

Ministers 'knowingly underfunding' childcare sector in England^[1]

Early Years Alliance investigation finds government is 'shamelessly' driving costs up and quality down

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EXCERPT

Ministers have been accused of “shamelessly, knowingly” underfunding the early years sector in England over the past decade, driving childcare costs up and quality down, after a two-year investigation by a body representing the sector.

Private government briefing documents uncovered during the investigation reveal that 2020-21 early years funding rates for the Conservatives' free childcare offer for three- and four-year-olds are less than two-thirds of what the government believed was needed to fully fund the scheme, according to the Early Years Alliance (EYA).

The documents also show ministers were aware that insufficient investment would result in higher prices for parents of younger children, and that early years settings would be forced to maximise child-adult ratios – therefore lowering quality – to stay afloat, the EYA says.

The findings, described as “shocking” by Labour, follow a protracted two-year freedom of information dispute between the government and the EYA, and come as a petition calling for an independent review of childcare affordability and funding reached 100,000 signatures.

According to the EYA, one government briefing document reveals that in 2015 Department for Education (DfE) officials estimated that the cost of providing a government-funded early years place for a three- or four-year-old would be £7.49 an hour by 2020-21.

However, according to independent analysis provided by the childcare research agency Ceeda, the average early years funding rate given to local authorities in 2020-21 was £4.89, a £2.60 shortfall, equivalent to £2,964 over the course of a year for children in receipt of 30-hour funding.

The document, called Early Years Spending Review Scenarios and marked “official sensitive”, also acknowledged that the introduction of the Conservatives' 30-hour policy was likely to result in price increases of as much as 30% for parents of young children where care was not covered by the free offer. This would make it too expensive for many to return to work, the EYA said.

The findings were published before the EYA's annual conference on Tuesday, where the alliance's chief executive, Neil Leitch, is expected to accuse the government of “shamelessly, knowingly underfunding our sector”.

“For years, the early years sector has warned that the so-called ‘free entitlement’ offer is anything but free, in the face of repeated government claims that the policy is adequately funded,” Leitch said. “These documents, which they spent more than two years trying to hide, prove otherwise.”

The DfE said the EYA data pre-dates increases to the rates paid by government, with additional investment announced by the chancellor in 2019 and 2020.

A spokesperson said: “We’ve made an unprecedented investment in childcare over the past decade, spending more than £3.5bn in each of the past three years on our free childcare offers and increasing the hourly rate paid to councils above inflation for the past two years.”

Tulip Siddiq, the shadow minister for children and early years, said: “Conservative ministers knew that they were dramatically underfunding early years and that this would drive up the cost of childcare whilst driving down quality. Yet they pushed ahead regardless.

“The government owes parents an apology for this reckless underfunding of early years and for covering it up. Ministers must now change their failed approach to early years, which must start with urgent action to prevent further childcare closures.”

Justine Roberts, the founder of Mumsnet, said: “Childcare provision in the UK is expensive to the point of being unusable for many families, meaning that mothers are often forced to take less skilled work or leave the labour force altogether.

“Forty per cent of Mumsnet users who use the 30 hours offer say they’ve been asked to pay additional or new charges for things such as lunches and nappies, and 77% of working mothers on Mumsnet don’t think the government does enough to support parents with the cost of childcare.”

Region: Europe^[3]

Tags: quality^[4]

funding ^[5]
government ^[6]
policy ^[7]

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