

Childcare costs have spiralled for two-thirds of UK families, survey shows ^[1]

Parents report high anxiety as 'unaffordable' fees exacerbate cost of living crisis

Author: Topping, Alexandra

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EXCERPTS

The crisis in the UK childcare sector has been laid bare by two major surveys, with campaigners saying young families and struggling providers are being ignored by ministers as the cost of living crisis spirals.

Both surveys suggest childcare fees are increasing to an unmanageable level, with two-thirds of 27,000 parents reporting rising childcare costs in the past six months, and a similar percentage of providers confirming increases.

Two-thirds of respondents to the survey published by the campaign groups Pregnant Then Screwed and Mumsnet, said they were paying as much or more for their childcare than for their rent or mortgage. Almost half (43%) of working mothers were considering leaving their jobs and 40% were working fewer hours than they wanted to because childcare fees were unaffordable.

A separate survey of 1,970 childcare providers by the Early Years Alliance found 72% of providers said government funding for two-year-olds did not cover costs, while 86% said funding for three- to four-year-olds was insufficient.

Only 57% of local authorities report there are sufficient places available for children under two.

Pressure has been mounting on the government to address the crippling costs. A petition calling for an independent review of funding and affordability gathered 113,713 signatures and triggered a debate in parliament. But on International Women's Day signatories were told the government had no plans to carry out a review.

The parent survey provides further evidence of the cost of living crisis. Low earners are being hit the hardest, with 16% of households with an income of less than £25,000 saying bills had doubled, compared with 7% of those with a household income of more than £150,000. One in four parents said they have had to cut down on necessities such as food, heating or clothing to afford childcare, a figure that increases to 48% of young parents and 53% of single parents.

Among childcare providers, 87% reported increases in electricity and gas bills, while just less than a third were operating at a loss and 75% said they expected to use financial reserves this year.

Joeli Brearley, founder of Pregnant Then Screwed, accused the chancellor, Rishi Sunak, of ignoring the plight of young families after he did not mention the cost of childcare in his spring statement. "The government says they want to support hardworking families, but families don't work without childcare," she said. "It is beyond frustrating that childcare is being ignored time and time again."

The group is encouraging mothers to use the hashtag #UnHappyMothersDay to raise awareness among politicians of the difficulties working parents face, in particular mothers.

The survey, which was self-selecting, found that 80% of parents expected the cost of childcare to increase in the next six months, with 99% saying it was exacerbating the cost of living crisis and 65% reporting high anxiety because of money worries.

The parents surveyed said they had reduced spending in other areas, with 69% cutting back on non-essentials, while 2% said they had resorted to using food banks, rising to 5% of black parents, 6% of young parents and 13% of single parents. In the childcare sector almost half of respondents (48%) said they were thinking about leaving; three-quarters had not had a pay increase in two years.

Justine Roberts, CEO of Mumsnet, said the survey was further proof that childcare in the UK was broken. "For many families, childcare is either expensive to the point of being unusable or unavailable at the times they need," she said.

A government spokesperson said: "The early years of a child's life are the most crucial, which is why we have invested more than £3.5bn in each of the last three years to deliver the free childcare offers, including the 30 hours per week for working parents. We are also investing millions in Family Hubs, where families can access important support services. To support working families more widely, we also recently announced the biggest ever increase in the national living wage since its introduction, from April 2022."

When Romilly Cole and her fiancé calculated how much their childcare was going to cost while planning her return to work, she could not believe it. “To have [our daughter] in childcare full-time, we were looking at £1,200 a month, which after tax was £150 less than I was earning. If you factor in another £160 for after-school club for my eldest it just didn’t add up. I’d be working full-time and have nothing to pay the rest of the bills,” she said.

With a heavy heart she gave up her job at a local car dealership in the Isle of Wight, where her brother also works and where her father, too, had been employed before his death. “I didn’t want to stop working but it just made no sense for me to carry on. It’s madness, it’s just absolute madness,” she said.

Cole now worries about the effect on her pension and her family’s financial situation as the cost of living crisis bites – as well as noting that the government has lost her tax revenue.

She added: “We have a lot of sleepless night but we try and be positive for the kids. I know loads of friends who can’t work for the same reason – I just don’t know how any normal family is meant to afford it.”

Region: Europe ^[3]

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Source URL (modified on 27 Mar 2022): <https://childcarecanada.org/documents/child-care-news/22/03/childcare-costs-have-spiralled-two-thirds-uk-families-survey-shows>

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