

COVID-19: More than half of local authorities expect childcare providers to close when coronavirus support ends ^[1]

The government has confirmed funding arrangements to support the sector through the pandemic will end next month.

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EXCERPTS

More than half of local authorities in England expect childcare providers to close when the government's coronavirus support ends in January, a charity has warned.

Research by the family and childcare charity Coram also found just over a quarter (26%) of local authorities expect providers to reduce the number of free early education entitlement places they offer.

Coram has said this is of particular concern because such places are shown to narrow the achievement gap between disadvantaged children and their peers.

The government has confirmed funding arrangements to support the sector through the pandemic will end next month.

Coram's research found 58% of local authorities in England believe local childcare providers will permanently close as a result of the move.

The charity has warned that closures of childcare providers are likely to lead to greater shortages in childcare availability for families, in a system that was already under pressure before the pandemic.

The charity has said childcare is vital because it allows parents to work as well as preparing children for school.

More than a third (35%) of local authorities reported that the number of providers permanently closing in their local area has increased in the last year.

While the majority of local authorities report they have not yet seen an increase in childcare shortages, this could be due to the fact that 73% have seen a decrease in demand from families over the pandemic, Coram has said.

The charity said this is likely because of changes to employment or reluctance to use childcare because of concerns about the spread of the virus.

Coram has said their findings suggest there could be significant shortages in childcare supply if and when demand returns to pre-pandemic levels.

There is particular concern over the availability of childcare for children with special educational needs and disabilities (SEND) and school-age children, the charity said.

Coram added local authorities are more likely to see a reduction in the number of places compared to demand in both of those areas.

The charity's annual childcare surveys, published prior to the pandemic, identified that there were already significant childcare shortages for those groups of children.

Megan Jarvie, head of Coram, said: "The ending of additional government support for childcare is going to be a blow for many childcare providers and the families who depend on them.

"We all rely on the childcare sector to support the learning and development of children and to enable parents to work.

"There are already signs of the pressure on childcare providers - a third of local areas already report an increase in nursery closures and shortages are increasing in some areas. It is vital that the sector is supported so that every family can find the high quality childcare they need."

Coram's findings are based on surveys sent to all family information services at local authorities in November 2020 as part of our Childcare Survey 2021.

The charity received responses from 56% of local authorities in England.

The government has continued to fund free early education entitlements based on pre-pandemic attendance levels since the beginning of lockdown. This has meant that providers have received funding for their places, even if children have not taken them up.

This has helped to protect the income of providers, particularly those who received a larger proportion of their income from government funding rather than parent fees.

The government announced on 17 December that this will stop from January, and it will revert to an arrangement whereby providers only receive funding for children that are attending.

Region: Europe ^[3]

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