

Holiday childcare costs survey 2009

This is the eighth holiday childcare survey undertaken by Daycare Trust, which explores the issues of cost and availability of holiday childcare in Britain.



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Summary

The typical cost of holiday childcare in 2009 varies between £62.70 a week and £113.72 a week. Costs vary from local authority to local authority – and hence from region to region. Local authority run provision is almost always cheaper than private and voluntary provision. In many areas, there is substantial local authority subsidy to keep costs to parents low. The sufficiency of holiday childcare is improving slowly in England, but there are still serious concerns about sufficiency of holiday provision overall, with only one third of English Family Information Services saying that there is enough holiday childcare for all children. There continue to be particular gaps in sufficiency for disabled children and children aged 12 and over, in all three nations.

Methodology

Daycare Trust sent a short survey to all Family Information Services (FIS) in England and Wales and Childcare Information Services (ChIS) in Scotland at the end of May 2009. The survey asked for data on the typical costs of full-time holiday childcare, as well as on whether there has been an increase in provision since 2008 and whether the Childcare Sufficiency Assessments (in England and Wales) indicate there is holiday childcare provision to meet demand. This year for the first time, a distinction was made between the costs of local authority-run provision and private, voluntary and independent (PVI)-run provision to explore whether the costs vary. There were also questions relating to whether parents in the local authority area have reported a lack of holiday childcare or a need for wraparound care to supplement shorter sessions.

We received 141 responses overall, a 68 per cent response rate, with 65 per cent or greater response rate in all regions, with the exception of the East of England.

The cost of holiday childcare

Figure 1: Typical weekly cost by region and percentage change 2008-9¹

Region	Typical weekly cost (LA) 2009	Typical weekly cost (PVI) 2009	Typical weekly cost (mean) 2009	Typical weekly cost 2008	Percent change
East of England	£88.75* ²	£108.75*	£98.75	£105.04	-6%
East Midlands	£80.00*	£97.69	£88.84	£97.64	-9%
Inner London	£62.70	£107.26	£84.98	£68.25	25%
North East	£71.01	£85.56	£78.28	£89.89	-13%
North West	£76.83	£90.97	£83.90	£91.83	-9%
Outer London	£103.51	£113.72	£108.61	£91.83	18%
South East	£87.57	£97.09	£92.33	£101.03	-9%
South West	£90.16	£102.99	£96.57	£90.01	7%
West Midlands	£74.77	£89.78	£82.28	£81.99	0%
Yorkshire & Humber	£92.71	£96.40	£94.56	£98.06	-4%
England – regional average	£82.98	£98.73	£90.86	£91.56	-1%
Wales	£63.06*	£102.25	£82.65	£87.86	-6%
Scotland	£94.37	£96.46	£95.42	£82.88	15%

1. In order to identify the percentage change in costs from 2008, it has been necessary to take a mean average of the local authority-run provision and PVI-run provision in each region. This does not take into account the numbers of different types of provision, but does enable us to compare the costs with those from last year. Therefore percentage change figures should be treated with caution.

2. Regional figures marked with * are taken from a lower response rate and so figures should be treated with caution. In the East of England there was a limited response rate from FIS. In other regions marked with * not all gave figures for local authority provision.

England

As with last year, the lowest typical costs in England, and in Britain as a whole, are found in Inner London, in subsidised local authority provision. The Inner London local authorities have a history of subsidising holiday childcare – for example in Hackney, provision run by the Learning Trust costs £45 a week or £25 for families on Income Support. The next lowest costs were found in local authority-run provision in the North East and West Midlands, and the lowest average cost of PVI provision was found in the North East. The highest costs for both local authority- and PVI-run provision were found in Outer London.

There is a mixed picture of percentage changes (some of which may be due to changes in survey questions as we have taken a mean of local authority and PVI costs to obtain an overall typical cost); in many local authority areas the costs have decreased slightly, with a substantial decrease of 9 per cent in the East Midlands, South East and North West and 13 per cent in the North East. However in Inner and Outer London costs have increased by over 25 and 18 per cent (although costs were particularly low in Inner London in 2008). Areas that saw large price increases last year, for example the West Midlands and North East, have not seen the same increases this year. This may be a sign of providers responding to the current economic climate.

Wales

As with Inner London, the costs of local authority-run provision are low compared to the rest of Britain. Again, this is due to provision being subsidised by local authorities. PVI-run provision, by contrast, is almost double at £102.25 and one of the highest regional costs in Britain. Looking at percentage change, the average of local authority and PVI costs have decreased by 6 per cent compared to last year's costs.

Scotland

Scotland has seen one of the larger percentage increases from last year, with a 15 per cent increase, much higher than inflation³, and higher than the increase reported last year. This brings costs in Scotland more into line with the rest of Britain, particularly when looking at PVI-run provision, whereas in previous years Scotland has been one of the lowest-priced regions. The cost of local authority-run provision in Scotland is the second highest, after Outer London, although there are some examples of substantial local authority subsidies, such as in Renfrewshire, where full-time holiday childcare run by the local authority costs only £38.50 a week.

Amount and sufficiency of holiday childcare

There is a mixed picture of whether the number of holiday childcare places is increasing. A significant minority of FIS report a decrease in provision. In Wales, over a third of FIS reported a slight or large decrease in the number of providers. The corresponding figures for England and Scotland are 26% and 20%.

From 2008, local authorities in England and Wales have been required to undertake Childcare Sufficiency Assessments. Questions about sufficiency were also asked of the Scottish ChIS, but as they do not have Childcare Sufficiency Assessments in Scotland, there were understandably fewer responses to these questions.

In England, sufficiency is improving, however there are still clear gaps in provision for older children and disabled children, with only 20 per cent of local authorities indicating that they have sufficient childcare for either group. The number of FIS indicating that there is sufficient holiday childcare for all children has gone down by one percentage point, to 28 per cent.

In Wales, FIS identified greater issues with holiday childcare sufficiency for all children, with less than a third saying there

Figure 2: Has the amount of holiday childcare provision increased in your area?

	Large increase	Slight increase	Same	Slight decrease	Large decrease	No response
England	7%	34%	25%	23%	3%	8%
Wales	6%	25%	31%	31%	6%	0%
Scotland	4%	24%	44%	20%	0%	8%

Figure 3: Sufficient childcare: England 2008-9⁴

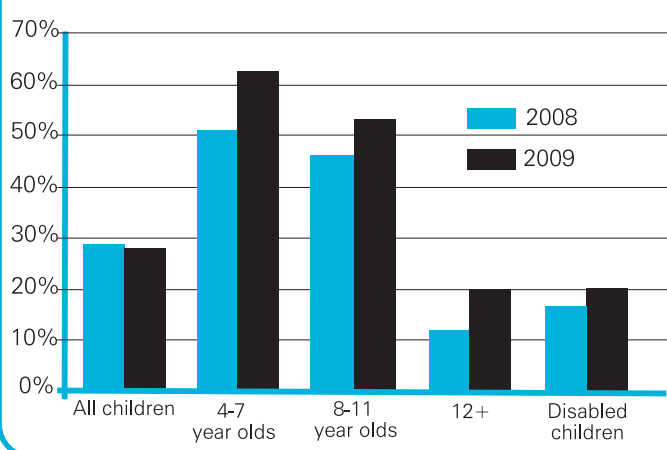


Figure 4: Sufficient Childcare: England and Wales 2009

ENGLAND			
	Yes	No	Don't Know/ No Response
All children	28%	32%	39%
4-7 year olds	63%	13%	24%
8-11 year olds	54%	19%	27%
12+	20%	49%	30%
Disabled children	20%	55%	25%
To cover working hours	49%	20%	30%
Parents report need for wraparound care	31%	66%	3%
Parents report a lack of holiday care	46%	49%	4%
WALES			
	Yes	No	Don't Know/ No Response
All children	6%	69%	25%
4-7 year olds	25%	56%	19%
8-11 year olds	31%	56%	13%
12+	6%	75%	19%
Disabled children	19%	56%	25%
To cover working hours	19%	69%	13%
Parents report need for wraparound care	63%	38%	0%
Parents report a lack of holiday care	75%	25%	0%

was sufficient holiday childcare in any category. Only one FIS reported that there was sufficient holiday childcare for children aged 12 and over, and only 19 per cent indicated there was sufficiency for disabled children.

We also asked about sufficiency for parents working full-time, as many holiday playschemes run for shorter hours than working parents need during school holidays. Only

half of FIS in England reported sufficient childcare for working parents, with even lower levels of sufficiency in Wales, where only 19 per cent of FIS felt that there was sufficient holiday childcare for working parents.

In Scotland only 5 out of the 12 ChIS who answered this question indicated that there was sufficient holiday childcare for disabled children or older children.

The lack of provision for older children and an insufficiency in childcare to cover parents' working hours will now have even more of an impact, following the recent welfare reform changes. From autumn 2008 lone parents with children aged 12 and over have been required to make themselves available for work or risk losing benefits. This is being extended to parents with children aged 10 and over from this autumn and children aged 7 and over by 2010. While childcare for older children is an issue throughout the year, it appears to be even more acute during the summer holidays. Unless parents are able to find work that fits with school term time, which for most will be unlikely, there is an urgent need for further affordable holiday childcare, which covers full days rather than just providing sessional activities.

Do parents report a lack of holiday childcare?

A significant majority, 75 per cent, of FIS in Wales said that parents had reported a lack of holiday childcare, with the corresponding figures in England and Scotland standing at 46 per cent and 38 per cent respectively.

Do parents report a need for wraparound childcare?

One feature of holiday provision is that it often consists of sessional-based provision or for shorter days. This is often the case for local authority holiday childcare places, which are often very reasonably priced and/or heavily subsidised by the local authority. For example, Newport City Council offers sessional activities free of charge for 5-12 year olds. These provide excellent activities for children through the summer holidays, however they do not, in themselves, provide the full day childcare that working parents need. Therefore this year we asked FIS whether parents report a need for wraparound holiday childcare. Around a third of

3. CPI rate May 2009 was 2.2%

4. A number of FIS selected 'don't know' or did not answer parts of this question.

FIS in England and Scotland, and almost two thirds in Wales, said that parents had reported a need for wraparound care to supplement holiday playschemes.

Information about holiday childcare

When undertaking our survey, some FIS in England were unable to respond as they did not have the data available, even four weeks before the start of the school holidays. This may be because of conflicting demands on staff time (with other initiatives such as moving to a new national database) or because childcare providers are not passing on information to FIS in good time. In either case the capacity of FIS and availability of information needs to be improved so that parents can get the information they require.

Help with childcare costs

The holiday childcare survey reports the high costs of childcare in Britain, although it should be remembered that there is a difference between the fees charged and the actual amount that parents pay. Some families can claim help with up to 80 per cent of childcare costs through the tax credits system, although only one in ten families receiving Working Tax Credit (WTC) also take up the childcare element – partly due to the complicated eligibility criteria.⁵ Claiming the childcare element of WTC for holiday childcare is even more problematic as payments are spread over the year and the system is not flexible enough to easily allow for short-term increases in costs. Employer supported childcare, often arranged through childcare vouchers, worth up to £1,195 a year is also available to assist with childcare costs, and parents can ‘bank’ their childcare vouchers over the year to pay for holiday childcare if they wish.

For further information about how to get help with childcare costs, accessing free early years education and all other childcare enquiries, call Daycare Trust’s information line on 0845 872 6251 or visit www.daycaretrust.org.uk

Recommendations

- Urgent increase in holiday childcare, particularly given the growing number of working parents and their increased importance within the government’s welfare reform programme.
- Central government to provide sustained subsidy via local authorities, to ensure all parents are able to access high quality holiday childcare.
- Local authorities to monitor holiday provision closely this summer and within childcare sufficiency reviews, especially where provision is decreasing and where there are persistent gaps in sufficiency.
- Increase in proportion of childcare costs paid through tax credits to 100 per cent; increase the maximum levels that can be claimed by region to accommodate childcare costs in high areas; and consider further reform, such as uncoupling the childcare element from Working Tax Credit.
- Increased funding for Family Information Services to reflect their wider role and improve capacity, and to ensure they can provide a brokerage role for holiday childcare.

Daycare Trust is the national childcare charity. Established in 1986, we lead the national childcare campaign by producing high quality research and information, developing credible policy recommendations, providing expert consultancy and training support and by working with others.

Daycare Trust offers a range of services, including an information line, membership, consultancy and training. Contact us for details or visit our website.

Daycare Trust offers a range of services including:

- information for parents through our Information line, websites, factsheets and Parent network
- training and consultancy for professionals
- up-to-date policy and research
- membership for local authorities and other professionals
- national events including National childcare week in June and our annual conference, the flagship event in the childcare calendar.

Daycare Trust is committed to act without prejudice. We oppose discrimination and promote equality in all we do. Profits made by Daycare Trust training and consultancy services are invested in our charitable work to secure high quality affordable childcare for all children across the UK.

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