



Ein cyf/Our ref DB/PO/0098/25

Jenny Rathbone MS
Chair, Equality and Social Justice Committee
Senedd Cymru

4 March 2025

Dear Jenny,

Thank you for your letter of 14th February regarding childcare funding in Wales.

We remain committed to our Programme for Government commitment - to "Deliver a phased expansion of early years provision to include all 2-year-olds, with a particular emphasis on strengthening Welsh medium provision".

During 2023-24 and 2024-25 we are investing £46m in expanding Flying Start childcare to support long-term, positive impacts on the lives of those children and families across Wales facing the greatest challenges. We expect to support more than 9,500 additional two-year-olds across Wales to access quality Flying Start childcare during 2023-24 and 2024-25 and are on track to deliver that. The latest Official Statistics for Flying Start showed that 6,885 additional childcare places for 2 year olds were offered in 2023-24 as part of Phase 2.

We have deliberately focused our resources on our most disadvantaged communities in the first instance. This ensures that support reaches families in greatest need at the earliest opportunity. We are working closely with the sector to gradually build capacity to ensure that any increase to provision is sustainable.

The Cabinet Secretary for Finance and the Welsh Language and I have discussed investment in childcare as part of Budget discussions. With regards to further expansion of Flying Start childcare (Phase 3), I am pleased to confirm that the Final Budget for 2025-26 published on 20 February included over £25m of additional funding for further expansion of high quality Flying Start childcare across Wales.

Local authorities have set out plans about how they will continue to expand Flying Start childcare in their areas. The additional funding announced by the Final Budget will make childcare available to the majority of two-year-olds identified in those plans in 2025-26. This additional funding will enable us to fund further expansion of Flying Start childcare in all local authority areas, bringing Wales a step closer to the universal provision of childcare for all two-year-olds.

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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.

We are also committed to supporting the sustainability of the sector. The Final Budget for 2025-26, also provides for a 28% uplift to the hourly rate currently paid to childcare providers who deliver the Childcare Offer for Wales. This means that from this April the rate will increase from £5 to £6.40 to support providers with cost pressures. This is in addition to our recent announcement about moving to annual rate reviews from 2025-26 and our decision to make 100% rates relief for all childcare premises permanent.

I am copying my response to the Cabinet Secretary for Finance and the Welsh Language and the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip.

I hope this information is helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Bowden', written in a cursive style.

Dawn Bowden AS/MS

Y Gweinidog Plant a Gofal Cymdeithasol
Minister for Children and Social Care