

Nursery closures: Parents left without childcare as providers shut ^[1]

Author: Morton, Becky

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EXCERPTS

Parents are being left without childcare as nurseries shut at short notice due to financial pressures and staff shortages.

The Pregnant Then Screwed campaign group said it had been "inundated" with messages from parents whose local nursery had closed suddenly.

Nurseries are facing increased energy, food and staffing costs, as well as struggling to recruit.

The government said it was increasing funding paid to childcare providers.

But the Early Years Alliance, which represents around 14,000 providers in England and also has its own nurseries, said the sector was facing its worst crisis in recruitment and cost increases in 20 years.

Gabrielle Drake said she was left in a "mad scramble" to find a new nursery for her 13-month-old son when his current provider closed for good overnight.

Parents received an email on 5 August saying the nursery would be permanently closing at the end of the day as the company was "undergoing a restructure".

Gabrielle and her partner both work full time and they were unable to find a new nursery at such short notice, so now have to rely on her parents to look after their son for a month.

The 35-year-old from Leeds has managed to find a new nursery for September. She contacted 20 local nurseries but only four replied to say they had spaces, two of which are brand new so do not have Ofsted inspection reports yet.

As her son was not attending nursery the day it closed they were unable to collect his belongings, including clothes and nappies.

She said the closure was also disruptive for her son who had settled in well at the nursery and made friends.

Welcome Nurseries, which owns the branch, went into administration earlier this month - six of its 32 sites were closed as part of a sale.

Linda Mills, head of childcare at Welcome Nurseries, said the company took the "difficult decision" to close the sites as they had very low occupancy and together with rising costs "this meant they were not sustainable".

Where possible, she said children had been able to access the company's other nurseries and in the areas most affected families were being helped by local authorities.

Harriet Butterworth, managing director at Cottontails nursery in Warrington, said she was worried she would be forced to close because of increased costs.

The nursery is running at a loss and has already raised fees twice this year to cover increased staffing costs.

Ms Butterworth said she had increased salaries for her lowest paid workers by 12.5% to help attract and retain staff.

"We're competing with the likes of Hermes, Amazon, just basic retail jobs, who are paying these really high hourly amounts, with much more flexible hours," Ms Butterworth added.

She said the nursery was also facing increased food and energy costs, with her gas and electricity bill more than doubling to hit £9,000 for the last quarter.

The nursery has been forced to turn off its boiler and cut down its use of the gas oven to save energy.

Neil Leitch, chief executive of the Early Years Alliance, said in his 20 years working in the sector he had "never witnessed such a crisis in terms of recruitment and retention and cost pressures".

He blamed underinvestment in the sector by the government, as well as increased costs for things like energy, food and staff.

Parents of three and four year olds in England are entitled to 15 free hours per week of childcare. Working families may also be eligible for an additional 15 hours per week of funded early education. But Mr Leitch said this allocation was not adequately funded by the government, leaving providers to make up the shortfall.

He said many providers were forced to increase fees for other parents to offset the cost as a result.

A survey of 2,000 early years providers in March found 30% were currently operating at a loss, while 34% said they expected to be in 12 months' time.

Three years ago the alliance operated 132 pre-school settings but it now only has 65, with more than half closing for financial reasons.

The number of childcare providers in England has been falling steadily since 2015, with the number of nurseries and pre-schools dropping by 196 between August 2021 and March this year, according to inspector Ofsted.

However, Jonathan Broadbery, from the National Day Nurseries Association, said anecdotally the situation had got worse since March, with nurseries under increasing financial pressure.

In April, there was an increase in the minimum wage and National Insurance contributions paid by employers, while temporary business rates relief introduced during the pandemic ended in England.

Mr Leitch said nurseries were also struggling to recruit, as people are leaving the sector "in their droves" for better paid jobs because they felt "exhausted and undervalued".

Many businesses have increased salaries as a result but this was not financially sustainable, he added. Others have been forced to reduce hours or close suddenly because of a lack of staff.

Pregnant Then Screwed said it had received more than 60 messages in recent weeks from mothers whose child's nursery had closed at short notice.

The group's campaigns manager, Lauren Fabianski, said many were worried about how they would be able to work without childcare.

She added that some nurseries were booked-up until November next year, so it was difficult to find somewhere with spaces.

A government spokeswoman said it had spent more than £4bn in each of the past five years to support families with the cost of childcare and it had not seen a substantial number of parents unable to secure a childcare place.

She added that the government had also announced additional funding for local authorities to increase the hourly rates paid to childcare providers and it was increasing funding to support employers with their costs.

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