

Jeremy Miles MS

Cabinet Secretary for Health and Social Care

Dawn Bowden MS

Minister for Children and Social Care

Sarah Murphy MS

Minister for Mental Health and Wellbeing

23 July 2025

Welsh Government Draft Budget 2026-27

Dear Jeremy, Dawn and Sarah,

As in previous years, we would like written information to support our scrutiny of the Welsh Government's Draft Budget 2026-27. The annex to this letter sets out in detail the information that we would like to receive.

I would be grateful to receive the written information no later than two weeks prior to your appearance before Committee, the date of which will be arranged in due course.

Given the shared interest across committees in some of the areas listed in the annex to this letter, I have copied in the chairs of the Health and Social Care Committee and the Equality and Social Justice Committee.

Yours sincerely,



Buffy Williams MS

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.
We welcome correspondence in Welsh or English.



Annex A: Request to the Cabinet Secretary for Health and Social Care, Minister for Children and Social Care, and Minister for Mental Health and Wellbeing regarding the CYPE Committee's Draft Budget scrutiny 2026-27

1. Allocations for children and young people

Allocations in the Health MEG by Action, and Budget Expenditure Line (as directly relevant to children and young people):

- Draft Budget 2026-27.
- Final Budget 2024-25 allocations.
- 2025-26 First Supplementary Budget.
- Any indicative budgets set for beyond 2026-27.
- A description of any changes to baselines used in the Draft Budget 2026-27 from the First Supplementary budget June 2025.

In light of the Cabinet Secretary for Finance and Welsh Language's announcement on 1 July that the 2026-27 budget will increase departmental budgets by inflation, rather than reflecting new policies and priorities, how the Cabinet Secretary and Ministers have been able to take account of emerging and escalating issues for children and young people since the 2025-26 budget was set.

2. Impact assessments

- **Combined CRIA across all portfolios:** The overall Child's Rights Impact Assessment (CRIA) undertaken to inform allocations in the draft Budget 2026-27.
- **CRIA for Health and Social Services MEG:** The CRIA for the Health and Social Services MEG for 2026-27.
- **Other impacts:** Details and/or examples of any changes made to allocations within the Health and Social Services MEG following considerations of equalities, sustainability, the Welsh language, and the Wellbeing of Future Generations.

A narrative update of the progress of the following, included on page 4 of your response to our report on the Draft Budget 2025-26:

Welsh Government officials are currently undertaking a review of the SIIA, the first review since its introduction in 2015-16, to ensure it remains fit for purpose and consider where improvements might be made in the future. It is anticipated the review will conclude in 2025. Welsh Treasury are leading on this review with input from the Budget Improvement and Impact Advisory Group (BIIAG).

3. Programme for Government

Allocations in the Draft Budget 2026-27 and the latest position on funding in the context of the latest Welsh Government Annual Report for:

PFG Commitment	Requested allocations and narrative detail
Advocacy services for parents whose children are at risk of coming into care.	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27.
Fund regional residential services for children with complex needs.	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27.
Eliminating private profit from the care of children looked after.	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27
Specialist support for children with complex needs who may be on the edge of care.	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27.
Fund childcare for more families where parents are in education and training or on the edge of work.	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27. Overall impact and allocations to support increases in the hourly rates paid to Childcare Offer providers from April 2025 of £6.40 an hour. How this Draft Budget reflects the Welsh Government's decision to review this rate annually from now on.
Phased expansion of early years provision to include all 2 year olds, with a particular emphasis on strengthening Welsh medium provision. (We note that in the response to our report on the Draft Budget 2025-26 you said "continued expansion beyond 2025-26 will depend on further funding being made available in future Welsh	Allocations and accompanying narrative setting out desired outputs and outcomes for 2026-27 - The % of 2 years old offered and taking up Flying Start childcare 12.5 hours by local authority.

Government budgets and the capacity of the sector to respond to the requirements of further expansion.”)	- Confirmation that this Draft Budget 2026-27 includes funding of FS Childcare to all 2 year olds.
Flying Start (the four entitlements).	Allocations and accompanying narrative setting out desired outputs and outcomes for 2025-26 (revenue and capital).

4. Children’s social care

Children’s Social Care workforce

Any allocations associated with additional support to local authorities to address the instability of the workforce in children’s social care, such as vacancy rates and the use of agency staff.

Sustainable Social Services Grant Scheme

The latest position on the Scheme and a breakdown of all grants relevant to children and young people if allocations have been made in this Draft Budget 2026-27.

Care Experienced Children Change Fund

The latest position on the Care Experienced Children Change Fund and whether the Fund has come to and end in the current year. .

5. Children’s health

Allocations in the Draft Budget 2026-27 and the latest position on funding for:

- Tackling NHS paediatric waiting times
- Improving children’s dental health
- Obesity strategy, including evidence of a joined-up, cross-Government approach to tackling the determinants of obesity
- Mental health services, including:
 - child and adolescent mental health services
 - urgent mental health support including NHS Wales 111 press 2 and the development of mental health hubs/sanctuary services
 - services to support perinatal mental health and parent-infant relationships
 - eating disorder services

- Suicide prevention as it relates to children and young people
- Neurodevelopmental services
- Public health as it relates to children and young people, including vaccination
- Substance misuse, including vaping among children and young people

6. Cost of living and National Insurance changes

General commentary about the impact of cost of living on:

- **Health boards:** the delivery of services to children and young people by the Health Boards in Wales and the impact of the rising costs of energy on this provision.
- **Social services:** the provision of all social service activities of Local Authorities in Wales and any associated discussions with the Cabinet Secretary for Housing and Local Government.
- **Child poverty:** details of what discussions have taken place with other relevant cabinet colleagues in respect of allocations which have a significant impact on children's health and social care, for example the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip in terms of the budget of the Children's Commissioner for Wales and broader policy issues such as child poverty.
- **National Insurance contributions:** an update to the information provided on pages 10 and 11 of your response to our report on the Draft Budget 2025-26. To include how this Draft Budget reflects changes in employer National Insurance contributions and your assessment of the impact of this on the provision of health and care services to children and young people.

7. Costs of legislation relevant to the portfolio.

- Costs of implementing to Health and Social Care (Wales) Act 2025 as relevant to children and young people.
- Financial implications or anticipated in of any subordinate legislation relevant to children and young people within the H&SC portfolio.
- Information on the financial impact of any relevant UK Parliament legislation including the Welsh Government's associated LCM on the Children's Wellbeing and Schools Bill.