

100% rates relief for childcare providers in Wales

Finance Secretary, Mark Drakeford and Minister for Children, Huw Irranca-Davies today announced the Welsh Government will provide all registered childcare properties with 100% rates relief.

The scheme will provide an estimated £7.5m of additional support to childcare providers over three years. Its impact will be reviewed.

Enhancing childcare provision across Wales is a major priority for the Welsh Government.

Finance Secretary, Mark Drakeford said:

“Earlier this year we increased the amount of rates relief we provide for registered childcare providers across Wales. We know a significant number of businesses are already benefiting but we want to do more.

“Today’s announcement means that from April 2019, the childcare sector in Wales will be exempt from paying rates. This will help childcare providers become more established, supporting the sector to operate and grow.

“This will help to create new childcare jobs and help to create new and maintain existing childcare places across Wales.”

Minister for Children, Huw Irranca-Davies said:

“The childcare sector has told us that a total exemption from non-domestic rates would make a real difference to their business confidence. We’ve listened and taken action.

“In addition to the significant investment we’re making in childcare, and the support we’re providing the sector to grow, today’s announcement shows our commitment to developing a top-class childcare sector in Wales.

“By providing enhanced support for the childcare sector, we will further improve access to childcare places, supporting working families across Wales and make it easier for people to take up and retain jobs.”

The Welsh Government’s programme for government, Taking Wales Forward, commits Ministers to providing 30 hours of government-funded early education

and childcare for working parents of three and four year olds, 48 weeks of the year. The offer is currently available in half of local authorities and will be available across the whole of Wales by 2020.

The childcare sector generates an estimated £1.2bn for the Welsh economy. In recognition of the sector's economic role and in supporting the delivery of the childcare offer, Ministers are prioritising investment to support growth across the sector. This investment is being developed as bespoke business and skills assistance.

The Welsh Government's 10-year Childcare, Play and Early Years Workforce plan, which was published in December 2017, aims to professionalise the sector and recognises its key economic enabler role by supporting parents and carers to access and remain in employment.

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 childcare providers.

The new exemption for childcare premises, reducing rates bills for childcare providers to zero, builds on the permanent SBRR scheme.