

Mark Drakeford AS/MS
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language



Llywodraeth Cymru
Welsh Government

Peredur Owen Griffiths MS
Chair of Finance Committee
Senedd Cymru
Cardiff Bay
CF99 1SN

15 January 2026

Dear Peredur,

I am writing to provide the Committee with details of the Welsh Government's Barnett formula consequentials from the UK Government's autumn budget announced on 26 November 2025.

The information set out in Annex A shows resource changes for the financial years 2025-26 to 2028-29 and general capital changes for the financial years 2026-27 to 2029-30. There were no changes to financial transactions capital.

I remain committed to continuing to present our budgetary information in an open and transparent manner to support the Committee's scrutiny and trust this information will help to inform our discussions when I attend Finance Committee on 21 January.

Yours sincerely,

Mark Drakeford MS
Cabinet Secretary for Finance and Welsh Language
Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg

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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

UK Government Autumn Budget 2025 – Barnett Formula consequentials

The tables below summarise the Welsh Government's Barnett formula consequentials from the recent UK Government Autumn Budget.

The tables show fiscal resource and general capital funding by the UK Department where the underlying changes took place. There were no changes to financial transactions capital. The tables show changes relative to the 2025 Spending Review position.

Resource Barnett Formula Consequentials (£m)				
	2025-26	2026-27	2027-28	2028-29
Transport	0	7	8	7
Health	25	25	-3	-46
MHCLG Local Government	0	3	0	-5
Education	2	2	5	-27
Environment, Food and Rural Affairs	0	2	2	2
Work and Pensions	0	31	22	17
Business Rates	0	114	78	47
Other	0	1	1	-1
Total	27	186	113	-5

General Capital Barnett Formula Consequentials (£m)				
	2026-27	2027-28	2028-29	2029-30
Transport	-6	75	-25	0
Health	0	17	0	31
Energy Security and Net Zero	17	26	26	17
MHCLG	1	1	0	0
Environment, Food and Rural Affairs	1	1	1	1
Total	14	120	2	50