Government 'wastes money on child care' [UK]

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EXCERPTS

Some of the £14 billion invested in child care and pre-school nurseries by the state over the past six years has been wasted on creating places that were unsustainable, England's public spending watchdog has warned.

The National Audit Office was unable to say how much money has been wasted, but revealed that fewer than half of childminders, playgroups and day nurseries were covering all their costs.

Many providers did not even know how many places they had to fill in order to break even, and a report by the NAO found that only half knew what they were going to do when their start-up funding ran out.

NAO head Sir John Bourn said providers needed more training in how to run their businesses so the "impressive progress" made in creating new child care places was maintained in future.

Since the Government launched its national child care strategy in 1998, it had enabled 626,00 new places to be created, while 301,000 had closed.

Conservative MP Edward Leigh, chairman of the Commons Public Accounts Committee said access to good childcare was "vital".

He added: "I am very concerned that new childcare places are being created willy-nilly with no real idea of how they are going to be sustained in the future."

- reprinted from icEssex &em; UK

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