

## Appendix 18: Childcare (See Article 11)

In 2012 44,000 fewer families were receiving any help with childcare costs compared to in 2011.<sup>1</sup> Eligible families have to pay 30% rather than 20% of childcare fees – a 50% increase.<sup>2</sup>

Childcare is one of the biggest expenses within a family budget; the average yearly expenditure for a child under two now stands at £5,103 and is rising at a rate above inflation.<sup>3</sup> For parents who use full-time childcare, they pay on average £546 (up to two years old), £203 (two to 11 years old) and £117 (secondary school age) each month for this service which significantly increases the amount they spend per child. It boosts monthly spending to an average of £400 per child - up to two years old (£625); two to 11 years old (£345) and secondary school age (£234).<sup>4</sup> By 2014, a family with one child will be around £130 a year worse off than if Child Benefit had been increased each year in line with inflation. A family with three children will be £285 a year worse off.<sup>5</sup>

Parents will be hit by a reduction in the amount of childcare available as local authority nurseries close and after-school and breakfast clubs are hit by rising costs. There have been cuts to day nurseries and childcare offered through children's centres in many parts of the UK.<sup>6</sup> After-school and breakfast clubs have been hit by an increase in fees charged by schools and local authorities to use premises. More and more nurseries attached to workplaces are also being forced to close. Often these nurseries are the only childcare available to people working shifts or unsociable hours, such as healthcare professionals and postal workers.<sup>7</sup> In 2010, 30% of working mothers depended on paid childcare. This included 56% of lone mothers with a child under five and 34% of mothers with partners.<sup>8</sup>

For example in the North East, childcare is becoming both difficult to find and more expensive which is prohibiting women from going to work or means after childcare costs they have insufficient money to live on. If they are on benefits they may not get help with childcare costs and again they can't afford to pay. Thus either way women's choices are seriously limited in terms of access to education, training and employment. Colleges used to help with childcare costs but this is no

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<sup>1</sup> Women's Budget Group (2012) *Impact on Women of the Budget 2012* <http://wbg.org.uk/pdfs/The-Impact-on-Women-of-the-Budget-2012-FINAL.pdf>

<sup>2</sup> HM Treasury (2011) *Budget 2011*. The Stationery Office: London [http://cdn.hm-treasury.gov.uk/2011budget\\_complete.pdf](http://cdn.hm-treasury.gov.uk/2011budget_complete.pdf) Table 2.2

<sup>3</sup> Daycare Trust (2012) *Childcare costs survey 2012*. <http://www.daycaretrust.org.uk/pages/childcare-costs-survey-2012.html>

<sup>4</sup> Aviva (2011) *The Aviva Family Finances Report, Summer – 2011* [http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family\\_finances\\_report\\_3\\_aug2011.pdf](http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf)

<sup>5</sup> The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London <http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

<sup>6</sup> False Economy, Children and young people, <http://falseeconomy.org.uk/cuts/sectors/type/children-and-young-people> Accessed 24/05/2013

<sup>7</sup> NUS Connect (2010) 'Press release: NUS, UCU and UNISON launch joint campaign to save nurseries in colleges and universities', *NUS Connect website*, 4<sup>th</sup> May 2010 <http://www.nusconnect.org.uk/news/article/6108/141/>

<sup>8</sup> Women's Budget Group (2012) *Impact on Women of the Budget 2012* <http://wbg.org.uk/pdfs/The-Impact-on-Women-of-the-Budget-2012-FINAL.pdf>

longer the case so women are unable to access courses. (See Article 10) There is a lack of consistency in provision even within one City there can be a postcode lottery for family centres and childcare. There is a massive demand for ever diminishing services.<sup>9</sup>

A review of childcare provision carried out for the Equality and Human Rights Commission<sup>10</sup> found that despite increases in childcare places under the National Childcare Strategy, 93% of local authorities report gaps in childcare provision including: childcare before and after school, holiday care, provision for children with disabilities, childcare for parents working atypical hours, and, in some places, care for children under two.<sup>11</sup> In addition, smaller scale studies identify the importance of investigating supply at more localised levels within regions, as the supply is not always matched to where there is demand.<sup>12</sup> A Daycare Trust survey<sup>13</sup> in 2012 showed that only 46% of authorities in England reported having enough childcare in their area to meet the needs of parents working full-time. Only 19% of local authorities in England said they had enough childcare to meet the needs of parents in rural areas and more than half of local authorities (51%) did not believe they currently had enough childcare to fulfil the Government's commitment to extend the right to 15 hours of free early education to 40% of two year olds from 2014. Only 12% of local authorities in England also said they had enough childcare to meet the needs of all disabled children.

There has been increased spending on nursery places for two-three year-olds in deprived communities. However, the 15 hours a week assigned to these places make it very difficult for parents to organise their employment, given the limited jobs available during school hours and the high cost of childcare. The £380m a year by 2014-15 that the Government is investing to extend 15 hours free childcare to all disadvantaged two year-olds is tiny compared with the £6.3bn to be spent on physical infrastructure.

The UK has the third most expensive childcare amongst OECD countries.<sup>14</sup> While the UK Government spends a high proportion of GDP on family benefits (3.6% compared with an OECD average of 2.2%), most of this is spent on cash transfers to families. Countries that allocate proportionately more of such spending to services (even if the total amounts spent are lower) obtain better outcomes in terms of child poverty and gender equality.

Although childcare should be seen as an issue for all working parents, in practice women are more likely to be 'second earners' in couples and the cost and

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<sup>9</sup> North East Women's Network (2012) *Final Report on North East Women's Leadership Project* [http://www.newwomens.net/images/stories/WRC\\_Womens\\_Leadership\\_Project\\_-\\_Final\\_Report.doc.pdf](http://www.newwomens.net/images/stories/WRC_Womens_Leadership_Project_-_Final_Report.doc.pdf)

<sup>10</sup> Campbell-Barr, V. and Garnham, A. (2010) *Childcare: A review of what parents want*. Equality And Human Rights Commission Research Report No. 66 [http://www.equalityhumanrights.com/uploaded\\_files/research/childcare\\_what\\_parents\\_want.pdf](http://www.equalityhumanrights.com/uploaded_files/research/childcare_what_parents_want.pdf)

<sup>11</sup> Office for Public Management (2008) *Reviewing childcare sufficiency assessments*, report for the DCSF, OPM: London

<sup>12</sup> Campbell-Barr, V. 'Contextual Issues in Assessing Value for Money in Early Years Education', National Institutes Economic Review, No 207 <http://ner.sagepub.com/content/207/1/90.abstract>

<sup>13</sup> Daycare Trust (2012) *Childcare costs survey 2012*. <http://www.daycaretrust.org.uk/pages/childcare-costs-survey-2012.html>

<sup>14</sup> Rogers, S. (2012) 'Child care costs: how the UK compares with the world', *The Guardian*, 21<sup>st</sup> May 2012 <http://www.guardian.co.uk/news/datablog/2012/may/21/child-care-costs-compared-britain>

availability of childcare has a much bigger impact on their ability to stay in work.<sup>15</sup> Mothers of children under the age of 16 are already four times more likely than fathers to be economically inactive.<sup>16</sup> (See Appendix: 15) Research by the workingmums.co.uk website also suggests that 24% of mothers have had to quit work, while 16% have reduced their hours due to the reduction of Childcare Tax Credit and the increasing price of childcare.<sup>17</sup> Research by Gingerbread and the Resolution Foundation<sup>18</sup> has also shown that the proposed changes to childcare under Universal Credit will make work unaffordable for many low-income women, particularly single mothers. An independent study found that 32,000 women left the workforce in 2010-2011 after their income was “eroded by the associated costs of working”<sup>19</sup> and highlights the fall in family income in many households due to rising costs of essentials such as fuel, lighting, heating and food, while at the same time incomes are falling. (See Article 13) When the cost of childcare was added to work expenses, the report found that many part-time workers would be better off if they did not go to work.

Case study:<sup>20</sup>

On average, a woman in part-time work earns just £8,557 per year (£713 per month after tax), but if she has two children (a one-year-old and a seven-year-old), and pays £721 in childcare/schooling and £90 in work-associated costs each month, she may actually be financially worse off by £98 a month than if she didn't work.

With rising unemployment, increased numbers of women affected by cuts in public sector spending, and decreasing flexibility in the workplace,<sup>21</sup> securing paid work that is compatible with childcare responsibilities will be harder and less financially rewarding.<sup>22</sup> However, given the possible sanctions, many women are likely to find themselves forced into taking unsuitable positions. Latin American Women's Rights Service<sup>23</sup> reports that the new rules have meant that many women have been forced to take on additional jobs in the cleaning industry where

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<sup>15</sup> Work and Pensions Committee (2010) White Paper on Universal Credit, written evidence submitted by Women's Budget Group

<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmworpen/743/743we43.htm>

<sup>16</sup> Equality and Human Rights Commission (2010) page 385, Chapter 11: Employment. *How fair is Britain? The report of our first Triennial Review.*

[http://www.equalityhumanrights.com/uploaded\\_files/triennial\\_review/how\\_fair\\_is\\_britain\\_ch11.pdf](http://www.equalityhumanrights.com/uploaded_files/triennial_review/how_fair_is_britain_ch11.pdf)

<sup>17</sup> Beattie, J. (2011) 'One in four women forced to give up work as childcare cuts bite', *The Daily Mirror Online*, 16<sup>th</sup> August 2011 <http://www.mirror.co.uk/news/politics/2011/08/16/one-in-four-women-forced-to-give-up-work-as-childcare-cuts-bite-115875-23347671/>

<sup>18</sup> Hirsch, D. (2011) *Childcare Support and the Hours Trap*. Resolution Foundation and Gingerbread [http://www.resolutionfoundation.org/media/media/downloads/Childcare\\_support\\_the\\_hours\\_trap.pdf](http://www.resolutionfoundation.org/media/media/downloads/Childcare_support_the_hours_trap.pdf)

<sup>19</sup> Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

[http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family\\_finances\\_report\\_3\\_aug2011.pdf](http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf)

<sup>20</sup> Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

[http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family\\_finances\\_report\\_3\\_aug2011.pdf](http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf)

<sup>21</sup> Helm, T. (2012) 'Four in 10 female police officers have considered quitting the force', *The Guardian*, 14<sup>th</sup> July 2012 <http://www.guardian.co.uk/uk/2012/jul/14/female-police-officers-force>

<sup>22</sup> The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London <http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

<sup>23</sup> Latin American Women's Rights Service <http://www.lawrs.org.uk/> Accessed: 22/03/13

they are subjected to high levels of exploitation. They have to travel by public transport in the dark, very early in the morning or very late in the night and have been forced to leave their children caring for their younger siblings.<sup>24</sup> The Marmot Review<sup>25</sup> recognised the importance of paid parental leave but also of good quality childcare and flexible employment for parents in work and those wanting to work.<sup>26</sup> (See Appendix: 17)

**Recommendation:**

**The Government should place greater emphasis on helping employers design jobs with part-time hours and encouraging employers to advertise more jobs with part-time and other flexible patterns of employment**

**Closure of Sure Start Centres (See Article 16)**

The Government acknowledge that Sure Start “has made an important difference to families, but we want to focus it more effectively to support the most vulnerable and disadvantaged families”.<sup>27</sup> In the 2012 progress review they committed to maintaining a network of Sure Start Children’s Centres across the country to provide effective support for the most disadvantaged families,<sup>28</sup> And are proposing a ‘payment by results’ scheme to “strengthen the focus of local authorities and their partners on the core purpose of Children’s Centres”.<sup>29</sup> However, at the same time as rising childcare costs, the Government has reduced the number of available Sure Start Centres across the UK.

Sure Start Children’s Centres, of which there are currently over 3,600 in England,<sup>30</sup> are open to all children and parents and offer a range of free and low-cost services including early education, health and family support services, workshops on breastfeeding and child nutrition, debt counseling, and advice on training and job opportunities. The Centres also offer affordable childcare. This provision has been crucial in enabling women to combine work and childcare responsibilities.<sup>31</sup> One

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<sup>24</sup> Evidence from Latin American Women’s Rights Service, Unpublished.

<sup>25</sup> UCL Institute of Health Equity (2010) *Fair Society, Healthy Lives: Strategic Review of Health Inequalities in England Post-2010 (The Marmot Review)*. UCL: London  
<http://www.instituteofhealthequity.org/projects/fair-society-healthy-lives-the-marmot-review>

<sup>26</sup> Ward, R. (2011) *Health and equality impacts of well paid parental leave*. Women’s Health and Equality Consortium and Maternity Action: London <http://www.whec.org.uk/wordpress/wp-content/uploads/downloads/2011/10/HealthandEqualityImpactsofWellPaidParentalLeave2011.pdf>

<sup>27</sup> Government Equalities Office (2010) *The Equality Strategy – Building a Fairer Britain*. GEO: London <http://www.homeoffice.gov.uk/publications/equalities/equality-strategy-publications/equality-strategy/equality-strategy?view=Binary>

<sup>28</sup> Government Equalities Office (2012) *The Equality Strategy – Building a Fairer Britain: Progress report*. GEO: London <https://www.gov.uk/government/publications/the-equality-strategy-building-a-fairer-britain-progress-report>

<sup>29</sup> Government Equalities Office (2012) *The Equality Strategy – Building a Fairer Britain: Progress report*. GEO: London <https://www.gov.uk/government/publications/the-equality-strategy-building-a-fairer-britain-progress-report>

<sup>30</sup> The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London  
<http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

<sup>31</sup> The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London  
<http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

survey showed that 68% of parents with a child under one used a children's centre.<sup>32</sup>

Despite the Prime Minister's commitment to keeping, and improving, Sure Start<sup>33</sup> and the commitment to Sure Start outlined in the Coalition Programme for Government,<sup>34</sup> funding for the Centres, which was previously ring-fenced in local council budgets, has since had its ring-fence removed, meaning that local authorities can now choose where money is spent.

The funding that was previously set aside for Sure Start Centres has been merged into the new Early Intervention Grant, which also includes funding for teenage pregnancy, mental health and youth crime programmes. These programmes received nearly £2.5bn in 2010-2011 but only £2.2bn in 2011-2012.<sup>35</sup> The Local Government Group has stated that this represents a real-terms cut of over 25% when compared with the grants paid to councils in 2010-11.<sup>36</sup>

This means that Sure Start is being cut back. Despite the Government's commitments this is happening particularly heavily in poor areas, at £100 per child, compared with £30 per child in rich areas.<sup>37</sup>

The Government has argued that there is enough money for local authorities to continue to support Sure Start projects; however, faced with severe cuts, many local authorities have cut back on funding for children's centres. Between April 2010 and November 2011, there was a net reduction of 124 Sure Start centres in England.<sup>38</sup> A survey of children's centre managers found that:

- 250 (7%) would close or were expected to close, affecting an estimated 60,000 families
- 2,000 (56%) would provide a reduced service
- 3,100 (86%) would have a decreased budget

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<sup>32</sup> Netmums (2010) *Local Services for Parents: What mums need*.

[http://i.nmimg.net/images/local\\_services\\_for\\_parents.pdf](http://i.nmimg.net/images/local_services_for_parents.pdf)

<sup>33</sup> Cameron, D. (2009) Putting Britain back on her feet, a speech at the Conservative Party Conference, 8<sup>th</sup> October 2009

[http://www.conservatives.com/News/Speeches/2009/10/David\\_Cameron\\_Putting\\_Britain\\_back\\_on\\_her\\_feet.aspx](http://www.conservatives.com/News/Speeches/2009/10/David_Cameron_Putting_Britain_back_on_her_feet.aspx).

<sup>34</sup> HM Government (2010) *The Coalition: Our programme for government*, p. 19, Cabinet Office: London

[http://www.direct.gov.uk/prod\\_consum\\_dg/groups/dg\\_digitalassets/@dg/@en/documents/digitalasset/dg\\_187876.pdf](http://www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/documents/digitalasset/dg_187876.pdf).

<sup>35</sup> Education Select Committee (Session 2010-11) *Spending review settlement for the Department of Education*, 14 December 2010:

<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmeduc/uc627-ii/uc62701.htm>.

<sup>36</sup> Justice Select Committee, The proposed abolition of the Youth Justice Board, Written evidence from the Local Government Group, September 2011:

<http://www.publications.parliament.uk/pa/cm201012/cmselect/cmjust/1547/1547vw04.htm>.

<sup>37</sup> The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London

<http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

<sup>38</sup> Lords Hansard (2011) Written Answer, 14 November 2011. Hansard: London

<http://www.publications.parliament.uk/pa/ld201011/ldhansrd/text/111114-0001.htm>

- Staff at 1,000 centres (28%) have been issued with 'at risk of redundancy' notices.<sup>39</sup>

Case study:<sup>40</sup>

*"A lot of staff at Sure Start have been made redundant and we had made good bonds with those staff, so it is a shame to lose them. Also there is less provision; they used to run various parenting courses which have been cut."*

Andrea, single mother of three, Newport

As noted above, these cuts will impact on women's ability to combine work and family life. Women who are unable to meet higher private childcare costs, or for whom the alternatives to the local Sure Start Centre are not suitable, will face the possibility of having to leave the labour market in order to look after their children.<sup>41</sup> (See Article 11)

Case study:<sup>42</sup>

*"I attend Sure Start with my son. I find it invaluable as I've struggled with mental health issues in the past and getting out to meet people and get the advice of the staff is a life line for me. A lot of women in my area have no internet, no car. If they are away from their family they have no support at all. The early years are the best time to catch these children and it would be devastating to lose Sure Start."*

Case study:<sup>43</sup>

*"I cried when I found out that the fantastic Sure Start nursery that my then two year old daughter, Eva, goes to had been earmarked for closure by Camden Council. I was pregnant again and had been comforting myself that at least when it came to returning to my full-time job after maternity leave the one thing I wouldn't have to worry about was childcare, as the baby would be able to follow her sister to the same children's centre. At a stroke this certainty was taken away, and now, mid-way through that leave, I still don't know what I'm going to do about childcare for my younger daughter when I go back to work in the spring. We waged a vigorous campaign to save the Centre, which is rated 'outstanding' by Ofsted, but the best we could do was secure an undertaking from the Council to seek a community provider to continue childcare services on the same site. This isn't settled yet, and at best it feels like a hollow victory."*

<sup>39</sup> Daycare Trust (2011) 'Press release: 250 Sure Start children's centres face closure within a year', Daycare Trust, 28<sup>th</sup> January 2011 <http://www.daycaretrust.org.uk/pages/250-sure-start-childrens-centres-face-closure-within-a-year.html>

<sup>40</sup> Oxfam (2012) *The Perfect Storm: Economic stagnation, the rising cost of living, public spending cuts, and the impact on UK poverty*. Oxfam: Oxford <http://policy-practice.oxfam.org.uk/publications/the-perfect-storm-economic-stagnation-the-rising-cost-of-living-public-spending-228591>

<sup>41</sup> Williams, R. (2012) 'Empty promise of 'open' Sure Start centres', *The Guardian*, 7<sup>th</sup> August 2012 <http://www.guardian.co.uk/society/2012/aug/07/empty-promise-open-sure-start-centres>

<sup>42</sup> Case study from Netmums forum 2012 in The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London <http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

<sup>43</sup> Penny's story from The Fawcett Society (2011) *The Impact of Austerity on Women*. Fawcett: London <http://www.fawcettsociety.org.uk/wp-content/uploads/2013/02/The-Impact-of-Austerity-on-Women-19th-March-2012.pdf>

**Recommendations:**

- **Promote women's employment by providing universal free nursery places for all two-four year-olds. Free childcare would significantly help families to combine work and caring responsibilities and help to make paid employment financially worthwhile**
- **There need to be routine and repeat surveys at a national level that enable parents to identify their preferences and needs for childcare**