

Financial implications of the Welsh Language and Education (Wales) Bill

December 2024

1. Introduction

- 1.** The Welsh Language and Education (Wales) Bill¹ (the Bill) and Explanatory Memorandum (EM)², including the Regulatory Impact Assessment (RIA), were introduced by Jeremy Miles MS, the then Cabinet Secretary for Economy, Energy and Welsh Language on 15 July 2024.
- 2.** On 16 July 2024, following the resignation of Jeremy Miles MS from the Welsh Government, Eluned Morgan MS, the then Cabinet Secretary for Health and Social Care made an introductory statement on the Bill in Plenary.³
- 3.** On 17 September 2024, the First Minister wrote to the Llywydd to confirm that Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language (the Cabinet Secretary), was now the Member in Charge of the Bill.⁴
- 4.** The Finance Committee (the Committee) took evidence on the financial implications of the Bill on 23 October 2024⁵, from:
 - Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language;
 - Bethan Webb, Deputy Director, Cymraeg 2050, Welsh Government; and
 - Joanne Corke, Head of Research, Education, Social Justice and Welsh Language Group, Welsh Government.
- 5.** Policy scrutiny of the Bill was undertaken by the Children, Young People and Education Committee.⁶
- 6.** The Legislation, Justice and Constitution Committee also considered the Bill in accordance with matters which fall within its remit.⁷

¹ [Welsh Government, The Welsh Language and Education \(Wales\) Bill](#)

² [Welsh Government, Explanatory Memorandum](#)

³ [Plenary, Record of Proceedings \(RoP\), 16 July 2024](#)

⁴ [Letter from the First Minister to the Llywydd, 17 September 2024](#)

⁵ [Finance Committee, RoP, 23 October 2024](#)

⁶ [Children, Young People and Education Committee](#)

⁷ [Legislation, Justice and Constitution Committee](#)

2. Purpose and need for the Bill

7. The EM states the Welsh Government has set an aim of ensuring one million Welsh speakers in Wales by 2050, with the Bill’s overall purpose being:

“... to contribute towards that goal by aiming to ensure that all pupils are independent Welsh language users, at least, by the time they reach the end of compulsory school age. Furthermore, the aim is for all pupils to develop oral skills equivalent to level B2, at least, of the Common European Framework of Reference for Languages.”⁸

8. The EM says “the education system is integral to realise the goal of achieving one million speakers” and that the Welsh Government’s ambition is:

“... to see everyone learning in a school or setting in Wales being supported to enjoy using the Welsh language, to make continued progress in learning it, and to have the confidence and skills to be able to choose to use Welsh beyond educational setting.”⁹

9. The EM states the Bill includes new policy proposals as well as introducing changes to existing legislation. It says the proposals will “strengthen and complement existing processes to make them more effective” and will allow the Welsh Government to “purposefully plan Welsh language education to improve the linguistic outcomes of our pupils”¹⁰.

10. In July 2017, the Welsh Government published its strategy, ‘Cymraeg 2050: A million Welsh speakers’ setting out the Welsh Government’s long-term goal of achieving one million Welsh speakers by 2050.¹¹ The Cabinet Secretary explained that the Bill’s origins go back to the Welsh Government’s 2017 strategy and it has been in the Government’s legislative programme since the start of the Senedd term.¹²

⁸ [Welsh Government, Explanatory Memorandum, page 3](#)

⁹ [Welsh Government, Explanatory Memorandum, page 5](#)

¹⁰ [Welsh Government, Explanatory Memorandum, page 3](#)

¹¹ [Welsh Government, Cymraeg 2050: A million Welsh speakers, July 2017](#)

¹² Finance Committee, RoP 23 October 2024, paragraph 8

Summary of costs

11. The overall cost of introducing the Bill is £103.2 million over a ten-year appraisal period (2025-26 to 2034-35). These are summarised in Table 1.¹³

Table 1: Summary of the financial implications of the Bill

	Cost estimate (£'million)		
	Transitional	Recurrent	Total
Part 1: Promotion and facilitation of use of the Welsh language			
Welsh Government	0.1	-	0.1
Part 2: Describing Welsh language ability			
Welsh Government	0.3	-	0.3
Part 3: Welsh language education			
Welsh Government	0.4	-	0.4
Welsh Government (*Schools)	-	35.0	35.0
Local Authorities	-	2.5	2.5
Schools	-	10.2	10.2
Welsh Government (*Local Authorities)	-	16.1	16.1
Part 3 Total	0.4	63.9	64.2
Part 4: Planning Welsh language education and learning			
Welsh Government/Schools	0.1	0.3	0.4
Welsh Government/ Local Authorities	-	31.5	31.5
Local Authorities	-	1.8	1.8
Estyn	-	0.2	0.2
Part 4 Total	0.1	33.7	33.8
Part 5: National Institute for Learning Welsh			
Welsh Government	0.4	3.8	4.2
Post implementation review	0.6	-	0.6
Translation	0.0	-	0.0
Total	1.8	101.4	103.2

¹³ [Welsh Government, Explanatory Memorandum, page 109](#)

12. The Cabinet Secretary noted that the Bill assumes that any investments currently being made into Welsh language learning, such as the Welsh sabbatical scheme¹⁴, will be “sustained into the future”. The Cabinet Secretary explained:

“The actual costs, the new costs, are accounted for in the regulatory impact assessment, but the Bill is essentially about making the very best use of resources that are already there in the system.”¹⁵

13. The Cabinet Secretary went on to say:

“... that's the foundational principle of the Bill: that the significant resources that are there now will continue to be available. The RIA then does set out, at the different milestones of the Bill, where additional costs might be incurred—very often they are opportunity costs rather than actual financial costs, although they are monetised for the purpose of the RIA.”¹⁶

14. The RIA presents the estimates as precise figures, rather than a range of costs. The Cabinet Secretary explained that this approach was decided following feedback from experts in “knowledge and analytical services on the best methodology to deploy when providing an RIA”, adding that:

“... had ranges been the preferred method for describing and capturing the costs involved in the Bill, the ranges would have been so wide that they would have effectively been meaningless, because you would have had to have captured... costs from that end of the spectrum where you're talking about a very small school where very little Welsh is currently taught, to a very large school where Welsh is the medium of instruction, and everything in between.”¹⁷

15. The Cabinet Secretary informed the Committee the best method to convey the costs associated with the Bill was to provide a midpoint figure as this would be a:

¹⁴ Finance Committee, RoP 23 October 2024, paragraph 12

¹⁵ Finance Committee, RoP 23 October 2024, paragraph 10

¹⁶ Finance Committee, RoP 23 October 2024, paragraph 12

¹⁷ Finance Committee, RoP 23 October 2024, paragraph 16

“... precise figure, rather than figures that don't illustrate the fact that things are more varied on the ground.”¹⁸

16. The Cabinet Secretary concluded:

“... offering these midpoint figures gives the committee and those who are interested in the Bill the most insight into the likely costs and the future trajectory of those costs.”¹⁹

17. An official for the Welsh Government indicated that the money already in place to support school workforce development is key, and that such funds need to be retained throughout the RIA assessment period to achieve the policy aims of the Bill.²⁰

18. The official confirmed that no modelling exercise was undertaken as part of estimating the costs relating to school workforce development activity, but indicated that:

“... money currently within the system to support schools in doing that should remain, and then perhaps when we get to the stage of having that more detail within the new WESPs, et cetera, we would be able to undertake an exercise like that.”²¹

19. The Cabinet Secretary explained that a number of variables, such as the size of schools, the linguistic character of schools, the geography schools serve, the school buildings and the resources that they have, need to be taken into account in order to provide specific figures on future investments.²² The Cabinet Secretary confirmed:

“... the RIA offers the best estimates we can, but says regularly, as you will have seen, that we will need to return to these figures, because one of the other things that the Bill will do will be to improve the data that we have about the nature of Welsh language teaching, particularly in mainly English schools in the future, and that those figures will need to be returned to as that data improves. But the RIA provides the best estimates that we

¹⁸ Finance Committee, RoP 23 October 2024, paragraph 17

¹⁹ Finance Committee, RoP 23 October 2024, paragraph 22

²⁰ Finance Committee, RoP 23 October 2024, paragraph 30

²¹ Finance Committee, RoP 23 October 2024, paragraph 34

²² Finance Committee, RoP 23 October 2024, paragraph 13

*are currently able to provide, using the data sources that are already available.*²³

Financial implications of the Bill

20. The RIA notes the net administrative cost associated with the Bill is £5.8 million made up of £1.8 million transitional costs and £4.1 million recurrent costs.²⁴

21. Costs will fall to the Welsh Government, including for developing a code to describe Welsh language ability, guidance and regulations, and costs associated with developing National Frameworks and setting up the National Institute for Learning Welsh.²⁵

22. The transitional costs that fall to the Welsh Government relate to the cost of staff time and are described as ‘opportunity costs’. The RIA includes tables for these, that list the grade of staff and the Full-Time Equivalent (FTE).²⁶

23. The RIA explains that three scenarios were created to predict potential outcomes once the Bill becomes law. The baseline for these scenarios is the current BAU model, and evidence provided by stakeholders, administrative data and input from Welsh Government officials were used to develop the scenarios. The scenarios can be summarised as follows:

- Scenario 1 – Progress towards the goal of ensuring that all pupils leaving statutory education by 2050 and can speak Welsh independent and confidently is good. Consequently, the Bill’s provisions align with the current activities. This means the Bill’s impact and associated costs for stakeholders are minimal however the costs haven’t been quantified in the RIA.
- Scenario 2 – Progress towards the goal of ensuring that all pupils leaving statutory education by 2050 can speak Welsh independently and confidently is not meeting expectations. Consequently, the Bill’s provisions enhance current activities to better align with key targets. The Bill has an impact and cost for stakeholders and these costs have been quantified.

²³ Finance Committee, RoP 23 October 2024, paragraph 14

²⁴ [Welsh Government. Explanatory Memorandum. page.110.](#)

²⁵ [Welsh Government. Explanatory Memorandum. page.110.](#)

²⁶ [Welsh Government. Explanatory Memorandum. page.126.](#)

- Scenario 3 – The Bill, once enacted, significantly diverges from the BAU. Its provisions are much more ambitious than existing practices, leading to substantial impacts and costs for stakeholders however the costs haven't been quantified in the RIA.²⁷

24. The Welsh Government's legislation handbook states "a detailed cost-benefit analysis (CBA) for each option will then need to be prepared". The handbook goes on to say:

*"... it is strongly advised that Bill teams identify the costs incurred with the 'BAU' option, emphasising that such costs are not additional, as well as the 'additional' costs, so as to satisfy the requirements of Standing Orders, and in order to provide full and appropriate advice to Ministers."*²⁸

25. The Cabinet Secretary explained that scenario one hasn't been costed because:

*"... scenario 1 is business as usual, and our assessment is, and the reason why we have a Bill is, that if we just let things continue as they are, then we would not be extracting the maximum impact we can from the education system for the 2050 ambition."*²⁹

26. The Welsh Government is of the view that scenario two, the only scenario which has been costed, provides the "best opportunity to achieve our ambitions". The Cabinet Secretary explained:

*"The Bill is designed to be ambitious but achievable. It's trying to find that spot where you are stretching, you are making better use of the resource that is there already, but that it is not so far beyond the capacity of the system that it becomes self-defeating. That's option 2 ..."*³⁰

27. The Cabinet Secretary went on to say:

²⁷ [Welsh Government, Explanatory Memorandum, page 121](#)

²⁸ [Welsh Government, Legislation Handbook on Senedd Bills, June 2024, page 48](#)

²⁹ Finance Committee, RoP 23 October 2024, paragraph 94

³⁰ Finance Committee, RoP 23 October 2024, paragraph 95

“The middle scenario is what the Bill is designed to support and to promote, and we provide the costs for that.”³¹

28. With regards to scenario three, the Cabinet Secretary noted that this scenario is “where the efforts that the Bill makes don’t succeed.” However the Cabinet Secretary explained the Welsh Government is of the view that “the mitigations that the Bill produces will be sufficient to see to it that scenario 3 does not materialise”.³² In evidence to the Children, Young People and Education Committee on this issue the Cabinet Secretary clarified:

“... I think there are a series of things in the Bill designed to make sure that the resources that are currently in the system are used to better effect, and ways in which we can add to the capacity of the system in future.”³³

29. The RIA notes scenario three reflects concerns raised by stakeholders that the Bill will introduce comprehensive changes to current targets and systems underpinning Welsh language policy resulting in significant costs. The Cabinet Secretary reflected:

“There may be a whole other range of actions you would need to take if scenario 3 were to materialise. We don't believe it will. We believe that scenario 2 and the Bill itself and other things will give us that pathway to 2050.”³⁴

30. The RIA sets out alternative options to achieve the policy intent of some proposals in the Bill without legislating. However, it doesn’t quantify the related costs, but describes them as ‘high’, ‘medium’ or ‘low’.³⁵ When asked what the main factors were in influencing the decision not to proceed with these options the Cabinet Secretary explained:

“... in making that choice was less about cost and more about effectiveness of the policy. So, yes, there would have been other ways in which the policy could have been taken forward, including non-legislative routes, but the Government decided that, to be effective in marshaling the education system behind

³¹ Finance Committee, RoP 23 October 2024, paragraph 96

³² Finance Committee, RoP 23 October 2024, paragraph 96

³³ [Children, Young People and Education Committee, RoP 24 October 2024, paragraph 39](#)

³⁴ Finance Committee, RoP 23 October 2024, paragraph 100

³⁵ [Welsh Government, Explanatory Memorandum, page 116](#)

our ambitions for the Welsh language, you did need the force of statute behind it.”³⁶

31. The Cabinet Secretary concluded:

“... the RIA does not provide costs for the course of action that the Welsh Government had decided not to take. It provides costs for the course of action we had decided to take and the reason for it was not financial, it was policy.”³⁷

Committee view

32. The Committee welcomes and supports the aim of the Bill to contribute to the Welsh Government’s target of ensuring one million Welsh speakers in Wales by 2050. We support the Bill’s commitment to make the most of resources which are already in place and note that these will be supplemented with additional resources to maximise their impact where necessary.

33. We further note that the RIA presents the estimates as precise figures, rather than a range of costs, in contrast to the way in which such information is presented in the RIA for a number of other Bills. We also agree with the Cabinet Secretary’s views that including a range in the RIA would have been so wide as to have effectively been meaningless. In this instance, given the wide variation of costs across all schools in Wales, we agree that the approach adopted by the Cabinet Secretary is fair and provides assurances to the Committee that the estimates provided are as accurate as they can be.

Conclusion 1. The Committee is broadly content with the financial implications of the Bill as set out in the Regulatory Impact Assessment, subject to the comments and recommendations in this report.

34. We recognise that the Cabinet Secretary will consider the costs of future investment once the Welsh Government has more data about the nature of Welsh language teaching and also that the collection of this data is one of the provisions within the Bill.

35. Nonetheless, we have concerns regarding the approach to how costs relating to school workforce planning have been estimated in the RIA. In particular, we are concerned that no modelling exercise was undertaken as part of the school workforce development activity and that the Welsh Government is awaiting

³⁶ Finance Committee, RoP 23 October 2024, paragraph 63

³⁷ Finance Committee, RoP 23 October 2024, paragraph 63

further information before it can provide more accurate cost estimates. Although we recognise that estimating such costs are challenging, we call on the Cabinet Secretary to keep a close eye on costs in this area and to provide details to the Committee on when the Welsh Government expects data about the nature of Welsh language teaching to become available.

Recommendation 1. The Committee recommends that the Cabinet Secretary confirms when data about Welsh language teaching in the context of school workforce development will become available.

36. The Committee is disappointed that the cost benefit analysis for all three scenarios contained within the RIA were not included. The Welsh Government's own handbook advises that costs for all options under consideration should be included in the RIA. It is therefore surprising that the RIA for this Bill has not followed this approach and ask for this to be included to support scrutiny of the cost implications of all Bills introduced.

Recommendation 2. The Committee recommends that the Welsh Government includes a detailed cost-benefit analysis for all options under consideration within the Regulatory Impact Assessment for this Bill and all future bills introduced by the Welsh Government in the Senedd, in line with its own guidance.

3. Other costs arising from the Bill

Welsh language education delivery plans

37. The RIA notes that the Bill places a duty on a school's governing body to prepare, consult on, and publish Welsh language education delivery plans.³⁸

38. Responding to a question about the duty to specify the amount of Welsh language education for schools in each language category, the Cabinet Secretary explained that these plans will need to consider the minimum provision for Welsh language education, which will be set as:

"... a 10 per cent minimum of the compulsory school day that will be expected to be devoted to the purposes of Welsh language education in schools that are primarily English in their medium of instruction. And there are costs that we provide in the Bill of doing that."³⁹

39. With regards to raising the minimum provision from 10 per cent the Cabinet Secretary explained that the Bill enables Welsh Ministers to raise the minimum threshold through regulations, subject to the draft affirmative procedure, and that any subsequent costs would be identified at that stage. The Cabinet Secretary clarified:

"... the Bill provides the scaffolding, which means that the costs will always be known to the Senedd in making its decision as to whether or not to support a proposal, for example, to go from 10 per cent to a higher figure."⁴⁰

40. The RIA notes the total cost for preparing the first and second iteration of Welsh language education delivery plans per school is £7,100 with a total cost for all maintained schools in Wales estimated as £10,218,600 over the appraisal period. These figures are based on 0.1 FTE salary of a headteacher who the Cabinet Secretary expects to develop the plan.⁴¹ When asked how this cost was calculated given the salaries of headteachers can vary the Cabinet Secretary's official explained:

³⁸ [Welsh Government, Explanatory Memorandum, page 133](#)

³⁹ Finance Committee, RoP 23 October 2024, paragraph 106

⁴⁰ Finance Committee, RoP 23 October 2024, paragraph 106

⁴¹ [Welsh Government, Explanatory Memorandum, page 136](#)

“We took the average headteacher salary in Wales, as set out in the school workforce annual census, divided it by 12, added 30 per cent on for on-costs, so, that may be some of the difference. And then, we’ve looked at year 5 and year 8 as being slightly different: so, the first time that you do a plan, it being six months at 0.1 per month for year 5, and then half that for year 8.”⁴²

41. The Cabinet Secretary explained that the delivery plans aren’t expected to be lengthy and concluded:

“... we provide the cost for that in the RIA. I think those are costs that will be absorbed by schools, and they have five years before they have to do this. So, they have plenty of time to think about it and to prepare the ground through the school development plan work that they already have to do.”⁴³

42. When asked if there would be any savings in terms of opportunity costs by schools working together with similar schools in the same area, the Cabinet Secretary explained:

“... the Bill does provide for schools to come together in that way. I myself believe that the case for doing that is pretty strong, particularly, maybe, in the south-east of Wales, where this Bill is concerned. We don’t cost it for the Bill, because that is a choice that schools themselves would make. But the Bill does make provision for schools to be able to act in that way ...”⁴⁴

43. The Cabinet Secretary concluded that schools within the same area will “have lots of things in common” and as such:

“... there will be lots to learn from one another, and that would be effective in a cost sense as well as a getting-a-better-plan sense.”⁴⁵

44. With regards to how the additional support to implement the delivery programmes have been costed in the RIA the Cabinet Secretary explained that the Bill intends for all support (such as the ‘*cynllun pontio*’, Welsh-medium

⁴² Finance Committee, RoP 23 October 2024, paragraph 78

⁴³ Finance Committee, RoP 23 October 2024, paragraph 73

⁴⁴ Finance Committee, RoP 23 October 2024, paragraph 65

⁴⁵ Finance Committee, RoP 23 October 2024, paragraph 69

workforce capacity development grant and the proposed teacher retention bursary in the Welsh language field) that “is currently available within the system will continue”⁴⁶.

Local Welsh in Education Strategic Plans

45. The Bill seeks to reform local authority Welsh in Education Strategic Plans (WESPs)⁴⁷, which have been in place since 2013 under the School Standards and Organisation (Wales) Act 2013.⁴⁸

46. The RIA explains “there is considerable variation across local authorities in how resources to administer and support WESPs are organised”⁴⁹. When asked how these variations had been considered when estimating the cost of these reforms the Cabinet Secretary explained that:

“... [the cost] is derived from the grants that the Welsh Government currently provides to support local authorities to develop WESPs. So, that's the money that's already in the system. We assume, for the Bill, that those costs will remain into the future.”⁵⁰

47. The RIA notes that local authorities found that quantifying the additional costs of analysing workforce data to plan the teaching workforce was challenging and that the estimates from local authorities varied widely. With regards as to how the cost for each local authority of approximately £11,600 has been estimated the RIA explains:

“Our best estimate based on feedback from local authorities is presented as an estimated average per local authority, multiplied by the number of local authorities in Wales, acknowledging that costs may be higher for some local authorities and lower for others. A cost for each local authority of approximately £11,600 per annum has been assumed, with this cost expected to be incurred from Year 4 (2028-29).”⁵¹

⁴⁶ Finance Committee, RoP 23 October 2024, paragraph 88

⁴⁷ [Welsh Government. Explanatory Memorandum. page 145](#)

⁴⁸ [School Standards and Organisation \(Wales\) Act 2013](#)

⁴⁹ [Welsh Government. Explanatory Memorandum. page 145](#)

⁵⁰ Finance Committee, RoP 23 October 2024, paragraph 127

⁵¹ [Welsh Government. Explanatory Memorandum. page 147](#)

48. The Bill proposes a monitoring role for Estyn to conduct a rapid review of a local authority's WESP if "a pattern of underachievement becomes apparent"⁵².

49. The Cabinet Secretary explained the type of work Estyn would undertake:

*"One is a rapid review, where something is thought to be going wrong and Estyn needs to go in and do a rapid review of what is happening. But Estyn will also be doing routine monitoring of WESPs that are in steady state and where they don't need that sort of intervention. So, the estimate of £23,500 is based on the resources that Estyn itself has provided to us. So, these are the actual costs that it would assume."*⁵³

50. Costs may increase if additional WESPs need to be reviewed. The RIA cost estimate has not taken into account this potential additional cost.⁵⁴

National Institute for Learning Welsh

51. The Bill provides for a new statutory body, the National Institute for Learning Welsh (the Institute) which the RIA assumes will become operational in August 2017, to coincide with the end of the current funding agreement from Welsh Government for the National Centre for Learning Welsh (the Centre).⁵⁵

52. The RIA notes that the estimated total recurrent cost of the Institute over the appraisal period is £35,374,100, this includes staff costs and office rental.⁵⁶ The Cabinet Secretary explained that the costs include the current Centre's grant, and the staffing structure of the current arrangements.⁵⁷ The current costs for the Centre, if the Bill was not implemented, is estimated at £31,566,400 over the appraisal period.⁵⁸

53. The Cabinet Secretary went on to say:

"We've looked at the annual accounts of the national centre. We've taken advice from the centre itself, its own expertise, as to what it thinks the costs of the athrofa will be in the future, and, of course, we have a considerable body of expertise within the

⁵² [Welsh Government. Explanatory Memorandum. page 147](#)

⁵³ Finance Committee, RoP 23 October 2024, paragraph 135

⁵⁴ [Welsh Government. Explanatory Memorandum. page 148](#)

⁵⁵ [Welsh Government. Explanatory Memorandum. page 153](#)

⁵⁶ [Welsh Government. Explanatory Memorandum. page 155](#)

⁵⁷ Finance Committee, RoP 23 October 2024, paragraph 139

⁵⁸ [Welsh Government. Explanatory Memorandum. page 152](#)

Welsh Government in those civil servants who have been the sponsors of the national centre, who know how it works, who know what the costs are, and have used that expertise in providing the costs that the RIA does for what the athrofa will cost in future.”⁵⁹

54. In correspondence with the Children, Young People and Education Committee the Cabinet Secretary described the costs set out in the EM for the new Institute as “best estimate at this point in time”⁶⁰. Responding to a question about whether the Welsh Government is confident in the accuracy of the current cost estimates the Cabinet Secretary said:

“... we are confident about the estimates that we use in the Bill. This is not one of those areas we discussed this morning where there's a wide range of costs involved. We have a clear idea of the staffing levels we would expect the athrofa to have. We know the running costs of the current centre and so on.”⁶¹

55. The Cabinet Secretary added:

“... if the landscape changes, then those things may change as well. That's why that review is important and what I said earlier, that if it's concluded while the Bill is still in front of the Senedd, we'll reflect that in an updated RIA. But to give some comfort to the committee as well, the RIA is very clear at a number of points that this is a 10-year programme of work and that updated costs will be needed at various points as better evidence and actual experience becomes available to us.”⁶²

56. In responding to the Children, Young People and Education Committee’s consultation on the Bill the Welsh Language Commissioner raised concerns that the Explanatory Memorandum doesn’t:

“... cover the current programme costs of the National Centre for Learning Welsh, which include the crucial funding allocations to providers of Welsh language training courses for adults.”⁶³

⁵⁹ Finance Committee, RoP 23 October 2024, paragraph 139

⁶⁰ [Letter from the Cabinet Secretary for Finance and Welsh Language to the Children, Young People and Education Committee, 11 October 2024](#)

⁶¹ Finance Committee, RoP 23 October 2024, paragraph 143

⁶² Finance Committee, RoP 23 October 2024, paragraph 143

⁶³ [WLE07 Welsh Language Commissioner](#)

57. When asked why those programme costs haven't been included, the Cabinet Secretary explained that the RIA includes the "cost of the body, not the costs of its programme" and that the current funding for the programme costs (around £13.6 million) run by the Centre would be available to the Institute.⁶⁴

Affordability assessment

58. The EM includes an affordability assessment that covers the same time period as the RIA appraisal period. The affordability assessment is a purely financial assessment and, as such, "only cash costs and cash-releasing benefits are included"⁶⁵.

59. As part of the affordability assessment the Welsh Government has identified "there may be a need to identify additional funding for school staff costs or language immersion to support implementation of the Bill over its lifetime"⁶⁶.

60. The Cabinet Secretary explained that immersion is relatively new and has "grown significantly in recent times" and that the Bill assumes "that everything that we are currently investing in late immersion centres will continue to be there". The Cabinet Secretary went on to say:

"... the Bill also has a real ambition to grow late immersion as part of the work to increase the number of confident Welsh speakers. So, it's a hard area to give those sorts of future costs, because it's the most dynamic part, probably, of the whole current landscape."⁶⁷

61. The Cabinet Secretary clarified that while the Welsh Government can provide a cost for the current system, they wouldn't be able to provide a cost that the "committee could rely upon" for the future system.⁶⁸

Post-implementation review

62. The EM notes that the Bill will result in "transformative changes to the infrastructure underpinning Welsh language policy, and specifically the role of education within this process"⁶⁹.

⁶⁴ Finance Committee, RoP 23 October 2024, paragraph 141

⁶⁵ [Welsh Government. Explanatory Memorandum. page 171](#)

⁶⁶ [Welsh Government. Explanatory Memorandum. page 172](#)

⁶⁷ Finance Committee, RoP 23 October 2024, paragraph 147

⁶⁸ Finance Committee, RoP 23 October 2024, paragraph 147

⁶⁹ [Welsh Government. Explanatory Memorandum. page 176](#)

63. The EM confirms that an evaluability assessment will need to take place soon after the Bill becomes law to ensure “that the post implementation review effectively monitors, reviews and evaluates the policy”⁷⁰. The costs attached to this are noted to fall in years 1, 3, 4, 5, 9 and 10 of the appraisal period with an annual cost of £100,000 and an overall cost of £600,000.⁷¹

64. The EM also confirms that an economic evaluation will be completed “to identify any differences between actual costs of the Bill and the costs forecasted in the RIA”⁷².

65. The RIA notes that no cost savings arising from the Bill have been identified to date. However, it suggests that, in line with feedback from key stakeholders, the provisions “to streamline existing systems and processes and ensure that resources are better targeted towards key goals” could “result in cost savings in the long term” but “it is not possible to quantify these cost savings at this stage.” The RIA confirms:

“Any cost savings associated with the Bill should be considered further during the post-implementation period.”⁷³

66. The Cabinet Secretary confirmed that the plan for monitoring the Bill over the whole period of the Bill is set out in Part 11 of the RIA, explaining that:

“It starts in year 1. In the middle, we will do research to see if the intentions of the Bill are having the effect that we hoped for. At the end of that period, in years 9 and 10, there will be more work to do in terms of summative evaluation, and the economic effect, we think, will be more likely to happen during that period, the period towards the end of the 10-year period.”⁷⁴

67. The Cabinet Secretary also noted:

“The costs in the RIA reflect the work that we are going to do. As with any Bill that's in front of the Senedd, we do have a plan to monitor the effects of the Bill and the costs, and to compare

⁷⁰ [Welsh Government, Explanatory Memorandum, page 176](#)

⁷¹ [Welsh Government, Explanatory Memorandum, page 160](#)

⁷² [Welsh Government, Explanatory Memorandum, page 177](#)

⁷³ [Welsh Government, Explanatory Memorandum, page 110](#)

⁷⁴ Finance Committee, RoP 23 October 2024, paragraph 145

the costs that will be there with what is in the RIA at the moment.”⁷⁵

Committee view

68. The Bill contains provisions to enable the Welsh Ministers to introduce regulations, subject to the draft affirmative procedure, which would raise the minimum compulsory time for Welsh language education in primarily English-medium schools.

69. Whilst we welcome the Minister’s commitment to publish an impact assessment alongside any future regulations, the time available for scrutiny in the Senedd would be far more limited compared to that available to consider this Bill and accompanying RIA. It is therefore disappointing that we were not able to take a view on these costs due to the lack of information available at this stage.

70. The Committee has previously recommended that the Welsh Government provides a full and robust RIA for regulations that give rise to substantial costs and that time is provided to allow the Senedd to consider any related financial implications.⁷⁶ We believe the same principle should be applied in this instance.

Recommendation 3. The Committee recommends that the Welsh Government provides a full and robust Regulatory Impact Assessment for any regulations made as a result of this Bill and that sufficient time is provided to allow the Senedd to consider any related financial implications that will arise.

71. We note that the Bill provides for schools to work collaboratively in developing their Welsh language education delivery plans. We believe this collaborative approach would support learning, ensure that resources are used wisely and might result in cost savings.

Conclusion 2. The Committee supports the provisions within the Bill to allow for collaborative working across schools in developing their Welsh language education delivery plans and notes the cost savings which may arise as a result.

72. We note that the costs of the new National Institute for Learning Welsh are based on the accounts of the National Centre for Learning Welsh and believe that this approach provides a best estimate of what the costs would likely be at the point that the Institute is established. We welcome the Cabinet Secretary’s

⁷⁵ Finance Committee, RoP 23 October 2024, paragraph 145

⁷⁶ [Finance Committee, Financial implications of the Health Service Procurement \(Wales\) Bill, April 2023, page 22](#)

commitment to provide an updated RIA should costs for the Institute change during the Bill's progression through the Senedd. We also welcome the Cabinet Secretary's assurances that the costs will be monitored throughout the implementation period.

73. However, we note there is a difference in the costs estimated over the appraisal period for the Institute and the cost estimate for the Centre, if the legislation is not implemented. As such we ask the Cabinet Secretary to consider revising the RIA to include a further breakdown of how the costs have been calculated to account for this difference.

Recommendation 4. The Committee recommends that the Welsh Government provides a full breakdown of how costs relating to the National Institute for Learning Welsh was estimated and how this compares with the costs relating to the National Centre for Learning Welsh, and updates the Regulatory Impact Assessment after Stage 2.

74. We note the commitment to identify additional funding, should it be required, to support the implementation of the Bill with regards to school staff costs or language immersion. We acknowledge that immersion is a relatively new approach and the number of those undertaking immersion courses have grown significantly which can make it difficult for the Welsh Government to provide cost estimates should it continue to grow. However, we are of the view that the RIA could have included some modelling in this area which would provide an estimate of costs based on different scenarios of growth.

Recommendation 5. We recommend that the Welsh Government provides cost estimates relating to increased demand for language immersion courses and that these changes are made to the Regulatory Impact Assessment after Stage 2.

75. The Committee has previously recommended that the inclusion of a robust post-implementation review is good practice and helps to ensure the objectives of legislation are being delivered in line with expectations and that value for money has been achieved.⁷⁷ We therefore welcome the inclusion of the post-implementation review and affordability assessment in this Bill and the Welsh Government's commitment to assess the overall costs of the change during the review period .

⁷⁷ Finance Committee, Financial implications of the Infrastructure (Wales) Bill, November 2023, page 13

Recommendation 6. The Committee recommends that any post-implementation review undertaken by the Welsh Government assesses the overall costs and benefits of the Bill and whether this meets the expectations set out in the Regulatory Impact Assessment.