# Childcare might become 'available only rich areas' 11

Childcare in England risks becoming the preserve of the wealthy, unless a £660m funding gap in a free childcare scheme is plugged, MPs are warning.

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#### **EXCERPTS**

Severe financial strain has been placed on private and independent nurseries offering the government's flagship free 30-hours scheme, they report.

And those operating in poor areas are more likely to be threatened with closure, they say.

The government said low income families received help with childcare costs.

The national scheme offers working parents of three and four-year-olds 30 hours of free childcare a week - up from 15 hours in 2017.

But early years providers have long said the level at which these hours are funded by a government grant has meant operators have had to find other ways of making up the difference.

The All-Party Parliamentary Group (APPG) on Childcare and Early Education heard evidence of a potential reduction in nursery places in deprived areas, while in affluent areas an increase in places looks likely.

This was highlighted by Nicole Politis, director of the Portico Nursery Group, who told the parliamentary inquiry that she had a number of nurseries in different socio-economic areas.

### 'Closures'

She said: "Three years ago, nurseries in these deprived areas were completely full.

"Now, those in affluent areas are full, and in deprived areas the numbers of children attending are so low that I'm having to close them.

"Sadly, some parents cannot afford the additional fees, and this is being exacerbated by the roll-out of Universal Credit.

"In the end, this means that the [30-hours] scheme is not always reaching the most vulnerable families."

The APPG report said: "Should this trend continue, we risk facing a situation where only wealthy families are able to access childcare services, leading to significant reductions in educational opportunities for children, as well as more challenges to parents looking to go back into work."

### 'Battling'

According to the National Day Nurseries Association, the rate at which early years providers are closing has increased by 66% since the introduction of the scheme, and they are closing fastest in more deprived areas.

Tulip Siddiq MP, chairwoman of the All-Party Parliamentary Group on Childcare and Early Education, said: "We know that the early years are hugely important to a child's physical and mental development and future life chances.

"However, there is a significant body of evidence to demonstrate that childcare providers are battling to achieve and maintain financial sustainability, and that government policies are a major cause of this challenge."

Children and Families Minister Nadham Zahawi said there had been a huge increase in the number of children benefitting from 30 hours free childcare.

He added that this meant parents were spending less on childcare and could work more flexibly.

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