

# Half of single parents borrow to pay childcare costs, says charity

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## EXCERPTS

Almost half of single parents in the UK have been forced to borrow money from family, friends or lenders to pay for childcare costs over the past two years, according to a study by the charity Gingerbread.

The group, which works with one-parent families, cited factors such as above-inflation rises in childcare costs and insecure and low-paid jobs as reasons for 47% of respondents having borrowed to pay for childcare.

Almost a third had missed a payment, and one in seven had missed more than two. More than half (52%) said they found the financial cost difficult overall.

Gingerbread said many single-parent families were under "severe financial pressure", not helped by a reduction in tax credit support for childcare.

The charity's chief executive, Fiona Weir, said: "Childcare just isn't affordable for many and it is very worrying that single parents are having to turn to friends and family, banks and credit cards to try and cover costs."

The charity polled 1,743 people for the study, part of a wider project called Paying the Price, which aims to detail the experiences of single parents under austerity. The report notes that while the survey was self-selecting rather than random, the income profile of those who responded was roughly equivalent to single parents as a whole.

Some of the respondents were interviewed in detail about their experiences. Asked how they afforded childcare, the answers included "credit union loan", "go without other things", "beg childminder", "raid the savings" and "go without food".

Many people said childcare affected their ability to combine work with parenthood. Almost a third said they would work for longer with better childcare, while others described a "patchwork" of assistance including not just schools, nurseries and childminders but after-school and breakfast clubs, babysitters, grandparents and friends. Just over a third said they used at least three different forms of childcare during term times.

The report found that 11% of single parents said childcare had not been a barrier to taking up work and 14% said the same for study or training. A glut of under-employed younger people had made finding work all the more difficult, many said. One parent told the study of applying for one post: "Apparently they had 148 applications for a 10-hour administrative job. I know damn well they'd rather employ a 24-year-old who has an administrative background but isn't a single parent."

The charity notes that the cap on childcare costs that parents on low-incomes can claim back has remained unchanged since 2005, despite fast-rising fees. Under tax credits, the maximum proportion of childcare costs which can be claimed was cut in 2011 from 80% to 70%, although under universal credit this is planned to rise to 85%.

Weir said the new measure was welcome but the cap meant too many single parents would see little benefit. "The government must honour its commitment to make work pay and swiftly bring in extra financial support," he said. "Parents can't afford to wait any longer."

## Case study

Nicky Lloyd-Greame, 40, moved from Hatfield in Hertfordshire to Wakefield in West Yorkshire so that her parents could help her with childcare for her 11-year-old daughter while she worked for a management consultancy firm.

"Unfortunately, with the rising costs of childcare, which weren't followed with a rising wage, I just couldn't afford to do it. So I went self-employed, but because I didn't need childcare all the time. It wasn't feasible - you have to commit to certain days every week. It would have basically taken all my money. Even with after-school clubs they wanted the same days every week and money a term upfront. I'd work from home as much as I could but I deliver training and coaching, so I have to go to the client.

"I moved back back here in October but for the two years before that if I needed childcare paid for my mum or my step-dad to come down

and stay, and I paid for them. That was still cheaper. In school holidays, where possible, I'd come up north and try and work from here, or my parents would come down.

"I'm doing a lot of the same work here, and I'm able to take a lot more than before. My stepdad is now only 10 minutes down the road. Even if it's a matter of picking her up from school and making sure she's got dinner, I'm still at home of an evening. I'm really lucky. I pay for my mum and stepdad's petrol, and I make them dinner, but it's a hell of a lot cheaper."

**Region:** Australia and New Zealand <sup>[3]</sup>

**Tags:** affordability <sup>[4]</sup>

work/life balance <sup>[5]</sup>

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**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/child-care-news/15/03/half-single-parents-borrow-pay-childcare-costs-says-charity>

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