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# Review of business rate relief for registered childcare properties, 2024

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

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# Review of business rate relief for registered childcare properties, 2024

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# 1. Introduction

- 1.1. Non-Domestic Rates (“NDR”, also known as business rates) are charges on non-domestic or business properties that help pay for local services. The scheme is administered by local authorities and is automatically applied to the bills of eligible ratepayers.
- 1.2. The Welsh Government introduced a new permanent small business rates relief (SBRR) scheme to support small businesses with their non-domestic rates bills in 2018. This included increasing the relief available for registered daycare providers.
- 1.3. Since April 2019, registered, centre-based daycare providers in Wales can receive 100% rate relief. In September 2021, in recognition of the financial challenges faced by the sector in the aftermath of the pandemic and drawing on the evidence contained in our review published in July 2021, small business rates relief for registered childcare properties was extended to March 2025.
- 1.4. The wider SBRR programme in Wales was evaluated in 2010<sup>1</sup>. This evaluation found widespread support for rate relief from beneficiaries, as might be expected, as well as the views of other stakeholders that the scheme was equitable and easy to access. The evaluation noted that, at the time of writing, the Welsh approach differed from others in the UK in seeking to provide targeted support to specific sectors, including childcare.
- 1.5. Further research on the wider SBRR programme was undertaken in 2021 through a survey of supported businesses (n=501)<sup>2</sup>. This research did not generate any findings specific to childcare providers. However, the wider findings of this research suggest that:
  - up to one third of relevant small businesses were not aware of any rate relief schemes, despite potentially benefiting;
  - those who were supported highlighted benefits included business sustainability, particularly in rural or deprived communities.
- 1.6. Assessing the economic impact of small business rate relief is complex due to data limitations and the challenge of impact attribution, particularly in a context of economic change. This has been highlighted in a published evaluation of the Scottish Government’s Small Business Bonus Scheme<sup>3</sup>. This research could not find evidence that rate relief had positive impacts on business activity, growth or employment, though reflections by supported businesses were positive.

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<sup>1</sup> [Evaluation of the small business rates relief scheme in Wales | GOV.WALES](#)

<sup>2</sup> [Small business rates relief: survey analysis | GOV.WALES](#)

<sup>3</sup> [Supporting documents - Small Business Bonus Scheme: evaluation - gov.scot \(www.gov.scot\)](#)

- 1.7. Nonetheless, it is possible to theorise the potential impact of the scheme in Wales by assessing the contribution of the sector and considering the potential impact of premises/operating costs.
- 1.8. Since this time the Welsh Government has collected monitoring information and considered wider evidence to consider the effect of the scheme. This report provides a review of this evidence, including:
  - Local authority non-domestic rate (NDR) billing data
  - Valuation Office Agency data
  - Data collected through Care Inspectorate Wales
  - Data collected through a Welsh Government survey of childcare providers on their income and expenditure
  - Findings from Welsh Government's Call for Evidence via sector stakeholders

## 2. Background

- 2.1. The enhanced SBRR scheme for daycare providers in Wales was agreed in recognition of the sector's key economic enabler role in supporting parents and carers to access and remain in employment. It also aims to help providers become more established and to operate and grow.
- 2.2. The childcare sector has a unique business operating model, and is subject to the Welsh Government's National Minimum Standards for Regulating Childcare (NMS). These regulatory standards, whilst highly important for safeguarding children, place a number of financial constraints on childcare providers which means their non-domestic rates can represent a higher proportion of the costs for the sector compared to other small businesses.
- 2.3. Local Authorities engage private childcare providers to deliver nursery education and Flying Start programmes (and in some areas provide nursery provision within schools). Unlike schools and local authority buildings, childcare providers have before the introduction of rate relief, needed to pay business rates despite delivering children's provision in the same way as maintained settings. Business rates are often viewed by childcare and play providers as an unfair tax policy and an additional burden on providers which maintained settings do not face. Also schools do not incur the current cost of regulation given they are categorised as public services.
- 2.4. Sector representative bodies have argued childcare businesses should be exempt from paying business rates as they are providing an essential service to parents and children,. They are exempt from VAT on the basis HMRC regard the sector as providing welfare services to children and are not therefore not seen as operating in the normal goods and services market. The National Day Nurseries Association in has launched a petition to scrap business rates for early years providers in England<sup>4</sup>
- 2.5. Following an evaluation published in 2022, Day Nursery Relief in Scotland has been extended indefinitely beyond 30 June 2023 providing certainty and support for the sector.
- 2.6. The Non Domestic Rates (Day Nursery Relief) (Scotland) Regulations 2018 provides relief of rates to ratepayers, who occupy a day nursery. Day nursery relief is for properties used wholly or mainly as a nursery school within the meaning of section 135 of the Education (Scotland) Act 1980 (b) which also provides day care of children (as defined in paragraph 13 or schedule 12 of the Public Services Reform (Scotland) Act 2010). No Rates are payable for any properties meeting the criteria above.

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<sup>4</sup> [petition-launched-to-scrap-business-rates-for-early-years-provider \(NDNA\)](#)

- 2.7. On 18 March 2020, the UK Government announced the business rates Nursery Discount 2020/21 as part of the response to the COVID-19 pandemic.
- 2.8. Currently there is no dedicated business rates relief for day nurseries in England although nursery settings may be eligible for a reduction in their business rates bill /business rates relief.

### 3. Local authority Non-Domestic Rates billing data

- 3.1. This section presents data on the extent of the scheme, based on local authority NDR billing data for Wales. It includes 2023/2024 data and makes comparisons to earlier years.
- 3.2. The enhanced small business rates relief scheme for childcare premises provides relief to some childcare providers who would otherwise have received support as part of the general small business rate relief scheme. Specifically, this covers:
- childcare businesses with premises with a rateable value of less than £6,000, who would receive 100 per cent rate relief, and
  - childcare businesses with premises with a rateable value of between £6,000 and £12,000, who would receive rate relief of varying degrees, though less than 100 per cent rate relief.
- 3.3. The additional value created by the childcare premises scheme is therefore limited for some of those business who have a rateable value above £6,000.
- 3.4. In total there were an estimated 571 childcare premises that were eligible for business rate relief through the childcare premises scheme in 2023/2024. An estimated total relief of £3.37 million was provided through the scheme in that year. Table 1 below illustrates the relative distribution of childcare premises and of rate relief by rateable value.

**Table 1 – Childcare premises and rate relief by rateable value, 2023**

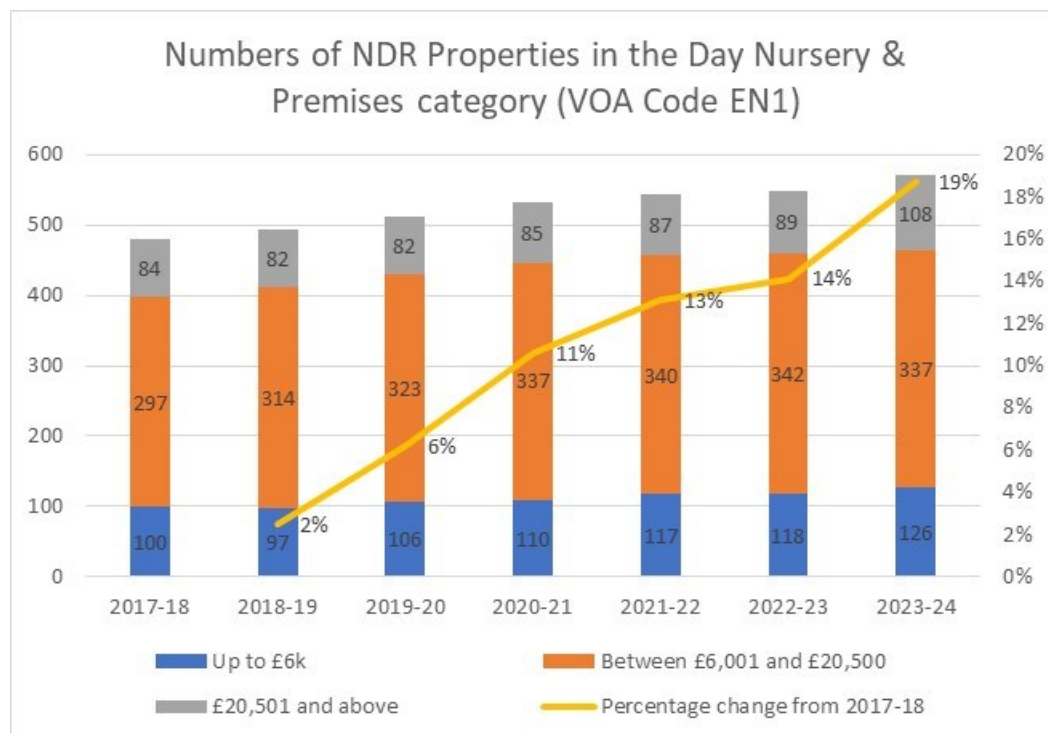
| <b>Rateable Value</b>                | <b>Number of Properties</b> | <b>Per centage of all properties</b> | <b>Total SBRR</b>    | <b>Per centage of all SBRR</b> |
|--------------------------------------|-----------------------------|--------------------------------------|----------------------|--------------------------------|
| <b>1. Up to £6k</b>                  | 126                         | 22%                                  | £212,688.00          | 6%                             |
| <b>2. Between £6,001 and £20,500</b> | 337                         | 59%                                  | £1,665,603.00        | 49%                            |
| <b>3. £20,501 and above</b>          | 108                         | 19%                                  | £1,495,460.00        | 44%                            |
| <b>Total</b>                         | <b>571</b>                  |                                      | <b>£3,373,751.00</b> |                                |

*Source: SBRR monitoring data from Local Authorities*

- 3.5. Table 1 shows that 22 per cent of premises supported (n=126) had a rateable value below £6,000, and would therefore have been eligible for 100 per cent rate relief even if the childcare scheme did not exist. 59 per cent (n=337) had a rateable value of between £6,000 and £20,500 and therefore would have been eligible for some degree of rate relief under the general scheme, while 19 per cent (n=108) would have otherwise received no rate relief.

- 3.6. Table 1 above illustrates that the distribution of premises by rateable value band differs from the distribution of the value of rate relief by rateable value band, with around 75 per cent of value being awarded to the 45 per cent of premises with a rateable value over £12,000. This is likely to reflect the higher value of these premises, and therefore the higher cost of providing relief. By contrast, only six per cent of the value of the scheme was distributed to premises with the lowest rateable value. This suggests that the scheme represents a significant additional investment into the sector, above and beyond the general small business rate relief programme.
- 3.7. The number of premises eligible for rate relief through the childcare scheme has increased in each year since the scheme began. Figure 1 below illustrates that there has been an increase in eligible properties within each band, as well as a consistent per centage increase compared to 2017-18.

**Figure 1. Numbers of NDR Properties in the Day Nursery & Premises category, and per centage change, 2017-18 – 2023-24**

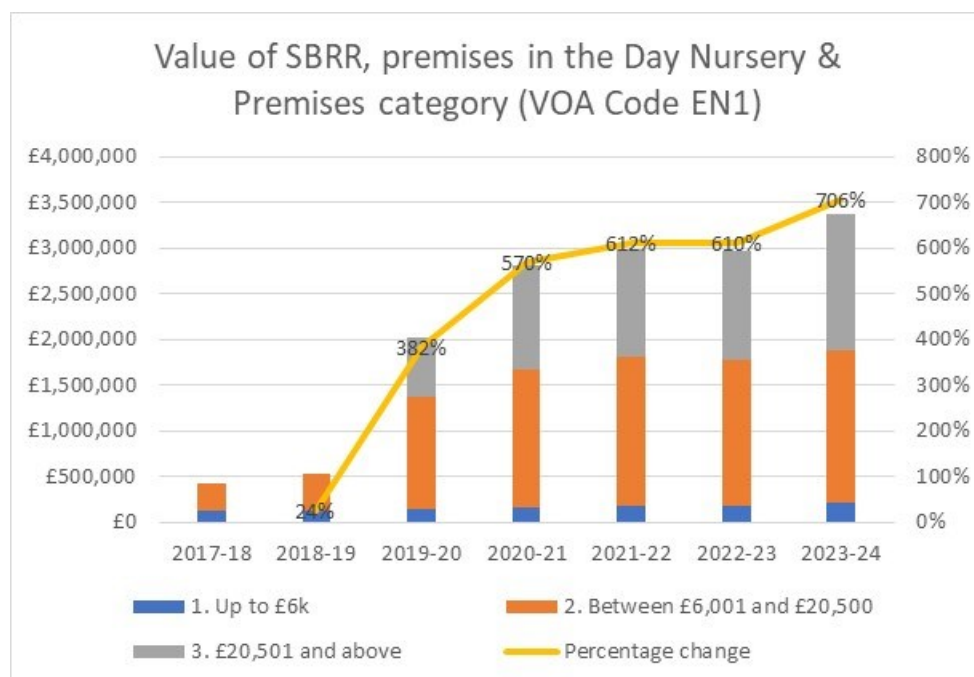


Source: SBRR monitoring data

- 3.8. Figure 2 below illustrates that, compared with the change in the number of properties, there has been a sharper increase in the amount of relief provided as part of the scheme. This figure shows that the greatest increase in value of the scheme was in the first three years, before the renewal in 2021.



**Figure 2. Value of SBRR, premises in the Day Nursery & Premises category and per centage change, 2017-18 – 2023-24**



Source: SBRR monitoring data

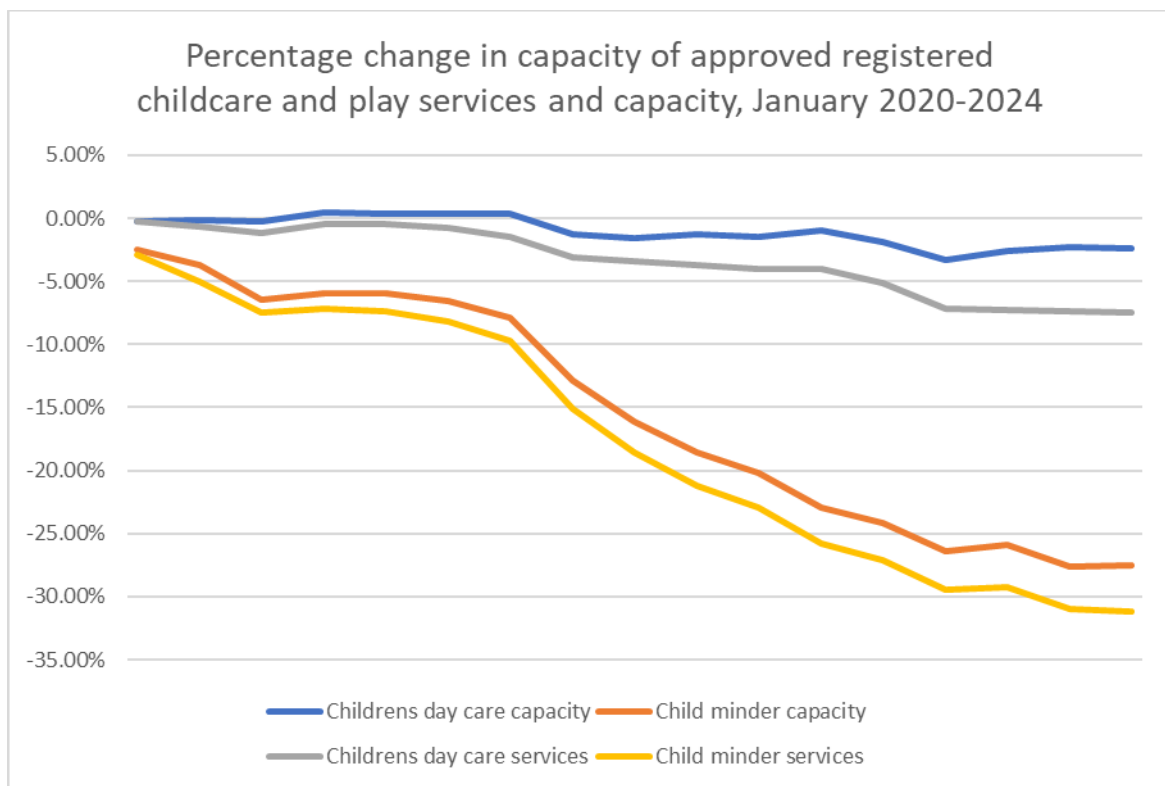
3.9. Comparison of figures 1 and 2 illustrates that higher-value properties (with a rateable value of £20,501 and above) represent a larger proportion of total value than they do number of properties, resulting from the higher cost of providing relief to these properties.

3.10. As rate relief is typically applied automatically without the need for beneficiaries to make applications, these increases are likely to reflect changes in the types of premises being used by eligible childcare providers. Specifically, it may suggest that an increasing number of childcare businesses are using premises which are eligible for rate relief than was the case in earlier years covered by the scheme.

3.11. This increase in the number of childcare premises supported comes despite an overall decrease in the total number of registered approved childcare services during the same period. Figure 3 below shows the change in the number of services and maximum capacity<sup>5</sup> of services as a per centage change from January 2020 to January 2024. The figure illustrates that the number of children's day care services (those who provide centre-based care, and therefore would be potentially eligible for the scheme) has fallen each year since 2019, however, at a lower rate than that of childminders. Similarly, the figure illustrates that the per centage change in capacity of children's day care providers has been less than five per cent.

<sup>5</sup> Maximum capacity refers to the number of children who are permitted to be on the services' premises at any one time, in line with their registration.

**Figure 3. Per centage change in number of approved registered childcare and play services and in capacity, January 2020-2024**



Source: Care Inspectorate Wales register

The Figure shows a decline in the number of services and of capacity for both Children's Day care and child minders. The decline is greater for child minders.

3.12. This illustrates a longer term trend in the childcare sector in which larger children's day care providers are representing an increasing share of both services and capacity. Taken together, this suggests that the rate relief scheme is likely to be reaching a higher proportion of the total childcare sector than in the past, and that this is likely to result from new entrants to the sector using premises that allow a larger capacity than those leaving the sector. In line with this, Table 2 below shows that the proportion of all registered approved children's day care providers being supported by the scheme has increased from 28 per cent to 33 per cent.

**Table 2 – Number and proportion of children’s day care services supported by rate relief, 2021 and 2023**

|  | <b>2020-21</b> | <b>Per centage of registered services</b> | <b>2023-24</b> | <b>Per centage of registered services</b> |
|--|----------------|---|----------------|---|
| <b>Up to £6k</b>   | 110            | 6%  | 126            | 7%  |
| <b>Between £6,001 and £20,500</b>                        | 337            | 18%                                       | 337            | 19%                                       |
| <b>£20,501 and above</b>                                 | 85             | 5%  | 108            | 6%  |
| <b>Total premises supported</b>                          | 532            | 28%                                       | 571            | 33%                                       |
| <b>Total Childrens day care premises in CIW register</b> | <b>1,868</b>   |   | <b>1,729</b>   |   |

*Source: SBRR monitoring data and Care Inspectorate Wales register*

## 4. Contribution of the childcare sector to the Welsh economy

- 4.1. The total rate relief claimed to date is a very small financial contribution compared to the estimated value of the childcare sector to the Welsh economy. A 2018 independent review estimated that the economic contribution of parents who are able to work because of childcare provision was around £1.2 billion per year<sup>6</sup> (this is likely to have increased since 2018 due to inflation and due to expanded public-funding of childcare).
- 4.2. Additionally, data collected by Care Inspectorate Wales suggests that the sector directly employs around 16,000 people, equivalent to around 1 per cent of the employed working age population of Wales (estimated to be 1.37 million<sup>7</sup>).
- 4.3. The childcare sector plays an essential role in delivering several Welsh Government policy commitments, including funded childcare through the Childcare Offer for Wales and the Flying Start programme. Evaluation of the Childcare Offer for Wales has reported consistently over several years that parents using the Offer work more hours than would have been the case without the programme<sup>8</sup>, suggesting that this programme and the sector more widely is likely to have an impact on the Welsh economy by boosting the capacity of parents to work.
- 4.4. While the potential scope of positive impact in the economy is high, the total cost of this rate relief scheme is relatively low. In 2024-25, the mandatory rate relief given to childcare premises had a value of £3.8 million<sup>9</sup>. This represents a low proportion of the total value non-domestic rates in Wales, around 0.3 per cent of total gross rates payable (or 2.5 per cent of the total Small Business Rate Relief scheme). The cost of the scheme is equivalent to around 0.3 per cent of the estimated additional contribution of parents as a result of childcare as estimated in 2018 (£1.2 billion per year).
- 4.5. Childcare also represents an increasing share of public spending in Wales. The Welsh Government invests around £100 million per year in funded childcare hours through the Childcare Offer for Wales and Flying Start programmes. Delivery of these programmes is contingent on the availability of places made available through childcare providers who are largely in the private sector.

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<sup>6</sup> [Review of the Childcare Sector in Wales | GOV.WALES](#)

<sup>7</sup> [Labour market and travel to work in Wales \(Census 2021\) | GOV.WALES](#)

<sup>8</sup> [Evaluation of the Childcare Offer for Wales: year 5 | GOV.WALES](#)

<sup>9</sup> [Non-domestic rates estimates by authority \(£ thousand\) \(gov.wales\)](#)

## 5. Impact of premises and other operational costs

- 5.1. In May and June 2024 a survey was undertaken of a sample of registered childcare providers. This survey asked respondents about their income and expenditure as part of providing childcare services. Amongst this sample, premises costs represented on average seven per cent of costs. Aside from staffing costs (74 per cent), premises represented the highest proportion of the costs faced by providers. A copy of the survey can be reviewed at Annex 1.
- 5.2. Around 39 per cent of surveyed providers rented their premises from councils, schools or other public sector organisations, with smaller proportions renting from private owners (22 per cent), renting from charities or churches (15 per cent) or owning their premises outright (nine per cent). Of centre-based providers (those who would be eligible for the SBRR scheme), a high majority reported that they rent their premises (81 per cent), with smaller percentages owning outright with no premises payments (14 per cent) and paying for premises through a mortgage (5 per cent). This suggests that most childcare businesses will be liable for ongoing costs to secure use of their premises.
- 5.3. Along with other costs, the premises costs of children’s day care providers have increased in the last decade, with sharp increases in the last three years. The Office for National Statistics Annual Business Survey results suggest that business expenditure on goods and services in industry sector ‘Social work activities without accommodation’ in Wales (which includes childcare) increased by 33 per cent between 2021 to 2022, the largest annual increase since 2017<sup>10</sup>. Table 3 below illustrates this change relative to the average across all business sectors.

**Table 3. Annual per centage change in business activity and costs, 2021-2022**

|   | <b>Total<br/>Turnover</b> | <b>Approximate<br/>gross value<br/>added at<br/>basic prices<br/>(aGVA)</b> | <b>Total<br/>purchases<br/>of goods,<br/>materials<br/>and<br/>services</b> | <b>Total<br/>employment<br/>costs</b> |
|---|---------------------------|---|---|---------------------------------------|
| <b>All sectors</b>  | 37%                       | 27%   | 35%   | 19%                                   |
| <b>Social Work<br/>activities without<br/>accommodation</b> | 24%                       | 25%   | 33%   | 14%                                   |

*Source: ONS Annual Business Survey*

<sup>10</sup> Data for 2008-2023 can be found at [Non-financial business economy, regional results: Sections A to S - Office for National Statistics](#)

Data for 1998-2007 can be found at

[\[ARCHIVED CONTENT\] Release Edition Reference Tables - ONS \(nationalarchives.gov.uk\)](#)

- 5.4. Table 3 shows that purchases of goods, materials and services (which includes premises) have seen a greater increase than turnover, GVA or employment costs for the sector. Compared to other sectors, growth in turnover has been significantly lower, suggesting that increases in costs are not being matched by increased income.
- 5.5. These increased costs can present particular issues for the childcare sector. The Welsh Government's National Minimum Standards for Regulated Childcare set space requirements which influence criteria for premises<sup>11</sup>. Combined with the regulatory requirements (and parents' expectations) for a stimulating and accessible environment for children, this is likely to restrict the range of premises that may be usable for childcare. A 2018 review commissioned by the Welsh Government<sup>12</sup> found that approximately half of respondents reported that the costs of seeking bigger premises would prevent their setting from offering new places for 3-4 year olds.

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<sup>11</sup> [National Minimum Standards for regulated childcare | GOV.WALES](#)

<sup>12</sup> [Review of the Childcare Sector in Wales | GOV.WALES](#)

## 6. Call for evidence

- 6.1. Sector bodies representing groups of early years providers were invited to provide evidence on behalf of their members about the impact of the childcare NDR scheme. This section provides a summary of key themes and findings from this evidence.
- 6.2. All submissions received (n=3) argue strongly that the scheme has been valuable in reducing pressure on their members, during a period of significant challenges for the early years sector in Wales. Submissions highlighted the importance of financial challenges in particular.
- 6.3. Clybiau Plant Cymru note that in a recent survey of their members, 41 per cent of holiday clubs<sup>13</sup> reported that their business was not currently financially viable. Respondents reported intending to increase fees (69%), close elements of the service (21%) and reduce opening times (18%) to address these pressures.
- 6.4. Early Years Wales emphasised the ongoing trends in the number of services and places (as documented in Figure 3 of the present report), noting that the changing balance of different types of provision is likely to be influenced by policy decisions as well as inflation, leading to particular pressure on smaller providers.

“Our members and Early Years Wales would like to see the SBRR retained (at a minimum through the Senedd term), but potentially for a further three year period and would welcome any commitment in this direction to support the childcare sector and children in Wales.”

- 6.5. The National Day Nurseries Association undertook a survey of members in Wales and asked them about the impacts of the Small Business Rate Relief scheme for childcare premises, with 88 responses. Nearly all respondents (93 per cent) reported that the scheme supported their business to remain sustainable. Over half reported that the scheme allowed them to invest in resources and their environment (58 per cent) and to reduce the increase of parental fees (55 per cent). Table 4 below presents a summary of responses

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<sup>13</sup> It should be noted that holiday clubs typically provide care and play opportunities during school holiday periods, during periods where parents may not be able to access Welsh Government funded childcare.

**Table 4. Responses to NDNA survey 2024, ‘What impact has the Small Business Rates Relief scheme had upon your business?’**

| <b>Choices</b>                            | <b>Number</b> | <b>Per centage</b> |
|---|---------------|--------------------|
| Remain sustainable                        | 82            | 94%                |
| Reinvest in resources and the environment | 51            | 59%                |
| Reduce the increase of parental fees      | 48            | 55%                |
| Reinvest in staff training                | 43            | 49%                |
| Employ additional staff                   | 35            | 40%                |
| Other                                     | 7             | 8%                 |

6.6. NDNA also asked members about the potential impacts of ending the childcare premises scheme. 43 per cent respondents (37) reported that the additional cost would result in the closure of their business. Others reported that this would impact fees (38 per cent) and business sustainability (27 per cent). A summary of responses to this question is presented in Table 5 below.

**Table 5. Responses to NDNA survey 2024, ‘What would be the impact on your business if the Welsh Government were to remove the small business rates relief for childcare providers?’**

| <b>Choices</b>   | <b>Number</b> | <b>Per centage</b> |
|--|---------------|--------------------|
| <b>Close the business</b>  | 37            | 43%                |
| <b>Increase fees further</b>   | 33            | 38%                |
| <b>Impact on sustainability</b>  | 23            | 27%                |
| <b>Being unable to reinvest in the business and resources</b>            | 18            | 21%                |
| <b>Impact on staff training</b>  | 7             | 8%                 |
| <b>Would need to look at reduction of staffing hours or redundancies</b> | 7             | 8%                 |
| <b>Impacts on staff wages</b>  | 4             | 5%                 |
| <b>Reduce funded places that are already causing losses</b>              | 2             | 2%                 |
| <b>Offering reduces services.</b>  | 2             | 2%                 |

6.7. Both Early Years Wales and Clybiau Plant Cymru propose extending the NDR scheme to cover businesses renting space in schools, community buildings and other buildings where they are not the sole occupants of the building (as these typically pay a proportion of rates to a landlord). Clybiau propose that landlords should continue to be able to claim rate relief for properties let to registered childcare settings, and should be strongly urged to pass on their savings to childcare providers by reducing the fees they charge.



- 6.8. Clybiau Plant Cymru note that schools facing their own pressures are passing costs on to play and childcare providers who use their premises, and that this could be addressed through making relief available to schools who hire out space for registered childcare provision:

## 7. Businesses response to changing costs

7.1. Childcare businesses face challenges in adapting their business models to rapid changes in costs. The 2018 review of childcare in Wales found that most surveyed providers operated with very low profit margins. As shown in Table 6 below, our 2024 survey on income and expenditure has indicated that among respondents, the median monthly income was less than £300 higher than the median level of expenditure.

**Table 6. Median monthly income and expenditure of surveyed childcare providers, 2024**

|               | <b>Income</b> | <b>Expenditure</b> | <b>Difference</b> | <b>Per centage difference</b> |
|---------------|---------------|--------------------|-------------------|-------------------------------|
| <b>Median</b> | 2,270         | 2,007              | 263               | 13%                           |

*Source: Welsh Government Survey of Income and Expenditure of Childcare Providers*

7.2. Childcare, along with social care, is typically a labour-intensive economic sector, with a strong reliance on inter-personal contact. Businesses may attempt to respond to increased costs by reducing their expenditure on labour, the biggest cost in the sector. However, evidence suggests that childcare is already a low wage sector. A 2022 survey of the sector indicated that staff below manager or leader level, including those with Level 3 qualifications, were paid at approximately the National Living Wage<sup>14</sup>. A 2018 review of the sector in Wales also found that the majority of staff were paid the minimum wage, suggesting a longer term trend<sup>15</sup>. As documented in Figure 3 above, this period since 2018 has seen a decline in the number of services operating, and evidence gathered through a review of childminding identified that this is likely to be influenced by wages that are not competitive with other low wage sectors<sup>16</sup>.

7.3. The overall picture of wages at or just above statutory minimum wages suggests that childcare businesses are not able to adapt to rising costs by significantly cutting their staff costs. Childcare businesses' ability to cover increasing costs is therefore likely to be determined by their ability to increase their income. Responses to the 2024 survey on income and expenditure suggest that fees from parents represent over 60 per cent of all income, with the remainder coming from public funding (see Table 7 below).

<sup>14</sup> See [Mapping the childcare and play workforce in Wales: phase 1 report | GOV.WALES](#), p.39

<sup>15</sup> [Review of the Childcare Sector in Wales | GOV.WALES](#)

<sup>16</sup> [Independent review of childminding | GOV.WALES](#)

**Table 7. Income of surveyed childcare providers, 2024**

|  | <b>Per<br/>centage of<br/>total</b> |
|--|-------------------------------------|
| <b>Fees from parents</b>   | 62%                                 |
| <b>Fees for providing childcare as part of the<br/>Childcare Offer for Wales</b> | 23%                                 |
| <b>Fees for providing childcare as part of Flying<br/>Start</b>                  | 6%                                  |
| <b>Grant funding from the Welsh Government<br/>or Local Authority.</b>           | 4%                                  |
| <b>Fees for providing early education on behalf<br/>of the Local Authority</b>   | 3%                                  |
| <b>Other fees from a Local Authority for<br/>providing childcare or play</b>     | 1%                                  |

*Source: Welsh Government Survey of Income and Expenditure of Childcare Providers*

7.4. Funding rates for the Childcare Offer for Wales, Flying Start and early education provided by non-maintained settings are being reviewed throughout 2024, with a view to any updates being made for the financial year 2025-26.

7.5. Childcare businesses are likely to face significant challenges increasing their fees. As part of the UK, Wales has some of the highest childcare fees in the OECD<sup>17</sup>. Research with parents in Wales<sup>18</sup> has found evidence that:

- The private cost of childcare is a barrier to parents taking it up;
- This barrier is likely to have a stronger effect among parents who earn less, and who live in areas of deprivation.

In this context, providers who increase fees in line with increases in their costs may see some parents reducing the hours of childcare that they purchase.

7.6. Some providers have reported through engagement with local authorities and the Welsh Government that they engage in 'cross-subsidy' in order to attract parents' business. The extent of this practice is not clear, though alongside patterns of change in fees, it may suggest that parents are sensitive to increases in fees and that these may negatively impact demand.

7.7. Childcare businesses may struggle to address rising costs by increasing the volume of their business even where fees remain unchanged. Table 8 below shows that the proportion of parents using formal childcare in Wales has remained close to 40 per cent since 2016.

<sup>17</sup> [Childcare costs in the UK are high : Net childcare costs for parents using childcare facilities, percentage of the average wage, 2020 or latest | OECD Economic Surveys: United Kingdom 2022 | OECD iLibrary \(oecd-ilibrary.org\)](#)

<sup>18</sup> [Parent beliefs, behaviours and barriers: childcare and early education | GOV.WALES](#)

**Table 8. Per centage of parents using formal childcare, National Survey for Wales, 2016-2023**

| <b>Parents of children age 0-14</b> | <b>2014-15</b> | <b>2016-17</b> | <b>2018-19</b> | <b>2022-23</b> |
|-------------------------------------|----------------|----------------|----------------|----------------|
| <b>Use any childcare</b>            | 49             | 47             | 48             | 48             |
| <b>Use formal childcare</b>         | 42             | 39             | 40             | 40             |
| <b>Do not use any childcare</b>     | 51             | 53             | 52             | 52             |
| <b>Sample size</b>                  | 3,300          | 2,150          | 2,300          | 2,000          |

*Source: National Survey for Wales*

7.8. A 2024 survey of registered childcare and play providers by Care Inspectorate Wales (n=3,116), found that six per cent (196) believed that their business was only sustainable for the next six months, with a further 12 per cent (381) being unsure about their future sustainability.

7.9. In this context, we can conclude that the sector is not in a strong economic position. Any potential increases in costs, including from an increase in liability for NDR, could have the following impacts:

- Providers raising their fees, seeing increased burden on parents and potentially a decline in hours used, particularly for parents on low incomes;
- Relative declines in pay in the sector, possibly resulting in declining recruitment and retention;
- Acceleration of the decline in the number of approved registered services.

## **Annex 1 - Survey: Income and expenditure of childcare providers**

# **Income and expenditure of childcare providers**

**1.**

### **Survey – Income and expenditure of childcare providers**

The Welsh Government is surveying childcare and play providers. We want to understand more about the costs that are involved in running a childcare business, and how you generate income.

We want to understand this in order to inform policy decisions that we make, including around the rates that we pay for funded programmes and other forms of support that we offer to providers. We will use the information you give us alongside other relevant information, such as measures of price inflation in the UK economy and information about staff pay, including the National Minimum Wage and National Living Wage.

The questionnaire includes questions about your costs (the money you spend on things like staff, rent, bills etc.), your income (including from fees and from funded programmes such as the Childcare Offer for Wales) and the amount of hours of care that you provide. We will also ask about the average salaries paid to different types of staff within your service. Having the relevant documents to hand can help, for example, your most recent annual accounts or a bank statement.

You can save your progress on this survey so that you can come back to complete it later. To do so you will have to enter your email address. This will not be visible to the Welsh Government, and will be used solely to send you a link to your saved responses.

You can also move forwards and backwards through the survey using the 'Next' and 'Back' buttons.

If you are happy to continue, the next page will provide you with a Privacy Notice that indicates what data we wish to collect and how it will be used.

## 2. Privacy Notice

### Privacy Notice:

The Welsh Government is the data controller for the research. The information collected during the project will be included in a report published on the Welsh Government website. The research team will not include any personal data within the final written report.

Your participation in this research is completely voluntary. However, your views and experiences are important in order to help inform Welsh Government policies.

The contact for this research at the Welsh Government is Dr Jack Watkins

E-mail address: [Research.ChildrenandFamilies@gov.wales](mailto:Research.ChildrenandFamilies@gov.wales)

Telephone number: +44 300 025 1719

### What personal data do we hold and where do we get this information?

Personal data is defined under the UK General Data Protection Regulation (UK GDPR) as 'any information relating to an identifiable person who can be directly or indirectly identified by reference to an identifier'.

We hold your contact details (name and email address) as part of your agreement with us to receive funding to deliver the Childcare Offer for Wales. This information was provided by you as part of your application.

We will use your contact details to contact you via email with a link to complete an online self-completion questionnaire in Smart Survey. If no response is received, we may send out another reminder email. Your responses to the survey will not be linked to your name or email address.

As part of this research we will be collecting the following information that could be used to identify you:

- The Care Inspectorate Wales Certificate Number of your childcare and play service.

If you consent to providing this information, we will share the Care Inspectorate

Wales Certificate Number (without any other data from your responses) with Care Inspectorate Wales, who will then provide us with responses from your service to previous data collection through their 2023 Self-Assessment of Service Statement (SASS). The purpose of this is so that we can consider your responses to this survey in the context of information that you have already provided through SASS, in particular, in relation to the type of service you provide, your language of operation, the number of children you care for, the fees you charge and your staff. Our intention is to reduce the need for you to provide information in multiple data collections.

A member of the research team within the Welsh Government will then create a dataset which includes your responses to the present survey, and your responses to the 2023 SASS. This dataset will not include the name of your service, your address or postcode, any contact information, or the names of any staff working within the service. The dataset will include the local authority in which you are based. Once this dataset has been created, your CIW certificate number will be deleted from it, and it will be stored in a secure server.

We will not ask you for any additional personal data through this survey. If you choose to provide additional data that could be used to identify you or any other person as part of the survey, we will delete this from any of your responses.

If you raise a query or complaint and provide personal data requesting a response, the researcher will forward the request only to the relevant official and subsequently delete it from the research data.

### **What is the lawful basis for using your data?**

The lawful basis for processing information in this data collection exercise is our public task; that is, exercising our official authority to undertake the core role and functions of the Welsh Government.

Participation is completely voluntary. Research studies such as this are important for the Welsh Government to collect information and actionable evidence about its ability to deliver government priorities. The information collected in this research, for example, might be used to:

- Determine the rate paid to providers of the Childcare Offer for Wales;



- Consider the impact of other potential forms of support for the childcare sector, such as the Childcare Business Rate Relief Scheme.

### **How secure is your personal data?**

Personal data provided to Welsh Government is held on secure servers. Your contact details, including your name and email address, are stored within the Childcare Offer for Wales national digital service and the researchers will not have access this information. An email inviting you to take part will be sent as an automated alert through this service, and your contact details will not be linked to your responses to the survey.

If you provide your Care Inspectorate Wales Certificate Number, this will be saved along with your responses to these survey questions in a file in a secure folder on the Welsh Government servers. It will be shared with Care Inspectorate Wales using a secure data transfer portal that is only accessible to named individuals. Once the combined dataset, including your survey responses and your responses to SASS, has been created, your CIW certificate number will be deleted, before the data is saved onto the Welsh Government's servers.

When conducting surveys, the Welsh Government use a survey software programme called Smart Survey. We have ensured that Smart Survey is UK GDPR compliant and meets our expectations in terms of the security of any data collected via the software.

The Welsh Government has procedures to deal with any suspected data security breaches. If a suspected breach occurs, the Welsh Government will notify you and any applicable regulator where we are legally required to do so.

The research team will use the information gathered to produce a report that will be published on the Welsh Government website. This report will not include any information that could be used to identify individual participants.

## How long do we keep your personal data?

Your Care Inspectorate Wales Certificate Number will be deleted from the dataset including your survey responses and SASS responses by the research team as soon as the dataset has been created.

Any other personal data that we identify in reviewing your response to the survey will be deleted during the analysis stage of our research, prior to publication.

## Individual rights

Under UK GDPR, you have the following rights in relation to the personal information you provide as part of this research. Specifically you have the right:

- To access a copy of your own data;
- For us to rectify inaccuracies in that data;
- To object to or restrict processing (in certain circumstances);
- For your data to be 'erased' (in certain circumstances); and
- To lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

The contact details for the Information Commissioner's Office are: Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Phone: 0303 123 1113. Website: [www.ico.gov.uk](http://www.ico.gov.uk)

## Further Information

If you have any further questions about how the data provided as part of this study will be used by the Welsh Government or wish to exercise your rights using the UK General Data Protection Regulation, please contact:

**Name:** Dr Jack Watkins

**E-mail address:** [research.childrenandfamilies@gov.wales](mailto:research.childrenandfamilies@gov.wales)

The Welsh Government's Data Protection Officer can be contacted at:

Welsh Government, Cathays Park, Cardiff, CF10 3NQ, Email:  
[DataProtectionOfficer@gov.wales](mailto:DataProtectionOfficer@gov.wales)

### 3.

1. What is the CIW certificate number of the service where you work? This is the number that you display on your premises, and can also be found as part of your registration documents.

This will be used so that we can link responses to your SASS return so that we can know more about your service. The Welsh Government will not identify the name of your service, and all your responses will remain anonymous.

2. What service is your setting registered as?

- Childminder
- Full day care
- Sessional day care
- Out of school childcare
- Open access play provision
- Creche
- Other childcare provider / not sure - please explain:

3. In which local authority is your setting based?

- Blaenau Gwent County Borough Council (Cyngor Bwrdeistref Sirol Blaenau Gwent)
- Bridgend County Borough Council (Cyngor Bwrdeistref Sirol Pen-y-bont ar Ogwr)
- Caerphilly County Borough Council (Cyngor Bwrdeistref Sirol Caerffili)
- Cardiff Council (Cyngor Caerdydd)
- Carmarthenshire County Council (Cyngor Sir Gaerfyrddin)

- Ceredigion County Council (Cyngor Sir Ceredigion)
- Conwy County Borough Council (Cyngor Bwrdeistref Sirol Conwy)
- Denbighshire County Council (Cyngor Sir Ddinbych)
- Flintshire County Council (Cyngor Sir y Fflint)
- Gwynedd Council (Cyngor Sir Gwynedd)
- Isle of Anglesey County Council (Cyngor Sir Ynys Môn)
- Merthyr Tydfil County Borough Council (Cyngor Bwrdeistref Sirol Merthyr Tudful)
- Monmouthshire County Council (Cyngor Sir Fynwy)
- Neath Port Talbot County Borough Council (Cyngor Bwrdeistref Sirol Castell-nedd Port Talbot)
- Newport City Council (Cyngor Dinas Casnewydd)
- Pembrokeshire County Council (Cyngor Sir Penfro)
- Powys County Council (Cyngor Sir Powys)
- Rhondda Cynon Taf County Borough Council (Cyngor Bwrdeistref Sirol Rhondda Cynon Taf)
- City and County of Swansea (Cyngor Sir a Dinas Abertawe)
- The Vale of Glamorgan County Borough Council (Cyngor Bwrdeistref Sirol Bro Morgannwg)
- Torfaen County Borough Council (Cyngor Bwrdeistref Sirol Torfaen)
- Wrexham County Borough Council (Cyngor Bwrdeistref Sirol Wrecsam)

4. How many children are cared for at your setting?

4.

5. Has your service ever received funding to deliver the Childcare Offer for Wales? This is the Welsh Government's funded programme of up to 30 hours of childcare provision for children aged 3 and 4.

Yes, in the past but not currently

Yes, currently

No

Don't know

**5.**

6. If you have received funding for the Childcare Offer for Wales in the past but are not currently, what are the reasons for this?

**6.**

7. If you have not received funding for the Childcare Offer for Wales what are the reasons for this?



# 7.

The next questions are about how many children are attending your service.

The questions ask about the number of hours children attend.

For example, you might have 10 children under the age of 1 attending. Of these, 6 children attend for 0-4 hours a week, while 4 children attend for 5-9 hours a week. You would write this as follows:

|                    | Children Under 1 | Children age 1 |
|--------------------|------------------|----------------|
| 0-4 hours per week | 6                |                |
| 5-9 hour per week  | 4                |                |

8. In a typical TERM TIME week, how many children of different ages attend your service for the following number of hours?

|                      | Children Under 1 | Children age 1 | Children age 2 | Children age 3 | Children age 4 | Children age 5 | Children age over 5 |
|----------------------|------------------|----------------|----------------|----------------|----------------|----------------|---------------------|
| 0-4 hours per week   |                  |                |                |                |                |                |                     |
| 5-9 hours per week   |                  |                |                |                |                |                |                     |
| 10-14 hours per week |                  |                |                |                |                |                |                     |
| 15-19 hours per week |                  |                |                |                |                |                |                     |
| 20-24 hours per week |                  |                |                |                |                |                |                     |

Children Under 1    Children age 1    Children age 2    Children age 3    Children age 4    Children age 5    Children age over 5

s per week

25-29

hours per week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

30 or more

hours per week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

# 8.

9. In a typical HOLIDAY week, how many children of different ages attend your service for the following number of hours?

| Children<br>Under 1 | Children<br>age 1 | Children<br>age 2 | Children<br>age 3 | Children<br>age 4 | Children<br>age 5 | Children<br>age over 5 |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------|

0-4

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

5-9

hour  
per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

10-  
14

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

15-  
19

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

20-  
24

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

25-  
29

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

30 or  
more

hour  
s per  
week

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

**9.**

10. How many of the children that are currently registered for care at your service have an Additional Learning Need? Please answer with a number.

## 10.

11. Which of the following options best describes the premises you use for your service?

- Rented from a private owner
- Rented or provided for a fee from a charity or church
- Rented or provided for a fee from a council or other public sector organisation (such as a school)
- Provided rent free
- Being bought by the service with a mortgage
- Owned outright by the service
- I use my own home as my premises
- Don't know
- Other (please specify):

# 11.

12. In the last week, month, term or year (whichever is easier), how much did your service spend on rent or mortgage payments? Please exclude any grants or support that you might have received to help you to cover these costs.

Per week

Per month

Per term

Per year

If you are unsure, please write 'don't know'.

## 12.

13. For each of the costs listed in this grid, we would like to know the TOTAL SPENT as part of delivering childcare and play services. For each cost heading, you can give the amount spent per week, month, term or year – whichever is easier. If you have not spent anything on a particular category in the last year, leave it blank.

|  | Week                 | Month                | Term                 | Year                 |
|--|----------------------|----------------------|----------------------|----------------------|
| Staff costs – including wages, Employers National Insurance contributions and pensions contributions, and including any costs involved in hosting volunteers | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Utilities – such as gas, electricity, phone and internet   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Consumables – e.g. food, nappies, toilet roll, cleaning materials etc.   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| External catering costs  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Play and learning equipment/resources (e.g. toys, books, play materials)   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Play and learning activities and services (e.g. trips, external providers of play or learning activities)  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Course fees and expenses for staff training  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| ICT equipment and office supplies  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

|  | Week                 | Month                | Term                 | Year                 |
|--|----------------------|----------------------|----------------------|----------------------|
| Transport costs (e.g. vehicle hire/maintenance)  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Maintaining or improving your building (including salaries /costs for any maintenance staff and one-off maintenance costs)                                   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Contracts for building services (e.g. waste management, cleaning, fire, pest control, boiler, security etc.)   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Other taxes excluding payroll taxes (e.g. VAT, corporation taxes)  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Insurances   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Anything else, not covered above (this might include: Membership fees, administration costs, wear and tear, professional fees, volunteer costs, advertising) | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

14. Please give a brief description of any other costs you have incurred, that were not covered by the other items listed.



# 13.

15. In the last two years since April 2022, have your costs increased or decreased? Please mark an X in the relevant column and tell us the reasons for your answer in the 'comment' column.

|  | Increased                | Stayed about the same    | Decreased                | Comment                  |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Staff costs – including wages, Employers National Insurance contributions and pensions contributions, and including any costs involved in hosting volunteers | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Utilities – such as gas, electricity, phone and internet   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Consumables – e.g. food, nappies, toilet roll, cleaning materials etc.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| External catering costs  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Play and learning equipment/resources (e.g. toys, books, play materials)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Play and learning activities and services (e.g. trips, external providers of play or learning activities)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Course fees and expenses for staff training  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ICT equipment and office supplies  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

|  | Increased            | Stayed about<br>the same | Decreased            | Comment              |
|--|----------------------|--------------------------|----------------------|----------------------|
| Transport costs (e.g. vehicle hire/maintenance)  | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |
| Maintaining or improving your building (including salaries /costs for any maintenance staff and one-off maintenance costs)                                   | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |
| Contracts for building services (e.g. waste management, cleaning, fire, pest control, boiler, security etc.)   | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |
| Other taxes excluding payroll taxes (e.g. VAT, corporation taxes)  | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |
| Insurances   | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |
| Anything else, not covered above (this might include: Membership fees, administration costs, wear and tear, professional fees, volunteer costs, advertising) | <input type="text"/> | <input type="text"/>     | <input type="text"/> | <input type="text"/> |

# 14.

16. In the last week, month, term or year (whichever is easier), what was your TOTAL income from the following sources? If you did not receive any funding through a source, please leave it blank.

|   | Year                 | Term                 | Month                | Week                 |
|---|----------------------|----------------------|----------------------|----------------------|
| Fees from parents   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Fees for providing childcare as part of the Childcare Offer for Wales                 | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Fees for providing childcare as part of Flying Start                                  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Fees for providing early education on behalf of the Local Authority                   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Other fees from a Local Authority for providing childcare or play                     | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Welsh Government / Local Authority funding for staff training                         | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Grant funding from the Welsh Government or Local Authority.                           | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Charitable trust or grant funding   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Fees for goods or services that are not related to childcare, play or early education | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

|   | Year                 | Term                 | Month                | Week                 |
|---|----------------------|----------------------|----------------------|----------------------|
| Grants that are not related to childcare, play or early education | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Fundraising or donations  | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Capital gains   | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Anything else not covered above (please specify below)            | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Please give a brief description of any other sources of funding that were not covered by the options listed.

## 15.

17. Please indicate whether each of the following are included in your standard fees, charged for separately, or whether parents are asked to bring them in themselves.

|  | Included in<br>standard session<br>fees | Charged for<br>separately | Parents bring in<br>themselves | Don't know               |
|--|---|---------------------------|--------------------------------|--------------------------|
| Meals  | <input type="checkbox"/>                | <input type="checkbox"/>  | <input type="checkbox"/>       | <input type="checkbox"/> |
| Snacks   | <input type="checkbox"/>                | <input type="checkbox"/>  | <input type="checkbox"/>       | <input type="checkbox"/> |
| Nappies and / or<br>wipes                            | <input type="checkbox"/>                | <input type="checkbox"/>  | <input type="checkbox"/>       | <input type="checkbox"/> |
| Additional<br>learning / play<br>activities or trips | <input type="checkbox"/>                | <input type="checkbox"/>  | <input type="checkbox"/>       | <input type="checkbox"/> |
| Transport costs                                      | <input type="checkbox"/>                | <input type="checkbox"/>  | <input type="checkbox"/>       | <input type="checkbox"/> |

## 16.

18. In the last week, month, term or year (whichever is easier), did your service make a profit?

- Yes
- No
- Don't know

## 17.

19. In the last week, month, term or year (whichever is easier), how much profit did your service make?

Per week

Per month

Per term

Per year

If you are unsure, please write 'don't know'.

## 18.

The next few questions ask about salaries for different members of staff.

For each of these:

- Please tell us per year, month, week, hour or term - whichever is easier
- We'll also ask you to tell us how many hours a week this average covers (e.g. average for a manager working 15 hours a week)
- Please give the gross salary, before tax and national insurance
- If you are not sure of the exact average, please give us your best estimate

20. Do you employ a manager / leader at your service?

Yes

No



## 19.

21. What is the average salary of a manager / leader at your service?

- You can provide the exact salary if you know it, or if you employ multiple people in this job role you can work out an average of these
- If you are not sure of the exact average, please give us your best estimate
- Please tell us per hour, week, month, term or year - whichever is easier
- We'll also ask you to tell us how many hours a week this average covers (e.g. average for a manager working 15 hours a week)
- Please give the gross salary, before tax and national insurance

Per hour

Per week

Per month

Per term

Per year

If you are unsure, please write 'don't know'.

22. How many working hours per week does this cover? Please answer with a number.

23. In which financial year was this salary set?

April 2024 – March 2025

April 2023 – March 2024

April 2022 – March 2023

April 2021 – March 2022

Before April 2021

Don't know

Other (please specify):

**20.**

24. Do you employ any childcare practitioners at your service?

**This would include any staff directly involved in providing care to children.**

Yes

No

## 21.

25. What is the average salary of a childcare practitioner at your service?

If you are a CHILDMINDER, you can refer to yourself when answering this question.

- You can provide the exact salary if you know it, or if you employ multiple people in this job role you can work out an average of these
- If you are not sure of the exact average, please give us your best estimate
- Please tell us per hour, week, month, term or year - whichever is easier
- We'll also ask you to tell us how many hours a week this average covers (e.g. average for a manager working 15 hours a week)
- Please give the gross salary, before tax and national insurance

Per year

Per term

Per month

Per week

If you are unsure, please write 'don't know'.

26. How many working hours per week does this cover? Please answer with a number.

27. In which financial year was this salary set?

April 2024 – March 2025

April 2023 – March 2024

April 2022 – March 2023

April 2021 – March 2022

Before April 2021

Don't know

Other (please specify):

**22.**

28. Do you employ any play practitioners at your service?

**This would include any staff directly involved in leading play activities for children.**

Yes

No

## 23.

29. What is the average salary of a play practitioner at your service?

- You can provide the exact salary if you know it, or if you employ multiple people in this job role you can work out an average of these
- If you are not sure of the exact average, please give us your best estimate
- Please tell us per hour, week, month, term or year - whichever is easier
- We'll also ask you to tell us how many hours a week this average covers (e.g. average for a manager working 15 hours a week)
- Please give the gross salary, before tax and national insurance

Per year

Per term

Per month

Per week

If you are unsure, please write 'don't know'.

30. How many working hours per week does this cover? Please answer with a number.

31. In which financial year was this salary set?

April 2024 – March 2025

April 2023 – March 2024

April 2022 – March 2023

April 2021 – March 2022

Before April 2021

Don't know

Other (please specify):



## 24.

32. Are any other staff employed at your service?

**This would include any staff providing administrative support, catering, cleaning, transport or any other services that do not involve directly supporting children.**

Yes

No

## 25.

33. What is the average salary of other staff employed at your service?

- You can provide the exact salary if you know it, or if you employ multiple people in this job role you can work out an average of these
- If you are not sure of the exact average, please give us your best estimate
- Please tell us per hour, week, month, term or year - whichever is easier
- We'll also ask you to tell us how many hours a week this average covers (e.g. average for a manager working 15 hours a week)
- Please give the gross salary, before tax and national insurance

|                            | Per hour | Per week | Per month | Per term | Per year | How many hours a week does this salary cover? |
|----------------------------|----------|----------|-----------|----------|----------|---|
| Administrative support     |          |          |           |          |          |   |
| Finance/accounting support |          |          |           |          |          |   |
| Catering                   |          |          |           |          |          |   |
| Cleaning                   |          |          |           |          |          |   |
| Transport                  |          |          |           |          |          |   |
| Other (Please specify)     |          |          |           |          |          |   |

If you filled out the 'other (please specify)' row, please tell us the role you were referring to:

## 26.

34. In a typical week, do any unpaid trainees, volunteers or parent helpers directly support children at your service?

- Yes
- No
- Don't know

## 27.

35. Please enter the number of trainees/volunteers who spend 35+, 15-34 or less than 15

**hours with you in a typical week.**

Number of unpaid trainees/volunteers

35+

15-34

Less than 15

## 28.

36.

**Of all of the staff employed at your service, how many are of the following ages?**

Under 18

18-20

21-22

23 and over

## 29.

37. This is the final page of the survey. Is there anything else you would like to tell us?

## Annex 2: Call for Evidence

**The Welsh Government is considering the future of the Small Business Rate Relief Scheme for registered childcare premises. We would like to gather evidence from representative organisations on the potential impacts of this scheme on eligible childcare providers.**

In September 2018, the Welsh Government's permanent Small Business Rates Relief (SBRR) scheme was enhanced to provide all registered childcare properties with 100% rates relief over three years (1 April 2019-31 March 2022) This was in recognition of the sector's key economic enabler role in supporting parents and carers to access and remain in employment as well as supporting the sustainability of settings.

In September 2021, following [publication of a review of SBRR for registered childcare properties](#), Welsh Government announced that we would be extending enhanced rates relief for registered child care providers for an additional three years, to 31 March 2025. This three-year extension was in recognition of the significant financial challenges facing settings as a result of the pandemic and to help secure the level of provision that children and parents need and rely on.

The aims of the enhanced SBRR scheme are to:

- support the sustainability of settings faced with rising operating and staffing costs
- support childcare providers to become more established and to grow.
- help to create new childcare jobs and
- help to create new and maintain existing childcare places across Wales

As the three year extension will be coming to an end in March 2025, we are now reviewing the impact of this scheme on the sustainability of settings in Wales to inform next steps. We are currently gathering evidence from providers about their overheads and costs, which will help us to assess the impact of the programme. We are also reviewing data collected as part of the SBRR scheme to determine its reach.

In addition, we would welcome any submissions from CWLWM organisations on the potential impact of the scheme on your members. In particular we are interested in reflections on premises costs and how these have changed over time and the impact of business rates and business rates relief within this. We will publish a report noting our findings and evidence submitted may be included within this report. Submissions can be in any format.