30-HOURS ‘FREE’ CHILDCARE
What parents need to know

I keep reading that the 30 hours free childcare offer is at risk? What’s the problem?
Currently, all three- and four-year-olds in England can access 15-hours of government-funded childcare a week (for 38 weeks of the year).

But the money the government gives to nurseries, pre-schools and childminders to pay for this childcare often doesn’t cover the cost of delivering it. In fact, it only covers the cost of four of every five children taking up funded places.

Why is this such an issue now?
From September 2017, the government is doubling this offer for working parents to 30 hours a week. But government funding is still far too low, meaning this will put even more financial pressure on childcare providers.

Even worse, funding for the scheme won’t increase until at least 2020, even though the costs that childcare providers face – like staff wages, rents and insurance – are going up all the time.

Childcare costs are so expensive. How can providers be struggling?
Because government funding doesn’t cover the cost of delivering funded places, childcare providers have had to look for ways to fill the funding gap or risk going out of business.
In some cases, they have had to charge more for any non-funded hours of childcare, which has meant higher fees for parents. This is why childcare costs in England are so high.

But the government says it’s investing more than ever before in childcare?
It’s true that childcare funding has increased over recent years, but the number of young children in England has increased too.

In fact, when you take inflation into account, government spending on childcare actually fell by 17% between 2008 and 2015. In terms of spending per child, the early years sector still only gets half as much as primary schools.

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But if I’m entitled to 30-hours free childcare, I’ll definitely receive it, won’t I?

Not necessarily. Childcare providers don’t have to offer funded hours and many are worried that if they offer the 30 hours, they will make huge financial losses.

In fact, less than half of nurseries, pre-schools and childminders in England say they plan to offer 30 hours in September, while some say they will only offer places to a limited number of families.

Others have warned that they might need to increase fees for non-funded hours, or increase the prices of things like lunch and trips to make up for the money they are losing on funded hours, and ensure they can continue to deliver a quality service.

Worse still, more and more are deciding to close their doors: a fifth of providers say they are worried the 30-hours will force them out of business.

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UNDERFUNDING COULD MEAN:

- Higher costs for parents
- Fewer childcare places
- Provider closures

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WHAT CAN YOU DO TO HELP?

We believe that the government chose to pledge 30 hours of ‘free childcare’ and so it is the government’s responsibility to ensure that this is properly funded.

We don’t want to see any more providers have to close their doors as they can no longer afford to deliver a high quality service. And we don’t want to see parents having to pay for the government’s mistakes through higher fees and additional charges.

That’s why we started the Fair Future Funding campaign: to ensure that government funding for ‘free childcare’ actually covers the cost of delivering quality care – both today and in the future.

Already more than 3,000 childcare providers have signed up, but we need parents to help us put even more pressure on government.

Sign up to the campaign today at www.pre-school.org.uk/fffpARENTs to support your setting and help ensure that neither parents nor providers don’t end up paying for the government’s underfunded promise.

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