

Welsh Labour 2026 Senedd Election Manifesto Costings



Welsh Labour's 2026 manifesto is fully costed, affordable, and leaves significant funding unallocated for public sector pay deals, including in the NHS.

Our commitments require around £100m of additional revenue funding in 2026/27, rising to around £261m by 2029/30. These allocations can be managed within known uplifts to the Welsh Government revenue block grant up to 2028/29.

We are also setting out £86.5m of additional capital allocations over four years. This sits alongside our separate £4bn Hospitals of the Future Fund, which will be delivered over ten years through conventional capital, borrowing, and the Mutual Investment Model.

In an unstable world with the crisis in the Middle East impacting on energy costs, people are already struggling with the cost of living, and public services may need support to help address additional costs such as heating hospitals and schools. Some of the unallocated resources could be spent on supporting people and organisations through what is undoubtedly going to be a difficult few months ahead, but we do not know the full extent of the pressures at this stage.

Unlike other parties, Welsh Labour has not spent every pound several times over. We have left significant headroom to support public sector pay, respond to global uncertainty, and protect the services people rely on.

Revenue: Implementation of Welsh Labour’s 2026 Senedd election manifesto will require additional revenue allocations of around £100m in 2026/27, leaving significant resources unallocated to support public sector pay deals, including in the NHS, and to support the people of Wales with the impacts of the volatile global landscape. Total additional allocations will rise to around £260m by 2029/30, leaving further resources unallocated in future years to support public sector pay deals. Revenue allocations for 2026/27 and total allocations by 2029/30 are set out in Table 1^a.

Capital: Additional capital allocations of £86.5m will also be required over the four years these are set out in Table 2^b.

Affordability: These additional budget allocations can be managed as part of known uplifts to the revenue block grant up to 2028/29, and the known capital block grant up to 2029/30. The next UK spending review will take place before 2029/30. For all other Welsh Labour manifesto commitments not included in Tables 1 and 2, existing portfolio budget allocations can meet all funding requirements, with programmes updated to reflect these new policy priorities. Any unallocated or additional funding throughout this period will be used towards continuing and emerging priorities, such as public sector pay deals, including in the NHS, and to support the people of Wales with the impacts of the volatile global landscape.

a. This does not include additional revenue budget allocations which will be required for Welsh Labour’s commitments on school support staff pay, since the precise costings and timeline for this will be determined through negotiations led by a new School Support Staff Negotiating Body. Additional funding will be allocated in the

normal cycle for pay deals across the public sector, but unlike other parties, Welsh Labour has made allowances for this in its costings by leaving significant resources unallocated.

b. This does not include the £4bn Hospitals of the Future Fund, which will be a 10-year capital programme funded through a combination of conventional capital and borrowing including use of the Mutual Investment Model.

Table 1:

Revenue	Additional required in 26/27 (m)	Total additional required by 29/30 (m)	Comments
Support for entrepreneurs and start-ups	0	18.5	
100,000 apprenticeships	23.5	23.5	23.5m per annum recurrent
ITE incentives	2.5	7.9	2.5m initially, rising to 7.9m per annum
FSM in secondary schools	0	20	First phase to be covered by UPFSM underspends in 26/27; additional 20m per annum by 29/30
New AI Innovation Fund	0	0	Funding from UKG AI investment
National AI Curriculum	0	0	Funding from UKG AI investment
£2 bus fares, 100 routes and new bus stops	0	40	To be introduced from 27/28 and fully rolled out in 29/30
£1 bus fare for young people	5	13	Further 5m earmarked in reserves for 26/27; rising to 13m additional per annum thereafter to increase to 25yo
Glyndwr National Park in North-East Wales	0	5.8	5.8m from 28/29 onwards
St David's Day funding	1	1	
Aberystwyth's UNESCO City of Culture	0.15	0.15	
Welsh Year of Music	0	1	One-off cost to fall in a year not yet selected
Expand free Welsh lessons	0.5	0.5	
Young Cancer Patient Travel Fund	0	0.5	

Tech-enabled care	12	12	
Expand baby bundles	0.25	0.25	
Expand funded childcare	50	100	
Toy libraries	0	0.3	Revenue cost of toy libraries; Reading and Play Fund will use capital from Dormant Assets Fund
Free dentistry and optometry for care leavers	5	5	
National Body for Youth Work	0	3	
Mentorship scheme	0	2	
Help to Buy expansion	0	0	Financial Transaction Capital; no revenue expenditure
Learning Disability and Autism Employment Strategy	0	5	Funding will be allocated from newly devolved employment support funding
Citizens Assemblies	0	1.5	Cost is 1.5m each, allocated in different financial years
TOTAL REVENUE	99.9 million	260.9 million	

Table 2:

New capital over four years	26/27 to 29/30 (m)	Comments
FSM in secondary schools	20	
£2 bus fares, 100 routes, new bus stops	20	
New dental school	18	
Tech-enabled care	12	
Expand childcare	10	
Right to read and play	3	To come from Dormant Assets Fund
Urdd sites	3.5	
TOTAL CAPITAL	86.5 million	