



Delyth Jewell MS
Chair of the Culture, Communications, Welsh Language, Sport and International Relations
Committee

20 August 2025

Dear Delyth,

On 28 February, I wrote to you to provide my response to recommendations 1-5 of the Committee's report on the Welsh Government Draft Budget 2025-26. In follow up to my response, I am writing to provide you with further information relating to recommendation 2 on employer National Insurance Contributions (NIC).

The total increase in national insurance contributions for the culture and sport Arm's-Length Bodies (ALBs), as part of the UK Governments decision to increase employer NICs in the autumn UK budget, was £1,116,000.

ALB	Rise in NIC (2025-26)
Amgueddfa Cymru	£660,000
Arts Council of Wales	£131,000
National Library of Wales	£195,000
Royal Commission	£28,000
Sport Wales	£102,000

The UK Government provided £800,000 funding using the Barnett formula. This left a shortfall of £316,000 for the culture and sport ALBs to cover the additional cost. As announced by the Cabinet Secretary for Finance and Welsh Language on 30 May, 50% of this shortfall was covered by the Welsh Government. The total funding provided by the UK Government and the Welsh Government for the NICs increase was £957,000 (86% of the increase).

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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.

ALB	UK Government funding	Welsh Government funding	Total
Amgueddfa Cymru	£473,000	£94,000	£567,000
Arts Council of Wales	£94,000	£18,000	£112,000
National Library of Wales	£140,000	£27,000	£167,000
Royal Commission	£20,000	£4,000	£24,000
Sport Wales	£73,000	£14,000	£87,000

Yours sincerely,

A handwritten signature in black ink that reads "JACK SARGEANT". The signature is written in a cursive style with a long horizontal line underneath the name.

Jack Sargeant AS/MS

Minister for Culture, Skills and Social Partnership

Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol