

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cyllid](#) ar [Cyllideb Ddrafft Llywodraeth Cymru 2025-26](#).

This response was submitted to the [Finance Committee](#) consultation on the [Welsh Government Draft Budget 2025-26](#).

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RESPONSE FROM OXFAM CYMRU

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1. Context and Oxfam Cymru's Standpoint

- 1.1. For years, Wales has navigated significant financial constraints, creating a challenging backdrop for public funding decisions. The lingering effects of Brexit, the Covid-19 pandemic, surging inflation, and an escalating cost-of-living crisis have further compounded these challenges. However, recent developments signal a shift in the dynamic between the UK and Welsh governments. The newly established Labour Government in Westminster has pledged increased financial support for Wales, including a £1.7 billion funding boost next April. This contribution, described by the Labour Chancellor as the "largest real-terms funding increase since devolution," marks a notable development.¹
- 1.2. While this additional funding offers a degree of relief, critics highlight that it is unlikely to drive transformative change. Chronic underfunding of public services and insufficient investment in critical social and public infrastructure in Wales remain pressing issues. There is a significant risk that this financial boost will only provide a temporary fix. The Welsh Government must prioritise funding allocations that deliver long-term benefits, enhancing the social and economic well-being of people across Wales.
- 1.3. Oxfam Cymru advocates a strategic focus on building a caring and green economy at the core of the Welsh Government's economic decisions. This approach recognises the need for economic policies that extend beyond addressing immediate financial crises, aiming instead to promote the well-being of both people and the planet. Aligning with the seven well-being goals of the Future Generations Act, Oxfam Cymru emphasises the importance of interconnected economic prosperity, social equity, and environmental sustainability.

2. What, in your opinion, has been the impact of the Welsh Government's 2024-2025 Budget?

The Welsh Government's 2024-2025 Budget reflects a mixed impact, highlighting both the constraints of current economic conditions and the difficult trade-offs in public spending priorities.

¹ Extra £1.7bn for Welsh government in UK Budget, <https://www.bbc.co.uk/news/articles/cn0d151zdkzo>

2.1. Healthcare Prioritisation:

- 2.1.1. Protecting core services, particularly the NHS, was a central yet challenging priority in this budget. While the Welsh Government allocated additional resources to improve NHS services, the sector continues to face significant strain due to long waiting times, workforce shortages, and persistent funding gaps.² The supplementary budget directed £117 million to Health and Social Care main expenditures, with a portion dedicated to improving staff salaries, a crucial step in addressing the challenges of the NHS workforce.³
- 2.1.2. However, despite the overall increase in NHS funding, cuts to preventive and essential health and social services were observed. Notable reductions in areas such as mental health (-22%), childcare (-17%), and family support (-46%) disproportionately affect vulnerable populations.⁴ These cuts highlight a misalignment between immediate healthcare needs and the long-term investment required to address preventative healthcare and wellbeing.
- 2.1.3. While significant investment in the NHS is undeniably essential, a more balanced approach is needed. The Welsh Government should prioritise funding for critical areas like childcare and social care, which play a pivotal role in overall health and well-being.

2.2. Cuts to Social Infrastructure:

- 2.2.1. The budget's reductions in key social infrastructure areas, such as childcare and social justice, have deepened challenges for public services, third-sector organisations, and communities. **Childcare** has been particularly impacted, placing additional strain on families. During the October 2023 in-year spending review, the Welsh Government diverted £16.1 million from childcare and early years, followed by an additional £11.2 million reduction in the 2024-25 budget.⁵ Furthermore, despite Barnett consequentials stemming from increased childcare investment in England, the Welsh Government indicated these funds would not be directly allocated to the childcare budget in Wales.
- 2.2.2. This lack of alignment raises questions about the future of critical programs like the Flying Start childcare provision. While Phase 2 is expected to conclude in March 2025, the Welsh Government announced in August 2024 that it could not confirm new developments for Phase 3, citing budgetary constraints.⁶ Although preparatory work has reportedly begun, there remains no clear timeline or sufficient financial commitment for expanding childcare support programmes in Wales, which was a commitment of the Government in the Cooperation Agreement with Plaid Cymru.
- 2.2.3. Social justice funding has similarly been reduced, adversely affecting the third-sector organisations increasingly tasked with delivering essential support services. Budget reductions in community support (-36%), international development (-18%), social partnership (-17%), and digital inclusion (-40%) reflect a worrying picture.⁷ The equality, inclusion, and human rights budget has been cut by 23%, and support for the voluntary sector has decreased

² [Wales hospital waiting times hit new record high](#), BBC News, 18.07.2024.

[Health secretary response to latest NHS Wales performance data: September and October 2024](#), Welsh Government, 21.11.2024.

³ [Exploring the Welsh Government's First Supplementary Budget 2024-2025](#), Senedd Research, 18.10.2024

⁴ Analysis from the [Welsh Government Draft Budget 2024 to 2025, 15 February 2024](#)

⁵ [Briefing: Childcare in Wales](#), Expert Group for Childcare in Wales, Bevan Foundation, 27.11. 2024

⁶ [Welsh Government's response to Equality and Social Justice Committee report – Their Future: Our Priority? Follow up inquiry into childcare provision in Wales](#), August 2024

⁷ Analysis from the [Welsh Government Draft Budget 2024 to 2025, 15 February 2024](#)

by 10%, threatening the Welsh Government's commitments to fostering a feminist and anti-racist Wales.⁸

2.2.4. These funding gaps have undermined progress on critical initiatives like the Advancing Gender Equality in Wales Plan, which expired in 2023 without renewal or evaluation. The gender equality sector has faced severe financial strain, resulting in the loss of key organisations like Chwarae Teg. These reductions, coupled with uncertainty about the future of funding and insufficient resource allocation, have weakened the foundation of social infrastructure in Wales.

2.3. Addressing Poverty and Cost-of-Living Challenges:

2.3.1. Efforts to tackle poverty and the cost-of-living crisis under this budget have been criticised as fragmented and insufficient. Budget allocations and third-sector-led support programs have struggled to address the systemic drivers of poverty or provide meaningful relief to struggling families, particularly those in rural areas.

2.3.2. *Child Poverty*

The Welsh Government introduced its Child Poverty Strategy for Wales 2024 in January 2024, accompanied by a monitoring framework published in October 2024.⁹ While the strategy is a step forward, there has been minimal investment to address the structural factors underpinning child poverty. Childcare is a glaring example. Evidence shows that childcare costs significantly contribute to child poverty, with more than half of children in poverty living in households where the youngest child is aged 0–4.¹⁰

The Flying Start program, initially designed as an anti-poverty measure, has yet to receive adequate funding for expansion. Reports indicate that childcare remains neither accessible nor affordable for low-income families.¹¹ Furthermore, no childcare support is currently available for children under two, forcing many parents—primarily mothers—to leave the workforce. For low-income families, childcare costs can consume nearly half of their household income.¹² Without decisive action to increase childcare accessibility and affordability, the strategy's goals of maximising family income and reducing living costs will remain unachievable.

2.3.3. *Unpaid Carers and Social Care*

The State of Caring report by Carers Wales highlights the growing financial precarity of unpaid carers.¹³ Currently, 34% of carers report being unable to afford essential needs, a 2% increase from the previous year. While the Welsh Government allocated funding to social care in the last budget, the investment was insufficient. Many carers remain unidentified and unsupported, exacerbating their vulnerability amid the ongoing cost-of-living crisis.

⁸ Ibid.

⁹ [Child Poverty Strategy for Wales 2024](#), Welsh Government. First Published 23.10.2024; updated with the Monitoring Framework 14.10.2024

¹⁰ [Children in relative income poverty by age of youngest child in family](#), Stats Wales.

¹¹ [Tackling disadvantage through childcare in Wales](#), Bevan Foundation and Joseph Rowntree Foundation, January 2024.

[Little steps, big struggles: Childcare in Wales](#), Oxfam Cymru and Make Care Fair Coalition, November 2023.

¹² [Family Childcare Promise: The effects of introducing a cap on childcare costs for families with 0-4 year-old children in Wales](#), Pregnant then Screwed, New Economics Foundation and Oxfam Cymru, July 2024.

¹³ [State of Caring in Wales 2024](#), Carers Wales, October 2024.

2.3.4. **Financial Support Services Under Pressure**

A recent Citizens Advice report, *Reaching Crisis Point: The Story in Wales*, paints a troubling picture of financial distress.¹⁴ The report notes that financial crises have shifted from one-off, short-term challenges to persistent struggles, with more individuals unable to afford basic necessities like heating and food. The rise of "repeat clients" seeking emergency assistance highlights the chronic nature of this crisis. While the Welsh Government has continued programs such as the Discretionary Assistance Fund (DAF), Discretionary Housing Payments (DHP), and the Wales Fuel Support Scheme, demand far exceeds supply. Citizens Advice reported a 22% rise in DHP requests and a 40% increase in DAF applications from 2023 to 2024. Despite their importance, the future of these funds remains uncertain, raising concerns about the sustainability of these lifelines.¹⁵

2.3.5. **Discontinued and Under-Reviewed Programs**

Several critical programs aimed at alleviating poverty and supporting vulnerable families have been discontinued or remain under review. For example, free school meals during holidays¹⁶—a vital support for many families—has been discontinued. Other programs, such as the Bwndel Babi¹⁷ initiative for families with babies in deprived areas and the Welcome Ticket¹⁸ for refugees' free public transport, have been under review since March 2024, with no clarity on their continuation. These gaps undermine the Welsh Government's commitments to tackling poverty and the cost of living.

2.4. Patchy Allocations

2.4.1. One pressing issue is the ongoing uncertainty surrounding funding for core social services and third-sector organisations. While the reliance on third-sector delivery remains critical, the lack of sufficient funding and strategic focus has undermined the potential for long-term impact. Key service providers, such as Carers Wales and Citizens Advice Cymru, continue to operate beyond capacity, yet the future of their funding remains unclear. This lack of clarity places immense strain on organisations that play a vital role in delivering frontline support.

2.4.2. An example of this uncertainty is the Welsh Government's Child Poverty Innovation and Supporting Communities Grant, announced in June 2024. While the grant provided £900,000 for third-sector and community organisations, its implementation was hindered by overly tight deadlines and a lack of comprehensive planning.¹⁹ Applications were given just one month, and projects had to be completed by March 2025. Sector representatives criticised the grant for failing to align with the needs and organisational capacities, highlighting a disconnect between government initiatives and the operational realities of the third sector.

2.5. Climate Justice

2.5.1. The climate change budget experienced a 3% reduction in the final allocation, hindering efforts to address the pressing impacts of climate change.²⁰ Wales requires substantial investment in areas such as natural resource management, flood defences, water quality, sewage control,

¹⁴ [Reaching Crisis Point: The Story in Wales](#), Citizen's Advice. October 2024.

¹⁵ Ibid.

¹⁶ [Written Statement: Holiday Free School Meals Provision](#), Jeremy Miles, Minister for Education and Welsh Language, 29.02.2024.

¹⁷ [Written Statement: Bwndel Babi Programme – an update on progress](#), Julie Morgan MS, Deputy Minister for Social Services, 11.03.2024

¹⁸ [Written Statement: Welcome Ticket](#), Jane Hutt MS, Minister for Social Justice and Chief Whip, 07.03.2024

¹⁹ [Child poverty innovation and supporting communities grant](#), 13.06.2024

²⁰ Analysis from the [Welsh Government Draft Budget 2024 to 2025, 15 February 2024](#)

and energy-efficient housing renovations. Despite these critical priorities, the budget cuts have constrained the ability to implement robust mitigation and adaptation measures. Furthermore, the Just Transition Framework has not been published yet, which leaves an important gap in the transition to a green economy.²¹

2.5.2. Another significant concern is the reduction in funding for training and apprenticeship programs, which are vital for equipping the workforce to support a green transition. The shift to a green economy demands strategic investment in skills development, but the cuts to these budgets represent a risk to prepare workers for emerging industries in renewable energy, sustainable infrastructure, and environmental management.

2.5.3. Additionally, Wales's budget for international sustainable development and support has also been reduced, impacting its ability to assist global communities in addressing the effects of climate change. This setback not only weakens Wales's international commitments but also reduces its contribution to collective global climate resilience efforts.

3. What action should the Welsh Government take to:

- help households cope with inflation and cost of living issues;
- address the needs of people living in urban, post-industrial and rural communities, including building affordable housing and in supporting economies within those communities.

3.1. The Welsh Government can take immediate actions across various fronts, including:

- expanding childcare support programmes
- identifying and supporting unpaid carers
- providing sustainable support with energy and utility expenses²²
- reducing public transport costs
- providing free school meals to all children, including during holidays
- expanding existing Welsh benefits²³

3.2. To effectively support households facing the cost-of-living crisis, the Welsh Government must adopt a comprehensive and sustainable strategy that prioritises addressing root causes over temporary fixes. The current reliance on ad hoc funding mechanisms and short-term programs is insufficient to tackle the systemic issues driving poverty and financial hardship.

3.3. Oxfam Cymru advocates for investing in a well-being economy that centres on care and sustainability. This approach would prioritise funding critical social infrastructure, including childcare, social care, and public health, supporting both individual families and local economies. By investing in care, the Welsh Government can provide immediate relief to families while fostering long-term benefits for future generations.

²¹ [Just Transition Framework](#), Consultation period: 4 December 2023 to 11 March 2024

²² Our partner organisation Climate Cymru's campaign Warmer This Winter Wales provides a comprehensive approach on how to tackle rising energy costs. <https://climate.cymru/warm-this-winter/#:-:text=There%20is%20an%20escalating%20cost,are%20making%20them%20all%20worse>.

²³ We suggest that Welsh Government should improve the Welsh Benefit System by adopting a uniform approach to make it more accessible, as recommended by the Bevan Foundation's research.

Bevan Foundation, April 2023, A common approach to Welsh benefits: Feasibility Study.

<https://www.bevanfoundation.org/wp-content/uploads/2023/04/Final-A-data-view-of-a-common-approach-to-Welsh-benefits-Bevan.pdf>

3.4. Investment in childcare:

- 3.4.1. Childcare in Wales remains neither accessible nor affordable for many low-income families. Currently, there is no Welsh Government support for children under the age of two, forcing parents—primarily mothers—out of the labour market. Wales has the highest rate of child poverty in the UK, with 30% of children living in poverty.²⁴ Over half of these children belong to families where the youngest child is aged 0–4. Childcare costs are a significant factor contributing to this, with disproportionate impacts on single parents (86% of whom are women) and families with intersecting identities such as disability and ethnicity.
- 3.4.2. Oxfam Cymru’s research reveals that:²⁵
- 92% of families find childcare costs disproportionately high compared to their income.
 - 53% report that paid employment becomes financially unviable due to childcare expenses.
 - 43% struggle to afford other essential costs after paying for childcare.
 - 70% have no surplus income or savings after covering childcare expenses.
- 3.4.3. A comprehensive investment in childcare is crucial. The Welsh Government should extend childcare support to all children aged 0–4 in the long term, with a phased implementation plan. As a first step, it must commit to Phase 3 of the Early Years Provision expansion by April 2025. Recognising childcare as a cornerstone of the fight against child poverty, this investment would enhance family incomes, reduce poverty, and support the economy.
- 3.4.4. The Welsh Government must also explore alternative funding models for childcare to create a system that is fair, sustainable, and accessible to all families. The current financial framework is inequitable and fails to meet the needs of low-income families. Data shows that parents in the wealthiest fifth of the population are over five times more likely to access funded childcare than those in the poorest fifth, highlighting a stark disparity in access.²⁶
- 3.4.5. A joint report by Pregnant Then Screwed, the New Economics Foundation, and Oxfam Cymru examined an alternative funding model for Wales, revealing significant failings in the existing system.²⁷ For instance, under current arrangements, families in the poorest 20% spend an average of 51% of their income on childcare for 35 hours a week over 50 weeks, compared to just 5% for families in the wealthiest 20%. The report advocates for the Family Childcare Promise, a model capping childcare costs at 5% of family income for all households. In this model, families in the lowest income percentile could save approximately £7,361 annually while gaining more childcare hours, while higher-income families would also benefit, saving around £1,467 annually. Furthermore, the cost would remain consistent for families with multiple children and would not disadvantage single-earner households.²⁸
- 3.4.6. The progressive nature of the Family Childcare Promise ensures that families contribute based on their earnings, making it fair and inclusive. The estimated annual cost to implement this model is £403 million. However, its long-term economic benefits could be transformative. For instance, the Royal Foundation for Early Childhood projects that investing in early childhood could contribute £45.5 billion to the wider UK economy.

²⁴ [Children in relative income poverty by age of youngest child in family](#), Stats Wales.

²⁵ [Little steps, big struggles: Childcare in Wales](#), Oxfam Cymru and Make Care Fair Coalition, November 2023.

²⁶ [Family Childcare Promise: The effects of introducing a cap on childcare costs for families with 0-4 year-old children in Wales](#), Pregnant then Screwed, New Economics Foundation and Oxfam Cymru, July 2024.

²⁷ Ibid.

²⁸ Ibid.

3.5. Recognition of Unpaid Care

- 3.5.1. Wales has over 310,000 unpaid carers, supporting ill, older, or disabled family members and friends, contributing an estimated £10.6 billion annually to the Welsh economy.²⁹ Despite providing 96% of all care in Wales, only 18% of unpaid carers qualify for Carer's Allowance, leaving many unsupported.
- 3.5.2. Carers Wales' State of Caring 2024 report underscores the financial and emotional toll on unpaid carers:
- 34% cut back on essentials like food and utilities.
 - 60% struggle to afford electricity and gas.
 - 66% report a negative impact on their physical or mental health due to rising costs.
 - 62% are reducing social interactions, an 11% increase from the previous year.
- 3.5.3. To address these challenges, Carers Wales recommends the Welsh Government:
- Reconsider proposals to raise the maximum weekly charge for non-residential care from £100 to £125.
 - Provide long-term funding for key initiatives like the Carers Support Fund and Short Breaks Fund.
 - Ensure flexible direct payments through local authorities, enabling carers to access mental health support and other well-being services.

3.6. Adopt a Comprehensive Anti-Poverty Strategy:

- 3.6.1. To effectively address poverty, the Welsh Government must transition from fragmented, issue-specific initiatives to a cohesive, all-encompassing anti-poverty strategy. Current approaches often compartmentalise poverty into separate categories—such as child poverty, food poverty, or fuel poverty—leading to a patchwork of support programs that lack coordination and long-term impact.
- 3.6.2. A comprehensive strategy would consolidate resources and efforts to tackle the systemic drivers of poverty, such as low wages, inadequate and inaccessible social infrastructure. It would ensure consistent and sustainable support to households by aligning policies on employment, education, health, and social care under a unified framework. This approach would not only address the immediate needs of those in poverty but also create pathways out of poverty through sustainable, structural solutions. Furthermore, a comprehensive strategy would prioritise support for the most vulnerable groups who are disproportionately affected by poverty, including unpaid carers, disabled people, and single parents.
- 3.6.3. An overarching anti-poverty strategy should prioritise investing in a caring and green economy as a central pillar of its action plan. The Welsh Government can create impactful pathways out of poverty by fostering fair, equitable and future proof job opportunities in sectors essential to a well-being economy.

²⁹ [State of Caring in Wales 2024](#), Carers Wales, October 2024.

4. Are Welsh Government plans to build a greener economy clear and sufficiently ambitious? Do you think there is enough investment being targeted at tackling the climate change and nature emergency? Are there any potential skill gaps that need to be addressed to achieve these plans?

4.1. The Welsh Government's plans to build a greener economy are focused on achieving net-zero targets and decarbonising high-polluting sectors. While these steps are essential, the broader vision and actions needed to create a truly green economy are not yet well defined. A green economy should also be a caring economy that prioritises the wellbeing of both people and the planet. Wales needs a fair and just transition program towards a green economy to eliminate the risk of exacerbating the already existing inequalities and poverty. Although the Welsh Government has consulted on the Just Transition Framework, the strategy has yet to be published.

4.2. Investment Gaps in Tackling the Climate and Nature Emergency

4.2.1. While Wales has established itself as a leader in areas like recycling and the circular economy, more robust funding is needed to sustain and expand these initiatives. Many organisations responsible for implementing these schemes face financial uncertainty, risking their ability to maintain momentum.

4.2.2. Wales also lags behind other UK regions in financing large-scale renewable energy projects, which are critical for the green economy. Investment in infrastructure like wind and solar energy and community-owned energy projects is crucial to achieving both decarbonisation and tackling fuel poverty. Adaptation policies—such as strengthening flood defences and ensuring coal tip safety—are steps in the right direction, but recent flooding events underscore the urgency of doing more to mitigate climate impacts.

4.3. Addressing Skill Gaps

4.3.1. A significant challenge in building a green economy in Wales is the skills gap. Without proactive and progressive investment in workforce training, labour market inequalities could worsen. Last year's cuts to the training and apprenticeship budget created a risk in progress, so it is vital to maintain or increase this funding to develop the skilled workforce needed for a green transition.

4.3.2. While addressing the skills gap, it is essential to adopt an equality perspective to avoid replicating existing inequalities in the labour market. For instance, the most polluting sectors, such as energy, transportation, manufacturing, and construction/housing, are largely dominated by a male workforce. Without applying an equality lens to upskilling and reskilling, the historical and structural advantages that men hold in these sectors will persist.³⁰

4.3.3. To achieve a just and fair transition, it is crucial to address structural inequalities. Action must be taken to challenge gender stereotypes and engage women and other underrepresented groups in these sectors, creating employment pathways and closing both gender and skills gaps.

³⁰ [Summary Report of the Mainstreaming Equality and Just Transition Evidence Panel](#). Parken A. and MacBride-Stewart S. (2023).

4.4. Addressing the recommendations of Wales Net Zero 2035 Challenge Group

4.4.1. The Wales Net Zero 2035 Challenge Group latest report emphasises that while Wales can achieve its net zero goal by 2035, focusing solely on policy-making is insufficient.³¹ The greatest challenge lies in uniting communities across Wales to create a positive vision that is reflected in people's daily lives. This challenge highlights the need for investment in communities and collaboration with organisations to develop impactful pathways towards achieving net zero and fostering a wellbeing economy.

5. COMMENTS ON SOME SPECIFIC AREAS

5.1. Is enough being done to tackle the rising living costs and support those living in relative income poverty?

- 5.1.1. The Welsh Government has taken action to address rising living costs and relative income poverty, such as publishing the Tackling Child Poverty Strategy, continuing the Discretionary Assistance Fund (DAF) and Discretionary Housing Payments (DHP), and supporting critical frontline organisations like Food Banks, the Fuel Bank Foundation, and Citizens Advice Cymru. However, these initiatives have been overwhelmed by increasing demand and compounded by concerns over funding sustainability and organisational capacity.
- 5.1.2. Citizens Advice Cymru's data reveals the growing scale of need. In the first eight months of 2024, they referred 14,728 individuals to food banks—a 14% increase compared to the same period in 2023—and over one-third (37%) of these referrals were repeat cases.³² Similarly, applications for DAF-related assistance surged, with 6,837 people seeking support by August 2024, a 40% rise compared to 2023. Fuel poverty remains a pressing issue; during this period, nearly 6,000 individuals received help with fuel vouchers, reflecting an ongoing crisis in household energy affordability. The Welsh Government's £4 million grant to the Fuel Bank Foundation is a positive step, but it underscores the scale of dependence on external support for basic needs.³³
- 5.1.3. Unpaid carers are among those disproportionately affected, with Carers Wales reporting a 2% increase in carers cutting back on essentials like food and heating, rising from 32% in 2022. Similarly, single parents—predominantly women—remain at heightened risk, with almost one in three experiencing relative income poverty. Women continue to represent the majority of Universal Credit claimants (58%), with a significant proportion relying on these benefits despite employment; 41% of female claimants are in work compared to 30% of male claimants.³⁴
- 5.1.4. While emergency responses such as DAF and fuel vouchers are vital, evidence suggests that this crisis has become a “new normal” rather than a temporary emergency. This underscores the need for sustainable, long-term solutions. The Welsh Government must prioritise investments in policies and programmes that address systemic inequalities, build economic resilience, and provide consistent support to those in chronic poverty.

³¹ [Pathways to a prosperous and resilient Wales in a changing future](#), Wales Net Zero 2025 Challenge Group, September 2024.

³² [Reaching Crisis Point: The Story in Wales](#), Citizen's Advice. October 2024.

³³ [£4m to help people with soaring fuel costs](#), Welsh Government, 10.06.2022

³⁴ [State of the Nation 2024](#), WEN Wales, 25.09.2024

5.2. How could the budget further address gender inequality in areas such as healthcare, skills and employment?

5.2.1. Progress in gender equality in Wales has stalled due to persistent funding gaps and the shrinking of the women's sector, as highlighted by the Feminist Scorecard 2024.³⁵ The Welsh Government's budget must take decisive action to reverse this trend by embedding intersectional gender-based approaches and gender mainstreaming into its strategies.

5.2.2. Invest in Affordable and Accessible Childcare

Childcare remains a significant barrier for many women, who disproportionately shoulder care responsibilities. This often forces them into insecure, low-paid, part-time roles. Without addressing this issue, gender inequality in the Welsh economy and workforce will persist. The Welsh Government should conduct a detailed intersectional analysis to identify gaps in childcare provision and childcare support programmes and develop a blueprint for Wales with the sector representatives and other stakeholders such as the Expert Group for Childcare in Wales.

5.2.3. Address Gendered Labour Market Inequalities

Structural gender inequalities and stereotypes hinder efforts to address skills shortages. Gender-focused strategies are necessary to close these gaps. For example, a 2022 study by Chwarae Teg revealed that 97% of young women surveyed were unaware of or unclear about the concept of "green jobs."³⁶ The Welsh Government should launch and support initiatives aimed at women, including targeted campaigns, mentoring, and training programs designed to challenge gender stereotypes in the labour market.

5.3. Is the support provided by the Welsh Government for third sector organisations, which face increased demand for services as a consequence of the cost of living crisis and the pandemic, sufficient?

5.3.1. Third-sector organisations are a cornerstone of public life in Wales, delivering vital services and advocating for vulnerable groups. Organisations like Citizens Advice Cymru, Carers Wales, and Trussell Trust Cymru provide lifelines to those grappling with the cost-of-living crisis and the aftershocks of the pandemic. They also play an essential role in holding the government accountable.

5.3.2. However, the sector faces mounting challenges. The loss of EU funding has created significant financial gaps, further compounded by rising demand for services and uncertainty around future Welsh Government funding. Furthermore, the increasing demand for their services puts immense pressure on third-sector organisations. In a recent survey, Building Communities Trust found over half of community organisations in Wales reported that demand for their services had increased whilst their income decreased. This dual strain jeopardises the ability of third-sector organisations to meet community needs and maintain their operational capacity. Without sufficient support, these organisations risk collapse, leaving a critical void in public services and advocacy efforts.

5.3.3. The Welsh Government must take decisive action to sustain the sector by providing long-term, flexible funding streams to allow organisations to adapt to evolving demands and ensure stability.

³⁵ [Feminist Score Card 2024](#), WEN Wales and Oxfam Cymru, 27.11.2024

³⁶ Young Women's Experiences of careers Advice and Guidance in Wales, Chwarae Teg, April 2022.

5.4. What are the key opportunities for the Welsh Government to invest in supporting an economy and public services that better deliver against the well-being goals in the Wellbeing of Future Generations Act?

- 5.4.1. Wales has a strong foundation on which to do things differently. From the Well-being of Future Generations (Wales) Act to the Gender Equality Review, the existence of dedicated Ministers for Climate Change and Social Justice, multiple equality action plans, membership of global networks for well-being economies and a commitment being a feminist government, there is a strong, solid foundation in Wales for developing targeted, effective social policies and public services that better deliver for the wellbeing of people and the planet.
- 5.4.2. In the long term, the Welsh Government should consider taking bold actions to transform the economy into Wellbeing Economy. Transitioning to caring and green economy is a visionary and forward-thinking approach that can significantly contribute to the long-term elimination of inequality in Wales. Such an economy strongly emphasises environmental sustainability and prioritises the well-being of future generations and the planet.
- 5.4.3. The paradigm shift towards a caring economy would require us to measure and value success not solely based on GDP, but on indicators that reflect the quality of life for all.³⁷ Investments in social safety nets, affordable healthcare and childcare, quality education, fair work and sustainable livelihoods can play a pivotal role in a caring economy that puts the wellbeing of future generations and the planet at its heart.

³⁷ A recent discussion paper by Oxfam, Radical Pathways Beyond GDP, presents a rich discussion on how to move our economies beyond GDP and growth-centred economies to caring, green economies. Parvez Butt, A. (2023), Radical Pathways Beyond GDP: Why and how we need to pursue feminist and decolonial alternatives urgently. Oxfam. <https://policy-practice.oxfam.org/resources/radical-pathways-beyond-gdp-621532/>