	0
TOTAL BUDGETS RELATING TO THE WELSH LANGUAGE		107	50	50	50	50	0	50	0	0	0	0	50



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

Welsh Government Draft Budget 2025-26

16 January 2025

Culture, Sport and Heritage Budgets 2025-26

This paper provides information on the decisions taken in setting the Culture, Sport and Heritage Budgets within the Economy, Energy and Planning MEG for the 2025-26 Financial Year.

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1. Budget Overview

As part of the 2025-26 Draft Budget £5m revenue has been allocated to priorities in this area along with a further £18.4m in capital allocations.

1. Our **cultural, heritage and sport sectors**, particularly our arm's length bodies (ALBs) and Cadw, have been critical in supporting local, regional and national economies, communities and supporting our agenda to tackle inequalities, particularly racial inequalities and enabling greater access to communities across Wales. They provide great places for people to live, visit, work and study. Funding through our cultural and sporting bodies benefits the lives of children and young people, who are active consumers and contributors to arts, heritage and the cultural sector. Through this Draft Budget I have allocated an **additional £5m revenue and £18.4m capital** to culture, heritage and sport activities.
2. Of the additional revenue provided, **£3.8m** has been allocated to uplift revenue budgets across cultural, heritage and sport bodies allowing these organisations to manage inflationary cost pressures, make plans for a public sector pay award in 2025-26 and to contribute to the ongoing running costs of **Celf**. A further £1.2m revenue has been allocated to the Local Culture and Sport budget. An allocation of £0.2m of this represents a comparable uplift for local museums, archives and libraries development agency function delivered in-house by Culture Division, including the staff funded to deliver key activities and programmes.
3. The wider inflationary pressures which drive up costs for cultural, heritage and sport bodies also impact on the value of services, salaries and outputs supported by the grants Culture Division manages in its development agency role. The remaining **£1m** will be used to take forward actions under the **Priorities for Culture** (focusing on key areas highlighted in the consultation such as access to culture and collections, the cultural workforce and responding to the climate and nature emergencies, whilst delivering outcomes supporting the Prif Weinidog's Priorities), and to support delivery of Celf - National Contemporary Art Gallery for Wales at nine galleries. This restores part of the funding lost through the 2024-25 Final Budget which impacted our ability to take forward our Priorities for Culture in 2024-25. We will also continue to deliver our statutory and development agency functions and commitments to support an anti-racist Wales.
4. Within the additional **£18.4m capital allocation for culture, heritage and sport**, **£8.1m** will be allocated in 2025-26 to the cultural capital programme which significantly addresses geographic inequalities by enabling access to our national

collection especially closer to where people live, work and visit. Widening access to, enjoyment and understanding of culture, sport and the historic environment for people of all backgrounds is a priority. Infrastructure investment promoting cultural activities will support mental health and well-being and ensure greater access for people across Wales closer to their homes.

5. The **cultural capital investment programme** includes major developments in north Wales including Theatr Clwyd in Mold, the Football Museum for Wales in Wrexham and the National Slate Museum in Llanberis, and across the country via Celf and the Transformation Grants for local museums, libraries and archive services. These investments significantly increase the opportunities for people across Wales and help to support the Welsh language.
6. The allocation of an **additional £8.1m** will enable an increase in activity in the following areas:
 - To increase investment to support **Priorities for Culture** capital projects. This will be used to accelerate capital investment to protect the buildings and capital assets our local museums, archives and libraries rely on, in particular supporting decarbonisation by reducing energy consumption. The funding will also support digitisation, digital preservation, investment in capital assets needed to explore opportunities in Artificial Intelligence for our sectors and potentially digital support centres. Investment may include digital display equipment to allow the digitised national collection to be accessed from more venues locally for example through Celf ar y Cyd, as well as expanding the digital collection through the addition of locally held assets and provide funding for cultural venues to support the installation of credit card donation boxes to increase donations to support the sector. This will include funding to develop and commence implementation in 2025-26 of a records and digitisation programme. This will aim to improve standards of document preservation and access, along with developing solutions for future needs and reducing costs.
 - Increasing capital investment in **Amgueddfa Cymru** during 2025-26, to support the much needed and overdue capital investment in sites across the estate, including, but not limited to, the work required at National Museum Cardiff and for the National Slate Museum. Amgueddfa Cymru is one of our national treasures and this will show a real commitment from Welsh Government to help address the significant investment needed for redressing the lack of investment and making improvements across its sites. This will help ensure that the sites are safe to the public, that the national collections in Amgueddfa's care are safe, and that the historical sites and buildings across their estate are cared for using the appropriate skills and techniques.

7. The Wellbeing of Future Generations Act includes the goal to create a healthier Wales, and a society in which people's physical and mental well-being is maximised. Recognising the preventative power of sport and physical activity in relation to health and wellbeing, we will reinforce our Programme for Government commitment to use capital funding to invest in facilities, particularly focused in more disadvantaged areas. In doing so, we will promote equal access to sport and tackle inequality in all its forms. A further **£2m**, bringing the total investment to £10m, is being invested in sports facilities through **Sport Wales** in this budget.
8. In 2025-26, I have allocated a further **£6.3m** to **Cadw**'s capital budget to invest in the historic environment that contributes strongly to the economic well-being of Wales and of its communities. The funding includes support for the second phase of the development of Caerphilly Castle as a world class heritage destination which is integral to Caerphilly Town 2035 regeneration. The additional investment will also help to conserve Cadw's wider historic estate and the grant programme for wider historic sites at risk – allowing them to contribute to wider economic and social outcomes. Investment also supports the Priorities for Culture and the Tourism strategy Welcome to Wales: priorities for the visitor economy 2020 to 2025...
9. Various studies have shown that engaging with heritage, whether through visiting historic sites, volunteering, or participating in heritage-related activities, can have several positive impacts on both individual and community wellbeing. The capital investment will contribute to growing audiences and promoting wellbeing through widening access to, enjoyment and understanding of the historic environment for people of all backgrounds.
10. The table below provides high level information on the changes made through the 2025-26 Draft Budget. A breakdown at BEL level is provided at Annex A. Annex B includes explanations at BEL level.
11. 2025-26 baseline adjustments will baseline allocations due to be made at the Second Supplementary Budget of 2024-25 to provide additional financial support to meet the impacts of the 2024-25 pay award and the additional costs as a result of the changes to the SCAPE discount rates which have impacted unfunded public sector pension schemes since the change was enacted in April 2024. A baseline adjustment has also been made to Financial Transaction Capital budgets to budget for the repayments due on outstanding loans in 2025-26.

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Near Cash	111,816	1,071	112,887	4,999	117,886
Non Cash	10,162	0	10,162	2,028	12,190
Total Resource	121,978	1,071	123,049	7,027	130,076
Capital	55,366	0	55,366	18,421	73,787
FT Capital	-1,231	1,231	0	-500	-500
Total Capital	54,135	1,231	55,366	17,921	73,287
Total	176,113	2,302	178,415	24,948	203,363
AME	20,000	0	20,000	4,000	24,000

Value for Money

12. Clarity over how we use our resources effectively is central to delivering our priorities. Since being appointed the Minister for Culture, Skills and Social Partnership in September I am excited about the positive developments we have in progress and I am extremely passionate for the portfolio. This despite the challenging context of the past 12 months.
13. The policy areas within my portfolio reach across many aspects of government and have the potential to make profound and lasting change to the lives of people and communities across Wales. 'Culture', 'Heritage', 'Creative' and 'Sport' are essential components of our national life and are an integral part of our individual and collective identity and well-being. Museums, archives, libraries, theatres, music venues, sports clubs, and historic sites are often the focal point for many communities throughout Wales.
14. I want to be ambitious about ensuring people from more deprived communities have access to culture and to challenge our cultural institutions to ask what they are doing to achieve this. Arts, culture and creative industries broaden the mind and bring with them so many opportunities in life.
15. I am keen for the employment opportunities created by the huge growth in these sectors to be open to everyone.
16. Since being appointed as Minister I have regularly stressed that every person in Wales has the right to access, create, participate in, and see themselves reflected in the cultural and sporting activity of our nation. We all recognise that these have been tough times and that years of austerity damaged our cultural as well as social fabric. As we build the foundations of recovery, we must remember the benefits of delivering growth should be done inclusively by ensuring that everyone can access and benefit from our wonderful cultural and sporting scene.

17. Sectors within my portfolio make a significant contribution to wider social outcomes including community cohesion, mental health and wellbeing. I am very clear that my portfolio can contribute positively to the First Minister's four priorities. Examples include:

- **Iechyd Da** - Alongside continued investment in sports facilities and improving access to sport, research shows that culture, the arts and our historic environment has a positive impact on people's health and well-being. The Culture and Sport ALBs, local sector museums, archives and libraries and Cadw deliver a range of activities to support positive mental health and wellbeing including Cadw's award-winning volunteering programme, as a partner in the Hapus project, social prescribing, Arts, Health and Wellbeing in Wales and House of Memories Cymru to support dementia. The Books Council of Wales supports the delivery of the Reading Well scheme and makes an important contribution to our health and wellbeing objectives. Creative Wales is working with priority sectors to improve health and wellbeing in creative workplaces, through the Wellbeing Facilitators project and the alignment of funding mechanisms to the Economic Contract wellbeing pillar.
- **Green jobs and Growth** - Our ALBs play a vital leadership role in tackling all aspects of the climate and nature emergencies by helping the public engage through exhibitions and supporting our cultural organisations and sports clubs to become more energy efficient and enhance biodiversity. Cadw leads research into the impact of climate change on historic assets and is helping to develop National Occupational Standards, retrofit qualifications and training materials for those working in the renewable energy sector. Through its own work programmes and capital grants, Cadw provides work for skilled conservation practitioners. Creative Wales continues to work closely with key partners to deliver against the recommendations in the Screen New Deal Transformation Plan for Wales, to support a sustainable future for the Welsh production sector.
- **Opportunity for every family** - Education is at the heart of the work our ALBs, local museums, libraries and archives undertake, both in terms of formal and informal lifelong learning. For example, Amgueddfa Cymru is the biggest delivery body of education outside the school system in Wales and alongside investment in the local library network, we also fund literacy schemes including the Summer Reading Challenge. On housing, the skills developed on Cadw capital projects are transferrable and can be applied to the thousands of traditional buildings which make up a high percentage of our national housing stock. In publishing, the Books Council's work on the promotion of reading and the provision of books and educational resources plays an important part in improving literary standards and educational attainment. Creative Wales is supporting a range of projects to develop skills and talent, in an inclusive, open and accessible way.
- **Connecting Communities** - Some responses to the Priorities for Culture consultation stress the importance of transport in relation to access to culture – this will inform implementation. Cadw brings communities together by making its historic sites available free of charge for community events, many sites are located at the heart of communities and are therefore ideal locations for local events. Local

libraries are now regarded as community hubs in many areas and are therefore crucial in bringing communities together. Creative Wales' support for the broadcasting and independent screen sector makes an important contribution to social cohesion and inclusion, connecting people from different backgrounds, as well as building a sense of national identity and belonging.

18. Once expenditure is planned in line with my 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.
19. Key priorities for each ALB are set out in their remit letters, which they use as a basis for their operational plans and key performance indicators. I meet at least biannually with each of the organisations, and officials formally monitor progress against their operational plans at quarterly meetings and more regularly through close working relationships with the senior executive teams at the arm's length bodies. At the invitation of the bodies, officials also attend Board meetings as observers, allowing Welsh Government to maintain a good overview of potential issues. Monthly grant in aid claims are scrutinised to ensure that progress is being achieved against specified lines of expenditure.
20. Major projects and activity are monitored using Welsh Government's Business Information Report Tool. Each major project has governance arrangements in place related to the specific project. These are frequently reviewed to ensure they reflect the stage of the project. Major capital investments are supported by business cases which are scrutinised to ensure they are robust. This includes a range of Welsh Government officials and independent review via gateway reviews. Smaller capital and revenue grants and contracts are awarded based on either an open application process or a direct commission. They are monitored by officials throughout the project life cycle, with agreed deliverables and check in points.
21. An Evidence Plan presents the research, evaluation, and data collection projects that the Culture Division is either undertaking or committed to. It is updated yearly, based on discussions with staff and wider stakeholders, to ensure activity is supporting key divisional priorities and Programme for Government commitments.
22. For Cadw, all complex high value capital projects are subject to project governance, which includes key gateway decisions and major changes subject to assessment by the Cadw Capital Programme Board for approval. Individual projects must demonstrate value for money as well as deliver measurable benefits aligned with Cadw and Welsh Government objectives. Cadw is also supported by an independent Board with non-executive members which meets quarterly to scrutinise Cadw's performance against its business plan and financial reporting and provide challenge and advice.
23. There are processes in place for Creative Wales funding schemes, to assess applications against criteria covering economic impact as well as delivery

against broader thematic priorities. Monitoring arrangements are in place, during delivery and post completion, to assess achievements against intended outputs. An independent evaluation of the Creative Wales production funding is underway to assess its impact. In addition, Creative Wales is in the process of commissioning an evaluation of its development funds across the screen, digital and music sectors and skills function.

Preventative Spend

24. I recognise the on-going need to make hard choices. The continuing pressure on public finances and on the level of funding available to this area, more specifically, mean I am under no illusions on the challenges we face.
25. These budget proposals reflect my continuing commitment to protect and prioritise investment that supports preventative measures as far as possible. The spending decisions have not only considered how best to meet the current demand for services but have also focused on supporting interventions that are able to prevent problems arising in the future. This preventative approach is an important part of our planning for public services, both now and in the future.
26. Heritage and culture contributes to individuals' and communities sense of belonging, cultural identity and social cohesion. Capital investment decisions recognise the connection with mental health and well-being and the positive contribution for health expenditure. For example, investment in Neath Abbey is in partnership with the local authority and intended to maximise the opportunities for community recreation and wellbeing. The Abbey has developed strong links with the schools through their Young Custodians programme.
27. Investment in Cadw's monuments includes measures to adapt to climate change and change the way greenspace is managed to improve biodiversity and help respond to the nature emergency.
28. From the outset of my Budget preparations, I have focused on how best to meet the growing needs of key service areas within my portfolio in the face of another challenging budget. Over successive years, prioritising preventative spending has been a way of avoiding more costly interventions at a future point and improving the quality of people's lives over the long term.

Health and wellbeing

29. The importance of culture to promoting positive wellbeing and physical health was dramatically underlined by the pandemic, and again this year in relation to the sector response to the rising costs of living. Culture and heritage provide an outlet for many during these difficult and uncertain times, and our sector always

demonstrates innovative and creative responses to supporting individual and community well-being.

30. Some examples of how our sectors have delivered preventative policies and programmes in 2024-25 include:

- Maintaining warm hubs in libraries, including beyond the initial funding period.
- Providing books on prescription through the 'Reading Well' scheme.
- Developing the House of Memories Cymru app which uses museum collections to support people living with dementia.
- Undertaking a demonstrator project based on the 'Change Minds' methodology to engage people with poor mental health with archive collections
- Supporting #Crowd Cymru project to enable remote volunteering opportunities
- Through our investment in sporting facilities, we are increasing participation rates in sport and using the preventative power of sport to support the health and wellbeing agenda
- Continuing with the Arts Council of Wales partnership with Health Boards to provide a range of tailored programmes to support well-being.
- Supporting the framework for Social Prescribing through tailored volunteer programmes.
- Active participation and engagement in heritage programmes.

31. 2025-26 looks challenging in terms of the financial flexibility available to our sectors to support preventative activity outside of their core purposes, but the focus on well-being, and on delivering a number of Welsh Government policy priorities such as ArWAP, the LGBTQ+ Action Plan, the Age-Friendly Wales strategy, and tackling loneliness and isolation are already deeply embedded in day-to-day activity.

32. Examples of projects that we envisage will be funded directly in 2025-26 include extending the books on prescription offer in collaboration with Child and Adolescent Mental Health Services (CAHMS) and The Reading Agency, which will include a new booklist supporting perinatal and postnatal health and wellbeing. Evaluation of books on prescription is undertaken by the Reading Agency as part of the grant monitoring.

33. The Fusion programme in 2025-26 will engage with individuals and communities in areas of deprivation. The new Priorities for Culture will offer a fresh strategic lens for the Fusion programme's operational planning in 2025-26.

34. Sport can be a very effective preventative health tool, but greater cross-sector prioritisation is needed to create the long-term sustainable shifts in participation. The Healthy and Active Fund and Healthy Weight: Healthy Wales Delivery Plan are two recent examples of success in this area. We are also investing in facilities through our education and communities' budgets. Sport Wales will continue to invest funding and resource in the Welsh Government's 'Healthy Weight: Healthy Wales' delivery plan, including the delivery of the 60+ Active Leisure scheme.

35. The creative industries play an important role in supporting health and wellbeing and positive outcomes. The Books Council of Wales' Reading Well scheme and its work on the promotion of reading and the provision of books and educational resources plays an important part in improving literary standards and educational attainment. In the screen sector, Creative Wales' support for the broadcasting and independent sector makes an important contribution to social cohesion and inclusion, connecting people from different backgrounds, as well as building a sense of national identity and belonging. Creative Wales is working with priority sectors to improve health and wellbeing in creative workplaces, through the Wellbeing Facilitators project and the alignment of funding mechanisms to the Economic Contract wellbeing pillar, as well as supporting a range of projects to develop skills and talent, in an inclusive, open and accessible way.

Legislation

36. Assessing the costs of legislation and the impact on those it affects is an essential part of the policy development process. I recognise there cannot be a blank cheque for legislation and that every new commitment in this area will have to be paid for by a cutback somewhere else.
37. This is why every bill is subject to a robust assessment of costs and benefits, achieved through consultation and engagement with our stakeholders in the development of the regulatory impact assessments prepared for Government Bills. This is to ensure our decisions are informed by the people who will be affected by them.
38. Steps are being taken to improve the clarity and consistency of RIAs but changes to the bill during scrutiny and other factors will inevitably result in some variances between estimated costs at the published RIA stage and actual costs during implementation. In accordance with the commitment given by the Cabinet Secretary for Finance and Welsh Language to the Finance Committee, a table showing the cost of implementing legislation proposed by the Welsh Government is included in the Budget Narrative document published on 10 December. There are no implementation costs associated with any legislation in this area for 2025-26.

Financial context

39. Cadw significantly benefited from EU funding to develop visitor infrastructure of monuments in west and north Wales. Whilst Cadw is not able to benefit directly from the UK Government's Shared Prosperity Fund we continue to work closely with our partners. The opportunities to joint fund programmes and projects and lever external funding is becoming more important to achieve shared outcomes, for example, at Neath Abbey. The Transforming Towns Initiative has opened up opportunities for funding, either directly for heritage projects or for projects that compliment heritage initiatives – for example the Placemaking Plan [Caerphilly 2035](#) is being delivered alongside the capital investment at Caerphilly Castle.
40. Visitor numbers are key to the achievement of financial sustainability in Cadw. Compared to 2022, the volume of trips taken in Wales in 2023 was 3% lower, whilst expenditure was 7% higher. The decrease in annual trip volume for 2023 is driven by a sharp decrease in trips taken during the fourth quarter of the year. However, international tourism to Wales is forecast to return to pre-pandemic levels in 2025. Anecdotal evidence suggests amongst other factors, lower disposable income caused by the cost of living crisis and bad weather have affected performance across the UK.
41. The Creative Europe programme has been superseded by the Global Screen Fund (GSF) which has run since 2021, with a budget of circa £7m per annum. While a small number of Welsh businesses have benefited from this programme, the overall benefit to Wales is limited. The UK Global Screen Fund continues to provide updates on regional activity and awards and have also held briefing session in Wales, However the devolved nations have raised concerns about their limited involvement in the programme delivery. There has been no direct replacement to date for the Creative Europe cultural sub-programme and that the Welsh Government continues to engage with Department for Culture, Media and Sport and other devolved nations to raise issues and identify options for support for the sector.
42. Sectors across the creative industries continue to be affected by increasing costs and decreasing budgets. This includes broadcasters and Film and TV productions concerned that increased costs and inflationary issues are adding to existing budget challenges and wider impacts on trainees on screen productions who are struggling with the cost of living. The publishing sector is also being affected by increasing costs related to energy prices and the cost of materials, as is the music sector, which is also being hit by reducing revenues linked to changing trends in audience behaviour and reduced rates relief for venues.
43. The latest Museum Spotlight Survey (2022) indicated that *museum visitor levels overall have recovered to 69% of pre Covid-19 levels. National Trust, independent and university museums are at over 80% recovery.* In 2023-24 there were 1.56m visits across all Amgueddfa Cymru sites, which exceeded their yearly target of 1.46m visitors and represents an increase of 260,000 from 22-23.

44. Energy costs continue to cause significant concern. Since the cost-of-living crisis started, officials have been made aware of impacts such as local museums reducing opening hours, closing throughout the winter period, significantly decreasing heating levels on site, and increasing charges for services.. Some museums are also looking at the potential for redundancies. Many are not recruiting to vacant posts, even senior and crucial posts in the organisation.
45. Concerns are being expressed regarding knock-on impacts on the mental health and well-being of volunteers, community participants and visitors (many of whom are vulnerable) not being able to spend time at the museum due to cold or the cost of travel.
46. In February 2024, the Welsh Government undertook an evaluation of the impact of the Cost of Living grant fund. The main purpose of the evaluation was to assess the impact of the Fund on grant recipients and to determine the continued impact of ongoing economic pressure and rising costs on the wider museum and library sector. The evaluation found that the majority of grant recipients felt that the grant support provided was sufficient to help them manage inflationary pressures. All grant recipients confirmed that their organisation or service was still operating, which suggests the overarching objective of the Fund to support eligible organisations over the grant period has been achieved.

Priorities for Culture

47. An extended public consultation exercise was undertaken during the summer of 2024 on the draft Priorities for Culture. We received 376 responses, with good representation from sector stakeholders, individuals and community representatives. The Summary of Responses report will be published shortly.
48. The consultation findings indicated majority support for all the published draft Priorities and supporting ambitions. The more detailed feedback is proving useful in determining where we would like to focus our initial efforts in 2025-26.
49. Responses suggested that draft ambition 19 relating to the workforce, and draft ambition 20, relating to sector decarbonisation and responding to the climate and nature emergencies were challenging. Collections care and access to collections and to cultural services more broadly were other areas of concern. These findings will feed into operational planning and underpin our budget spend for 2025-26.

Arm's Length Bodies

50. Welsh Government ALBs have a responsibility to support the delivery of our priorities, as agreed in their remit letters, and contribute to the goals set out in the Well-being and Future Generations (Wales) Act 2015. The culture and sport ALB

remit letters cover the current term of government, from 2021-2026. In them, I have outlined our priorities and commitments to the people of Wales and set out our 'shared goals' for each ALB to consider in delivering their objectives. Alongside these shared goals, the remit letters outline other areas where the individual ALBs can contribute to delivering the Programme for Government.

51. Officials have reviewed the expectations set out in the culture and sport ALBs' remit letters and, following discussions with the organisations themselves, concluded their remit letters contain sufficient flexibility for each ALB to continue to deliver to it within their own operational plans. The remit letters continue to aptly set out our broad expectations for this term of government and provides strategic context. However, in light of the budget reduction they each received in 2024-25 as well as the recent reduction in their staffing numbers, I fully appreciate that more realistic objectives need to be set in relation to what the ALBs are able to deliver. In July 2024, officials asked each of the culture and sport ALBs to prepare or review its operational plan for 2024-25, demonstrating how it would deliver against the areas outlined in their remit letter. In doing so, my officials asked the ALBs to consider the good progress already made during this term of government as well as their budget for 2024-25.
52. The proposed budget allocations for the culture ALBs outlined in the Draft Budget for 2025-26 are more positive than those included in the 2024-25 budget. However, I acknowledge the ongoing impact of the reductions made in 2024-25. Therefore, as the ALBs work on their operational plans for 2025-26, officials will continue to discuss with them realistic expectations for how they can deliver against their remit letters during the next financial year.

2. Cadw

As part of this Draft Budget, I have increased Cadw's revenue budget by £0.43m and have increased their capital budget by £6.3m.

53. Cadw is prioritising its statutory responsibilities undertaken on behalf of the Welsh Ministers to maintain, conserve and provide safe public access to the 131 historic Properties in Care. It is also prioritising its statutory regulatory role in the identification, designation and management of historic places of national importance so that they are provided with adequate protection for future generations. In 2025-26 the additional revenue of £0.43m will support pay, revenue generating activities for public engagement and inflationary pressures in maintaining and conserving the monuments.
54. In 2025-26, a further £6.3m capital above the baseline will enable investment in the historic environment for future generations, contributing to the economic well-being of Wales and of its communities. The funding includes support for the second phase of the development of Caerphilly Castle and investment in the ICT infrastructure at Cadw visitor centres and conservation depots. It will also help to conserve Cadw's wider historic estate and the grant programme for wider historic sites at risk in partnership with other heritage organisations – allowing them to contribute to wider economic and social outcomes. Investment also supports the Priorities for Culture and the Tourism strategy Welcome to Wales: priorities for the visitor economy 2020 to 2025.

Income Generation

55. Income generation is central to the financial sustainability of Cadw. The Draft Budget Plan in 2025-26 is predicated on an increased income target of 5% to achieve the target of £11.42m commercial income.
56. Alongside the revenue uplift, the income target will support many of the inflationary pressures that Cadw continues to face particularly on pay, public engagement and conservation to ensure our sites remain safe and well maintained to welcome visitors. However, the great majority of Cadw monuments will continue to be free.
57. Capital investment for conservation of monuments, health and safety measures and visitor facilities is an important priority in enhancing the Cadw offer and ability to generate income. The additional capital investment of £6.3m above the £10m baseline includes provision to continue to develop Caerphilly Castle as a world class heritage destination supporting the Caerphilly Town 2035 regeneration. This will contribute to growing audiences and promoting wellbeing through widening access to, enjoyment and understanding of the historic environment for people of all backgrounds.

Historic Assets

58. For 2025-26 the budget to support historic assets makes provision for existing grant projects, pipeline projects in development and special grants to respond to significant conservation concerns at high profile industrial heritage assets. There are more than 30,000 listed buildings and 4,200 scheduled monuments in Wales, the majority of which are in private ownership. These heritage assets range from prehistoric monuments to 20th century buildings all of which play a role in defining our cities, towns, villages and landscapes today. They are also an important legacy for future generations.

59. The listing of a building or the scheduling of a monument brings no automatic entitlement to grant assistance. As with any building, the maintenance liability is a matter for the owner. However, it is recognised that sometimes conservation interventions are needed to ensure that assets can be protected and maintained for the benefit of communities today and in the future. Cadw undertakes surveys to identify the state of conservation of designated historic assets from which it identifies monuments and buildings at highest risk. This is used to inform Cadw grant schemes to support conservation of historic assets at risk. The schemes target different types of assets and are based on selection criteria, value for money judgements against submission of costed estimates by the applicant, and expected outcomes, all assessed by Cadw's Inspectors.

60. To support historic asset owners Cadw has published an extensive range of guidance and signposting to available grant funding which can be downloaded without charge from the Cadw website. The grant funding is provided through the following capital grant schemes:

- **Historic Buildings Capital Grants** - for the repair of listed buildings at risk or in a vulnerable condition.
- **Historic Buildings Maintenance and Repair Grants** – for small scale maintenance and repairs.
- **Urgent Works for Buildings at Risk** – Grants for local authorities to meet the costs of preparing and serving Urgent Works Notices to secure the condition of at risk and vulnerable listed buildings.
- **Historic Monument Grants** – to support owners of monuments in repair works and the conservation of sites ranging in dates from the Neolithic to buildings of the industrial revolution.

3. Amgueddfa Cymru and National Library of Wales

I have increased the revenue budgets of each of these organisations in 2025-26, £0.9m to Amgueddfa Cymru and £0.4m to National Library of Wales. Capital allocations of £5m and £2m have also been made to Amgueddfa Cymru and the National Library of Wales respectively along with additional capital for specific projects.

Amgueddfa Cymru

61. Whilst I appreciate that this remains a challenging time for culture sector in Wales, I anticipate that the increase to its revenue Grant in Aid in 2025-26 will help Amgueddfa Cymru to provide its workforce with an appropriate, consolidated pay increase, maintain staffing levels and retain specialist skills required to care for our national collections and help deliver Programme for Government commitments.
62. Free entry for national museums remains my policy to encourage a diverse range of visitors. Whilst this limits Amgueddfa Cymru's options to raise income, it sets annual income generation targets, and it continues to test a combination of options for further income-generation opportunities as well as developing its new income generation strategy.
63. I acknowledge the challenges that Amgueddfa Cymru colleagues are facing in caring for historic buildings and keeping our national collections safe. My officials have worked with them to prioritise maintenance requirements. In addition to maintaining the level of capital Grant in Aid funding at £5m, I am making additional funding available to Amgueddfa Cymru via the Local Culture and Sport budget to support capital works at National Museum Cardiff, St Fagans Castle, the National Waterfront Museum and for the redevelopment of the National Slate Museum.

National Library of Wales

64. The increase to its revenue Grant in Aid in 2025-26 will help the National Library to provide its workforce with an appropriate, consolidated pay increase. The Library does well in attracting charitable donations and bequests but finds the commercial income generation target challenging, with less on-site options for generating

revenue when compared to Amgueddfa Cymru for example. It is not appropriate for the Library to charge for the majority of its services and it has limited means of generating additional funds except via donations, commercial activity or for project activities. Despite this, it has established a directorate to lead on fundraising and is developed a new fundraising strategy, which will include its income generation targets.

65. Thanks to the additional capital funding I have provided in 2024-25, repair work to the roof of the National Library is on track and will be completed in March 2025. The National Library's capital Grant in Aid for 2025-26 remains at £2m with additional funding also being made available from the Local Culture and Sport budget to allow the National Library to complete the urgent repairs needed to two of its bookstacks with potential for some further capital support for the Library.

66. The Royal Commission on the Ancient and Historical Monuments in Wales has also faced significant challenges following the reduction in its revenue budget allocation in 2024-25. The 3% uplift to the Royal Commission on the Ancient and Historical Monuments of Wales' revenue funding will help it retain its specialist staff and continue the important work it does on behalf of the people of Wales. Its capital funding allocation has been maintained at £50k with potential for additional capital support for specific projects from the Local Culture and Sport budget. The Royal Commission generates some commercial income e.g. through providing services and publishing books.

67. A review of the Royal Commission's relationship with Cadw is currently underway. I have committed to updating the Senedd on this in Spring 2025.

National Botanic Gardens of Wales

68. The National Botanic Gardens of Wales is not an ALB but receives a project grant on an annual basis. It will have an equivalent uplift in its revenue allocation and have its capital allocation maintained. This is designed to help it to meet staffing and inflationary pressures.

4. Libraries, Archives and Museums

Libraries', Archives and Museums' Strategies

69. The draft budget total allocations for Support for Local Culture and Sport are £7.88m revenue and £32.8m capital, excluding support for the ALBs and the National Botanic Gardens of Wales specified in the respective budget lines.
70. Public libraries are also a statutory requirement under the 1964 Public Library and Museums Act and Ministers have a responsibility to 'superintend' public library provision. Within Wales, this duty is fulfilled through the Welsh Public Library Standards (WPLS, or the Standards) and we will continue to uphold this responsibility with an updated framework of reporting. For archives there are statutory responsibilities in relation to provision for local government records and for Places of Deposit under the Public Records Act 1958. We administer the UK Cultural Property Schemes, including Acceptance in Lieu, and the Government Indemnity Scheme and fund the Portable Antiquities Scheme in Wales. Ensuring the discharge of these statutory requirements is a key activity within the budget allocation.
71. My primary priority is taking forward the Cultural Priorities. This is expected to include work to improve physical access and representation of diverse communities in our local sectors' displays and collections, utilising local collections for health and wellbeing and for schools' engagement, improving collections care and supporting the good governance and resilience of organisations. The dispersed network of galleries being delivered through Celf – The National Contemporary Art Gallery for Wales, will play an important role in taking this forward. I will invest in digital collections building and skills-raising to enhance resilience, access to collections through digitisation, and to increase engagement. Celf ar y Cyd provides a clear example of how access to digitised works can be improved and will continue to grow. In addition, intend to establish a new scheme to identify and recognise nationally significant items held in local museum collections for the first time.
72. This funding enables us to support local museums, archives and libraries in line with our responsibilities as the development agency for those sectors in Wales. We will work strategically with key sector support bodies to build capacity and resilience of the sectors, ensuring that statutory obligations are met, and professional standards maintained for the benefit of users. We support collaborative initiatives to provide efficiency, value for money, service resilience and ensuring equality of access to collections across the sectors. We will continue to support the sector to put in place the infrastructure to support the delivery of digital services.

73. Through funding partnerships with our key sector support bodies, training and workforce development and discrete projects and programmes, we will ensure the management, preservation, protection, accessibility of and engagement with both physical and digital assets within archives, museums and library collections.
74. Within the library sector, we will continue to support digital access to electronic resources through the National Digital Library Service. We will continue to support and develop access via public libraries to the Darllen Yr Well / Reading Well, which supports mental health and wellbeing. We will establish a new scheme to support children's literacy and reading for pleasure through engagement with primary schools in public libraries, alongside continued promotion for the Summer Reading Challenge.
75. I intend to continue the Capital Transformation Grants programme to fund capital developments and improvements, including digital projects, to support decarbonisation and those to promote equalities. I also intend to fund further rounds of the Collections Management Capital Improvement Grants to enable local museums and archives improve their collections storage.

Review of Local Museums

76. The Expert Review is now almost ten years old. The Welsh Government's support of the local museums sector reflects the current financial and social environment in which both Government and museums now work, rather than solely seeking to implement the Review's recommendations.
77. Viability of many of the Review's recommendations hinged around implementation of the creation of three regional bodies recommendation '*to provide operational direction, management and support to locally delivered museums*' to improve service quality and delivery. This was a matter for Local Authority Members and Chief Executives across Wales to decide and in 2015 was not a priority for senior officials or elected members. Estimations of funding required to set up and then run regional bodies indicate significant cost implications for Welsh Government and local authorities. At the current time, recognising the immense financial pressures faced by the public sector, it has not been possible to progress this recommendation.
78. As we progress to the implementation phase of the new Priorities for Culture, there is an opportunity to consider the best options for ongoing support for local museums. In 2025-26, work will be undertaken that supports several of the Review's recommendations. Through the Culture Division's remit as museum sector development agency in Wales and its partnerships with key sector support organisations, strategic interventions and activity will be coordinated across local museums.

79. Using the Museums Accreditation Scheme as a framework, funding and opportunities to take part in programmes will be provided, focussed on improving collections care and visitor and user experiences. I will do this via provision of capital grant schemes, procurements and funding to sector support organisations such as Association of Independent Museums, Art UK, Group for Education in Museums and Kids in Museums. Work will focus on improving access both on-site and on-line, representation of diverse communities in displays and collections, collections care.
80. Building on the exploratory work undertaken over the last three years, I will establish a new scheme to recognise nationally significant items held in local museum collections. Funding will be made available to not only create and administer the scheme but also to build capacity for museums to undertake significance reviews on their collections, using the Welsh Government [Collections significance assessment: toolkit for Welsh museums | GOV.WALES.](#)
81. The Welsh Government will continue to support the local museum sector through offering a high-quality workforce development programme, including training, advice and support, access to networks and grants to attend conferences via funding provided to the Federation of Museums and Art Galleries of Wales.

5. Arts and Arts Council of Wales

Through this Draft Budget I have increased the Arts Council of Wales' revenue budget by £1.095m to £31.588m.

Arts Council of Wales

82. Welsh Government funding for the arts is channelled through the Arts Council of Wales (ACW), who operate under the arms-length funding principle, within the strategic framework we provide.

83. The Draft Budget revenue allocation for ACW in 2025-26 is £31.588m, there has been an increase of £1.095m compared to the Final Budget in 2024-25 (adjusted baseline).

84. The Welsh Government recognises the challenges currently facing the arts sector in Wales, including due to budget pressures. As the development agency for the arts sectors in Wales, ACW distributes over 90% of its annual funding to the arts sector through multiyear funding and project support. Allocations made to ACW directly supports the arts sectors as well as impacting people's access to the arts across Wales.

85. ACW's core capital budget for financial year 2025-26 is maintained at £400,000. In addition, I am proposing an allocation for an Arts Sector Strategic Capital Investment with ACW through the Support for Local Culture and Sport budget, as well as for the National Contemporary Art Gallery. This proposal will be developed further with ACW. Funding to support the redevelopment of Theatr Clwyd will continue to be made through ACW.

Access to the arts

86. ACW supports arts activity based in every local authority across Wales and the allocations in 2025-26 will continue to support and promote the vital contribution that the arts make to Wales. Increasing and diversifying levels of access and participation in the arts continues to be a priority in the Government's Remit letter to ACW. ACW uses the majority of its Grant in Aid to core fund strategic arts organisations, and we expect them to continue to prioritise access and engagement work.

87. The Welsh Government is pleased that following ACW's Investment Review process for 2024-25, 81 organisations are now receiving multi-year funding via

ACW, including 23 new organisations, which has led to a more diverse cohort of organisations supported.

88. ACW also continues to deliver its Widening Engagement Action Plan in collaboration Amgueddfa Cymru, which aims to widen engagement and access to the arts to people across Wales, with particular focus on semi-rural poverty, deaf and disabled people and Black, Asian and Minority Ethnic people.
89. Investment in major culture capital projects, especially Theatr Clwyd and the National Contemporary Art Gallery, is designed to tackle inequalities and provide better access, including particularly in north and mid Wales.

Income Generation

90. In addition to funding streams from the Welsh Government, ACW receives and distributes funding from the National Lottery and from charitable trusts.
91. All ACW grant applications for both multi-year and project funding require a budget from applicant organisations and individuals, and this is reviewed as part of the assessment process. ACW expects organisations to evidence how they have raised a proportion of the funding, and assessment of this forms part of the decision-making process. Applicants for multi-year funding are required to provide targeted audience and participant numbers as part of their annual survey returns. Anyone applying for single-year project funding is required to provide this information as part of the application process for Lottery funding. These figures are confirmed through the completion reports that are submitted by the grant recipient at the end of their projects.
92. ACW's Create Programme offers the opportunity for any organisation to apply for business development support and is open for applications all year round. Applications to Create often focus on how an organisation operates including how its financial model works and how it could be improved. In addition, through ACW's capital programme, venues are able to apply for funding for improved facilities and offer to increase performances and audience numbers.
93. ACW has recently published its commissioned **Economic Impact Assessment Report** conducted by independent research specialists, Deyton Bell. This report demonstrates that the funding it distributes on behalf of Welsh Government brings substantial economic benefit to the whole of Wales, giving a return of £2.51 back to the economy (as at 2023-24) for every £1 of public funding received by ACW. The report shows over the last decade, employment in the arts, culture and creative industries in Wales has increased by 28% - from 28,900 in 2014 to the currently

reported level of 36,960. The arts and culture industry in Wales had a turnover of £1.64b in 2023-24.

94. ACW collaborates and partners with multiple organisations whose goals align with theirs. These relationships may be governed by Memorandums of Understanding (MOUs), Partnership Agreements, or Collaboration Agreements, which in turn, provide increased financial resources / opportunities and income generation for arts organisations and creative individuals, including National Contemporary Art Galleries - CELF and the Creative Nature Fellowships with Natural Resource Wales.
95. As stewards of public funds, ACW recognises its responsibility to deliver tangible and meaningful benefits to both the Sector and the public. The arts play a fundamental role in enhancing the quality of life for individuals, fostering social cohesion, and driving economic growth.

6. Media and Broadcasting

In 2025-26 Creative Wales' total budget allocation is £6.536 revenue and £7m capital.

Creative Wales will support its priority sectors through a range of funding mechanisms to drive increased growth in the creative industries, support the development of skills, promote diversity and equality, remove barriers to entry and take a lead role in marketing and promoting the creative industries in Wales to the world.

Creative Wales

96. The focus of my investment is on the priority sectors of screen (Film & TV), music, digital, including games and immersive and publishing alongside broadcasting and journalism commitments, as well as delivering on the Programme for Government commitments in improving skills for the industry.
97. Since the launch of Creative Wales in 2020, 51 productions have been supported (signed offer letters) with another two recommended by Panel (53 in 5 years). Since April 2024, I have invested in 11 capital projects totalling £5.8m from Creative Wales capital funding with over £79.4m in projected Welsh spend and creating 50 new jobs. The aim of the scheme is to support the growth of Wales as a destination for the production of world class content by supporting Wales-based production and games development companies who are looking to develop productions intended for international audiences, generating additional Welsh spend and creating jobs in Wales.
98. Working with Ffilm Cymru (FfC) £2m has been allocated to 9 projects from July 2022 to July 2024 and it is intended to extend the pilot with Ffilm Cymru to March 2025 in order to allow for appropriate scrutiny of the economic impact of the previously funded productions and to consider the most appropriate route to maximise the impact of the new IFTC for film production in Wales.
99. With the growth in productions looking to film in Wales, I also have a strategic priority to invest in studio infrastructure. Previous investments have been made in Aria Studios in North Wales in 2022 and also in Great Point Studios in 2023.

Building work is yet to start but will see this site expanded to a total of 257,000 square feet.

100. We recently launched a funding scheme to support studios that are impacted by the Non-Domestic Rating Re-evaluation. The latest **UK Government NDR (Non-Domestic Rating) Revaluation** came into effect on 1 April 2023 and assigned revised business rates to reflect changes in rental market conditions. As a result of this change some sectors, including studios, have seen significantly increased rates. This new fund means that Welsh Government support is available via Creative Wales to help mitigate the impact of these increases. The first grant award has been issued under this scheme and further awards are in progress.
101. I continue to provide funding to support the commercial music sector. The recent agreement to award £0.4m revenue funding to 11 innovative Music projects in 2024-25 takes Creative Wales total support for music venues and businesses to over £10 million since its inception in 2020. This is in addition to the £0.2m revenue via strategic support to programmes such as Focus Wales, PPL Momentum and Power up and Beacons programme delivery.
102. I continue to prioritise skills development in the sector in line with the Programme for Government Commitment, through the Creative Skills Action Plan and Creative Skills Fund. Round two of the Skills Fund was launched in Spring 2024 and supported a further 17 projects to the value of £1.5m of which £0.8m is legally committed in 2025-26 for the two-year programme which will have a particular focus on ensuring greater diversity and inclusion within the creative sectors in Wales.
103. This financial year (2024-25) 51 trainees to date have completed paid placements on Creative Wales funded productions with an additional 69 currently on placements.
104. In addition to this, Creative Wales worked in partnership with Sgil Cymru to secure £0.9m of funding from the British Film Institute (BFI) for the delivery of the Skills Cluster for Wales programme. This funding will be allocated directly from the BFI to Sgil Cymru to deliver the programme over the next two financial years. This partnership programme requires the match funding from Creative Wales of £0.15m in 2024-25 and 2025-26 which takes budget commitments on skills to over £1m per year.
105. Diversity and inclusivity is embedded in activity and the Creative Wales Non-Executive Board have set this as their number one priority. Creative Wales' ambitions for a more diverse and inclusive creative industries sector in Wales clearly align to the Programme for Government's commitments to maximise fairness for all, eliminate inequality and to celebrate diversity.

Media, journalism and broadcasting

106. In 2024-25, work is underway to support a second year of the Senedd reporter (£50,000). The budget is also funding the Wales Community Radio Network to deliver a £0.1m Community Radio Fund to support community radio stations across Wales.
107. A total of £3,555,350 has been awarded to the Books Council of Wales in 2024-25 to date to support the publishing sector in Wales. This includes annual revenue funding for the Welsh Language Digital News Service. To mitigate the impact of cuts to this budget, this also included an additional in-year allocation of £0.15m for Frankfurt and London Book Fairs.
108. Our work with the screen sector and broadcasters, including through our Memorandums of Understanding with the BBC and S4C has supported a suite of productions in 2024-25. The full list of productions supported to date is included in Annex C.
109. Given the importance of skills and talent development to the creative industries, in 2024-25 £0.5m of the broadcasting budget was also used to enhance the Creative Skills Fund. Of the 17 projects supported through the second round, five have a specific focus on improving accessibility in the screen sector.
110. The budget to support media, journalism and broadcasting for 2025-26, including for the Books Council of Wales will be agreed as part of the annual business planning process.

7. Support for film and television production

Through this Draft Budget we have increased the Creative Wales capital budget to £7m. This additional allocation, of £2m, will support further investment in productions, providing opportunities for Wales based crew and trainees, including freelancers, and support investment in our development funding programmes.

Pinewood Studios / Seren Studios

111. Pinewood / Seren Studios is now owned by Great Point Studios and is run as a private business. Therefore, I do not have information on latest revenue, projected revenue or occupancy rates.

Production

112. A full list of all projects supported is provided at Annex C. In summary, since 2020, £28m in production funding (which now also includes games investment as a result of amended criteria) has been provided to 51 projects, generating over £342m into the Welsh economy. On these funded productions, Creative Wales has supported a total of 364 paid placements.

Bad Wolf Studios

113. Total interest due on the loan arrangement is £1.064m and repayments commenced in 2020-21. Bad Wolf has repaid £875,174 of the interest loan and have a balance of £188,763. The latest financial detail is provided at Annex D.

Creative Wales

114. Production Funding continues to be the main mechanism for supporting screen activity in Wales with a new production funding model launched in May 2023. The aim of the scheme is to support the growth of Wales as a destination for the production of world class content. The funding supports Wales-based production and games development companies who are looking to develop productions intended for international audiences. It is also available to productions from outside

of Wales that are seeking to use Wales as a location for filming. Whilst one of the main outputs continues to be the impact on the Welsh economy through spend on crew, facilities, locations etc, the fund also seeks to maximise the amount of training and skills development opportunities available on funded productions. The fund prioritises content that shows the best of Wales in Culture, language and geography, with this successfully being demonstrated by four of Creative Wales' supported productions (Pren ar y Bryn/Tree on a Hill, Men-Up, Steeltown Murders, and Wolf) receiving the most Bafta Cymru nominations in 2024 and all of which showcased an authentic portrayal of Wales to network audiences. The Fund also prioritises the development of a sector that provides equal and diverse opportunities for a long term, skilled employment base and one that looks after the wellbeing of existing staff.

115. Also, in July 2022, Welsh Government entered into an agreement with Ffilm Cymru to administer the grant funding for feature films on our behalf. To date, £2m has been allocated to nine projects across the two-year agreement and work continues with the Ffilm Cymru team and project board on these projects.

Ffilm Cymru

116. Across the initial two-year programme, nine feature films have received production funding totalling £2m generating an expected boost to the Welsh economy of over £14.5m.

117. The first funded production, Timestalker, had its world premiere at SXSW in Austin, Texas in March 2024 and debuted to both critical and audience praise. The film was subsequently distributed into UK and Ireland cinemas by Vertigo in October and international sales are being handled by Hanway Films. Brides, a film co-produced by Cardiff-based ieie Productions was also chosen as one of the UK Great8 Showcase at Cannes in May 2024 and will begin a highly anticipated festival run in early-2025. In January and February 2024, The Man in My Basement, produced by Cardiff-based John Giwa-Amu of Good Gate Media, filmed in and around South Wales and starred Oscar-winning actor Willem Dafoe and Corey Hawkins. This film is currently in post-production and is intended for a 2025 festival run. Other productions currently work-in-progress include Mr Burton, a biopic of Richard Burton produced by Severn Screen and directed by Welsh director Marc Evans and Madfabulous, a period reimagining of the flamboyant life of Henry Paget, the 5th Marquess of Anglesey.

118. The SAG-AFTRA actors' strike of 2023 led to delays in principal photography for some of the funded productions, with some productions also collapsing and funding re-allocated to other projects. Due to the delays caused by the strikes, it was not possible to review the programme at the end of the pilot two-year period (April

2024) as not enough of the productions had progressed significantly enough to provide a balanced view of their economic impact and industry success. In addition, the UK Government launched the new UK Independent Film Tax Credit (IFTTC) in April 2024 (subsequently approved by the new UK Government in October 2024) which led to a significant increase in the number of enquiries for film in Wales and included both Wales-made films and inward investment opportunities. As such, it is intended to extend the pilot with Ffilm Cymru to March 2025, in order to allow for appropriate scrutiny of the economic impact of the previously funded productions and to consider the most appropriate route to maximise the impact of the new IFTTC for film production in Wales. It is intended that a new agreement will be in place for 2025-26.

8. Sport

In line with revenue allocations to the other arm's length bodies, I have provided a revenue uplift of 3% to Sport Wales. I have also increased the Sport Wales capital budget by £2m from £8m to £10m.

Sport Wales

119. Participation and engagement in sport is of importance to the Welsh nation.

Participation, excellence, and spectating in sport generates great health benefits, binds communities, contributes to our sense of place in the world and plays an integral role in our economy.

120. A report published by Sheffield Hallam University, in September 2024, estimates sport in Wales is helping to deliver £1.9bn in Gross Value Added (GVA) for the Welsh economy, securing 38,345 full time equivalent jobs. When looking at the broader impact, including its indirect effect, those figures are calculated at £2.9bn and 58,997 jobs. As well as serving as an economic driver, sport is an impactful health prevention tool. A study, again by Sheffield Hallam University, in late 2023, reported a £621m health benefit through the prevention of over 113,000 cases of ill-health. It estimated the total social return on investment of sport to Wales to be £5.98bn annually, which means that for every £1 invested in sport there is a £4.44 return to the public and Government.

121. The Wellbeing of Future Generations Act includes the goal to create a healthier Wales, and a society in which people's physical and mental well-being is maximised. Recognising the preventative power of sport and physical activity in relation to health and wellbeing, I will reinforce our Programme for Government commitment to use capital funding to invest in facilities, particularly focused in more disadvantaged areas. In doing so, we will promote equal access to sport and tackle inequality in all its forms. A further £2m, bringing the total investment to £10m, is being invested in sports facilities through Sport Wales in this budget.

122. The £10m I am allocating to Sport Wales in the 2025-26 Draft Budget will be invested in existing and new sports facilities, including Artificial Grass Pitches, to create a modern sporting infrastructure that is financially and environmentally sustainable. The investment will safeguard local facilities, develop new and enhanced local community assets, and reduce the need for longer car journeys for families and individuals seeking to access sporting opportunities.

Prevention

123. Sport Wales recently held an event at the Senedd where Senedd Members and representatives from the sport and physical activity sector heard about the impact and role of sport on the preventative health agenda. The event was a catalyst for further discussions with National Governing Bodies, national Partners and key health organisations in the third sector on how sport and physical activity can be used to support health outcomes.

124. We will continue to work with our partners and stakeholders to understand how we can enhance the impact of sport and physical activity on the future health and wellbeing of our nation.

Other departmental funding

125. While Cabinet Secretaries and Ministers have specific portfolio responsibilities and Programme for Government commitments, we all share a collective responsibility for improving the lives of the people of Wales, including their health and wellbeing, and securing the wellbeing of future generations.

126. We will continue to explore opportunities to maximise the value of the investments we make across government, to promote equal access and opportunity for everyone to enjoy the benefits of a physically active lifestyle. We will build on existing relationships and seek out new collaborative opportunities to ensure the added benefits of sports participation are recognised more widely, and National Governing Bodies of Sport and other national partners have access to other funding streams to support their efforts to impact positively on the wider physical activity agenda.

127. The Welsh Government already provides specific funding streams aimed at health prevention through physical activity, including funding through our Healthy Weight Healthy Wales strategy, published in 2019. The strategy is a ten-year plan to prioritise early intervention and behaviour change at all levels, supporting preventative approaches to change our habits and promote healthy activity. It is a key commitment towards a cross-government approach to reducing obesity in Wales on a population scale and has been developed from evidence of what works.

128. Accompanying the strategy are a series of two-yearly delivery plans which span its lifetime. The sport and leisure sector have played a key role in delivering the objectives of the previous Healthy Weight Healthy Wales delivery plans, through schemes like FitFans and the 60+ Active Leisure Scheme.

129. The next delivery plan will continue to support programmes and interventions to encourage people to participate in physical activity. The plan will provide another

opportunity for the sport and physical activity sector to engage in vital preventative approaches to reduce obesity and establish healthier lifestyle habits.

130. The Sustainable Communities for Learning and the Community Focused Schools programmes also support the drive to create modern and accessible facilities for culture and sport and there has been significant investment in these over recent years. We will continue to support the investment in school sports facilities through our Capital budget administered by Sport Wales, to ensure young people in communities across Wales have access to modern and motivational places to play sport and develop their sporting talent.

9. Programme for Government commitments

Progress towards the commitment to “push forward towards a million Welsh speakers, and enable our tourism, sports and arts industries to thrive”.

Black, Asian, and Minority Ethnic histories

131. The Culture, Heritage and Sport commitments in the Anti-racist Wales Action Plan (ArWAP), and associated specific Programme for Government commitments aim to make a measurable difference to the lives of Black, Asian and Minority Ethnic people. Our work has focused on widening access, participation, and engagement of Black, Asian, and Minority Ethnic people as well as building capacity and capability of our cultural and heritage sectors in tackling both institutional and systematic racism. Building capacity and capability has also extended to our grassroots organisations, supporting them in developing and strengthening grant application skills to access Welsh Government Culture grant funding. The funding enabled them to create, participate in, and develop cultural activities, reflecting the diverse cultural landscape of our communities. Through grant funding we supported more than 80 organisations, allocating just over £5m of capital and revenue funding for financial years 2023-25 to support our national, local, regional and grassroots cultural, heritage and sport organisations.

132. All projects receiving funding have a focus on co-production, demonstrating a commitment to placing lived experience at the centre of policy / service design, development, and delivery. We know that co-production with Black, Asian and Minority Ethnic people is not a matter for diversity and inclusion; it is a strategic imperative that leads to more equitable and culturally appropriate services and where our heritage offers a more balanced and authentic account of our past.

133. Significant strides have been made within the culture and heritage sectors delivering against our ArWAP goals and actions and related PfG commitments. The Arts Council of Wales and Amgueddfa Cymru published a joint Widening Engagement Action Plan 2022-25 | Arts Council of Wales, which is underpinned by work to address the current inequalities experienced by people, groups and communities, particularly those currently under-represented, in access to and participation in the arts. Whilst Cadw issued guidance for public bodies on public commemorations in Wales. This follows on from the monuments and street names audit that identified numerous examples of commemorations in public spaces that could be considered contentious.

Creative Industry Research and Development Fund

134. Creative Wales has facilitated a number of Research & Development (R&D) funding initiatives since inception. R&D was included as a key priority area as part of the development funding programme. 2021-22 Development funds have been fully allocated for delivery throughout 2021-22 and 22-23 to the value of £1.1m to 51 creative companies. In July 2023, a second round of development funds was launched and 35 projects totalling over £0.980m for spend in 2023-24 and 2024-25. The TV and Digital Development Funding is designed to provide focused support to aid the growth of indigenous companies across TV and Digital, supporting companies to develop new products and IP and secure new business.
135. The £50m Media Cymru programme is funded through £22m from UK Research and Innovation's (UKRI) flagship Strength in Places Fund, £3m from Cardiff Capital Region, £0.5m from Welsh Government, through Creative Wales, and £23m match funding from industry and university partners. The Media Cymru programme, supported by Creative Wales, includes a work package to deliver a Wales wide R&D fund for the Creative Industries. This will be delivered between 2022 and 2026 and is delivering a range of R&D funding projects across Wales.

National Music Service

136. The National Music Service was established from 2022 and is supported by the **National Plan for Music Education** with ongoing funding from the Curriculum and Assessment budget in the Education MEG. In 2024-25, the Cabinet Secretary for Education is investing £4 million to deliver on this Programme for Government commitment. We want to see every child and young person from the age of 3 to 16 to benefit from opportunities to play a musical instrument, to sing, and to engage in music-making activities in schools and communities.
137. The Service, with the WLGA as its lead body, continues to support music education in schools through, for example, the 'First Experiences' programme in primary schools and 'Music Pathways' in secondary schools. This includes an important focus on engaging learners from low-income households and those with Additional Learning Needs. The 'First Experiences' programme has already engaged with over 75 per cent of primary schools in Wales. A detailed evaluation covering these initial years of the Service will be published later in 2025.
138. The Cabinet Secretary for Education has announced a new Curriculum for Wales grant support programme to provide focused support to schools and settings, from

1 April 2025. This new strategic approach to grant-funded curriculum support prioritises the National Music Service for forward funding.

139. Education officials are currently working with the WLGA on the development of options under the new grant support programme for a new full 3 financial year grant award. Further information on the specific grants and funding allocations awarded under the new programme, including for the National Music Service, will be announced by the Cabinet Secretary for Education in April 2025.

Invest in Theatres including Theatr Clwyd

140. The Welsh Government allocated £23.5m to support the redevelopment of Theatr Clwyd over the last three years between 2022-25.

141. Welsh Government funding of Theatr Clwyd represents a significant investment in the arts in Wales and recognition of the considerable social, cultural, and economic benefits Theatr Clwyd brings to Wales, particularly to communities in north-east Wales.

142. The Welsh Government remains fully committed to delivering the Theatr Clwyd capital project which is a key Programme for Government commitment.

143. In 2025-26, the Welsh Government has also made an allocation for an Arts Sector Strategic Capital Investment initiative with ACW through the Support for Local Culture and Sport budget which will enable necessary capital support to be made to arts organisations, including theatres.

Football Museum

144. In February 2023, a Welsh Government grant of £5.458m was announced for the Football Museum for Wales, to take it through content development and construction to delivery and opening (scheduled for March 2026). Last year the project team at Wrexham Museum secured funding from the National Lottery Heritage Fund, which together with funding from Wrexham County Borough Council, Welsh Government's Transforming Towns Fund, Wolfson Foundation and UK Shared Prosperity Fund has ensured the development of the museum and the associated redevelopment of the Wrexham Museum galleries is fully funded (£11.8m). The project completed a Gateway 3 assurance review as part of the Five Case Business Model, with a rating of amber-green and the Full Business Case was signed off in November 2024.

145. The Wrexham Museum building closed to the public and was handed over to contractors in July 2024. The development, building and fit out work will continue until the museum opens in 2026. While the main Welsh Government culture grant will end in March 2025, additional funding will be available in 2025-26 to ensure continuity of staffing in the key project posts of Football Curator, Engagement Officers, Project Manager.

146. Collecting and engagement activity will continue until opening, raising the profile of the project, and ensuring the objects and stories required for the museum are sourced, to tell diverse stories of the game, and that the grassroots and the international, the fan and the player stories are represented.

Celf - National Contemporary Art Gallery

147. The development of a National Contemporary Art Gallery for Wales is a commitment in our Programme for Government. It has three distinct elements:

- A dispersed network of nine galleries across Wales providing free access to the national collection, bringing contemporary art closer to communities.
- Host galleries which currently host the national collection of Welsh art i.e., National Museum, Cardiff and National Library of Wales, Aberystwyth.
- The online digital platform Celf ar y Cyd.

148. Plans for the anchor gallery have now been discontinued and the funding repurposed to meet the cost of emergency work required to protect and preserve Wales' national treasures, at the National Museum Cardiff and National Library in Aberystwyth (announced in July 2024).

149. Celf, the National Contemporary Art Gallery for Wales continues to receive investment across the nine sites around Wales. This work is being led by a collaboration between the Arts Council of Wales, Amgueddfa Cymru and the National Library of Wales in partnership with the nine galleries.

150. The geographically dispersed model will allow greater access to both contemporary art and the national collection by communities across Wales, bringing art closer to the people of Wales, in a far more equitable way.

151. Between 2017 and 2023, expenditure on the various elements of this programme totalled £1.76m, with £1.36m being capital expenditure. The updated grant award provides a further £6.3m to support the project through to its completion in March 2025. The three lead partners are working with the nine galleries in developing the requirements from April 2025 onwards, as the project enters its operational phase.

Media and journalism

152. The commitment to explore the creation of a shadow Broadcasting and Communications Authority for Wales was fulfilled in March 2024, when the Welsh Government responded to the Expert Panel to Explore the Establishment of a Shadow Broadcasting and Communication Authority for Wales' report. I am considering next steps following the publication of the Welsh Government's response and will provide an update in due course.

153. The Wales Public Interest Journalism Working Group has played an important role in helping to identify options to support actions to improve Welsh-based media and journalism, in the context of the challenges associated with government funding of journalistic content, due to matters of impartiality and editorial independence.

Broadcasting and communications

154. In 2024-25, Creative Wales has worked with broadcasting stakeholders including the UK Government Department for Culture, Media and Sport, Ofcom, public service broadcasters, Teledwyr Annibynnol Cymru and Pact to ensure Wales' needs are considered in the development of relevant regulation, policy and interventions. This has included continuing to press the case for a strong role in S4C Board appointments. The intention is for positive discussions to continue on this matter, with the new UK Government.

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Near Cash	111,816	1,071	112,887	4,999	117,886
Non Cash	10,162	0	10,162	2,028	12,190
Total Resource	121,978	1,071	123,049	7,027	130,076
Capital	55,366	0	55,366	18,421	73,787
FT Capital	-1,231	1,231	0	-500	-500
Total Capital	54,135	1,231	55,366	17,921	73,287
Total	176,113	2,302	178,415	24,948	203,363
AME	20,000	0	20,000	4,000	24,000

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Arts Council of Wales	30,429	64	30,493	1,095	31,588
Amgueddfa Cymru - National Museums of Wales	25,504	276	25,780	920	26,700
National Library of Wales	11,093	129	11,222	400	11,622
Support for Local Culture and Sport	6,668	12	6,680	1,200	7,880
Broadcasting and Media	1,100	0	1,100	-1,100	0
Action :Total Support for Culture and the Arts	74,794	481	75,275	2,515	77,790
Cadw	8,547	468	9,015	430	9,445
National Botanic Garden of Wales	525	0	525	19	544
Royal Commission on the Ancient and Historical Monuments for Wales	1,656	57	1,713	60	1,773
Action: Total Support the Historic Environment	10,728	525	11,253	509	11,762
Sport Wales	20,978	65	21,043	755	21,798
Action: Total Sports and Physical Activity	20,978	65	21,043	755	21,798
Creative Wales	5,316	0	5,316	1,220	6,536
Action: Total Promote and Protect Wales' Place in the World	5,316	0	5,316	1,220	6,536
Total Culture, Heritage & Sport	111,816	1,071	112,887	4,999	117,886

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Arts Council of Wales - Non cash	119	0	119	0	119
Amgueddfa Cymru - National Museums of Wales - Non cash	2,400	0	2,400	900	3,300
National Library of Wales - Non cash	1,250	0	1,250	1,118	2,368
Totla Support for Culture and the Arts	3,769	0	3,769	2,018	5,787
Cadw - Non cash	5,480	0	5,480	0	5,480
Royal Commission on the Ancient and Historical Monuments for Wales - Non cash	134	0	134	0	134
Total Support the Historic Environment	5,614	0	5,614	0	5,614
Sport Wales - Non cash	779	0	779	0	779
Total Sports and Physical Activity	779	0	779	0	779
Creative Wales	0	0	0	10	10
Action: Total Promote and Protect Wales' Place in the World	0	0	0	10	10
Total Culture, Heritage & Sport	10,162	0	10,162	2,028	12,190

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Arts Council of Wales	400	0	400	0	400
Amgueddfa Cymru - National Museums of Wales	5,000	0	5,000	0	5,000
National Library of Wales	2,000	0	2,000	0	2,000
Support for Local Culture and Sport	24,700	0	24,700	8,100	32,800
Total Support for Culture and the Arts	32,100	0	32,100	8,100	40,200
Cadw	10,000	0	10,000	6,321	16,321
National Botanic Garden of Wales	200	0	200	0	200
Royal Commission on the Ancient and Historical Monuments for Wales	50	0	50	0	50
Total Support the Historic Environment	10,250	0	10,250	6,321	16,571
Sport Wales	8,016	0	8,016	2,000	10,016
Total Sports and Physical Activity	8,016	0	8,016	2,000	10,016
Creative Wales	5,000	0	5,000	2,000	7,000
Action: Total Promote and Protect Wales' Place in the World	5,000	0	5,000	2,000	7,000
Total Culture, Heritage & Sport	55,366	0	55,366	18,421	73,787

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Sports Capital Loans Scheme	-1,231	1,231	0	-500	-500
Total Sports and Physical Activity	-1,231	1,231	0	-500	-500
Total Culture, Heritage & Sport	-1,231	1,231	0	-500	-500

Culture, Heritage & Sport					
Budget Expenditure Line	2024-25 Final Budget Restated	2025-26 Baseline Adjustments*	2025-26 Revised Baseline	Changes Draft Budget 2025-26	2025-26 Draft Budget
	(A)	(B)	(C = A + B)	(D)	(E = C + D)
	£000s	£000s	£000s	£000s	£000s
Amgueddfa Cymru - National Museums of Wales Pension	15,000	0	15,000	0	15,000
National Library of Wales Pension Provision - AME	9,000	0	9,000	0	9,000
Total Museums and Libraries Pensions	15,000	0	15,000	0	15,000
Arts Council of Wales Provision - AME	0	0	0	3000	3,000
Total Support for Culture and the Arts	0	0	0	3,000	3,000
Cadw Provisions - AME	0	0	0	1000	1,000
Total Support the Historic Environment	0	0	0	1,000	1,000
Sport Wsales Pension Provision - AME	5,000	0	5,000	0	5,000
Total Sports and Physical Activity	5,000	0	5,000	0	5,000
Total Culture, Heritage & Sport	20,000	0	20,000	4,000	24,000

2024-25 Draft Budget Culture, Heritage and Sport

Explanations of movements at BEL level

This Annex provides an explanation of:

- changes made between the 2024-25 Final Budget (Restated in September 2024) and the Draft Budget for 2025-26. These include two types of changes:
 1. **baseline adjustments** made to the 2024-25 Final Budget (restated). These are predominantly due to allocations made in respect of the 2024-25 pay award and to meet the costs associated with the change in the SCAPE discount rate which impacts unfunded public sector pensions. A baseline adjustment has also been made to the Fuel Poverty BEL to transfer £1.255m to the Housing and Local Government MEG. This is a correction to budgets following the portfolio changes that took place earlier in the year.
 2. **Draft Budget allocations and transfers**; the descriptions of which are set out in the tables below.

Near-Cash

BEL	5800: Arts Council of Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£1.095m)

BEL	5540: Amgueddfa Cymru – National Museums of Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£0.920m)

BEL	5660: National Library of Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£0.4m)

BEL	6170: Support for Local Culture and Sport
Changes at Draft Budget 2025-26	The budget has been increased by £1.2m £1m to take forward actions under the Priorities for Culture. A budget uplift of 3% (£0.2m)

2024-25 Draft Budget Culture, Heritage and Sport

Explanations of movements at BEL level

BEL	1070: Broadcasting and Media
Changes at Draft Budget 2025-26	The budget has decreased by -£1.1m due to a transfer of the funding from the Broadcasting and Media BEL to the Creative Wales BEL – to streamline activity under one budget.
BEL	2700: Cadw
Changes at Draft Budget 2025-26	A budget uplift of 5% (£0.430m)
BEL	2710: National Botanic Garden of Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£0.019m)
BEL	6200: Royal Commission on the Ancient and Historic Monuments for Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£0.06m)
BEL	5900: Sport Wales
Changes at Draft Budget 2025-26	A budget uplift of 3.6% (£0.755m)
BEL	3762: Creative Wales
Changes at Draft Budget 2025-26	The budget has been increased by £1.220m Transfer of £1.1m from Broadcasting and Media BEL to streamline activity. A budget uplift of 3.6% (£0.120m) to the baseline budget of the Books Council .

2024-25 Draft Budget Culture, Heritage and Sport

Explanations of movements at BEL level

Non-Cash

BEL	5800: Arts Council of Wales Non-Cash
Changes at Draft Budget 2025-26	No change

BEL	5540: Amgueddfa Cymru - National Museums of Wales Non-Cash
Changes at Draft Budget 2025-26	The budget has been increased by £0.9m to meet additional non-cash requirements.

BEL	5660: National Library of Wales Non-Cash
Changes at Draft Budget 2025-26	The budget has been increased by £1.118m to meet additional non-cash requirements.

BEL	2700: Cadw Non-Cash
Changes at Draft Budget 2025-26	No change

BEL	6200: Royal Commission on the Ancient and Historical Monuments for Wales Non-Cash
Changes at Draft Budget 2025-26	No change

BEL	5900: Sport Wales Non-Cash
Changes at Draft Budget 2025-26	No change

BEL	5900: Sport Wales Non-Cash
Changes at Draft Budget 2025-26	No change

BEL	3762: Creative Wales Non-Cash
Changes at Draft Budget 2025-26	The budget has been increased by £0.010m to meet additional non-cash requirements.

2024-25 Draft Budget Culture, Heritage and Sport

Explanations of movements at BEL level

Capital

BEL	5800: Arts Council of Wales
Changes at Draft Budget 2025-26	No change

BEL	5540: Amgueddfa Cymru - National Museums of Wales
Changes at Draft Budget 2025-26	No change

BEL	5660: National Library of Wales
Changes at Draft Budget 2025-26	No change

BEL	6170: Support for Local Culture and Sport
Changes at Draft Budget 2025-26	<p>The budget has increased by £8.1m</p> <p>The additional funding will include major developments in North Wales including Theatr Clwyd in Mold, the Football Museum for Wales in Wrexham and the National Slate Museum in Llanberis, and across the country via Celf and our Transformation Grants for local museums, libraries and archive services.</p> <p>Funding will also be made available for capital projects with the National Library of Wales and Amgueddfa Cymru.</p>

BEL	2700: Cadw
Changes at Draft Budget 2025-26	<p>The budget has increased by £6.321m</p> <p>The funding includes support for the second phase of the development of Caerphilly Castle. The additional investment will also help to conserve Cadw's wider historic estate and the grant programme for wider historic sites at risk.</p> <p>Investment also supports the Priorities for Culture and the Tourism strategy Welcome to Wales: priorities for the visitor economy 2020 to 2025.</p>

2024-25 Draft Budget Culture, Heritage and Sport

Explanations of movements at BEL level

BEL	2710: National Botanic Garden of Wales
Changes at Draft Budget 2025-26	No change

BEL	6200: Royal Commission on the Ancient and Historical Monuments for Wales
Changes at Draft Budget 2025-26	No change

BEL	5900: Sport Wales
Changes at Draft Budget 2025-26	The budget has increased by £2m The funding is being invested in sports facilities through Sport Wales in this budget.

BEL	3762: Creative Wales
Changes at Draft Budget 2025-26	The budget has increased by £2m Additional funding for productions, music and games, together with a fund to support studios to become more sustainable and accessible.

Financial Transaction Capital

BEL	6013: Sports Capital Loans Scheme
Changes at Draft Budget 2025-26	Planned repayments of -£0.731m relating to Financial Transaction Capital.

Annex C - WELSH SCREEN FUND INVESTMENT (as of 27 November 2024)

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2012-13	Tonto Films and Television Ltd	Da Vinci's Demons Series 1	0.495	3.823
2012-13	Urban Myth Films	Atlantis Series 1	0.250	4.026
2012-13	Pesky Productions Ltd (Boj & Buddies)	Boj & Buddies	0.200	1.003
2012-13	Fiction Factory (Hinterland Films Ltd)	Hinterland Series 1	0.215	3.691
2012-13	Tonto Films and Television Ltd (DVDS2)	Da Vinci's Demons Series 2*	0.990	15.000
2013-14	Avanti Media Group	Wonder World	0.127	0.763
2013-14	Urban Myth Films	Atlantis Series 2	0.250	4.026
2013-14	Lime Pictures Limited	Rocket's Island*	0.143	0.966
2013-14	Mirror Productions	Petroleum Spirit	0.051	0.358
2013-14	Modern Television	A Poet In New York	0.053	0.855
2013-14	Adastra Creative and Shrinking Cap Productions Ltd	Grandpa in my pocket	0.129	1.612
2013-14	Three Stones Media (The Rastamouse company)	Rastamouse Series 4	0.145	0.885
2013-14	Pure Grass Films Ltd (Drake Equation Ltd)	The Drake Equation*	0.740	5.208
2013-14	Lupus Films	Toot the Tiny Tugboat / Ethel & Ernest	0.550	3.034
2013-14	Green Bay Media Ltd	Castle Builders	0.045	0.320
2013-14	YJB Films (From a Jack to a King Ltd)	From a Jack to a King	0.100	1.229
2013-14	Hartwood Television Ltd	Lady Chatterleys Lover	0.125	0.813

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2014-15	Lime Pictures Limited	Rocket's Island Series 4	0.070	0.700
2014-15	Gritty Realism Productions Ltd	Heart of Darkness	0.150	1.794
2014-15	TCFTV UK Productions	The Bastard Executioner	2.500	10.000
2014-15	Cwmni Da Cyf	Country Fair	0.125	1.019
2014-15	Animortal Studio (Trampires Ltd)	Trampires	0.674	6.738
2014-15	Tiger Aspect Productions (Tiger Aspect (D&F) Ltd)	Decline and Fall	0.100	1.800
2014-15	RF Movie Productions Ltd	Robin Friday - The Movie*	0.200	1.950
2014-15	Touchpaper Television Ltd	Coming up	0.080	0.809
2014-15	Fiction Factory Films Ltd (Hinterland Films 2 Ltd)	Hinterland 2	0.304	5.300
2014-15	Fiction Factory Films Ltd (Hinterland Films 3 Ltd)	Hinterland 3	0.250	4.210
2015-16	Bad Wolf Ltd	Bad Wolf Productions	9.000	133.000
2015-16	Hartwood Films (Sherlock TV Ltd)	Sherlock Season 4	0.240	2.409
2015-16	Heel Stone Pictures Ltd	Crossing the Border	0.202	2.519
2015-16	Ninth Floor UK Productions Limited	Will Season 1	1.500	18.761
2015-16	Lookout Point Ltd (Pinewood Films 14)	The Collection	0.600	5.500
2015-16	Red & Black Films (Don't Knock Twice Ltd)	Don't Knock Twice	0.075	0.630
2015-16	Vertigo Television Ltd	Britannia VFX	1.100	11.149

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2016-17	Beakus Ltd	Toggle Top	0.076	0.944
2016-17	Cloth Cat Animation Ltd (Clothcat LBB Ltd)	Luo Bao Bai	0.225	3.183
2016-17	Riverstone Pictures (Showdogs Ltd)	Showdogs	0.362	4.737
2016-17	Vox Pictures (Keeping Faith Ltd)	Keeping Faith	0.328	4.250
2016-17	Green Bay Media	Mountains and Life	0.030	0.540
2016-17	New Pictures (Requiem Productions Ltd)	Requiem	0.400	5.016
2016-17	Severn Screen Ltd (Apostle Films Ltd)	Apostle	0.385	5.767
2017-18	World Productions (BTK 2016 Ltd)	Born to Kill	0.200	2.500
2017-18	The Forge Entertainment Ltd	Kiri	0.200	2.382
2017-18	Coracle Pictures Limited (Denmark)	Denmark	0.085	1.383
2017-18	Rondo Media Cyf	The Wall	0.045	0.363
2017-18	Touchpaper Television Ltd	4Stories*	0.040	0.631
2017-18	Illuminated Productions Ltd	The Rubbish World of Dave Spud	0.090	0.906
2018-19	Eleven Film Ltd	Schooled	0.485	3.879
2018-19	Boom Cymru	15 days	0.089	1.074
2018-19	Dream Horse Films Limited, Popara Films Ltd and Popara Films (DH) Limited	Dream Horse	0.350	4.384
2018-19	JJ Productions Ltd (Short Form Film)	Jamie Johnson Series 4	0.156	1.927
2018-19	Mad as Birds Ltd and Reliance Entertainment Productions Six Ltd	Six Minutes To Midnight	0.400	3.879
2018-19	Keeping Faith (Series 2) Productions Ltd (Vox Pictures)	Keeping Faith Series 2	0.300	4.654
2018-19	Hat Trick Productions	Warren	0.109	1.304
2018-19	Monterey Productions Ltd (HBO)	Brooklyn	0.220	2.412
2018-19	GOL Production Ltd (Pulse Films)	Gangs of London	0.350	4.209
2018-19	Iele Productions	Merched Parchus	0.041	0.444
2018-19	Blacklight TV	4Stories series 2	0.102	1.574

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2019-20	All That Limit	Brave New World	2.000	20.000
2019-20	Joio	Bang Series 2	0.190	2.300
2019-20	JJ Productions Ltd (Short Form Film)	Jamie Johnson Series 5	0.060	1.827
2019-20	Vox Pictures (Keeping Faith Series 3)	Keeping Faith Series 3	0.240	3.965
2019-20	WP Productions Ltd (World Productions)	The Pembrokeshire Murder	0.200	2.135
2020-21	Hartwood TV Ltd	Roald & Beatrix: The Case Of The Curious Mouse	0.225	2.247
2020-21	Illuminated Productions Ltd	The Rubbish World of Dave Spud Series 2	0.140	1.407
2020-21	Joio Cyf (Joio (Bang 2) Ltd)	Bang Series 2	0.190	2.302
2020-21	Lupus Films (Kensukes Kingdom Ltd)	Kensukes Kingdom	0.100	0.841
2020-21	Little Door Productions Ltd (Little Door (The Pact) Ltd)	The Pact	0.595	5.953
2020-21	One Tribe TV Limited	Wonders of the Celtic Deep	0.077	0.618
2020-21	Eleven Films (Starco TV 3 Ltd)	Sex Education Series 3	0.432	5.186
2020-21	WOTW2 Ltd- Urban Myth films	War of the Worlds Series 2	0.750	7.344
2020-21	Barking Lion Productions	The Trapper Keeper	4.000	40.159
2020-21	Bad Wolf (HDM3) Ltd	His Dark Materials Season 3	2.000	21.075
2020-21	Havoc Film Ltd	Havoc	2.150	25.004
2020-21	Short Form Film (JJ Productions) Ltd.	Jamie Johnson Series 6 & 7	0.335	4.651
2021-22	REP Productions SF Limited	The Almond and the Seahorse	0.100	0.935
2021-22	Cwmni Da Cyf	Rain Stories	0.042	0.337
2021-22	The Light Ltd/Y Golau Cyf	The Light/ Y Golau	0.528	5.289

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2022-23	Sex Education S4	Eleven Film	0.450	6.169
2022-23	Wolf	Hartswood	0.500	6.004
2022-23	The Pact S2	Little Door	0.330	5.502
2022-23	The Truth About My Murder	Yeti	0.250	0.342
2022-23	American Doomsday / Super Volcano	Wildflame	0.070	0.416
2022-23	Black Cake	CBS UK Productions/Kapital Ent.	0.750	10.000
2022-23	4 Stories: On the Edge S4	Blacklight TV	0.070	0.882
2022-23	Un Nos ola o Leuda/One Moonlit Night	Afanti Media	0.120	0.959
2022-23	Steel Town Murders (aka Kappen)	Severn Screen	0.400	5.200
2023-24	Newffion	Ceidiog	0.400	0.240
2023-24	Pren ar a Bryn / Tree on a Hill	Fiction Factory	0.500	6.262
2023-24	The Way	Little Door / Red Seam	0.510	5.282
2023-24	Lost Boys and Fairies	Duck Soup Films	0.500	5.148
2023-24	Creisis	Boom Cymru	0.169	2.038
2023-24	Until I Kill You aka Delia	World Productions	0.200	2.615
2023-24	The Rubbish World of Dave Spud S3	Illuminated Productions Ltd	0.120	1.148
2024-25	Men Up	Boom Cymru	0.150	1.950
2024-26	Bad Wolf Slate Funding	Bad Wolf Productions	4.000	60.000
2024-25	Mini Buds	Bumpy Box (*repayment)	0.130	0.470
New offers since December 6 th 2023 to 27 November 2024			50.819	592.444

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2023-24	House of the Dragon S2	HBO	0.580	5.801
2023-24	Out There	Buffalo Pictures	0.310	6.446
2023-24	Ty Gwydr / The Greenhouse	Little Bird	0.060	0.359
2024-25	Cleddau / The One That Got Away	Blacklight TV	0.270	2.715
2024-25	Maid of Sker 2	Wales Interactive	0.150	1.166
2024-25	World's Biggest Cruise	Afanti	0.014	0.100
2024-25	Death Valley	BBC Studios	0.400	4.818
2024-25	Hafiach	Vox Pictures	0.090	1.272
2024-27	Whisper Slate	Whisper Cymru	0.781	6.248
2025-26	The Guest (aka Let Me In)	Quay Street Productions	0.415	4.981
2025-26	The Undeclared War S2	Playground Entertainment	0.500	7.411
2025-26	All the Burtons	Yeti	0.035	0.267
2024-25	The Peace Particle	Telesgop	0.030	0.180
2025-26	Young Sherlock	Motive	2.500	30.000
2025-26	Under Salt Marsh	Little Door	0.500	13.000
2024-26	Y Golau: Dwr (Still Waters)	Triongl	0.405	5.671
2024-25	Pictionary	Whisper North	0.050	0.403
2025-26	Prisoner	Binocular	0.500	10.000
		Total since last time reported to Committee	7.590	100.838
TOTAL (excluding withdrawn offers* and new wider funding)			58.409	693.282

Annex D – BAD WOLF STUDIOS INVESTMENT (25 November 2024)

Investment	Investment Value (£)	Drawn down to date (£)	To be drawn down in future years (£)	Accrued interest @ 7.52% to date (£)	Paid interest @ 7.52% to date (£)	Bad Wolf match funding (£)	Expected Welsh Spend (£)	Achieved Welsh Spend (£)
Repayable Advance	4,500,000	4,500,000	-	1,063,937	875,174	-	54,000,000	54,000,000
Further Grant	4,500,000	4,500,000	-	N/A	N/A	-	79,000,000	79,496,087
Purchase of Buildings 1 and 2, Trident Park	6,000,000	6,000,000	-	N/A	N/A	-	N/A	N/A
Acquisition fees	30,000	30,000	-	N/A	N/A	-	N/A	N/A
Studio Fit out Works	2,650,000	2,650,000	-	N/A	N/A	2,800,000	N/A	N/A
Pinewood Studio Wales Fit out Works	667,588	667,588	-	N/A	N/A	692,412	N/A	N/A
SAWS	80,000	40,000	-	N/A	N/A	-	N/A	N/A
Deposit	N/A	N/A	N/A	N/A	N/A	250,000	N/A	N/A
Youth Drama Network	20,000	20,000	-	-	N/A	-	N/A	N/A
His Dark Materials Season 3	2,000,000	2,000,000	-	-	-	-		
Total	20,447,588	20,407,588	0	1,063,937	875,174	3,742,412	154,074,843	133,496,087



Delyth Jewell MS
Chair
Culture, Communication, Welsh Language, Sport
and International Relations Committee
Senedd Cymru
delyth.jewell@senedd.wales

20 December 2024

Dear Delyth

I am writing in response to your invitation to attend an evidence session on 16 January regarding the scrutiny of the International Relations draft budget for 2025-26.

As with the approach taken by my predecessors, I am declining the invitation on the basis that I intend to appear in front of the Committee once every year.

I will meet with the Committee in June to discuss any questions concerning the development of our international engagement work and our approach to international sustainable development.

As the draft budget has just been agreed, I am working through the allocation of funding for individual activities, for example, Wales and Japan, with officials. I am very happy to continue answering any questions by correspondence and will welcome a conversation next year at the annual scrutiny session. Annex A contains my responses to the questions raised in your invitation letter.

Yours sincerely

Eluned Morgan

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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 – Responses

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

Q1. A breakdown of the 2025-26 draft budget allocations for international relations and international development by MEG, Spending Programme area, Action and Budget Expenditure Line (BEL).

The draft allocations, subject to approval of the budgets are set out as follows:

International Relations	£8,143,000
International Development	£1,050,000

International Engagement (including international short-term attachments)	£2,708,600
Overseas Operations	£4,684,400
Overseas Offices Activity	£750,000
TOTAL International Relations	£8,143,000
International Sustainable Development	£1,050,000

Q2. Final out-turns for 2023-24 and forecast out-turns for 2024-25.

	2023-24	2024-25
Budget (International Relations BEL)	£8,272,000	£8,093,000
Outturn / forecast	£7,708,743	£8,093,000
Budget (International Sustainable Development BEL)	£1,359,000	£1,050,000
Outturn / forecast	£1,358,112	£1,050,000

Q3. Commentary on the Actions within the MEG in relation to International Relations and International Development, including an analysis and explanation of changes between the First Supplementary Budget 2024-25 and the Draft Budget 2025-26.

The work of the International Relations BEL will support the delivery of the International Strategy as well as the activities and support for our overseas offices, including the running costs. This funding supports our priority relationships as well as our strategic partnerships.

Between the first supplementary budget and draft budget, the International Relations BEL has increased by £50,000 to reflect the impact of a 1.3% pay award and the impact of pension contribution increases. The International Sustainable Development BEL has not changed as there are no posts funded through this BEL.

Q4. Comprehensive breakdowns of planned spending within the BEL including International Engagement and International Offices.

The International Engagement budget will provide funding to support the delivery of the International Strategy and action plans, including work with our priority regional relationships, strategic partners and delivering the Wales in years.

This will include delivery of the Wales and Japan year, activities to promote Wales at World Expo as well as the proposed signing of a new MOU with Catalonia and a renewed MOU with the Basque Country.

International offices spend will be in line with the country plans being developed for delivery in the next financial year. These plans are for internal use only and will reflect the economic and cultural priorities for each individual market, as well as maintaining an element of flexibility to adapt to market conditions. All plans will align with the International Strategy and support the delivery of the objectives and action plans.

No additional breakdown or allocation of spend has yet been made as part of this budget to support the delivery of international engagement or the international offices.

Q5. Information relating to outputs, outcomes, impacts and value for money for each area of expenditure within the International Relations BEL.

The work associated with the International Relations BEL directly contributes to the delivery of the International Strategy and action plans. The priorities for the year ahead will be delivered through the revised International Strategy Delivery Plan which my officials are drawing up.

Due to the nature of international relations, outputs and outcomes can be difficult to quantify and measure. The annual overseas network report is just one of the methods that we have used to report on our outcomes.

Activities undertaken will support the presence of our offices overseas, further develop our priority regional relationships, and deliver activities being developed under the Wales and Japan year. In addition, we are working with the UK Government to deliver two days of Wales-specific activity at World Expo in Osaka.

Value for money is considered for all activities undertaken and the appropriate policies followed when procuring services.

Q6. Allocations and comparisons with planned spend for forthcoming year against the previous year.

	2024-25	2025-26
International Engagement (including international short-term attachments)	£2,658,600	£2,708,600
Overseas Operations	£4,684,400	£4,684,400
Overseas Offices Activity	£750,000	£750,000
TOTAL INTERNATIONAL RELATIONS	£8,093,000	£8,143,000
International Sustainable Development	£1,050,000	£1,050,000

Q7. An outline of further potential challenges and prioritisations the Welsh Government may need to take in future years.

We will prioritise spend and activities based on what will be set out to achieve within the International Strategy Delivery Plan being drawn up by officials. This will set out my delivery priorities for the remainder of the Strategy's extended lifetime. We prioritise our work to ensure we continue to deliver internationally with those countries and regions where the best outcomes for Wales can be achieved.

Dependent on budget allocation in future years, there may need to be consideration and prioritisation of the activities which can be delivered within the International Relations programme and where support can be provided externally.

Changing global situations can result in the focus of our work and funding changing in-year. We cannot anticipate when, or if, these could occur and consider any such changes resulting in the reprioritisation of funding as they arise. This flexible and responsive approach is taken across all our international activity and has meant that we have been able to respond positively to unexpected opportunities to raise Wales' profile as they arise.

Other information

Q8. Commentary on the implications of the ongoing effect of the UK's exit from the EU on international relations spending plans, including as it relates to the 'EU transition' BEL.

The EU transition BEL has been closed down and the budget previously associated with this BEL baselined into Welsh Government DRC/Staff Costs BEL in 2024-25. The work continues through the International Relations, Overseas Network and Trade Policy teams using existing resources.

Q9. Commentary on international relations commitments in the Welsh Government's Programme for Government, including draft budget allocations.

The work associated with the International Relations BEL directly contributes to the delivery of the International Strategy and two Programme for Government commitments. Work will focus on meeting the three ambitions of the International Strategy, to raise the profile of Wales overseas, grow the economy and establish Wales as a globally responsible nation through our action plans and the forthcoming International Strategy delivery plan, which will set out our priorities for the remainder of this Senedd term.

The two Programme for Government commitments linked to delivering our international relations agenda are:

- Retain the Welsh Government's office in Brussels
- Establish a Peace Academy – Academi Heddwch – in Wales

The commitment relating to our office in Brussels was delivered in March 2023, with the decision taken to renew the nine-year lease in order to continue our work on EU policy, delivering the Trade and Cooperation Agreement, promotion of Wales/Brand Wales, Trade & Invest activity and Regional/Network interests. The Overseas Operations budget includes funding for the lease on the Brussels office.

The commitment to establish a Peace Academy/Academi Heddwch has also been delivered, with funding for our strategic partnership with Academi Heddwch met by the International Engagement budget. Discussions with Academi Heddwch around funding for its work in 2025-26 are still ongoing.

International Strategy

Q10. Allocations and commentary in respect of:

a) A breakdown of the draft budget allocation to deliver the International Strategy.

All activity within the International Relations and International Sustainable Development BELs supports the delivery of the objectives of the International Strategy and associated action plans which provide the frameworks for all work programmes.

This will include delivery of the Wales and Japan year, activities to promote Wales at World Expo as well as the proposed signing of a new MOU with Catalonia and a renewed MOU with the Basque Country. No allocations have been made yet as part of this budget for individual activities such as MOUs or Wales and Japan.

b) A breakdown of the draft budget allocations to deliver the actions of each of the five accompanying action plans for the Welsh Government's International Strategy. This should include further breakdowns of:

- i. resources for external diaspora organisations.**
- ii. resources for each individual delivery partner tasked with supporting the delivery of the strategy.**
- iii. resources for external culture, arts and sports organisations to support the delivery of the strategy.**
- iv. resources aimed at promoting the Well-being of Future Generations Act internationally.**
- v. resources for engagement with priority regions and countries outlined in the International Strategy.**
- vi. resources for 'Wales in' years, with commentary on how the Welsh Government's evaluations of previous years have informed draft budget 2025-26 allocations.**

No allocations have yet been made as part of this budget for the four action plans which are delivered through the International Engagement and International Sustainable Development BELs. The work of the Export Action Plan is funded through the Export, Trade and Inward Investment BEL and is scrutinised separately by the Economy, Trade and Rural Affairs committee and evidence around this BEL has been presented to ETRA by the Cabinet Secretary for Economy, Energy and Planning.

(i, ii, iii and iv) Diaspora and Strategic Partnerships

No allocations have yet been made as part of this budget to support our strategic partners or diaspora.

(v) Priority Relationships

The relationships we have developed with our priority countries and regions underpin all our international work, from events and visits through to securing inward investment and exporting our goods and services.

Work with our priority relationships covers spend across all areas of International Relations, as well as the wider department and across government. This is reflected in different activities undertaken including, for example, hosting representatives from priority regions at

the Circular Economy Hotspot, visits to priority regions and countries including Baden-Württemberg, India, Brussels and Silesia, inward visits by representatives and diplomats to Wales and the ongoing work to develop new relationships when appropriate.

No allocations have yet been made as part of this budget to priority relationships.

(vi) Wales in Years

No allocations have yet been made as part of this budget to support our promotional years. Wales and Japan year in 2025, which will commence in January, will be supported through International Engagement. This year has been developed using some of the recommendations of the Wales in France evaluation, such as early engagement with external stakeholders, and the formation of a stakeholder group with key internal and external representatives who meet regularly in the planning phases of the year. Additional resources have also been brought in on the communications side to support the Wales and Japan year. This includes an internal team member with responsibility for the campaign and engaging external creative agencies, in Wales and Japan, to ensure the messaging and communications is strong. Similar to Wales in France, the campaign in Japan will take advantage of a global event in the World Expo in Osaka and will provide a key focus for the year.

Overseas Offices

Q11. Allocations and commentary in relation to:

a) the work of the overseas offices, and details of what outcomes will be delivered and how delivery of these outcomes will be measured.

The overseas offices of the Welsh Government play a crucial role in promoting Welsh interests abroad. Their work includes fostering trade relationships, attracting investment, and enhancing cultural ties. The success of these initiatives will be measured through a range of indicators, including economic impact assessments, trade volume increases, and cultural exchange metrics. Each office is tasked with setting specific, measurable objectives aligned with the overarching goals of the Welsh Government's international strategy.

More specifically, each country has a published office remit and we have internal country plans aligned to the priorities of the Welsh Government and opportunities in that country. These are cross government plans. There is a common remit to source inward investment opportunities and identify in-market opportunities for Welsh businesses to secure export deals and support the companies on the export journey. All teams undertake joint working with the Department for Business and Trade (DBT) and other partner organisations where appropriate to support Welsh companies in-market.

The international offices also work towards building diaspora networks within their markets. Overseas teams are able to support Welsh exporters by helping them understand the local market; navigate local laws/customs; and find opportunities and 'open doors' where access can sometimes be difficult. The network raises awareness of the opportunities Wales has to offer, particularly in those areas of the economy where Wales demonstrates international class capability including cyber security, compound semiconductors, fintech, life sciences, renewable energy and in value added / next generation manufacturing – thereby promoting Wales' strengths and selling Wales as a place to do business successfully. They proactively seek out potential inward investors that might consider Wales as a location to invest as well as forging and maintaining relationships with the parent companies/HQs of existing overseas investors with operations already in Wales, to reinforce the relationship, demonstrate our commitment to work closely with them and encourage further jobs and growth in Wales.

b) all planned Welsh Government engagement with major international events, including how the cost benefit of engaging with these events is evaluated.

The major Welsh Government engagement in international events for the next financial year will be associated with the Wales and Japan year and World Expo.

St David's Day events are also always a key calendar date for all of our offices; activity is published each year in our annual report on overseas activity. It provides an opportunity to showcase Welsh cuisine, culture, language and build economic relationships with our overseas partners.

The Welsh Government evaluates engagement with major international events by conducting thorough cost-benefit analyses. These assessments consider factors such as the potential for economic growth, opportunities for cultural exchange, and the enhancement of Wales' global standing. By strategically selecting events that align with our objectives, we ensure that our participation yields maximum benefits and delivers measurable outcomes. The recommendations of evaluations from previous Wales in years have been considered in designing the programme for Wales and Japan.

c) the draft budget allocations for individual overseas offices, and on what basis were decisions on these specific allocations made.

The proposed budget allocation for the overseas operations work to support delivery of all operational and logistical elements of the overseas offices including staffing costs is £4,684,400, however this is not broken down to specific offices, and delivered network wide to cover running costs.

A further £750,000 is allocated to the overseas networks split equally between the North America (£250,000), Europe (£250,000) and MENA (£250,000) (Middle East/North Africa) networks, and further amongst the 20 offices. Budgets are not allocated to individual offices, at the start of the financial year, rather they are allocated on a needs basis once activity has been identified.

Allocations for individual overseas offices will be determined based on their strategic importance, historical performance, and alignment with the Welsh Government's international priorities. Each office's allocation reflects its potential to contribute to economic growth, cultural diplomacy, and the promotion of Welsh interests on the global stage.

Wales and Africa Programme

Q12. Allocations and commentary in respect of:

a) resource provided to the projects and organisations supported by the Wales and Africa programme.

For 2025-26, Hub Cymru Africa will receive a grant of £349,000, as agreed in the 3-year grant award that was signed off by the Cabinet Secretary for Social Justice earlier this year. I have agreed a further allocation of (up to) £210,000 towards the Wales and Africa small grants scheme delivered under contract. No allocation has yet been made under this budget for other project activity, but I anticipate that funding will be provided for our safeguarding project support.

b) funding to support the development of pan-African Tree Planting projects, including the existing Mbale Tree Planting Programme.

Options are being considered for funding allocation to the pan-African Tree Planting projects, including the Size of Wales Mbale Tree Programme in 2025-26, now that the International Sustainable Development budget allocation has been agreed. No decision has been made at this time.

c) funding to support Wales as a Fair Trade Nation, and details of what outcomes will be delivered and how delivery of these outcomes will be measured.

A new three-year grant of £349,000 p.a. was awarded to Hub Cymru Africa in April 2024. The Hub Cymru Africa Partnership Board decides on the allocation for Fair Trade Wales to support delivery of the Fair Trade Nation campaign.

In 2023, Wales celebrated the 15th anniversary of being a Fair Trade Nation. The Welsh Government, in collaboration with Fair Trade Wales, the Scottish Fair Trade Forum and the Scottish Government, developed refreshed Fair Trade Nation criteria (set out below); information on this was published earlier this year, setting out the measures and indicators and the assessment process in order to be considered a Fair Trade Nation.

1. there is widespread awareness of Fair Trade
2. there is significant engagement with Fair Trade across different sectors of society
3. there is consumption and production of Fair Trade products
4. there is political support and engagement with Fair Trade
5. inequalities in global trade and society are challenged by Fair Trade