

## 2026-27 Draft Budget Social Justice MEG

### Explanations of movements at BEL level

This Annex provides an explanation of:

1. Changes made between the 2025-26 Final Budget and the First Supplementary Budget of 2025-26 published in June 2025. The tables below provide some narrative around the allocations made at the First Supplementary Budget of 2025-26, and
2. Changes made between the 2025-26 Final Budget and the Draft Budget for 2026-27. These include two types of changes:
  - **Baseline adjustments** made to the 2025-26 Final Budget. These are predominantly due to allocations made in respect of the 2025-26 pay award and to meet the costs associated with the change in national insurance. A baseline adjustment has also been made to the Advice Services BEL to transfer £4.320m back to reserves due to a one-off ring-fenced debt levy allocation in 2025-26 (which has then been subsequently replaced with a new ring-fenced allocation for 2026-27 of **£5.166m** from the UK Government from the Debt Levy as listed per the tables below), and
  - **Draft Budget allocations and transfers**; the descriptions of which are set out in the tables below.

#### Near-Cash

BEL	1089: Basic Income
Changes at the First Supplementary Budget 2025-26	One recurrent with impact on the budget baseline:  Transfer in of <b>£2k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.
Changes at Draft Budget 2026-27	The budget has been reduced by <b>£1.205m</b> from a baselined budget of £1.505m. Only £0.3m is required in 2026-27 to continue to make final payments to recipients of the Basic Income and to undertake an evaluation of the pilot.

BEL	1694: Financial Inclusion
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	<b>Allocations totalling £681k</b> A budget uplift of 2% ( <b>£801k</b> ).  A reduction of <b>£120k</b> due to a one-off funding in 25-26 for research.

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

BEL	1084: Digital Inclusion
Changes at the First Supplementary Budget 2025-26	<p><b>Transfers totalling £602k</b></p> <p>Two non-recurrent with no impact on the budget baseline.</p> <ol style="list-style-type: none"> <li>1. A transfer in of <b>£500k</b> from the Healthier Wales BEL (H&amp;SC MEG) to support the Digital Communities Wales programme.</li> <li>2. A transfer in of <b>£100k</b> from BEL 7060 Equality, Inclusion and Human Rights to BEL 1084 Digital Inclusion BEL to support the Digital Communities Wales programme.</li> </ol> <p>One recurrent with impact on the budget baseline.</p> <ol style="list-style-type: none"> <li>3. A transfer in of <b>£2k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.</li> </ol>
Changes at Draft Budget 2026-27	<p><b>Allocations totalling £168k</b></p> <p>A budget uplift of 2% (<b>£43k</b>).</p> <p>An allocation of <b>£125k</b> will increase total funding to £2.299m (following a 2% uplift). Digital Inclusion activity was previously part funded by Health but this completes the work to fully fund core activity from this BEL.</p>

BEL	1086: Supporting Communities
Changes at the First Supplementary Budget 2025-26	<p>One recurrent with impact on the budget baseline:</p> <p>Transfer in of <b>£2k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.</p>
Changes at Draft Budget 2026-27	<p><b>Reduction in funding -£140k</b></p> <p>A budget uplift of 2% (<b>£155k</b>).</p> <p>An additional allocation for implementation of the Child Poverty Strategy including <b>£450k</b> to increase funding for the Child Poverty grant.</p> <p>An additional <b>£250k</b> to continue to support the National Child Poverty Strategy Community of Practice (COP).</p> <p>A reduction of <b>£995k</b> that was one-off funding in 25-26.</p>

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

BEL	662: Older People's Commissioner
Changes at the First Supplementary Budget 2025-26	One recurrent with impact on the budget baseline:  Transfer in of <b>£18k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for public sector employers in Wales.
Changes at Draft Budget 2026-27	<b>Allocations totalling £38k</b> A budget uplift of 2% ( <b>£35k</b> )  A budget uplift of 0.2% for public sector pay ( <b>£3k</b> ).

BEL	480: Children's Commissioner
Changes at the First Supplementary Budget 2025-26	One recurrent with impact on the budget baseline:  Transfer in of <b>£24k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for public sector employers in Wales.
Changes at Draft Budget 2026-27	<b>Reduction in funding -£12k</b> A budget uplift of 2% ( <b>£35k</b> )  A budget uplift of 0.2% for public sector pay ( <b>£3k</b> ).  A reduction of <b>£50k</b> due to a one-off funding in 25-26 to support the Commissioner's participation as a core participant in the module on Children and Young People in the Covid Inquiry.

BEL	470: Public Appointments
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	A budget uplift of 2% ( <b>£3k</b> ).

BEL	6400: Future Generation's Commissioner
Changes at the First Supplementary Budget 2025-26	One recurrent with impact on the budget baseline:  Transfer in of <b>£21k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for public sector employers in Wales.
Changes at Draft Budget 2026-27	<b>Allocations totalling £37k</b> A budget uplift of 2% ( <b>£34k</b> )  A budget uplift of 0.2% for public sector pay ( <b>£3k</b> ).

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

<b>BEL</b>	<b>1575: Public Service Boards</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	A budget uplift of 2% (£12k).

<b>BEL</b>	<b>220: Citizens Voice Body</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	One recurrent with impact on the budget baseline:  Transfer in of <b>£96k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for public sector employers in Wales.
<b>Changes at Draft Budget 2026-27</b>	<b>Allocations totalling £171k</b> A budget uplift of 2% (£161k).  A budget uplift of 0.2% for public sector pay (£10k).

<b>BEL</b>	<b>541: VAWDASV</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	One recurrent with impact on the budget baseline:  Transfer in of <b>£6k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.
<b>Changes at Draft Budget 2026-27</b>	<b>Allocations totalling £725k</b> A budget uplift of 2% (£187k).  A budget uplift of 0.2% for public sector pay (£2k).  An additional <b>£536k</b> revenue has been allocated to the VAWDASV budget, to support the delivery of Objective 6 in the VAWDASV National Strategy 2022-2026. As well as additional revenue funding to support the extension and additional support within the Live Fear Free contract and to support the delivery of Step-Up, Step-Down services and/or IDVA provision within regions.

<b>BEL</b>	<b>7060: Equality, Inclusion and Human Rights</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	<b>Transfers totalling -£73k</b>  One non-recurrent with no impact on the budget baseline.

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

	<p>A transfer out of <b>£100k</b> from BEL 7060 Equality, Inclusion and Human Rights to BEL 1084 Digital Inclusion BEL to support the Digital Communities Wales programme.</p> <p>One recurrent with impact on the budget baseline:</p> <p>Transfer in of <b>£27k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.</p>
<b>Changes at Draft Budget 2026-27</b>	<p><b>Allocations totalling £829k</b> A budget uplift of 2% (<b>£212k</b>).</p> <p>A budget uplift of 0.2% for public sector pay (<b>£3k</b>).</p> <p>An allocation of <b>£214k</b> to fund the first-year costs of implementation of the British Sign Language (Wales) Bill.</p> <p>An allocation of <b>£400k</b> has been made to the Equality, Inclusion and Human Rights BEL to support delivery of the currently unfunded PfG commitment to create an Equalities Legal Service.</p>

<b>BEL</b>	<b>7062: Cohesive Communities</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	<p><b>Transfers totalling -£187k</b></p> <p>One non-recurrent with no impact on the budget baseline.</p> <p>A MEG to MEG transfer out of <b>£200k</b> from BEL 7062 Cohesive Communities to BEL 4775 – Education MEG for the British Red Cross.</p> <p>One recurrent with impact on the budget baseline:</p> <p>Transfer in of <b>£13k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.</p>
<b>Changes at Draft Budget 2026-27</b>	<p><b>Allocations totalling £200k</b> A budget uplift of 2% (<b>£198k</b>).</p> <p>A budget uplift of 0.2% for public sector pay (<b>£2k</b>).</p>

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

<b>BEL</b>	<b>7063: Equality, Poverty &amp; Children's Evidence &amp; Support</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	One recurrent with impact on the budget baseline:  Transfer in of <b>£24k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.
<b>Changes at Draft Budget 2026-27</b>	<b>Allocations totalling £44k</b> A budget uplift of 2% ( <b>£41k</b> ).  A budget uplift of 0.2% for public sector pay ( <b>£3k</b> ).

<b>BEL</b>	<b>5334: Advice Services</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	<b>Transfers totalling £2,372k</b> Three non-recurrent transfers with no impact on the budget baseline. <ol style="list-style-type: none"> <li>1. A transfer in of <b>£1,400k</b> from reserves to be utilised through the Single Advice Fund regional and national services on the provision of income maximisation services in 2025-26</li> <li>2. A transfer in of <b>£125k</b> from reserves to be used on the provision of debt related advice services</li> <li>3. A transfer in of <b>£846k</b> from reserves in relation to the Welsh Government's share of the UK financial levy 2025 -26</li> </ol> One recurrent with impact on the budget baseline:  A transfer in of <b>£1k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.
<b>Changes at Draft Budget 2026-27</b>	<b>Allocations totalling £5,868k</b> A budget uplift of 2% ( <b>£202k</b> ).  Specific ring-fenced allocation of <b>£5,166k</b> from the UK Government from the Debt Levy.  An additional <b>£500k</b> revenue to continue to support the work on streamlining Welsh benefits will also make it easier for people to access the benefits they are entitled to.

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

BEL	1695: Support for the Voluntary Sector
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	<p><b>Allocations totalling £387k</b> A budget uplift of 2% (£198k).</p> <p>Additional FT capital to provide a further £1.530m loan to WCVA for the <b>Community Asset Loan Fund</b>. This creates a revenue requirement of <b>£189k</b>.</p>

BEL	830: Community Support and Safety
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	<p><b>Allocations totalling £270k</b> A budget uplift of 2% (£320k).</p> <p>A reduction of <b>£50k</b> due to a one-off funding in 25-26 for evaluation.</p>

BEL	1267: Criminal Justice Delivery
Changes at the First Supplementary Budget 2025-26	<p>One recurrent with impact on the budget baseline:</p> <p>A transfer in of <b>£2k</b> from Reserves to cover the rise in National Insurance Contributions (NICs) for programme funded WG staff.</p>
Changes at Draft Budget 2026-27	<p><b>Allocations totalling £146k</b> A budget uplift of 2% (£26k).</p> <p>An allocation of <b>£120k</b> to fund a pilot scheme in collaboration with Greater Change to explore a different approach to supporting those who are homeless or at risk of homelessness.</p>

BEL	1270: Fuel Poverty Programme
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	A budget uplift of 2% (£13k).

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

## Non-Cash

BEL	1084: Digital Inclusion
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	A transfer to reserves of <b>£25k</b> due to a reduction in non-cash required.

BEL	662: Older People's Commissioner
Changes at the First Supplementary Budget 2025-26	Transfer out of <b>£20k</b> to reserves for depreciation cover that is no longer needed in relation to the capital budget of £100k in 2024-25, which did not go ahead.
Changes at Draft Budget 2026-27	A transfer to reserves of <b>£20k</b> due to a reduction in non-cash required.

BEL	6400: Future Generations Commissioner
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	None

BEL	480: Children's Commissioner
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	None

BEL	220: Citizens Voice Body
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	None

BEL	7060: Equality, Inclusion and Human Rights
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	A transfer to reserves of <b>£1k</b> due to a reduction in non-cash required.



## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

## Capital

<b>BEL</b>	<b>1694: Financial Inclusion</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	<b>Allocation of £358k</b> This will create a capital funding programme for credit unions. Having dedicated capital funding will enable a more strategic, and fairer, approach to funding the sector - rather than a reactive approach to ad hoc bids which rely on in-year underspends elsewhere in the MEG.

<b>BEL</b>	<b>1084: Digital Inclusion</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	None

<b>BEL</b>	<b>1086: Supporting Communities</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	None

<b>BEL</b>	<b>1088: Gypsy Traveller Sites</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	None

<b>BEL</b>	<b>541: VAWDASV</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	None

<b>BEL</b>	<b>1372: Community Facilities Programme</b>
<b>Changes at the First Supplementary Budget 2025-26</b>	None
<b>Changes at Draft Budget 2026-27</b>	None

## 2026-27 Draft Budget Social Justice MEG

## Explanations of movements at BEL level

## FT Capital

BEL	1694: Financial Inclusion - repayments
Changes at the First Supplementary Budget 2025-26	Planned repayments of <b>£10k</b> relating to Financial Transaction Capital.
Changes at Draft Budget 2026-27	Planned repayments of <b>£1.073m</b> relating to Financial Transaction Capital.

BEL	1372: Community Facilities Programme (FT capital)
Changes at the First Supplementary Budget 2025-26	None
Changes at Draft Budget 2026-27	An allocation of <b>£1.530m</b> to support the WCVA's Community Asset Loan Fund.