



Little steps, big struggles:

Childcare in Wales

Who is behind the research?

This research is conducted by **Oxfam Cymru** on behalf of the **Make Care Fair coalition**.

The coalition was established to highlight the inequalities and challenges facing paid and unpaid carers, often women, inequalities in accessing childcare and the challenges faced by the care sector in Wales. The primary objective of the coalition is to work together to create a Wales where carers are treated fairly, and where high-quality, affordable childcare and social care is available to everyone who needs it.

With a specific emphasis on the interconnectedness of childcare, social care and unpaid care with poverty and inequality in Wales, Oxfam Cymru and the Make Care Fair Coalition aim to break the cycle and promote a more equitable and just society for all.

This research report was written to share research results, to contribute to public debate and to invite feedback on development and humanitarian policy and practice.

It does not necessarily reflect the policy positions of the organisations jointly publishing it. The views expressed are those of the author and not necessarily those of the individual organisations.

This research was carried out by Oxfam Cymru on behalf of Make Care Fair Coalition. The research was conducted and reported by Dr Hade Turkmen, with the contribution of Sarah Rees, Rebecca Lozza from Oxfam Cymru and Make Care Fair Coalition steering group members including Carers Wales, Race Council Cymru, TUC Cymru and WEN Wales.

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Introduction

Childcare is a critical pillar within the infrastructure of a thriving society. Far more than a transactional service, it is an essential requirement for the economic prosperity of families and early learning experiences that profoundly shape children's long-term development.

Without adequate access to childcare, there are significant risks to workforce diversity, economic growth, and gender equality.

A lack of accessible childcare significantly impacts families, particularly women, blocking parental access to the workforce and perpetuating cycles of poverty and social inequality.

To address economic disparities and lay a sustainable foundation for future generations, access to high-quality childcare should be considered an absolute necessity and a fundamental right.

While considerable strides have been made in childcare provision and early education in Wales, the persisting challenge of ensuring straightforward, equitable access to high-quality and affordable childcare remains a pressing concern.

With growing apprehensions about the increasing cost of living and child poverty, the urgency to take bold, proactive measures to address the issues within the childcare sector has become critical.

This research presents the experiences and perceptions of 335 parents and guardians in Wales regarding access to childcare provision and support. Notably, 94% (315 out of 335) of the participants are women, indicating a significant gender disparity in the survey sample. Consequently, the findings predominantly capture the insights and experiences of women in accessing childcare provision and support.

The research highlights the various challenges parents and guardians face and the necessary steps that need to be taken to address their needs and make Wales a fairer place for families.



94%

of the participants are women, indicating a significant gender disparity in the survey sample.

The connection between childcare, economic activity and poverty

The gender pay gap is driven by different working patterns between men and women, which reflect the unequal share of unpaid care work. 37.4% of women work part-time, compared to only 13.6% of men.¹ Furthermore, 25.5% of women are out of work due to 'looking after family/home', making it the main reason for women to be economically inactive.²

Childcare costs create a distinct challenge for low-income families, contributing to a cycle of poverty, as evidenced by the high prevalence of relative income poverty among single parents and families with children. In 2022, single parents faced the highest risk of relative income poverty, with 38% and 22% of couples with children at risk of relative income poverty.³



37.4%

of women work part-time



13.6%

of men work part-time



25.5%

of women are out of work due to 'looking after family/home'



**IN 2022, SINGLE PARENTS
FACED THE HIGHEST RISK OF
RELATIVE INCOME POVERTY
(38%)**

1. Annual Population Survey (APS) April 2022-March 2023 release; retrieved via NOMIS, September 2023.

2. Ibid. In Wales, 27.4% of women aged 16-64 are economically inactive compared to 21.5% of men.

3. Stats Wales, People in relative income poverty by family type.

Childcare Provision in Wales: An Overview

At present, the primary support mechanisms for children aged 2-4 years old are Flying Start and the Childcare Offer for 3-4-year-olds.

Flying Start Programme

The Flying Start programme, aimed at mitigating the impact of poverty, provides comprehensive support for children under four in designated disadvantaged areas, including funded part-time childcare, an intensive health visiting service, and access to parenting and child development support.⁴

The core Flying Start childcare element is available to parents/carers of all eligible 2–3-year-olds for 12.5 hours per week, 39 weeks of the year, in line with school terms.⁵ Eligibility is based on a 'postcode lottery' of those living in designated disadvantaged areas. The Welsh Government have committed to widen this to enable more children and families to access the programme.⁶

The Childcare Offer

The Childcare Offer for 3-4-year-olds is geared to assist parents in employment with childcare costs. Eligible parents can access 30 hours of funded childcare for 48 weeks annually. This comprises a minimum of 10 hours of early education per week within a maintained school nursery setting and a maximum of 20 hours of weekly childcare in registered childcare facilities. Hours in distinct settings are not interchangeable.⁷

The eligibility criteria for the Childcare Offer differ from those for Flying Start and exclude parents who are unemployed or earn less than the equivalent of 16 hours a week at National Minimum Wage or Living Wage.⁸

Parents and guardians receiving statutory pay and on leave (such as sick, maternity, paternity, parental, bereavement or adoption leave), as well as those undertaking a further or higher education course with a minimum duration of 10 weeks, are also eligible for the offer.

The Childcare Offer is designed for working parents and remains inaccessible to many parents who are on low incomes, unemployed or in training outside of further education.

Limitations of current provisions

While these childcare provisions offer a valuable and appreciated support system for parents and guardians, it is crucial to acknowledge their limitations. Notably, provisions cater to distinct target groups; with one focusing on families in designated 'deprived areas' with assistance for two-year-olds and the other supporting families in the workforce with aid for three to four-year-olds. The complexity of childcare support, coupled with the inability to transition between them smoothly, has led to an ineffective system that fails to meet the needs of families adequately.

Furthermore, a significant gap persists, exacerbating the structural inequalities associated with the 'motherhood penalty.' This gap arises as families face a notable absence of childcare support during a crucial stage, immediately following the conclusion of maternity leave and parental pay. Presently, there is no comprehensive national support available for families with children under two years of age. The existing programs do not extend their assistance to children within this age group, placing parents in a situation of considerable financial hardship.

4. Flying Start Health Programme Guidance (2017)

5. Welsh Government, Flying Start Childcare Guidance, published on 17 April 2023.

6. Phased expansion of Early Years Provision, 18 November 2022.

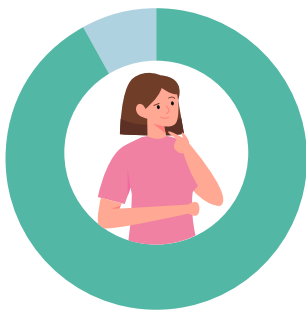
7. Get 30 hours of childcare for 3 and 4 year olds, Welsh Government.

8. Ibid.

What parents & guardians in Wales tell us

Parents and guardians are barely surviving the financial burden of childcare:

The cost of childcare stands as the most formidable obstacle for many parents today. It looms as a financial burden that weighs heavily on families, often eclipsing the price of mortgages or rent, compounding the rising cost of living.



92%

of parents and guardians feel that childcare costs are too high relative to their income levels.

Nearly half of parents and guardians (47%) bear the weight of monthly childcare costs that range from:



£500 - £1,099



70%

of parents and guardians stated that they had no surplus income or savings left after allocating funds for childcare.

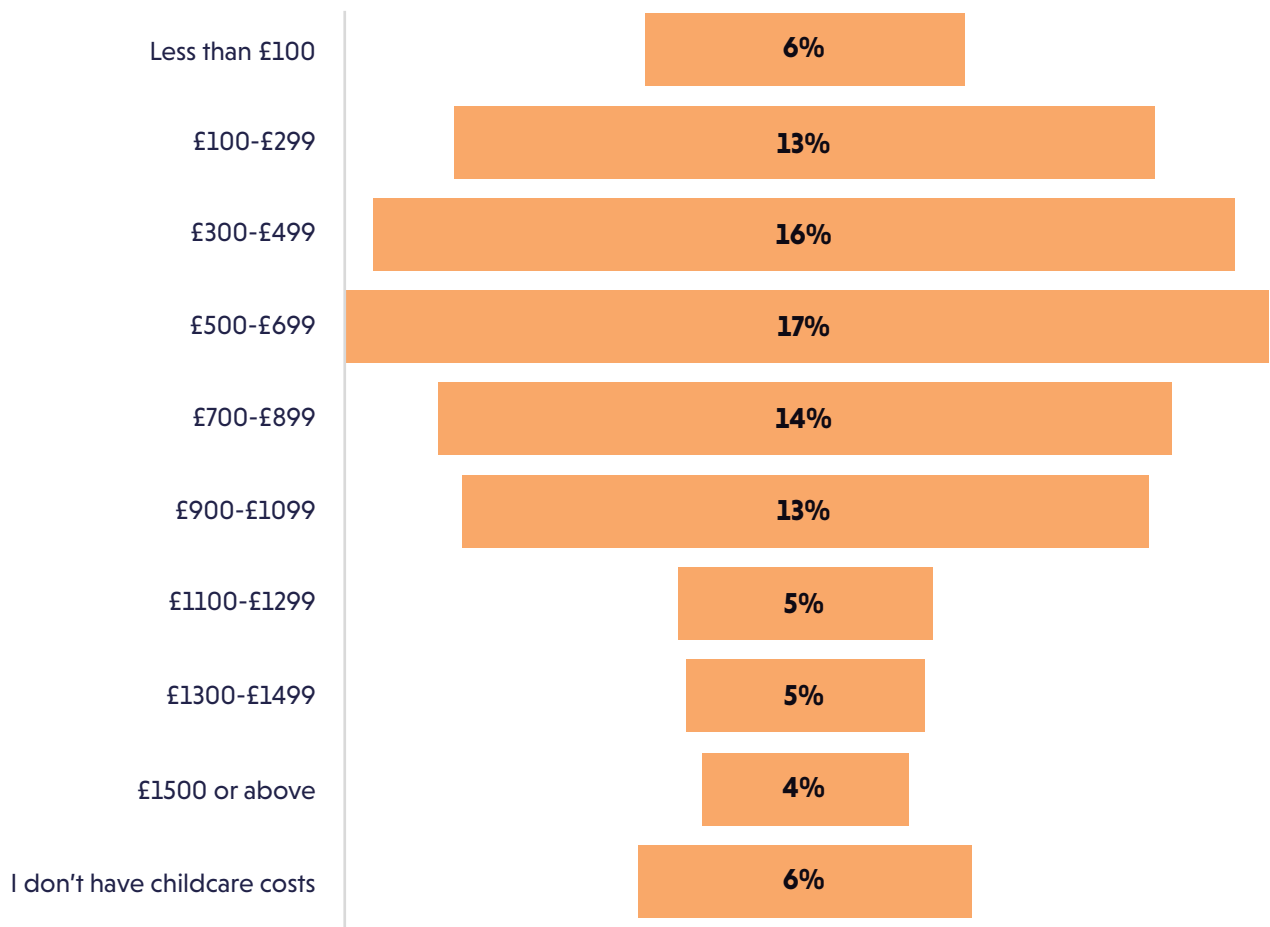


"I don't have any disposable income after paying for childcare and other bills."

"I have family childcare for 3 days a week and if I was to put my child in childcare for the other 2, I would be working those days for £2 an hour."

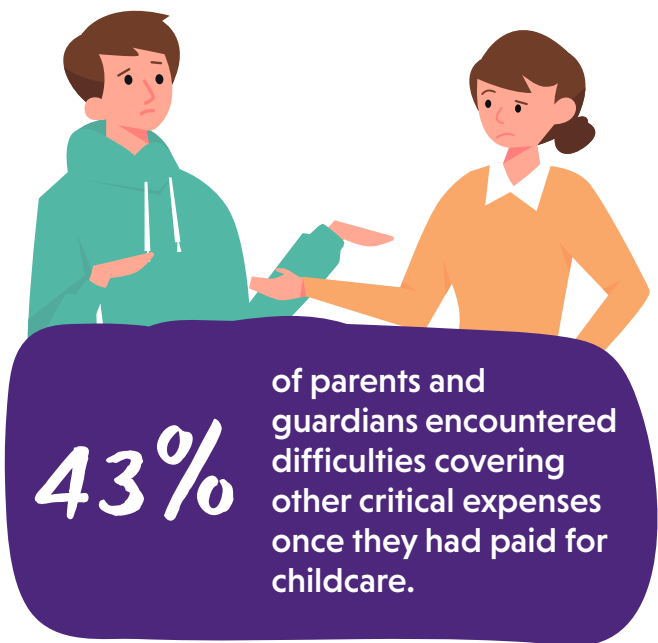


Monthly childcare cost of survey respondents



The impact of childcare costs on parents and guardians is life-changing

The significant outlay of income to cover childcare is impacting quality of life and major life decisions for parents and carers.





"Childcare costs were double my mortgage and prevented me from having a second child."

The mental load of juggling work and complex, expensive and often inconsistent childcare provision is exacerbating mental health concerns for parents and guardians.



71%

of parents and guardians agree that concerns relating to childcare have had a negative impact on their mental health.



"We both work for the NHS so the cost and lack of childcare is indirectly impacting the healthcare service, we are having to work part-time."

"I work shifts and weekends and childcare doesn't exist for this. What are shift workers supposed to do?"



"My mum has reduced her hours to part-time in order to care for my son two days a week as we simply cannot afford childcare for the whole week."

"I work in a skilled job within the NHS. I will have to reduce my hours further without further support."



A lack of affordable childcare is impacting the economy and reducing the talent pool in Wales

The high cost of childcare disproportionately affects women, single parents (of whom 86% are women in England and Wales)⁹ and those with multiple children, as well as parents lacking informal care support. The cost of childcare has emerged as a hindrance to pursuing professional careers, resulting in challenging decisions such as reducing working hours or exiting the workforce entirely. This financial burden significantly affects the employment status of parents and guardians, perpetuating structural inequality and poverty in Wales.

- Over half of parents and guardians (53%) think that paid employment becomes financially impractical once childcare expenses are taken into account.
- Three quarters of parents and guardians (75%) agreed that the lack of funded childcare has negative effects on their professional lives.
- 85% of parents and guardians stated that childcare needs have impacted their ability to accept new work opportunities or work additional hours.
- 2 in 5 parents and guardians (40%) had difficulties in finding childcare suitable to their work needs.
- Almost 2 in 5 parents and guardians (38%) reported struggling to secure flexible job opportunities that could accommodate their childcare requirements.
- The majority of parents and guardians (67%) had to cut back on their working hours because of their childcare requirements.
- Almost half of parents and guardians (49%) faced challenges during their return to work after maternity / paternity leave.
- Almost 2 in 10 parents and guardians (18%) chose not to return to work and dedicated their time to childcare.



75%

of parents and guardians agreed that the lack of funded childcare has negative effects on their professional lives.



85%

of parents and guardians stated that childcare needs have impacted their ability to accept new work opportunities or work additional hours.



49%

of parents and guardians faced challenges during their return to work after maternity/paternity leave.

Funded childcare in Wales is helping, but it falls short of addressing the needs of parents and guardians in Wales

The majority of parents and guardians reported a substantial positive impact on their financial situation thanks to the Government-funded childcare. However, parents and guardians face significant pressure when balancing limited and often convoluted childcare provisions.

- For those able to utilise funded childcare offers provided by the Welsh Government, three quarters (75%) of parents and guardians said there had been a substantial positive impact on their financial situation.
- The majority of parents and guardians (60%) also agreed that funded childcare proved to be a valuable resource in managing the escalating costs of living.
- 69% of parents and guardians voiced difficulties in managing multiple childcare arrangements.
- The vast majority of parents and guardians (89%) agreed that having 2.5 hours a day of childcare was not enough.
- Over a quarter of parents and guardians (26%) expressed uncertainty about eligibility for funded childcare.
- Over half of parents and guardians (57%) agree that they were unable to access the wraparound support they needed to travel between childcare settings.
- 91% of all childcare arrangements in Wales comprise some element of unpaid care to make up the gaps in the provision of funded or private childcare.



60%

of parents and guardians also agreed that funded childcare proved to be a valuable resource in managing the escalating costs of living.

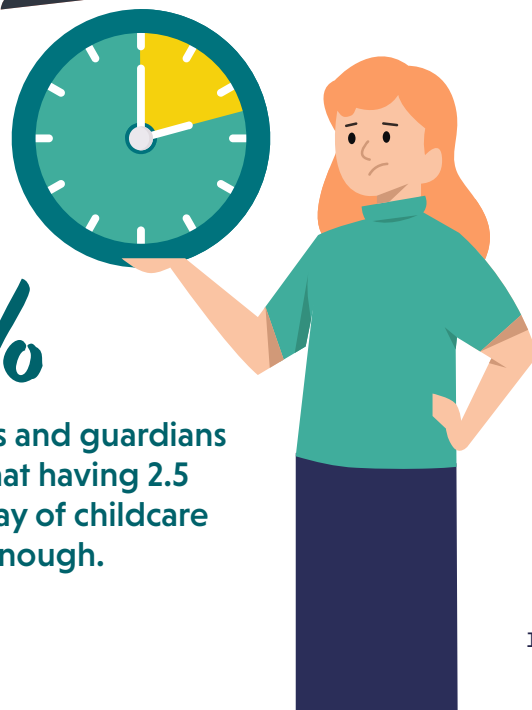


69%

of parents and guardians voiced difficulties in managing multiple childcare arrangements.

89%

of parents and guardians agreed that having 2.5 hours a day of childcare was not enough.





"Funded childcare starting at 3 is not helpful in supporting mothers to get back to work after maternity leave. It needs to be available sooner and not be so complicated in terms of how you can use the hours in different settings."

"Putting my 3yo daughter in nursery costs £1400/month. The childcare offer is £350/month. These sums do not add up. I have 2 children in nursery so that is £2800/month. My salary is £3000/month - that is a £50k salary and not being worth going to work."



"Why isn't there support from 1 year onwards?"

"Flying Start 12.5 hrs rollout is shocking, complete postcode lottery based on outdated maps..."



"The 2.5hrs a day in school nursery setting are very difficult when working, the wrap around costs often negate the positive impact."

"Working out the 30 hours funded childcare offer requires some kind of degree - I've never known anything be so complicated in all my life."



What parents and guardians say they need

Parents and guardians have told us they need affordable and accessible childcare, as well as financial support. The top priorities for parents are:



89%

affordable
childcare



68%

access to more hours
in a single setting

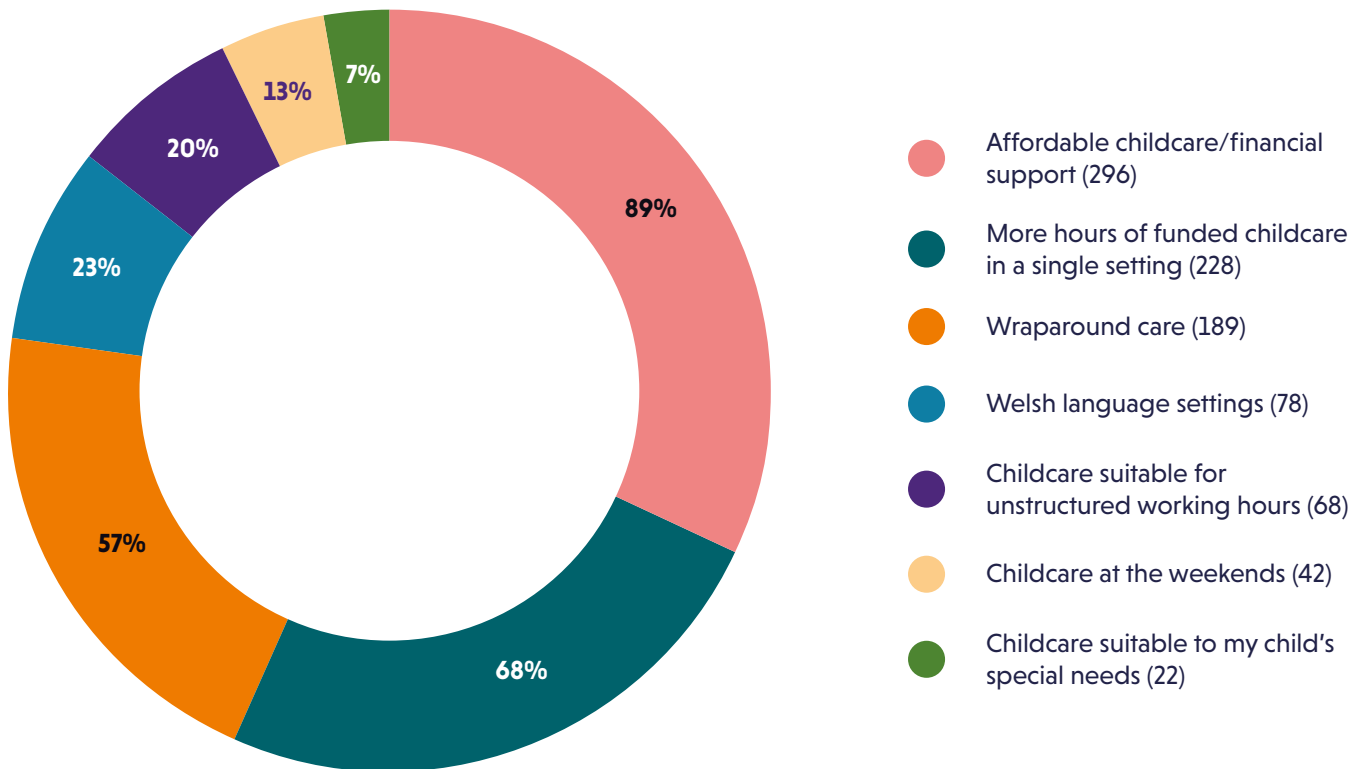


57%

provide
wraparound care

32% of parents and guardians of disabled children and children with Additional Learning Needs (ALN) are also actively seeking more childcare options that cater to their children's requirements

Childcare needs of parents



"I feel that [Flying Start] should be extended to all working parents."

"The most critical time for needing this childcare, particularly for women who still take the majority of maternity leave in that first year, is after that first year when they can return to their jobs or careers."



"Children are our most important part of our lives and we trust their care to lovely people every day who get paid hardly anything. But we cannot afford to pay more so something needs to change."



"...Just let us use the full 30 hours in one setting. It is a nonsensical split during the working day which does not help working parents."

Conclusion

The childcare landscape in Wales is characterised by a high and escalating cost with limited financial support rendering it increasingly unaffordable and out of reach for many families.¹⁰

This financial burden often leaves parents and guardians in dire financial situations, struggling to meet essential needs and leaving little to no savings or disposable income.

Parents and guardians tell us they are struggling, and many are at breaking point. This is felt acutely by families in low-income households, single parents, those with disabled children or children with Additional Learning Needs, parents working atypical hours, and families residing in rural areas.

The impact of childcare costs on women's employment is particularly pronounced, as many are forced to leave the workforce or return on a part-time basis, contributing to a significant skills gap in the economy. The difficulty in finding jobs that accommodate caring responsibilities further compounds the challenges faced by parents, especially women.

There is a pressing need for robust and accessible support systems, coupled with streamlined eligibility criteria.

While parents and guardians appreciate the initial benefits of existing funded provision, they express concern about having to use a range of settings in order to access funded offers. They overwhelmingly feel that 2.5 hours a day of childcare is not enough to address their needs and they are concerned that the system is still overcomplicated and not easily accessible.

This has been compounded by the misalignment of UK-wide benefit systems with service provision in Wales, adding an additional layer of complexity for families seeking accessible and affordable childcare.

Parents and guardians consistently highlighted the absence of support for children under 3 years old and the constraints of the Flying Start programme, reflecting a need for support once maternity and shared parental leave ends.

In response, parents are calling for a more holistic approach and bold actions from the Welsh Government. Affordable childcare is a top priority for the majority of parents, accompanied by demands for increased funding within a single setting and the availability of wraparound care. Extending the childcare offer to cover children under 2 years old is another critical request, as is support during parental leave and assistance for childcare providers and childminders.

Developing childcare policies and support programs that guarantee access to quality care for all families in Wales is critical. Instead of building on a model that does not meet the needs of families and children, it is vital that we create a visionary plan that simplifies childcare provision for families. Addressing these complex issues is necessary to achieve this goal.



10. It is important to recognise that not all childcare providers are accountable for the increasing cost of childcare services, given that most of them operate as non-profit organizations and the childcare workforce comprises some of the lowest-paid workers.



Recommendations

1

The Welsh Government should continue to prioritise investment in childcare:

- We recognise that enhancing childcare provision and support in Wales requires substantial investment. We also understand the constraints on the Welsh Government's budget. Nonetheless, it is imperative to refrain from cutting the childcare investment budget. Funds should be allocated to address immediate parental needs, as highlighted in this report, which will yield long-term economic benefits.

2

Childcare for all children must be at the heart of the Welsh Government's child poverty strategy:

- All children, particularly those in low-income families, benefit from free/affordable childcare not just those aged two living in designated areas. It is critical that the Welsh Government provide funded childcare for low-income families to reduce the cost, provide opportunities to children and families and tackle child poverty. The Welsh Government's child poverty strategy should ensure disadvantaged children are not left behind.

3

The Welsh Government should develop a blueprint for a future-focused childcare plan to meet present and future needs by:

- Committing to full participation in an Expert Advisory Group focused on developing a visionary plan for the future of childcare in Wales. This plan should align with the Welsh Government's cross-cutting anti-poverty and gender equality ambitions while meeting the needs of parents and guardians in Wales.
- Prioritizing the pivotal role of the childcare workforce in the expansion of accessible and affordable childcare services. This approach should also involve an exploration of the requirements and challenges within the childcare workforce to ensure effective implementation.
- Ensure that due consideration is given to intersectional inequalities when planning childcare support, adopting an intersectional approach to comprehending the diverse needs and challenges faced by different groups within the childcare system.

4

The Welsh Government should create a seamless and affordable childcare system that is affordable for all by:

- Addressing the gap and transition issues within the existing childcare provisions. The disparity in target groups between the current schemes, namely Flying Start and the 30-hours-funded childcare offer, confuses parents and hinders the continuity of childcare support and provision.
- Developing strategies to bridge this gap and establish a more unified and universal childcare system. This will require a thorough exploration of the reasons behind underutilised support.

5

The Welsh Government should address the negative impact of the UK benefit changes on Welsh families by:

- Closely examining how recent changes in the UK benefit system may negatively affect Welsh families resulting in unjust sanctions. This analysis should inform proactive solutions to mitigate any adverse impacts on parents' access to childcare due to changes in the benefit system.

6

The Welsh Government should prioritise recognising the significant contribution of unpaid care and domestic labour to our economy by:

- Ensuring future plans reflect the critical role informal childcare plays in our childcare infrastructure including recognition and support for those who provide informal childcare.
- Recognising the value of unpaid care and understanding its impact on families, children, and caregivers is crucial to shape effective policies and support systems.

7

We echo the previous asks from Welsh Government:¹¹

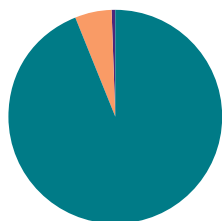
- We call on the Welsh Government and ask that they make childcare affordable and accessible for parents of all children from six months.
- We urge the Welsh Government to expand childcare provisions to unemployed parents and those working fewer than 16 hours to support them in seeking and advancing employment, as well as supporting the childcare needs of people seeking asylum.
- The Welsh Government should invest in nursery and early education provisions to ensure they are accessible to all parents, when and where they need them. This should particularly address the lack of provision during atypical working hours, provisions for disabled children and those with additional learning needs as well as provision in rural areas.

11. Feminist Scorecard 2022: Tracking Welsh Government action to advance women's rights and gender equality.

Annex

Methodology and participant demographics:

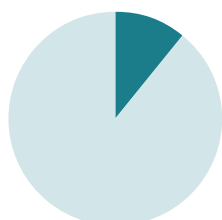
The survey, conducted by Oxfam Cymru on behalf of the Make Care Fair Coalition, was administered over a six-week period from July to August 2023. Targeting parents with children under nine years old in Wales, the survey aims to gain deeper insights into Welsh Government flagship childcare offers since 2017.



Out of the 335 responses collected, **315** were from women (**94%**), **19** were from men, and **1** respondent identified as non-binary.

The majority of the parents who responded to our survey had children

UNDER 4 YEARS OLD



37 RESPONDENTS

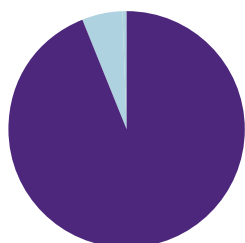
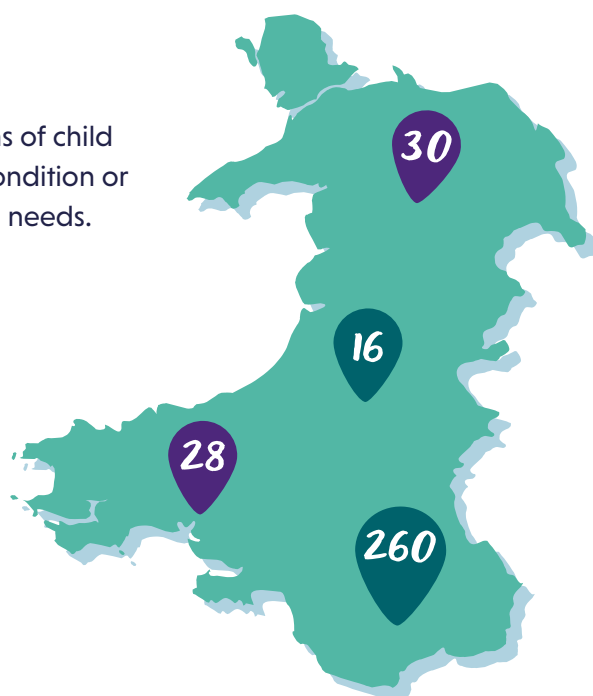
(11%) said that they are parents or guardians of child or children who is disabled or has health condition or illness, and/or special educational and care needs.

Most of the survey participants live in South Wales, predominantly in Cardiff (no of responses 115) and Vale of Glamorgan (no of responses 84).

Among the respondents:

245 indicated they reside in urban areas

81 reported living in rural settings



94%

(315/335) of the participants described their ethnicity as white and 5% of the participants from other ethnic backgrounds.



Only **5.8%**

of the respondents indicated that they were single or divorced.



Given the constraints of both space and time, achieving a sample size sufficient to cover the diverse and intersecting factors affecting parents/guardians' experiences with childcare is not feasible. We could not wholly cover the experiences of single, lower-income households, as well as the experience of men and people from racialised backgrounds.



For more information, or to comment on this paper, email: oxfamcymru@oxfam.org.uk