

Dear

ATISN 26889 – School Budgets, Workforce Sustainability and Risk

Information requested

Thank you for your request which I received on 15 April 2026. You asked for:

Information for the period 1 January 2023 to present day relating to existing recorded information held by Welsh Government in the Education, Culture and Welsh Language Group on the following: school financial sustainability; school workforce sustainability; risk and impact assessments. This includes, where held, briefing notes; ministerial submissions or advice; internal reports or summaries; meeting notes or formal records of discussions; risk register entries, summaries and mitigation strategies or actions.

Our response

I have established the following in response to your request:

School Financial Sustainability

Maintained school budget deficits

Data on reserves (including deficits) held by schools is published on [Delegated school outturn by individual school | StatsWales](#). A report is also published on [Reserves held by schools | GOV.WALES](#) which provides an analysis of financial reserves (including deficits) held by school as at 31 March each year. Local authorities work with schools to manage their budgetary positions.

This information is shared with the Cabinet Secretary on publication. Similarly, the published information is also shared for information purposes with internal colleagues.

Licensed deficits or deficit recovery arrangements

The Welsh Government does not collect information on individual school licensed deficits or deficit recovery arrangements. This would be a matter for individual local authorities.

Financial sustainability of maintained schools in Wales

Where we receive correspondence on school funding we advise that local authorities are responsible for their individual funding and monitoring arrangements. Local authorities work with schools to manage their budgetary positions. We do collect and publish data on school budgets which can be found on [Delegated school budgets by individual school | StatsWales](#) and [Delegated school outturn by individual school | StatsWales](#).

The Welsh Government provides funding to local authorities to support their funding of pre-16 provision in schools in Wales mainly through the local government revenue settlement. The settlement is not ring-fenced; the funding allocated to each authority is available to the authority to spend as it sees fit across the range of services for which it is responsible, including schools. Once the local government settlement has been distributed to local

authorities, it is the responsibility of individual authorities to set budgets for their schools which are determined by a local funding formula.

We received a copy of the WLGA's [The State of Education in Wales: Challenges, Pressures and Towards Sustainability](#). A response was issued on 1 April 2026 regarding the report, Doc 1. The letter refers to a recent meeting which took place. Doc 2 is a summary of the meeting note. A summary has been provided as some of the information in the meeting note is not relevant to your request.

School Workforce Sustainability

Teacher recruitment and retention

On 25 September 2025 the Cabinet Secretary for Education attended a session of the Children, Young People and Education Committee as part of an inquiry into teacher recruitment and retention. Due to the size of the briefing submitted to support the Cabinet Secretary, officials have provided extracts that are considered most relevant to your request. These are at Docs 3 and 4. In my letter to you of 10 March 2026 I sent you links to the School Workforce Annual Census and the Teacher Planning Supply Model.

Workforce capacity in maintained schools

As set out above, local authorities are responsible for their individual funding and monitoring arrangements. Local authorities work with schools to manage their budgetary positions. Local Management of Schools (LMS) in Wales, gives governing bodies and headteachers significant autonomy over budget allocation, staff recruitment and the operation of the school. Workforce capacity in maintained schools is managed through LMS. As set out in my first letter of 10 March 2026, local education authorities may hold this information and you would need to contact Directors of Education directly, I have set out details below.

Staffing pressures affecting educational delivery

The assessment of staffing pressures affecting educational delivery in maintained schools is the responsibility of the local education authority. You should contact Directors of Education, details of which I have set out below.

Risk and Impact Assessments

The ability of maintained schools to deliver education

Estyn inspects all schools within a 6 year cycle (2024-2030). Estyn is independent of Welsh Government; inspection matters are the responsibility of the Chief Inspector. School inspection reports can be found on Estyn's website [Estyn](#). Local authorities will have an overview of their schools. You should contact the Directors of Education in local authorities, details of which I have set out below.

Workforce sustainability or staffing pressures

The assessment of workforce sustainability or staffing pressures in maintained schools is the responsibility of the local education authority. You should contact the Directors of Education, details of which I have set out below.

Financial pressures affecting school operations

Local authorities will have an overview of the financial pressures affecting school operations. You should contact Directors of Education in local authorities, details of which I have set out below.

More generally, across Education Directorate, we have looked at our education risk and issue registers over the time period for this Fol, and we have a risk covering education

delivery and workforce and an issue relating to workforce and financial pressures. These have been extracted and can be found at Doc 5.

Directors of Education

I reference a number of times above the Directors of Education in local authorities. These can be found at the Welsh Local Government Association link I sent on 10 March but is here again for ease [Directors of Education - Contact Details - WLGA](#)

Next steps

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at: Information Rights Unit, Welsh Government, Cathays Park, Cardiff, CF10 3NQ or Email: Freedom.ofinformation@gov.wales

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at:

Information Commissioner's Office,
Wycliffe House,
Water Lane,
Wilmslow,
Cheshire,
SK9 5AF

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely