



Eich cyf/Your ref P-06-1530
Ein cyf/Our ref DB/00278/25

Carolyn Thomas MS
Chair - Petitions committee

23 May 2025

Dear Carolyn,

Thank you for your letter dated 2 May concerning the petition submitted to the Senedd by Lisa Owen.

We know that affordable, available and accessible childcare enables parents to work. Our Childcare Offer supports our drive to increase economic growth, by supporting low-income parents, particularly mothers back into the workplace or to increase their hours of work. This assists our efforts to tackle poverty and reduce inequalities.

In 2025-26, the Welsh Government will be investing over £150m to sustain and grow high quality childcare in Wales. This support underlines our commitment to the sector here in Wales.

I appreciate the support from childcare providers who choose to participate in our government-funded childcare programs. Although these schemes are voluntary, I respect and appreciate the vital role these providers play in offering accessible childcare to parents in Wales.

As you will know, in April this year we increased the hourly rate for childcare providers delivering the Childcare Offer for Wales by 28%, raising it from £5.00 to £6.40 per hour. Alongside the hourly rate increase, we implemented a 20% uplift in permissible food charges to support providers who offer meals to children receiving the Childcare Offer. This adjustment helps ensure affordability for both providers and parents. I have also announced that we are transitioning to an annual rate review for our Childcare Offer, which will aid the sector in planning and enhance sustainability. We are also providing additional funding to support the continued alignment of nursery education, and the Final Budget for 2025-26 included over £25m of additional funding for further expansion of high-quality Flying Start childcare across Wales.

Registered childcare providers in Wales now have certainty regarding business rates. I have announced permanent 100% Small Business Rates Relief for registered childcare premises saving settings circa £3m per annum.

This package of measures underlines our support for childcare in Wales and our ongoing aim for settings to be financially sustainable, as set out in the [review and refresh](#) of our 10-year Childcare, Play and Early Years workforce plan.

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