

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](#).

WGDB25-26(6)48: Ymateb gan: Elusennau plant cenedlaethol (Plant yng Nghymru, Barnardo's Cymru, Achub y Plant Cymru, NSPCC Cymru/Wales, Home-Start Cymru, The Children's Society, Gwasanaeth Eiriolaeth Ieuencid Cenedlaethol (NYAS) Cymru, Plant a Theuluoedd (TGP) Cymru and Gweithredu deos Blant) |

Response from: National children's charities (Children in Wales, Barnardo's Cymru, Save the Children Wales, NSPCC Cymru/Wales, Home-Start Cymru, The Children's Society, National Youth Advocacy Service (NYAS) Cymru, TGP Cymru and Action for Children Wales)



**Response to the Senedd Finance Committee's call for information –
Welsh Government Draft Budget proposals for 2025-26**

We are responding as a collective of national children's organisations (listed below) to your call for information to inform scrutiny of the Welsh Governments 2025-26 draft budget proposals expected to be published on 10th December 2024.

We believe that the 2025-26 budget provides a unique opportunity to place **babies, children and young people at the centre of the budgetary process.**

It is well documented that babies, children and families, particularly those most vulnerable and disadvantaged due to their characteristics or circumstances, continue to be most exposed and disproportionately affected by present adversities, including the cost-of-living crisis. This is evidenced through the reported rise in mental health difficulties, poorer emotional well-being, worsening health and education outcomes, and deteriorating family financial situations being witnessed across our services.

Earlier this year and following a successful campaign, we secured a named Minister for Children in the Welsh Government. Now is the time to secure a budget for children. Investing in babies, children and young people is not only morally right, but also makes compelling economic sense.

We are therefore calling for the 2025-26 budget to be an ambitious budget which delivers positive outcomes for all babies, children and young people in Wales.

Below, we identify a number of key priorities for investment that will deliver for babies, children, young people and their families in Wales.

Investing in interventions for babies, children and young people

The UK Government's annual budget statement¹ provides for additional consequential funding for Wales through the Barnett formula which presents scope for some choices to be made in the Welsh Governments draft budget². However, despite the improved financial situation, we are acutely aware of the challenging context in which budgetary decisions are still being made following 13 years of austerity, the legacy of the global pandemic and the unrelenting cost of living crisis impacting on babies, children, young people and families and those services which they rely upon.

¹ HM Treasury (2024) [Autumn Budget 2024](#)

² the Welsh Government budget increases by a further £930 million in 2025-26 (£694 million of resource funding and £235 million of capital)

This budget provides a renewed opportunity to **strengthen and enhance existing funding streams** which the children's third sector services rely upon to meet ever increasing demand and need. It is also vital that a concerted effort is made across all government departments to fully protect and extend budgets for programmes, interventions and services which are delivering positive outcomes for babies, children, young people and families across Wales. This will help deliver the new First Ministers stated commitment for stability and continuity³ and meet the Programme of Government commitment to provide children with the best start in life to improve life-course health, education, employment and relationships.

Ensuring that **early intervention and prevention programmes** are fully resourced should be a greater priority for the Welsh Government, including those supporting infants and parents during the First 1000 days and commitments in respect of Flying Start expansion and childcare. Whilst it's logical that ministers will wish to look to safeguard services and interventions which provide an essential support mechanism for babies, children, young people and families in crisis, it is equally important that early intervention, family support and edge of care services are both protected and strengthened to help limit future demand, escalation and complexity of need. Investment into the development of services for families with neurodivergence and to improve waiting list times for neurodivergence diagnosis is also a key component of the need to shift resources towards early intervention and prevention. We do not wish to see babies, children, young people and families having to wait until their situations reach crisis point to then be eligible for more costly interventions.

The Welsh Government are also requested to consider what steps they can take to help mitigate the impact of the UK Governments decision to increase **employer National Insurance contributions** which will raise costs for third sector organisations, despite playing a key role in delivering essential public services and positive outcomes for children and families throughout Wales⁴. Having already taken steps to maximise efficiency, many children's charities believe the increased costs will result in less resource directed towards vital services for children and the level of support available to those most in need⁵.

The Welsh Government should

- Prioritise investment in interventions which are delivering positive outcomes for babies, children, young people and their families.
- Ensure that early intervention and prevention programmes are prioritised and fully resourced, alongside services which provide crisis support.
- Provide long-term, sustainable and sufficient levels of funding for the children's third sector to help strengthen early intervention and preventative support; provide safeguards and empower the lives and voices of babies, children and young people through their services

³ Welsh Government (2024) [Written Statement: Cabinet Appointments](#)

⁴ Some organisations listed in this response have supported a [letter](#) coordinated by WCVA which calls for the Welsh Government to consider the impacts as it produces its draft budget and uplift grants and contracts in line with the NI changes and other inflationary pressures

⁵ Letter to UKG Chancellor of the Exchequer from children's charities under the 'Children at the Table' campaign (25th November 2024)

- Take steps to mitigate the impact of the increase to employer National Insurance contributions announced by the UK Government. One potential measure would be to provide a 2% uplift to local authority contracts funded through Welsh Government grants to be passed on in-full to service providers. This uplift would help offset the additional financial burden placed on third sector employers. Alternatively, the Welsh Government could explore other mechanisms, such as exemptions, to ensure third sector organisations remain financially sustainable and can continue delivering essential services

Ending Child Poverty

As many families continue to struggle to make ends meet and afford even the basic essentials, increasing levels of child poverty continue to have a devastating effect on the families that we work with. Addressing child poverty levels was one of the key recommendations in the State of Children’s Rights in Wales Report⁶ and this was repeated in the Concluding Observations from the United Nations Committee on the Rights of the Child⁷ in June 2023. We have since welcomed Welsh Government’s publication of its new Child Poverty Strategy. However, we remain concerned that without a national, child-rights-focused Action Plan to provide a measurable pathway with prioritised funding for the implementation of the strategy, then the situation will continue to worsen for many families.

During the UK General Election campaign, we urged all political parties to commit to making the elimination of child poverty a central priority, ensuring that a fully funded UK-wide **Child Poverty Strategy** is in place, with ambitious targets, measurable indicators and clear monitoring and accountability mechanisms⁸. This Strategy must be developed in collaboration with devolved nations and thereby take full account and support the delivery of the Wales Child Poverty Strategy, respecting the powers devolved to Wales. In order to effectively tackle some of the main underlying causes of child poverty, Welsh Government must work closely with UK Government in respect of urgent changes needed to the UK social security system to ensure seamless support to families in Wales⁹.

We would urge Welsh Government to consider a number of other key areas to support babies, children, young people and families in the upcoming budget. In respect of further progress being made to enhance **Welsh Benefits**, we would wish to see the Welsh Government protect funding and make improvements to the Discretionary Assistance Fund (DAF) and the Schools Essential Grant so that it can provide financial assistance for those most in need. We would also like to see a commitment to the introduction of a child payment similar to that being successfully delivered in Scotland¹⁰, especially

⁶ Wales UNCRC Monitoring Group (2023) [State of Children’s Rights in Wales](#) : Civil Society submission to the UN Committee on the Rights of the Child, Children in Wales.

⁷ United Nations Committee on the Rights of the Child (2023) [Concluding Observations](#) : United Kingdom of Great Britain and Northern Ireland, UN Treaty Bodies

⁸ Children’s charities general election manifesto: https://www.childreninwales.org.uk/application/files/2517/1811/3909/Putting_Children_First_-_Manifesto_2024.pdf

⁹ These include abolishing the two-child limit and benefit cap; reversing reductions in spending to social security payments and ensuring that benefits are increased in line with inflation.

¹⁰ The National (2023) [Scottish child payment significantly impacting child poverty](#) (22.09.23). See also Scottish Government (2022) [Scottish Child Payment: Interim evaluation](#)

in light of the positive outcomes it is delivering for parents of eligible children and would urge Welsh Government to explore devolution of powers to deliver this¹¹.

While we welcome that the role out of **Free School Meals** to all primary school pupils is now complete, we are keen to see a budget commitment to extend this offer to all secondary school children whose families are in receipt of Universal Credit. In line with the existing Programme of Government commitment to review eligibility criteria, along with others across the sector we specifically call on the Welsh Government to address the impact of the current Free Schools Meals criteria on children from families with No Recourse to Public Funds¹². We also continue to call for much-needed free school meal provision during school holidays to be restored in light of escalating food insecurity and hunger amongst low-income children and families.

Accessible and affordable **transport** has been repeatedly identified by children and young people as a barrier and priority for government action¹³. In a report¹⁴ published May 2024, the Petitions Committee said that “Rail, Coach and Bus tickets have risen between 33% and 74% in the past decade.” Considering that “the majority of under 18s don’t have access to a car¹⁵,” unaffordable public transport leaves young people “more at risk of experiencing transport poverty¹⁶, [which is] a barrier to accessing educational, employment and social opportunities.” As well as drawing attention to the Petitions Committee’s recommendation that “Welsh Government should set out a clear ambition to provide free public transport for young people at the earliest opportunity,” In the immediate term, we would like to see funding allocated to ensure no child is left unable to access statutory education due to cuts or increased costs of school transport provision.

Babies and very young children are particularly vulnerable to the impacts of poverty. Children’s experiences in their first days, weeks and years significantly influences the rest of their lives. We welcome the recent expansion of Flying Start but want to see an **enhanced childcare offer** for all 0–4-year-olds across Wales, ensuring all children living in poverty are able to access high quality childcare regardless of their parents work status.

The Welsh Government should

- Ensure that the revised Child Poverty Strategy is fully resourced with a tracking mechanism in place through an Action Plan to monitor investment and spend.
- Extend Free School Meals to all secondary school children whose families are in receipt of Universal Credit; reverse their decision to remove Free School Meals during school holidays ensure children from families with No Recourse to Public Funds can access free school meals.

¹¹ This specific call around further devolution does not necessarily reflect the views of all individual organisations listed below given their distinct remit and areas of expertise.

¹² NRPF and free school meals: <https://www.bevanfoundation.org/news/2024/10/join-our-call-for-fair-free-school-meals/>

¹³ Young Wales/Children in Wales (2023) [Young Wales report to the United Nations Committee on the Rights of the Child](#)

¹⁴ Senedd Cymru Petitions Committee (2024) [Freedom to Thrive: Free and accessible public transport for young people](#)

- Enable all children and young people are able to access affordable school transport provision and set out a clear ambition to provide free public transport for young people at the earliest opportunity.
- Consider replicating the Scottish Child Payment scheme in Wales.
- Invest in an enhanced childcare offer for all 0–4-year-olds across Wales.

Supporting Mental Health

Through our extensive work across Wales, we know that babies, children and young people are continuing to struggle with their mental health. Successive crises from the pandemic to the cost-of-living crisis are having a significant impact on their health and wellbeing and this will continue unless it is urgently addressed. Waiting lists are long, thresholds for support are drifting higher, and young people tell us that accessing appropriate, timely support within their communities feels increasingly difficult. Long waiting lists are also taking their toll on young people due to limited access to sufficient support for those who don't meet the statutory threshold

Babies and young children who have experienced abuse, trauma or parent-infant relationship difficulties are at particular risk of experiencing a range of mental health problems throughout their lives, requiring timely and effective early support, and access to specialist therapeutic services to help them recover from early adversity, and which are lacking¹⁷ Investment in services which support babies' mental health will help to set children on a positive developmental trajectory, bringing savings to the public purse through reduced costs for public services and increased participation in the economy.¹⁸ Perinatal mental health and infant mental health is inextricably linked and it is therefore essential that funding is invested into ensuring the ongoing development of services for both specialist and mild to moderate need.

It is also vital that children who have experienced child sexual abuse are able to access multi-agency support, close to where they live, as soon as they need it. The Independent Inquiry into Child Sexual Abuse¹⁹ (IICSA) recommended a national guarantee of specialist therapeutic accredited support for child victims, with a sufficient level of fully funded services to ensure equitable access across Wales. We are calling on Welsh Government to ensure this is a reality.

With the Welsh Government due to publish their revised Mental Health Strategy shortly, we are calling for there to be a dedicated delivery plan focused on supporting the mental health of babies, children and young people with sufficient resources in place to ensure full delivery.

¹⁷ Specialised parent-infant relationship teams provide therapeutic support where babies' development is most at risk due to severe, complex and/or enduring difficulties or trauma in their early relationships. These teams work to strengthen early relationships, which are protective, and they help babies to recover from early adversity. There are only two specialised parent-infant relationship teams in Wales. See Hogg, S (2019) [Rare Jewels. Specialised parent-infant relationship teams in the UK](#). Parent Infant Partnership UK, and NSPCC (2021) [Infant and Family Teams](#).

¹⁸ First 1001 Days Movement [Investing in Babies The economic case for action](#). Evidence Brief 6

¹⁹ Independent Inquiry into Child Sexual Abuse (2022) [The Report of the Independent Inquiry into Child Sexual Abuse](#)

The Welsh Government should:

- Ensure CAMHs are better resourced so all children and young people can access support when needed and children have access to long-term recovery after initial interventions.
- Invest in parent-infant relationship services, to ensure there is a team in each area of Wales that can support babies and young children who have experienced trauma and abuse and parent-infant relationship difficulties.
- Provide additional funding to address the lack of support for those in the ‘missing middle’ where young people do not meet the threshold for statutory services.
- Ensure that children, young people and their families can access mental health services within their own local authority area.
- Ensure that the forthcoming Mental Health Strategy and delivery plan for children and young people are fully resourced
- Commit to fully implementing IICSA’s recommendation on therapeutic support for children who have experienced child sexual abuse.

Edge of Care & Care-experienced children and young people

We support the Welsh Governments vision to transform children’s services through enabling more children to remain with their families with fewer children entering state care. Achieving this vision requires a shared commitment as well as sustainable long-term investment in preventative, family support and edge of care programmes of support for babies, children, young people, parents (including expectant mothers) and families, including provision through the Families First programme, Parent Advocacy and programmes delivered by many of our services. Providing sustained investment into these vital support programmes is fundamental to continuing to keep families together, wherever safe to do so.

We believe the upcoming budget is an opportunity to ensure that care-experienced young people have access to financial support and advice to help them transition towards living with more independence when leaving care. This was highlighted in the Senedd CYPE Committee’s inquiry ‘If not now, then when?’ report²⁰ into Welsh Government’s commitment to reform children’s social care. While we welcomed the recommendations made by the Committee, we believe Welsh Government must be doing more to implement these and better support young people leaving care in Wales.

While we strongly champion the Basic Income Pilot and look forward to the evaluation outcomes, we remain concerned that it was not available to all care leavers and no commitments have yet been made to permanently extend the scheme to all care leavers up to 25 years old across Wales. This means that access to vital financial support for care leavers remains unequal across Wales. It is crucial that these young people are not forgotten, and that Welsh Government ensures they have the financial stability to make the best possible start in their adult lives.

²⁰ Senedd Children, Young People and Education Committee (2023) [Services for care experienced children: exploring radical reform](#)

We welcome the Welsh Government announcement that the Sustainable Social Services Third Sector grant will be extended for another financial year. The grant has been, and continues to be, invaluable in transforming and empowering third sector organisations to deliver critical front-line services for children in need of support and care in Wales. However, the uncertainty around the future of the grant leading up to the announcement of its extension, and additional pressure this causes at organisational and employee level, cannot be understated. There must be earlier clarity given to third sector organisations who are reliant on these funds to deliver their services as without this being known well in advance, it becomes challenging for organisations to plan and ensure there is sufficient resourcing to meet increasing service demand. We would like to see Welsh Government work towards making this grant a part of core funding in Wales. Doing this will ensure a long-term funding commitment to critical third sector led projects and initiatives to allow them to continue supporting, safeguarding and empowering the lives and voices of babies, children and young people throughout Wales.

Additionally, we urge Welsh Government to provide extended funding to ensure that the elimination of profit from children's social care is done as safely as possible. The elimination of profit in care via the Health and Social Care (Wales) Bill marks an important step-change in how care and support is provided to care-experienced children and young people in Wales. However, despite changes announced to the transition period for new and existing providers which we welcome and have campaigned for,²¹ the Eliminating Profit Grant funding only runs until March 2025. Many schemes, services and investments taken under the eliminate grant will be put at risk if the funding is not extended to cover the entire transition period and beyond, and worryingly, this could create significant disruption to the day-to-day lives and care of children and young people. To ensure stability and continuity in support for young people in care or on the edge of care, it is critical that the grant funding be extended to cover the full transition period

The Welsh Government should:

- Sustain investments into vital support programmes to continue keeping families together, wherever safe to do so. This should include the protection of Families First and continued support of parental advocacy services.
- Ensure there is sufficient investment in programmes which support care experienced children, young people and care leavers and which deliver the radical reform required as identified by the CYPE Committee in 2023.
- Ensure the future of the Sustainable Social Services Third Sector grant through making it a part of core funding to provide a long-term funding commitment to critical third sector led projects and initiatives which support, safeguard and empower the lives and voices of babies, children and young people throughout Wales.
- Provide a long-term solution to financially supporting young people transitioning from care (post Basic Income Pilot), through embedding a more holistic, wrap-around financial and an employment, education and training offer, to ensure that no young person leaving care is left with continuing support needs.

²¹ See relevant responses from children's charities to the Senedd Health and Social Care Committees [consultation on the Health and Social Care \(Wales\) Bill](#)

- Extend the Eliminating Profit Grant to cover the full transition period.

Children’s Rights: Allocation of Resources

There is a need for greater clarity and transparency of expenditure on children in public budgeting across all ministerial portfolios. Presently, it is difficult to track and assess changes in funding allocations to specific policy priorities and programmes, as well as the proportion of spend on babies, children and young people.

We have consistently called for the Welsh Government to produce and publish a Children’s Rights Impact Assessment (CRIA) as part of their budget, to demonstrate their legal compliance with statutory duties prescribed through Section 1 of the Rights of Children and Young Persons (Wales) Measure 2011²². Children’s rights should be at the forefront of all budgetary decisions, with all ministers required to ensure that all financial considerations which impact on children are fully compliant with the UNCRC and existing Welsh legislation.

In June 2023, the UN Committee on the Rights of the Child repeated earlier calls for the Welsh Government to develop mandatory child-rights impact assessment procedures for legislation and policies relevant to children.²³ The Senedd CYPE Committee have also consistently called for a detailed CRIA to be published. The first recommendation in their report following scrutiny of the 2024-25 draft budget²⁴ calling for a CRIA was again rejected by Welsh Government in their response²⁵.

A full and comprehensive published CRIA would aid openness, transparency and accountability, and enable us to better understand how budgetary decisions are taking account of babies, children and young people and whether spending is sufficient. It is not possible through the Welsh Governments preferred approach of a holistic Strategic Integrated Impact Assessment published to accompany the draft budget, to assess or analyse whether the ‘maximum level of available resources’ to fulfil UNCRC obligations are being met²⁶.

It is also unclear what involvement children and young people have had in informing the Draft Budget and in budget setting more broadly over the past year, despite the obligation to ensure that children and young people are involved in all decisions which affect them.

The Welsh Government should

- Publish a full and comprehensive Children’s Rights Impact Assessment alongside its 2025-26 budget.

²² Wales UNCRC Monitoring Group (2023) [State of Children’s Rights in Wales](#) : Civil Society submission to the UN Committee on the Rights of the Child, Children in Wales

²³ United Nations Committee on the Rights of the Child (2023) [Concluding Observations](#) : United Kingdom of Great Britain and Northern Ireland, UN Treaty Bodies

²⁴ Senedd Children, Young People and Education Committee (2024) [Response to the Welsh Government’s Draft Budget 2024-25](#)

²⁵ Senedd Children, Young People and Education Committee (2024) [Welsh Government Response to the Recommendations from the Children, Young People and Education Committee’s Report: Scrutiny of the Draft Budget 2024-25](#)

²⁶ See [Article 4 UNCRC](#) and UN General Comment No 19 on [public budgeting for the realization of children’s rights](#)

- Set out the steps they have taken, and will be taken, to involve children and young people in budget setting

We have welcomed the opportunity to provide input into this consultation and would be happy to provide more information should this be required.

Yours sincerely,



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