

Wales Fiscal Analysis: Additional evidence on the Welsh Government Draft Budget 2022-23

Wales Fiscal Analysis has brought together an assessment of the costs associated with some of the policies included in the co-operation agreement. To explore those costs and the impact the co-operation agreement has had on the Draft Budget.

The Draft Budget increases allocations for Free School Meals by £90 million by 2024-25. This is in line with cost estimates previously published by the Bevan Foundation. However, it is unclear whether additional capital funding has been made available to fund the investment in school catering facilities that may be required to deliver this policy.

Additional resource allocations have been made to expand the Welsh Government's childcare offer. Support for "Childcare and Play" is set to increase by £27 million, with up to £70 million allocated in the capital budget. This seems realistic.

The budget also includes a £60m allocation to improve the sustainability of the social care sector, and funding to start paying the Real Living Wage to social care workers from April 2022. However, the draft budget does not make allocations to reform the arrangements governing how people currently pay for care. The Co-operation Agreement included a commitment to 'agree an implementation plan by the end of 2023'.