

# School age childcare in London

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## About this report

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### About Coram Family and Childcare

Coram Family and Childcare works to make the UK a better place for families by bringing together what we learn from our on the ground parent-led programmes and our research to campaign for solutions that parents want and need. We focus on childcare and early years to make a difference to families' lives now and in the long term. Before August 2018, we were known as the Family and Childcare Trust.

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### About Trust for London

Trust for London is an independent charitable foundation. We aim to tackle poverty and inequality in London and we do this by: funding voluntary and charity groups – currently we make grants totalling around £10 million a year and at any one time we are supporting up to 300 organisations; funding independent research; and providing knowledge and expertise on London's social issues to policymakers and journalists.

### Acknowledgements

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## Executive summary

### Context

This report presents original research to understand the gaps in childcare provision for school age children of working parents in London and identify possible solutions. Our research finds that many parents struggle to find and afford childcare for school children and that this is affecting their choices about whether and how much to work. From this, we have identified best practice and policy solutions to increase the supply of affordable school age childcare.

### Methods and data

Findings are derived from analysis of Coram Family and Childcare's Childcare and Holiday Childcare Surveys; modelling household incomes with childcare prices for different family types; focus groups with parents; interviews with local authority staff; an audit of childcare provision for all primary schools in London; and a 'sample shopper' exercise to understand the realities of finding and paying for childcare.

### Findings

#### What do families pay for school age childcare?

The price of school age childcare has increased in London over the past decade at a rate higher than inflation. Childcare costs represent a significant proportion of average earnings in London, and the average price of childcare varies substantially between local authorities.

- ▶ After school club prices in London have risen by 25 per cent in the decade since 2008: above inflation and wage inflation. Holiday club prices have increased by 62 per cent in the same period.
- ▶ During the school holidays, families are likely to need more hours of childcare, and this almost doubles childcare costs.
- ▶ A week of term time childcare in London is equivalent to 21 per cent of earnings from a week of full-time work at the National Minimum Wage, while a week of holiday childcare represents 48 per cent.
- ▶ There is wide variation across London in the price of wraparound care. The average price of after school childcare in Richmond Upon Thames (£4.83) is 65 per cent higher than in Hounslow (£2.93).

**Table 1: Childcare prices in London**

Type of childcare	Average weekly price, London	Hours per week
Breakfast club	£15.65	One hour before school, five days per week
After school club	£55.80	Three hours after school, five days per week
After school childminding	£93.82	Three hours after school, five days per week
Holiday childcare	£137.41	Full time

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### **Childcare payments and family incomes – does it pay to work?**

Parents can receive help with their childcare costs through Universal Credit or Tax Free Childcare. The support available helps to make childcare more affordable, but leaves parents on low to middle incomes with little incentive to work more than part time, and payments in arrears on Universal Credit can leave parents without the support they need to manage fluctuating childcare costs, which often need to be paid in advance.

- ▶ For single parents on low to middle incomes, receiving support with Universal Credit, it pays to work for up to three days a week, after which the marginal returns from working more rapidly diminish. As one parent in Camden said:

*“If I work full time, I’d lose all of my benefits. Basically, I wouldn’t be any better off financially because I’d be using my money on childcare. I know so many single parents who have gone back to full time work and they’re worse off than they were before.”*

- ▶ Universal Credit supports parents with up to 85 per cent of childcare costs. This means that parents’ incomes are up to £20 a week lower than non-parents in term time, and up to £40 a week lower in the holiday.
- ▶ Families face higher childcare costs during the school holidays, but support through Universal Credit is paid in arrears. This means families have to pay these higher bills before claiming back any additional support.
- ▶ Most childcare providers require payments in advance, most commonly at least one week before – making it even harder for families on Universal Credit.

### **Is there enough school age childcare?**

Less than half of local authorities in London have enough childcare for all the school age children who need it; less than in the rest of England.

- ▶ 75 per cent of primary schools in London offer breakfast clubs and 61 per cent offer after school clubs. While 85 per cent of schools in Sutton offer after school clubs, this drops to 31 per cent in Lewisham.
- ▶ Families with children with a special educational need or disability (SEND), families with more than one child, and families with older children find it more difficult to find suitable childcare than others.
- ▶ Children who attend schools where a higher proportion of pupils are of White British origin or speak English as their first language are more likely to have greater access to breakfast and after school clubs that are open for more hours than those in schools where a higher proportion of pupils are in receipt of school meals and whose first language is not English.
- ▶ The sample shopping exercise found that only 51 per cent of providers replied (when contacted on up to three occasions). Of these, 58 per cent of childcare providers had places for the following term and 48 per cent had places for the upcoming half term holiday.
- ▶ Many of the parents we spoke to felt under-informed about local childcare options, and some were unaware of or unclear about the support available with paying for childcare.
- ▶ Local authority staff told us that parents are unaware of or unable to make use of the Right to Request that childcare be provided on their school’s grounds.



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## Recommendations

In light of these findings, Coram Family and Childcare recommends the following.

### Affordability of childcare

Universal Credit makes working while paying for out of school childcare substantially more affordable. However, there are three areas where Universal Credit could be improved to make work pay for more families. The Department for Work and Pensions should make the following fixes to Universal Credit:

- ▶ **Switch to upfront payments** so that families with school age children who face fluctuating childcare costs between the school term and holiday periods can get help with paying for childcare in time to pay their bill. This will help to provide a more stable income for families with school age children.
- ▶ **Raise the childcare element of Universal Credit from 85 per cent to 100 per cent of eligible costs** to improve the financial incentive for parents paying for childcare to work or work more hours. This would save parents in London up to £20 a month in the school term, and up to £40 a week in the holidays.

### Availability of childcare

Our research finds significant gaps in the availability of childcare. We found a desire among parents to be able to access more childcare provided in or associated with schools, which are often highly trusted and convenient for parents, as well as offering children the familiarity of the setting and their peers.

In the longer term, we recommend that:

- ▶ **Government should make available dedicated funding for extended schools, working in collaboration with voluntary and private sector providers**, with a view to providing a basic guarantee of provision to all school age children in term time and the holidays, offering a variety of different enrichment activities for children. Ring-fenced funding for extended schools should be used by local authorities to enable schools to offer wraparound care, or should be directed towards local voluntary sector providers and used to subsidise ferrying services between settings, depending on the local context. This recommendation is a version of one made by CPAG (2018).

In the shorter term:

- ▶ **Government should strengthen the 'right to request' policy so that it tackles the persistent gaps in school age childcare provision.** This should include better support to schools around assessing and responding to requests and setting up on-site childcare and providing better information for parents on making effective applications.
- ▶ **Local authorities should open up council-owned premises for private and voluntary providers to operate out of**, support good relationships between schools and providers, and subsidise ferrying services between them.
- ▶ **Government should introduce inclusion funding for school age childcare.** It is clear from our research that children with a special educational need or a disability (SEND) are among the least likely to be able to access suitable childcare. Introducing inclusion funding – money available to childcare providers to support children with SEND – for school age children could help to increase the number of childcare providers who can offer care for children with SEND, improve the quality of childcare, enable parents to trust providers, and offer parents respite or the opportunity to work.
- ▶ **Government should prioritise making sure there is enough year-round childcare for the groups that currently face the biggest shortages:** 12 to 14 year olds and disabled children.

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**Quality of childcare:**

- ▶ **Central and local government should work with families and childcare providers to build understanding** of the types of provision that appeals to parents and children and supports children's development. This should be widely shared with families and childcare providers to support quality improvement.
- ▶ **Local authorities should provide business planning and training services to school age childcare providers.** This could include basic training such as health and safety and first aid, as well as specific training for caring for children with SEND. As well as improving quality, this could help to improve staff retention and provider engagement with local authorities.

**Information about childcare:**

- ▶ **Local authorities should provide high quality and up to date information for parents on school age childcare.** Statutory information duties on local authorities should be better-enforced, with supporting funding from central government, to ensure that local authorities have the information they need about school age childcare in their area.
- ▶ **Local authorities should work more closely with schools and childcare providers to boost the number of parents they can reach with information about the local childcare offer.** This could include linking up local authority information on local childcare providers with schools' communication with parents (e.g. via school websites).

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## Section 1: Introduction

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### 1.1 Research aim and policy context

This report presents the results of original research to understand the gaps in childcare provision for school age children and identify possible solutions.

In order to work in ways that suit their family, parents in London need to have access to high quality affordable school age childcare. Currently, there are significant gaps in the availability of wraparound – childcare outside of school hours – and holiday childcare. The availability and affordability of wraparound and holiday childcare is of particular importance in London, which has the lowest maternal employment rate and highest child poverty rate in the UK (ONS, 2018a; CPAG, 2019). If the maternal employment rate in London rose to the national average (moving from 61 to 69 per cent of mothers in work), 80,000 more mothers would be in work (Cory and McNeil, 2017). Many of the parents we spoke to as part of this project expressed a desire to work or to work more, and felt that childcare was a significant and often the biggest barrier facing them.

*“If I was able to get childcare I probably would work maybe two days a week just for myself and then also be a mum at the same time. I’d like the balance, to work and be a mum.” – Parent in Brent*

High quality, affordable childcare for school age children can provide a space to play, learn and socialise, give children the chance to try new things as well as some down time among friends. In order for parents and children to be able to benefit from childcare, it needs to be locally available, affordable, and high quality.

Our research strengthens the evidence base on the availability and affordability of current provision and how parents’ perspectives of school age childcare affects their choices about work. From this, we have identified best practice and policy solutions to increase the supply of affordable school age childcare.

### 1.2 Research methods

The research investigates the costs and availability of a range of types of childcare. These include breakfast and after school clubs provided on and off school grounds, provided by schools, local authorities and private, voluntary and independent organisations, holiday provision, childminders, and informal sources such as other parents or relatives.

We used a mixed methods approach (generating quantitative and qualitative data) to increase our understanding of:

- ▶ The price of school age childcare, including variations between different types of provider, different parts of London, and how prices have changed over time.
- ▶ Sufficiency of childcare provision from group providers, childminders, breakfast clubs and after school clubs.
- ▶ The ‘real-life’ experiences of parents with school age children in terms of their awareness and take-up of childcare and how this affects their choices about work.
- ▶ How the above understanding can be used to inform policy change at a national, regional and local level.

For full details of the methods used, please see the methodology in Appendix 1.



### Box 1: Who provides school age childcare?

Throughout this report, we will use the term ‘school age childcare’ to refer to a range of different types of childcare. We define these different types of childcare below.

**Childcare:** the care, education and supervision of a child or multiple children by someone who is not their parent or carer. In this report, childcare does not include compulsory schooling.

#### Before and after school care

Also known as ‘**wraparound care**’, this type of childcare is used in the term time to cover the hours before and after school when parents may be in work, or need childcare for other reasons.

- ▶ **Breakfast clubs** are typically provided by schools or other private, voluntary or independent providers on school grounds, offering about an hour of childcare, usually accompanied by breakfast, before the school day starts.
- ▶ **After school clubs** can be provided by schools or other private, voluntary or independent providers, on school grounds or elsewhere. Sometimes these take the form of clubs, focused around a particular activity such as sport or learning a musical instrument, but such clubs rarely offer childcare for five days per week. The focus in this report is on those after school clubs which offer childcare for up to five days a week.
- ▶ **Childminders** offer childcare before and after school providing childcare primarily in their home and often offering to accompany children to and from school. Childminders often offer care at more flexible times, and for longer hours than breakfast and after school clubs.

#### Holiday childcare

- ▶ **Formal holiday childcare** can be provided by the local authority or a private, voluntary or independent provider. It can be provided on school grounds or elsewhere.
- ▶ **Childminders** offer holiday childcare, providing childcare primarily in their home. Childminders often offer care at more flexible times, and for longer hours than holiday clubs.
- ▶ ‘**Holiday camp**’ type activities such as football or drama – these typically do not run for the whole holiday but may cover a few weeks.
- ▶ **Holiday hunger programmes** focus on providing children with food, and often also or incidentally offer childcare for short periods. For this report, we are focused on consistent childcare – offered up to five days a week, covering typical working hours – for working parents so will not include these programmes.

#### Informal childcare

In addition to the childcare providers described above, many families get help with childcare for school age children from family, neighbours or friends. This can take many forms, from grandparents providing after school childcare, to parents taking turns to use their annual leave and care for each other’s children.

#### Reasons for using childcare

There are many reasons why a family may choose to use childcare for their school age children. School age childcare can provide opportunities for children to develop, learn new skills, socialise and access novel experiences. It can also benefit parents, from giving them some time out from parenting to enabling them to take part in other activities, such as working.

For this project, we are focused on the impact of school age childcare on parents. This is because we are interested in how school age childcare can help parents to work and so to increase their incomes and their financial autonomy. This can help parents to escape poverty, which can benefit their whole family.

## Section 2: What do families pay for school age childcare?

How much families pay for school age childcare depends on a variety of factors, and is by no means standard across London. In this section we explore the prices that different types of childcare providers charge to understand the scale and variety of challenges faced by families when it comes to paying for childcare.

First, we look at the price of childcare in the school term. We explore how prices have changed over time, how they vary between different local authorities and how they compare with local incomes. Second, we describe the price of holiday childcare, how this has changed over time, how London compares to the rest of England and what variety exists between local authorities.<sup>1</sup>

Throughout this section, we use evidence from the following sources:

- ▶ Our Childcare Surveys and Holiday Childcare Surveys, 2008-2019.
- ▶ An audit of childcare provision for all primary schools in London, including the cost and availability of before- and after-school childcare.
- ▶ A sample shopper exercise in four London local authorities exploring the availability and price of holiday and term time childcare.

### Box 2: Support with childcare costs

There are three main types of support with paying for school age childcare, described below.<sup>2</sup>

<b>Tax-free childcare</b>	Aged under 12 or under 17 if child has a disability, with Ofsted registered providers	Covers 20% of childcare costs up to a maximum of £2,000 per child per year or £4,000 for disabled children. Tax-free childcare replaces the childcare vouchers scheme which has closed for new applications.  Parents and their partner (if they have one) must earn at least the equivalent of 16 hours a week at the national minimum wage or national living wage.  Can be received alongside the 30 hours extended entitlement for 3 to 4 year olds, but not Working Tax Credit or Universal Credit.
<b>Childcare vouchers</b>	Any age, with Ofsted registered providers	Closed to new applicants in October 2018, replaced by Tax Free Childcare.  Employer-managed scheme meeting up to £55 of childcare costs per parent per week.
<b>Universal Credit</b>	Any age, with Ofsted registered providers	Pays up to 85% of childcare costs up to £175 per week for one child and £300 for two or more children. This is set to replace tax credits and other benefits.  Universal Credit cannot be claimed alongside Working Tax Credit or Tax Free Childcare. Parents must have an income below a certain level – this varies on a families' circumstances.

<sup>1</sup> While there is support available from the Government to help families to pay for childcare, in this section we report only on the nominal price of childcare, before support is taken into account. For a detailed look at how financial support interacts with a family's childcare costs and incomes, see Section 3.

<sup>2</sup> For further information including more detailed inclusion and exclusion criteria for childcare support, see Coram Family and Childcare: [www.familyandchildcaretrust.org/childcare-guides](http://www.familyandchildcaretrust.org/childcare-guides).

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## 2.1 Term time childcare

Formal childcare options for school age children in term time consist primarily of three options: breakfast clubs, after school clubs, and wraparound childminding.

### **After school clubs**

In this section, we use data from our Childcare Surveys to describe trends in after school club prices from 2008-18.

After school club prices in London have risen by 25 per cent in the decade since 2008; slightly higher than inflation (23 per cent since 2008). This means that for the same amount of income, a family has to sacrifice more in the way of other goods to afford childcare in an after school club than they did ten years ago.

After school clubs in London cost more than in the rest of England: on average, £4.46 per week or 8 per cent more.

Taking into account average local earnings, after school clubs are more affordable in London than in the rest of England. The price of a week in an afterschool club is equivalent to 9 per cent of weekly earnings in London, compared to 11 per cent in the rest of England.<sup>3</sup> For parents earning the National Minimum Wage, which does not vary by region, the price of a week in an after school club represents 21 per cent of full time weekly earnings in London.

Childcare costs as a proportion of local earnings have increased by 16 per cent in London since 2009. This means that parents' childcare bill is bigger compared to their earnings than it was in the past.

Some of the parents we spoke to told us that the prices childcare providers charge can vary considerably from school to school or even from one term to the next. This kind of variation can mean that some families face more prohibitive childcare costs than others just because of where they live or when their child happens to be attending school, leading some parents to feel that the situation is unfair:

*"Before they had multisport at school as well which was free but now they charge a lot. They didn't give us a valid reason [why they started charging]." – Parent in Camden*

*"I know a school where their breakfast club is very economical, it's about £1.50 for an hour and a half so parents who had to travel to work still could get to work in time and knew their child would be fed, and where my son is now it's £5 for half that time." – Parent in Camden*

*"Last year it was £2 but this year it's £4. So they're just increasing it. Parents who are working part time, they say there's nothing else I can do but pay it." – Parent in Camden*

*"My son's about to start school so that's a change for me. I don't know which school he's going to yet so I don't know if they're going to have an after school club." – Parent in Lewisham*

*"I've got him in an after school club every single day which finishes at 4:30pm then he goes straight to play centre for the rest of the time. The play centre was run by the borough but it got taken over by another organisation so that prices were raised." – Parent in Wandsworth*

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<sup>3</sup> Percentages are calculated as the price of a week of childcare as a proportion of the average (median) full-time weekly earnings excluding overtime of adults in a given local authority. A weighted average is taken to give these figures at regional (London vs the rest of England) level.

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### **After school childminding**

In this section, we use data from our Childcare Survey to describe trends in after school childminding prices from 2008-18.

The price of after school care with a childminder in London is £94 per week. After school childminding prices in London have risen by 14 per cent since 2012, the first year for which we have data. Compared to after school clubs and holiday clubs, childminding prices in London for school age children have remained fairly steady. Taking into account inflation, after school childminding prices in London have increased by 3 per cent since 2012.

However, after school childminding remains considerably more expensive than after school clubs for the equivalent amount of time spent in childcare – an effect which is particularly pronounced in London. Childminding prices are 56 per cent higher than after school club prices in London, and have been more expensive than after school clubs in every year since we started collecting data on childminding prices in 2012, though this gap has been narrowing. Childminders often offer care at more flexible times, and for longer hours than other types of childcare provider, which may go some way to explaining the higher prices charged.

Compared to the rest of England, after school childminding in London is more expensive, costing £32 (52 per cent) more per week.

These findings are complemented by comments drawn from our conversations with parents. Parents we spoke to in one focus group told us that wraparound childminding can be quite costly, and described some childminders having to charge families for a half or whole day of childcare instead of just the hours that they use:

*“There are childminders that will do school drop-offs and pick-ups, but you almost have to pay for half the day. If they’re allowed to have five children, and they take three children for the school drop-off then they’ve only got space for two – they can’t have five children all day. You end up paying £50 or whatever for a school drop off.”* – **Parent in Bexley**

Parents whose children have a special educational need or a disability (SEND) may find that they face higher prices for childcare than other children. This can be because providing childcare for children with some special educational needs can require more staff time and, in some cases, specialist equipment. These higher costs can make it hard for parents to be able to afford to work.

*“I would like somewhere like the Sure Start centre that caters for all the ages with different activities, but the staff are qualified and there are a lot of staff there – you need quite a high ratio of staff [to children].”* – **Parent in Bexley**

## **2.2 Schools in London and the wraparound care they offer**

In this section we use data from an audit of all primary schools in London to paint a detailed picture of the price of wraparound childcare in London. For a breakdown of how wraparound childcare prices compare to other kinds of childcare, see Table 1.

For each of the 1,812 primary schools in London, we performed an internet search to see if it offered or advertised breakfast or after school childcare for pupils. In this section, we present data on price and variations across London. Additional findings on the availability of childcare are reported in Section 3.

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Lots of the parents we spoke to really valued breakfast clubs, which tend to be relatively inexpensive but, because of their popularity, oversubscribed. As well as the benefits to parents, breakfast clubs can have a positive impact on children's development by providing them with more nutritious food than they would otherwise eat or giving them the opportunity to build stronger relationships with other pupils and staff in a relaxed environment (Crawford et al, 2016).

*“Breakfast clubs I have used when I was working. A lifesaver really, just that half an hour before school.” – Parent in Brent*

*“I used to study and I used to drop my son really early because they [the school] offer sports club and I used to leave him at 8 o'clock in the morning and after that he would go straight to class so I could get peace of mind that he's already in school and I can go to my lesson.” – Parent in Camden*

We found that the price of breakfast clubs and after school clubs varied dramatically from school to school. The average cost of breakfast clubs was £3.13 per hour and ranged between £0.50 and £10 per hour.<sup>4</sup> The average cost of after school childcare was more expensive at £3.72 per hour and ranged between £0.76 and £15 per hour. (Prices were often described per session – when we converted prices to hourly rates, some, such as £0.76, appear to be oddly specific, but they are an accurate calculation of the cost per hour).

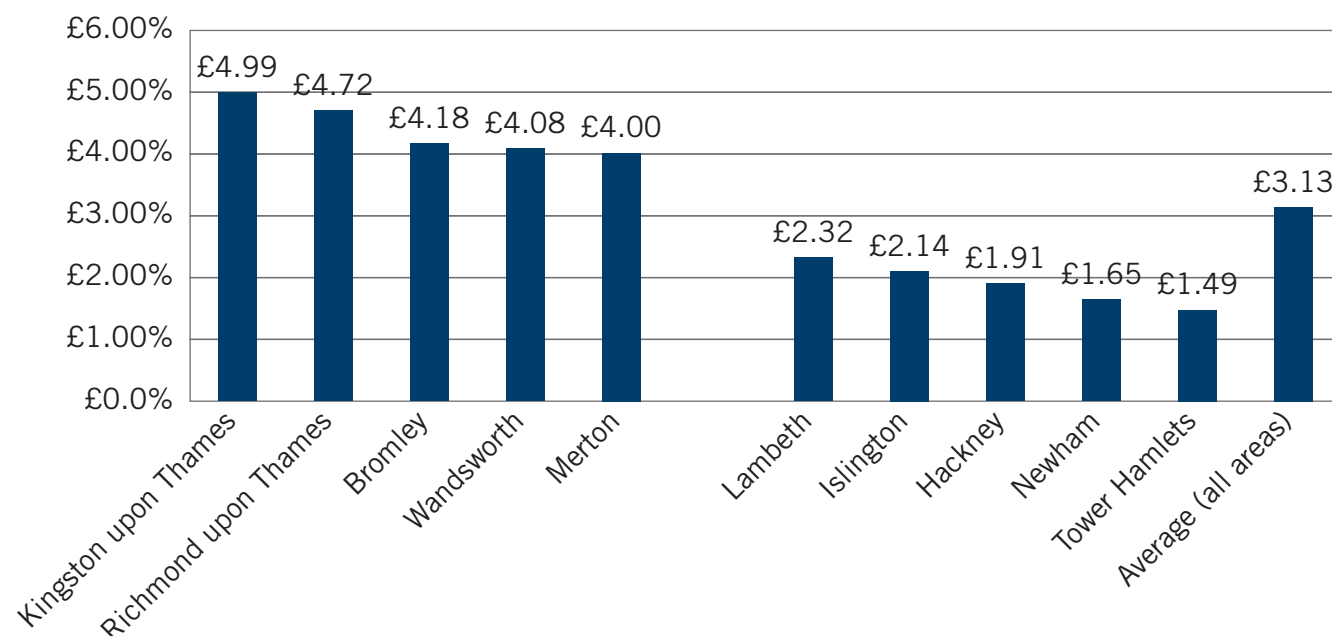
One reason for the extent of this variation in price might be the prevalence of free or subsidised provision. While we avoided including any subsidies or discounts where these were explicit, we could not control for subsidies which affected all pupils. Charities such as Magic Breakfast offer support to schools with a high proportion of children eligible for Pupil Premium (a grant to reduce the attainment gap between disadvantaged children and their peers). Support can include the provision of breakfast foods, which can have a significant impact on the cost to a school of providing a breakfast club, and therefore the price they are able to charge.

Figure 1 shows how the average cost of breakfast clubs ranged across the local authorities, with the highest averages seen in Kingston Upon Thames (£4.99 per hour) and Richmond Upon Thames (£4.72). The lowest averages were seen in Tower Hamlets (£1.49) and Newham (£1.65). Given the number of local authorities, the following charts show price variations across the five most and five least costly London local authorities. The prices and availability for breakfast clubs and after school clubs, across all 32 local authorities, are available in Appendix 2.

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4 Spurious responses such as less than 50p per hour were removed from the analysis.

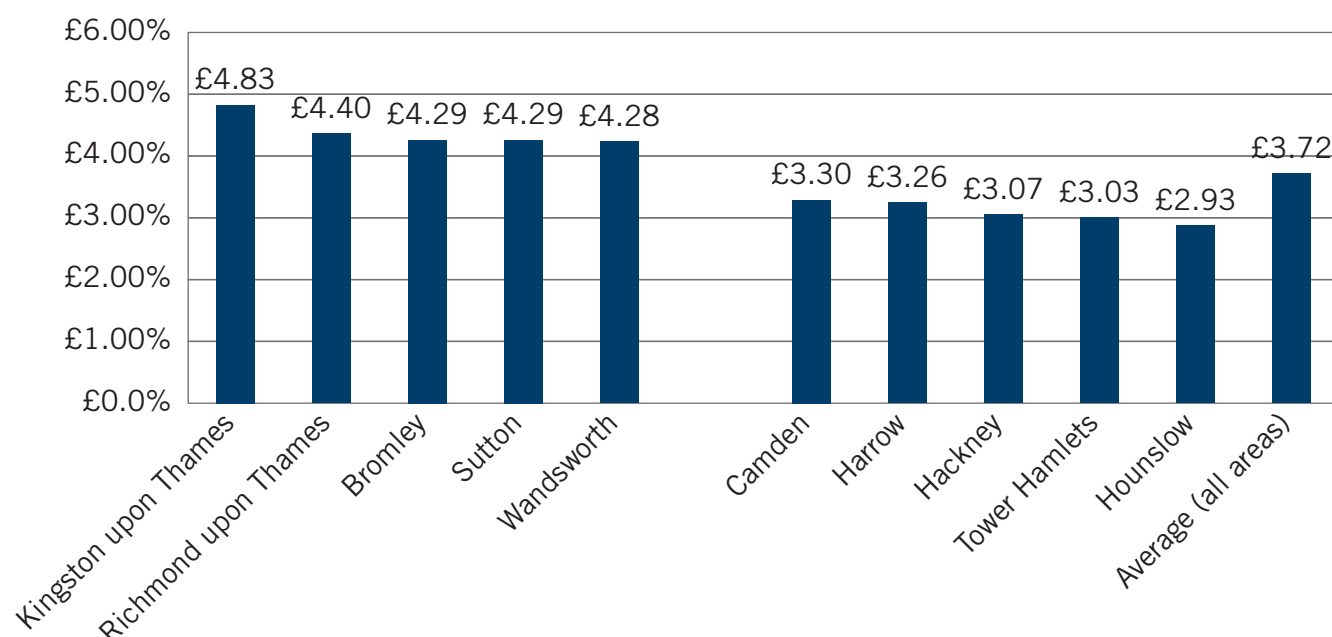
**Figure 1: Average price of breakfast clubs offered or advertised by primary schools in the five most expensive and least expensive local authorities in London.**



Source: Audit of wraparound provision at all primary schools in London, authors' calculations.

For after school clubs, the cost differences are shown in the chart below. The highest average costs of after school childcare were seen in Richmond Upon Thames (£4.83) and Kingston Upon Thames (£4.40). The lowest averages were seen in Hounslow (£2.93) and Tower Hamlets (£3.03). Figure 2 below illustrates the variation in after school club prices across London local authorities.

**Figure 2: Average price of after school clubs offered or advertised by primary schools in the five most expensive and least expensive local authorities in London.**



Source: Audit of wraparound provision at all primary schools in London, authors' calculations.



While schools can be very convenient and trusted providers of childcare, we heard from some parents whose school had changed their childcare offer, sometimes without warning. Childcare run from schools does not act like other parts of the childcare market – parents are less able to pick and choose between different providers, instead often relying on what their school offers. When the school is the only or the best provider of childcare, such changes can have a big impact on parents.

*“My son’s school was running their own club which is one of the reasons why I chose that school. Then suddenly within two terms they said, ‘We can’t afford it.’ They changed to a new private provider. Originally it was football, tennis, all the high quality stuff. Now it’s more expensive.” – Parent in Camden*

*“My son went to karate. They did it for two terms and I was paying £4 only for that session. And he really enjoyed it. I wanted him to go to next level but they had to cut it because they couldn’t afford that instructor to come back to the higher level.” – Parent in Camden*

*“My son was in an after school club on a Monday. He loved it, art. So I thought, great, I can do a full shift on Mondays. Because I know from school he’s going straight to this club and he’s loving it. When they cut that club, that’s it. I’ve got to say I can’t work on a Monday anymore.” – Parent in Camden*

We explored how the provision of wraparound care varied between different types of school, and by school Ofsted ratings. We found that local authority-run schools in London charged slightly lower prices for breakfast clubs compared to academy and voluntary schools. Breakfast clubs at academy schools were 12 per cent more expensive per hour than at local authority-run schools, while at voluntary schools they were 20 per cent more expensive.

Schools with a higher Ofsted rating tended to be more expensive than those with a lower rating. It is important to note the disproportionate distribution of school classifications within London: the vast majority of schools were classified as ‘good’ (65 per cent) or ‘outstanding’ (28 per cent) with far fewer numbers classified as ‘requires improvement’ (6 per cent) or ‘inadequate’ (2 per cent).

### Box 3: Breakfast and after school clubs – impact and uptake

Previous research has found that child feeding initiatives which provide food to children in school or community settings have grown in the last 10 years: there was a 45 per cent increase in breakfast club provision between 2008-14 (Kellogg’s, 2014). In 2014, it was reported that 85 per cent of schools in the UK ran a breakfast club.

Robust evidence about the impacts of breakfast clubs on children and parents is patchy and mixed. One review of the research literature and analysis of the websites of breakfast club providers found four particular challenges facing breakfast club provision: they can be inaccessible, unreliable, unaccountable and socially unacceptable (Lambie-Mumford and Sims, 2018). Increasing the supply of breakfast clubs and reducing their cost, ensuring they run continuously over time, making them more accountable via oversight at a local or national level, and making them available to all pupils, not just those most in need, could help to increase uptake.

Recent research has found that weekly participation in after school clubs varies by economic disadvantage, especially when children are younger (Callanan et al, 2016). However, by age 11, participation in after school clubs at least once per week did not vary by economic disadvantage. The research did not report conclusions on more frequent use, as would be required for parents to work. This makes them distinct from other after school activities, such as learning a musical instrument or playing sports, for which participation does vary by economic disadvantage, with more disadvantaged children being less likely to attend. The facilitators to take-up of after school clubs identified by the study include low costs, ease of access, flexibility, familiarity with the environment, and choice and variety of activities. Barriers included limited availability and provision that did not meet the needs of children with SEND.

## 2.3 Holiday childcare

In this section, we use data from our Holiday Childcare Survey to describe trends in holiday club prices from 2008-18. For a breakdown of how holiday childcare prices compare to other kinds of childcare, see Table 1.

Most working parents do not have enough annual leave to cover the 13 weeks of school holidays, so they will need to make some childcare arrangements. In the holidays, families may use paid-for childcare such as holiday clubs (also called play schemes) provided by the local authority or a private provider, holiday camps which typically do not run for the whole of the holiday, or childminders. They may also use informal care from grandparents, other relatives and friends, or through shift parenting where each parent uses their annual leave at different times. Many families will use a combination of these approaches across the summer break and in the shorter holidays throughout the year.

During the school holidays, families are likely to need more hours of childcare to make up for the time when children are in school during term time, and this almost doubles childcare costs compared to the school term. On average, it costs families in London £137 a week for a place in a holiday club.

Holiday club prices in London have risen by 62 per cent since 2008; more than double the rate of inflation (23 per cent since 2008). This increase in prices has been far more rapid than for after school clubs, leading to a growing divide between how much parents have to pay out in the holidays compared to during the school term (see Figure 1). In real terms (taking into account inflation), holiday clubs cost nearly a third (32 per cent) more per week today than they did in 2008.

The average price of a holiday club in the most expensive local authority in London is £269 a week, compared to just £83 a week in the least expensive local authority. As well as between local authorities, there is variation in the price of childcare within London local authorities. On average, prices at the most expensive holiday club in a local authority are three times as expensive as at the cheapest provider. In one local authority, the most expensive holiday club costs £163 a week while the cheapest costs £21 a week, nearly an eightfold difference. A variety of factors can contribute to this variation. For instance, some maintained or voluntary providers are able to access cash or in-kind subsidies, including cheap or free rent, which allow them to charge lower prices to parents.

**Figure 3: How childcare prices in London have changed over time compared to inflation; all prices indexed to 100 in 2008**

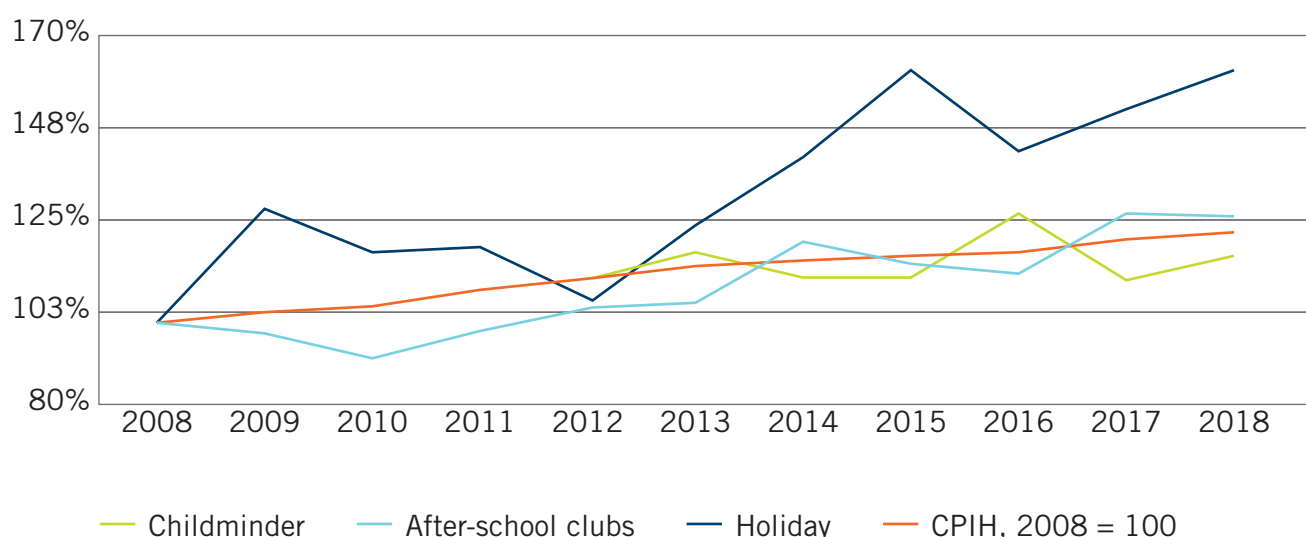


Figure 1 shows how the price of childcare in London has changed from 2008-18. The price of holiday clubs has increased by the most over this period, at more than double the rate of inflation. In contrast, the price of after school clubs has, on average, kept pace with inflation since 2013, following a period of below-inflation price increases. The price of after school childminding (data available from 2012-18) has also fluctuated around the rate of inflation.

Parents we spoke to often raised the issue of having to pay higher childcare prices in the holidays, and many expressed dread towards the six-week summer holiday.

*“It’s quite expensive. I don’t have enough annual leave to take 6 weeks off and another 2 weeks off for Christmas and another 2 weeks off for Easter. Holidays just come so quickly!”*

– Parent in Wandsworth

*“It does add up. I found that in the six weeks’ holidays. I was just paying the play scheme to go to work, and I’ve got nothing left at the end of it.”* – Parent in Wandsworth

Compared to the rest of England, holiday clubs in London cost £5.42 (4 per cent) more per week. Price rises since 2008 have not been so severe in the rest of England (45 per cent) as in London (62 per cent), but have nonetheless been well above inflation.

Taking into account average local earnings, holiday clubs in London are more affordable than in the rest of England. A week of childcare in a holiday club represents 21 per cent of weekly earnings in London, compared to 25 per cent in the rest of England. There is a lot of variation in how expensive holiday clubs in London are compared to average incomes; parents in one local authority face prices which are equivalent to 42 per cent of their weekly income, while in another local authority parents face prices equivalent to just 8 per cent of their weekly income.<sup>5</sup> For parents earning the National Minimum Wage, which does not vary by region, the price of a week in a holiday club in London represents 48 per cent of full time weekly earnings.

Holiday clubs may be run by a school or local authority, or by private or voluntary providers. The former, often called ‘maintained’ providers, are fewer in number than the private and voluntary providers, but tend to offer a lower price, making them more affordable for families. Some maintained or voluntary providers are able to access significant cash or in-kind subsidies, including cheap or free rent, which allow them to charge very low prices to parents – but this is fairly rare and will not be accessible to most families. In London, the average local authority had 3 holiday clubs in the maintained sector, charging an average of £94 a week, and had 16 private or voluntary clubs charging an average of £143 a week.

**Table 1: Childcare prices in London**

Type of childcare	Average weekly price, London	Hours per week	Source
Breakfast club	£15.65	One hour before school, five days per week	Audit of all primary schools in London
After school club	£55.80	Three hours after school, five days per week	Audit of all primary schools in London
After school childminding	£93.82	Three hours after school, five days per week	Childcare Survey 2019
Holiday childcare	£137.41	Full time	Holiday Childcare Survey 2018

<sup>5</sup> Local authorities are not named here. In order to encourage honest and accurate reporting when collecting data for our Childcare Survey and Holiday Childcare Survey, we promise local authorities that we will not publish individual responses.

#### **Box 4: Hidden costs of childcare**

We performed a telephone-based investigation into the availability of school age childcare across four London local authorities, and found that parents could face upfront costs as well as fees for making changes to their bookings. These fees make sense for childcare providers, helping them to get a more stable and predictable income. However, they can mean that parents face barriers to affording childcare over and above the nominal prices described throughout this section.

We were looking for childcare for two primary school age children (aged 6 and 9 years). We found that although few (17%) childcare providers required deposits, they (after school clubs, holiday clubs and childminders) often required payments in advance: at least two-thirds requested this for all types of childcare. The most common requirement was at least one week in advance, with nearly one-fifth requiring payment one month in advance.

Furthermore, parents may face charges for changing their childcare arrangements if they did not give enough notice to their childcare provider. If half-term childcare was cancelled on the day, then the full costs would still have to be paid. For term time cover, around four-fifths required notice of at least a week before, with some requiring notice to be given up to the half term before the childcare was to be cancelled. Most commonly, childcare providers required a notice period of 4 weeks for parents to change their arrangements and avoid incurring extra charges. This could be a significant barrier to childcare for those parents whose shift pattern is not fixed, and who get less than four weeks' notice of when they will be working and therefore when they will need childcare.

## **Conclusion**

Parents in London using an after school club through the term and a holiday club for seven weeks a year will face an annual childcare bill of £3,253 for each school age child. It is worth bearing in mind that parents will often be paying for childcare for more than one child

The school age childcare bill, including term time and holiday childcare, faced by parents in London has increased by a third (34 per cent) since 2008. Taking into account inflation, which has been on average 2 per cent each year, the real price of school age childcare has increased by 9 per cent over the past decade. This increase is driven mainly by the price of holiday childcare, which has risen by twice as much as general inflation since 2008, widening the gap between the bill parents face in the term and in the holidays.

Families in London face childcare prices higher than those in the rest of England; the annual childcare bill facing parents elsewhere in the country is on average £3,046. However, when we take into account local earnings, childcare in London is more affordable than in the rest of England. This is because incomes in London are on average higher than in the rest of the country. A week of term time childcare in an after school club in London costs 9 per cent of the average weekly earnings of an adult working full time, and 21 per cent for those earning the National Minimum Wage. In the holidays, childcare costs in London represent 21 per cent of an adult's average weekly earnings, rising to 48 per cent for those earning the National Minimum Wage.

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## Section 3: Childcare payments and family incomes – does it pay to work?

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Parents are likely to weigh up their childcare costs against their employment income to decide whether it is worthwhile working. Childcare costs increase as parents work more and so need more childcare; this means that the price of childcare can determine not only whether it is worth working, but for how many hours a week. The school holidays are more expensive than during the school term, making them particularly challenging for parents weighing up their income against childcare costs. Support from the Government with these costs can help parents to pay for childcare. However, government support for those on low to middle incomes in the form of Universal Credit leaves parents with quickly diminishing returns to working, leaves parents vulnerable to the month-by-month fluctuations in their childcare bill caused by the holidays, and is not available to some parents who need it. In this section we explore how earnings, childcare costs and government support influence family incomes in London and whether it pays to work.

First, we look at how childcare costs and government support interact to shape family incomes over the course of a month for low to middle income parents of school age children. Then we look at a feature unique to school age childcare: the wide fluctuation in costs faced by parents over a year, as school gives way to half terms and summer breaks. Finally, we describe the situations of parents who cannot access childcare which is Ofsted-registered, or who are left only with the most expensive childcare provider in their area. This illustrates the variety of parents' experiences with childcare and the role of chance parental circumstances in determining whether or not it pays to work for parents with school age children.

Throughout this section, we use the following sources:

- ▶ Childcare prices from our Childcare Survey 2019 and Holiday Childcare Survey 2018
- ▶ Modelling of family incomes which takes into account government support through Universal Credit and Tax Free Childcare.<sup>6</sup>

### 3.1 Does it pay to work?

During the school term, working parents may need wraparound care – childcare outside of school hours – to cover their working day, which usually extends past the 9am-3pm of most schools, especially once travel time is taken into account. We have modelled the income of a London family with two school age children who use an after school club on each day of the week that their parent is working. We present these findings first for single parents, and then for parents who are a second earner in a couple where their partner is already working. The modelling reveals how childcare costs interact with government support to shape parents' incomes.

Some parents may also miss out on the support that is available. Parents of school age children are less likely than parents of younger children to get financial help with paying for childcare from their local authority or employer (DfE, 2018a). Similarly, they are less likely than parents with younger children to be intending to apply for help through Tax Free Childcare, and a significant minority (41 per cent) of parents with school age children remain unaware of Universal Credit (DfE, 2018a).

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<sup>6</sup> Because it is being phased out, we will not discuss Working Tax Credit, which funds up to 70 per cent of childcare costs up to the same thresholds as Universal Credit.

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### **Parents earning the National Minimum Wage**

Sam,<sup>7</sup> a single parent in London, is considering taking up work which pays the National Minimum Wage (NMW), currently £8.21 per hour for over 25s. With two school age children who attend an after school club, Sam will be able to access support with paying for childcare through Universal Credit, which will pay up to 85 per cent of her childcare bill. Sam faces average London prices for an after school club, paying £12 per child for after school childcare each day that she needs it. If Sam works between one and three days per week, her income will increase by more than £7 for each extra hour that she works, nearly the same amount as her post-tax earnings. But if Sam increases her hours to work for four or five days per week, her income will increase by much less for each extra hour that she works – just £1.65 for each hour on her fifth day of the week (see Figure 4).

The reasons that Sam's extra income from working decreases so much as she works more hours is partly to do with how Universal Credit works, and partly to do with her childcare costs. Universal Credit allows claimants to earn up to between £66-£116 a week without reducing their benefits, depending on whether their Universal Credit award contains a housing costs element. Once a claimant's earnings exceed this threshold, their benefits start to taper off for every pound they earn. Whether or not Sam uses childcare, she is protected by this 'work allowance' for the first two or three days of work, meaning that her Universal Credit payment does not decrease as she earns more. Once she exceeds the work allowance, around day three, the amount that Sam's income increases for each additional hour worked falls quite dramatically. Sam's marginal earnings shrink past this point because her Universal Credit payment begins tapering off in line with her higher earnings.

For each hour that Sam works, she has to pay for childcare. This means that Sam's marginal hourly earnings for working are 52 pence lower for every hour worked.<sup>8</sup> This translates into Sam earning a marginal income for working four days per week which is 19 per cent lower than if she did not have to pay for childcare; this increases to a 26 per cent difference for working five days per week. This parent-penalty compounds the issue of diminishing returns to work caused by the taper rate under Universal Credit, and costs Sam up to nearly £20 a week.

In the holidays, when childcare costs are more than double than in the school term, Sam's marginal income on her fifth day of work would be just 99 pence per hour, less than half what she would earn if she did not have to pay for childcare. Sam's childcare costs set her back by up to £40 a week in the holidays.

Sam's example shows that low income parents face diminishing marginal returns to working, which could discourage parents like Sam from working more. If Universal Credit payments covered 100 per cent of childcare costs, instead of 85 per cent, Sam would be up to nearly £20 a week better off in the school term, rising to £40 in the holidays.

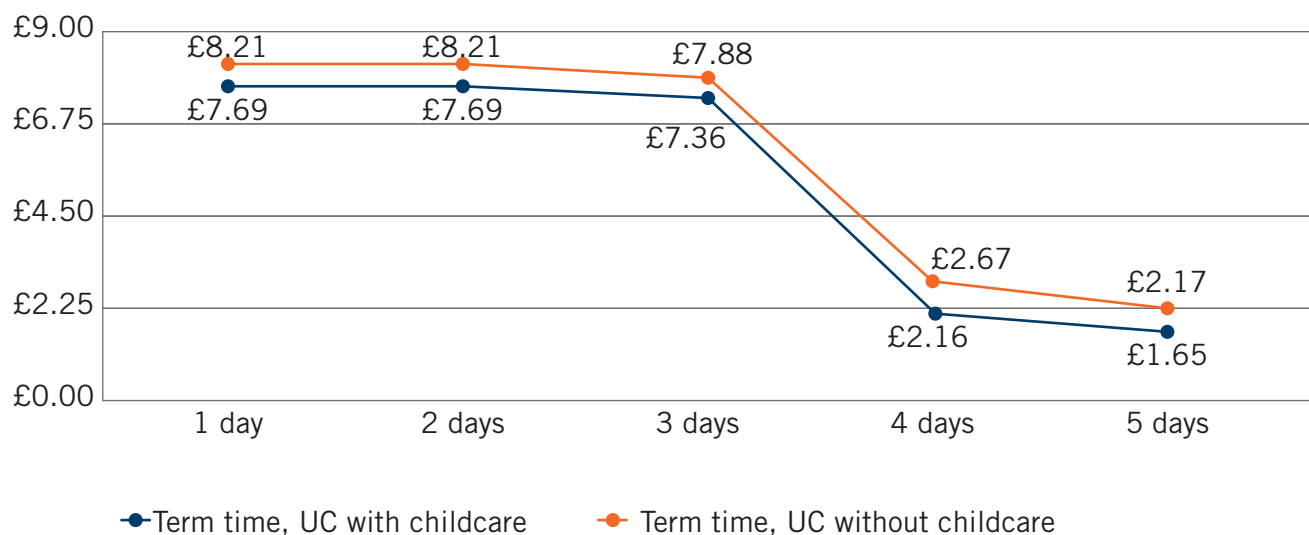
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<sup>7</sup> All references to names are for illustrative purposes only and do not represent actual parents.

<sup>8</sup> This is equivalent to 15 per cent of Sam's childcare costs for each hour that she works, because Universal Credit pays up to 85 per cent of her childcare costs.



**Figure 4: Parent Sam's hourly take-home pay for each extra day per week worked after paying for childcare, earning the NMW and receiving Universal Credit (UC)**



Sources: Childcare Survey 2019, authors' calculations.

Figure 4 shows the marginal hourly rate of take-home pay of a single parent in London, Sam, who has two school age children, by the number of days per week she works. Both lines show Sam's hourly rate after accounting for tax and Universal Credit, but while the higher line represents Sam's income if she did not use childcare, the lower line shows her income when she does. The difference between the lines illustrates how being a parent impacts on the marginal gains Sam receives from working – it is the amount she must spend on childcare for each hour that she works. If Universal Credit payments covered 100 per cent of childcare costs, instead of 85 per cent, this gap would not exist for parents like Sam, who would save up to nearly £20 a week.

Parents we spoke with often mentioned that they saw little to gain from working or from working more hours, because their childcare costs would erode the marginal benefit of working.

*"If I work full time, I'd lose all of my benefits. Basically, I wouldn't be any better off financially because I'd be using my money on childcare. I know so many single parents who have gone back to full time work and they're worse off than they were before."* – **Parent in Camden**

*"Another issue is cost as well; it can be difficult for us to even think about sending them [our children] because we just assume that the costs are going to be so high that we don't look into further information about it."* – **Parent in Barnet**

*"I personally think if I go to work there'll be nothing I earn; and I'll give it away, I'll not keep that money or I'll not save anything."* – **Parent in Camden**

*"As a mother you're not going to be doing a lot of hours. Knowing you're not going to be working a lot of hours then you have to pay for childcare, it's a no-win situation because you lose quite a lot."* – **Parent in Camden**

### Box 5: Parents who made changes to their work because of childcare costs

Several of the parents we spoke to had made decisions to work differently because of childcare, such as working fewer hours, working different hours, or leaving work altogether. One example of a parent changing their working hours was a self-employed mother who had some autonomy over the hours that she worked, but because of childcare costs had chosen to work during school hours only:

*“I only work when the kids are at school so I’ve got less time that I can [work] just because I couldn’t afford – it wouldn’t be worth my while paying for an after school club.” – Parent in Brent*

*“I just do nights now because it’s less money so I’m run ragged but it means there’s less putting that [childcare] on family members.” – Parent in Brent*

Another parent describes returning to work only to leave the workforce because the cost of childcare, combined with the difficulty of arranging it, was too much:

*“I went back to work, I found somebody who would be able to pick up one of my children after school and look after them until I got back from work. But the cost and the logistics, in the end it was too difficult. So we stopped. I do some work from home now. The cost of it, and how much I was earning. I ended up not seeing my children and working almost just to pay for the childcare. So you think, well I might as well [quit].” – Parent in Wandsworth*

More than one parent told us that they had changed their working hours so that they could work night shifts, because they could not afford wraparound childcare and the school hours did not offer enough working time. One parent shared the following routine with us:

*“I would literally wake up in the morning, take her to school, drop her off at school, do what I had to do in the house during the day, go pick her up from school, give her dinner, give her a bath, drop her off at my mum’s in the evening and then I would go to work for the night. Then I would finish work at 7 in the morning, go straight to my mum’s, get her ready for school, get her to school, and then go to sleep.” – Parent in Wandsworth*

Childcare can also affect parents’ decisions about their education or training, and some parents shared their experiences of having to forego their own education because of a lack of affordable childcare. One parent chose her university because of childcare, using one which allowed her to study from home but which she felt offered her less support than if she had been able to attend in person. Another parent has had to postpone taking up her course altogether because of a lack of childcare:

*“I couldn’t find anything [childcare] for my 11-year-old. So I have to drop university and I am still looking for something. I find it so difficult to manage. I worked really hard to get to university, now I’m there I have everything – I have a place – but my children with the cost of childcare and not finding anything for my 11-year-old is so upsetting and depressing. I don’t know what to do.” –*

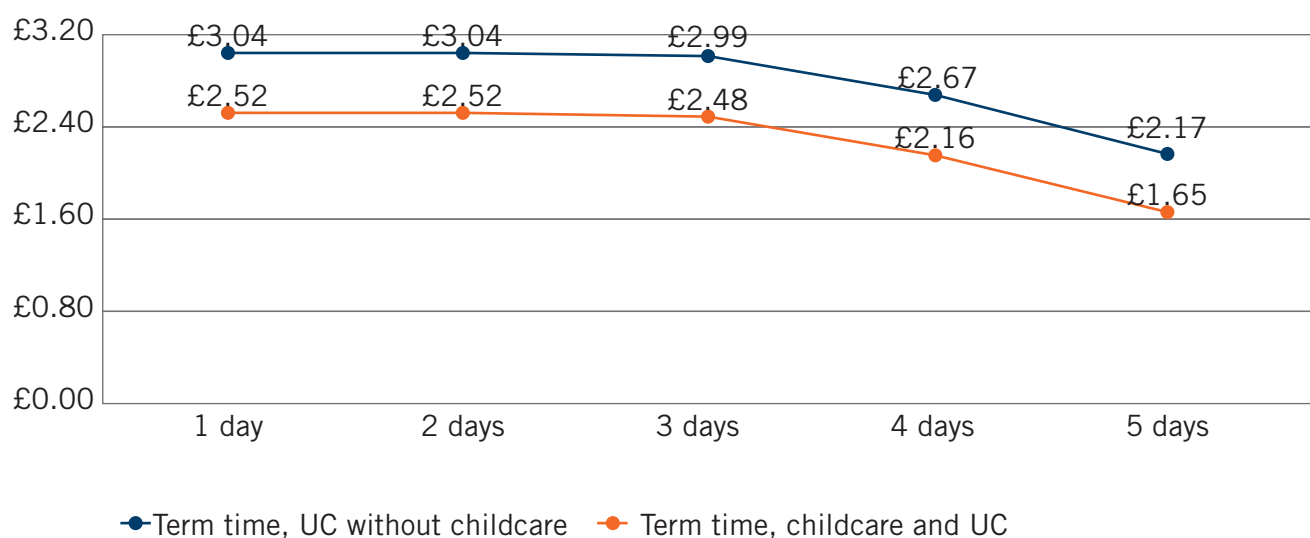
**Parent in Barnet**

Parents in two-parent households whose partner is already in work face even steeper trade-offs between their income and childcare costs. Universal Credit allows claimants to earn up to between £66-£116 a week without reducing their benefits, depending on whether their Universal Credit award contains a housing costs element. Once a claimant’s earnings exceed this threshold, their benefits start to taper off for every pound they earn. This ‘work allowance’ applies at the household level, not the individual level. This means that parents who are second earners in households already claiming Universal Credit have no protective buffer over their earnings before their Universal Credit award is reduced by 63p for every pound that they earn. The family are also likely to have to start paying childcare costs once the second earner starts working, meaning that they are likely to see even lower returns.

As a second example, Ravi, whose partner works for five days a week earning the NMW is thinking of taking up work himself. They have two children who would have to attend an after school club in the school term to fit with Ravi's working pattern, and Ravi pays the average London childcare price, like in the example of Sam previously. No matter how much Ravi works, his marginal income after paying for childcare will not be more than £2.52 an hour, which is 17 per cent less than he would earn if he did not have to pay for childcare. The marginal hourly rate that Ravi earns decreases as he works more, but his childcare costs remain the same, taking up a bigger proportion of his hourly earnings. For working full time, Ravi would earn an hourly rate of £1.65, 24 per cent less than he would earn if he did not have to pay for childcare. This means that childcare costs Ravi up to nearly £20 a week in the school term.

In the holidays, when childcare costs are more than double than in the school term, Ravi's marginal income on his fifth day of work would be just 99 pence per hour, less than half of what he would earn if he did not have to pay for childcare. Changing Universal Credit so that it covers 100 per cent of childcare costs would save Ravi up to £40 a week.

**Figure 5: Parent Ravi's hourly take-home pay for each extra day per week worked after paying for childcare, earning the NMW and receiving Universal Credit**



Sources: Childcare Survey 2019; ONS, 2018b; authors' calculations.

Figure 5 shows the marginal hourly rate of take-home pay of a parent in London, Ravi, who has two school age children and a partner who is already in work, by the number of days per week he works. Both lines show Ravi's hourly rate of earnings after accounting for tax and Universal Credit, but while the higher line represents Ravi's income if he did not use childcare, the lower line shows his income when he does. The difference between the lines illustrates how being a parent impacts on the marginal gains Ravi receives from working – it is the amount he must spend on childcare for each hour that he works. If Universal Credit payments covered 100 per cent of childcare costs, instead of 85 per cent, Ravi would save up to £40 a week.

### Parents on median incomes

Far from an issue faced only by those on lower incomes, the diminishing returns from working is a problem facing parents on middle incomes too. Gabriela is a lone parent, who earns the median London income of £15.90 an hour for full-time workers (ONS, 2018b) and has two school age children. She is eligible for support through Universal Credit, which covers part of her childcare costs. Gabriela's childcare bill is the average for London families: £12 a day per child in an after school club. After receiving Universal Credit and paying for childcare, Gabriela's marginal hourly income from working more will fall from £15.38 for working one day a week to £3.48 for working five days a week, and even less in the holidays. If she were not paying for childcare, her marginal income would not fall as low – Gabriela's childcare costs reduce her marginal earnings at five days a week by 13 per cent, or up to nearly £20 a week.

Lucy, whose partner works full time at the average London salary, is thinking of taking up work too. The job she's been offered pays the same as her partner, the median London income of £15.90 an hour. Just like Gabriela, Lucy's childcare bill is the London average. Lucy is eligible for support from Universal Credit; once this has been taken into account, Lucy's marginal hourly income from working more will fall from £5.37 for working for one day a week to £3.48 for working for five days a week, and even less in the holidays. If she were not paying for childcare, her marginal income would be higher – it is 31 per cent lower when she works for five days a week than it would have been if she were not paying for childcare.

The examples of Gabriela and Lucy illustrate that even for parents on average London incomes and receiving government support, paying for school age childcare can have an impact on the financial gains of working more hours.

### Box 6: The costs of working – not just the price of childcare

For some parents, the costs of working are not only financial (the cost of childcare). The pressures of working can be compounded by childcare which is not always reliable, high quality or trusted, making the trade-off for parents skewed even more against taking up work or increasing hours. In such circumstances, the price of childcare becomes even more of an issue, because the non-financial benefits of employment, such as enjoying your day-to-day tasks and developing an identity distinct from parenthood, can be affected by stress and concern for your child's development.

One mother told us about the difficulties of having a childminder arrive late in the morning, in turn making her late for work. She described feeling 'like a nuisance,' as well as worrying about the quality of the childcare her child received:

*"Why would anyone bother when they know that at the end of the day they are going to get grief or feel like a nuisance and at the same time they feel they are hardly able to keep anything because everything goes to childcare. And also the other side gives you headaches because you can't find good enough one's to make you feel secure [childcare providers, that is]." – Parent in Camden*

*"We should be 100 per cent sure that we are leaving our child with someone we trust, otherwise when we go to work our mind will be distracted like mine used to be." – Parent in Barnet*

Another cost to parents of increasing their working hours can be a loss of flexibility to deal with unexpected situations, such as a school closure or illness – either because the parent is able to move their working hours, or simply because they spend less time at work:

*"I work part time which means I can be flexible maybe if she's ill one day, I can work another day and vice versa. But another thing is I'm better off working part time and being able to have that flexibility." – Parent in Camden*

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### **Tax Free Childcare**

So far throughout this section, we have discussed the impact of childcare costs on family incomes when those families are using Universal Credit. This is because for most families, Universal Credit is more generous than the alternative mode of support available for families with school age children: Tax Free Childcare. While Universal Credit pays up to 85 per cent of childcare costs, Tax Free Childcare pays 20 per cent. See Box 2 for more details about the government support available with paying for childcare.

One way of examining the impact of Tax Free Childcare on the affordability of childcare is to compare the price of childcare a decade ago and now, taking into account the difference that Tax Free Childcare, which was introduced in 2017, has made. While childcare vouchers, an employer-managed scheme which Tax Free Childcare has replaced, may have been used by some parents in 2008, more families are eligible for Tax Free Childcare than Childcare Vouchers. Parents who are self-employed and with employers who did not offer childcare vouchers are eligible for Tax Free Childcare.

As described in Section 2, after school club prices have increased more or less in line with inflation since 2008, while holiday club prices have increased at more than double the rate of inflation. Taking this into account, the real price of after school club prices today is 2 per cent higher than in 2008, and the real price of holiday clubs is 32 per cent higher than in 2008.

Tax Free Childcare covers 20 per cent of childcare costs for working parents. This means that, compared to in 2008, parents who are eligible for Tax Free Childcare face after school club prices which are nearly 20 per cent less, and holiday club prices which are 6 per cent higher. Because the school term is longer than the school holidays, families are likely to use more after school clubs than holiday clubs – this means that the average childcare bill for parents eligible for Tax Free Childcare has decreased since 2008 because of the intervention. However, it must be noted that lower income families, who are likely to struggle the most with childcare costs will not be affected by the introduction of Tax Free Childcare as they will be better off claiming Universal Credit.

## **3.2 Family incomes over the course of a year**

So far we have been describing the experiences of families in a given month, with uniform childcare costs and Universal Credit which is paid in time for childcare bills to be met. But childcare prices are much higher in the holidays, when childcare providers look after children throughout the day instead of before or after school. Universal Credit is a benefit which is paid in arrears, meaning that families receive support with their childcare costs in the month after they pay their childcare bill.

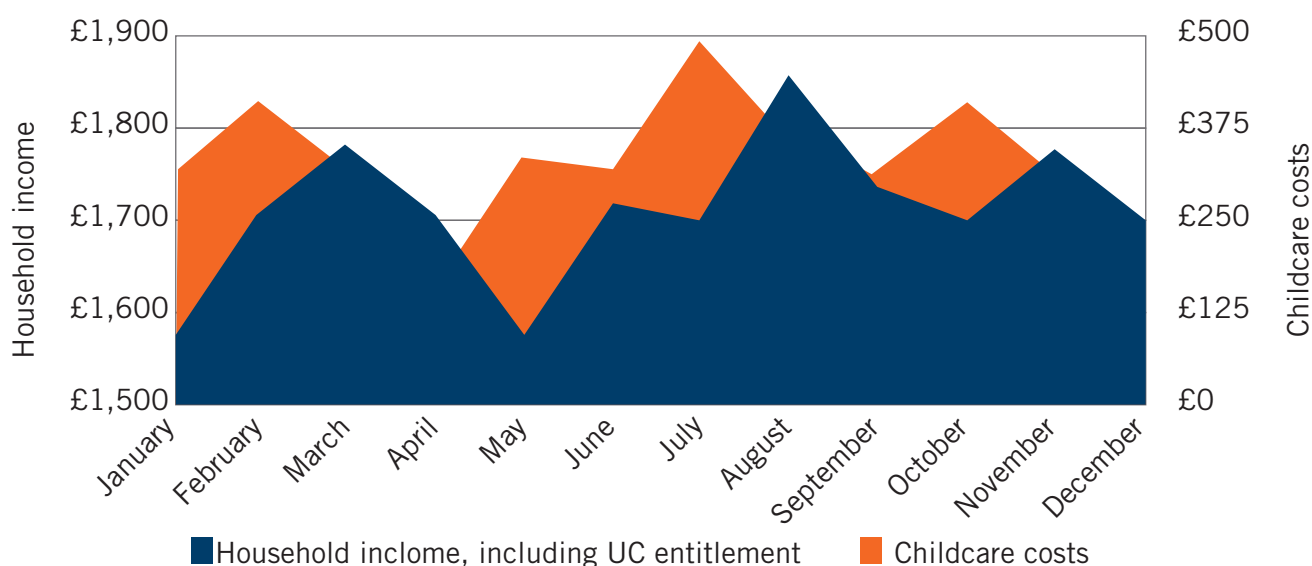
Over the course of a year, families will see fluctuations in their childcare costs as they move between term time and holiday childcare. These fluctuations along with payments in arrears under Universal Credit create tides of advancing and receding family incomes which can destabilise well-managed budgets.

Consider the case of a single parent, Ayesha, who lives in London and works part time (three days a week) earning the National Minimum Wage (NMW). She has two children, who she sends to an after school club in the term and to a holiday club for half of the holidays – in half terms and most of summer, but not over Christmas or Easter. This means that in the term Ayesha pays £36 a week for childcare, and in some weeks of the holidays she pays £82 while in others she pays nothing, because she takes time off work and has family or friends to care for her children.

There is support available on Universal Credit, which pays up to 85 per cent of childcare costs, to help Ayesha cover to smooth out these fluctuations. However, Universal Credit payments are made in arrears, so while Ayesha pays for a holiday club in the February half term, she doesn't get a Universal Credit payment to reflect this until March. This means that Ayesha's income after paying for childcare is nearly £200 lower in February than in March. Over the course of the year, mismatches like this mean that Ayesha's income fluctuates by an average of £171 up or down each month (see Figure 7), depending on the size of the difference in her monthly childcare bill.

For instance, in June, Ayesha pays for an after school club throughout the month. In July, the school term comes to an end, so Ayesha uses an after school clubs for the first half of the month, and a holiday club for the second half. But Ayesha's Universal Credit payment in July is based on her childcare costs in June, which were considerably less. The delay in recognising her higher childcare costs means that Ayesha's income in July, after paying for childcare and receiving support through Universal Credit, is £200 less than it was in June.

**Figure 6: Monthly childcare costs and household income of a single parent earning NMW with two school age children, receiving Universal Credit, over a year**



Sources: Childcare Survey 2019; Holiday Childcare Survey 2018; authors' calculations.

Figure 6 shows Ayesha's household income and childcare costs over the course of a year, while she pays for her two school age children to attend after school and holiday clubs, and receives support from Universal Credit. Ayesha's childcare costs, displayed in orange corresponding to the axis on the right, fluctuate from month to month depending on whether she uses holiday, term time or no formal childcare.<sup>9</sup> Shadowing these costs on the graph is Ayesha's income, corresponding to the axis on the left. Ayesha's income is made up of her earnings from work, which are the same in each month, and a Universal Credit payment which fluctuates in response to Ayesha's changing childcare costs. Because Universal Credit is paid a month in arrears, the peaks and troughs in Ayesha's income follow her childcare costs with a month's delay. This means that, for example, in July, when Ayesha's childcare costs are highest, her Universal Credit payment is based on her childcare costs in June, when her costs were considerably lower.

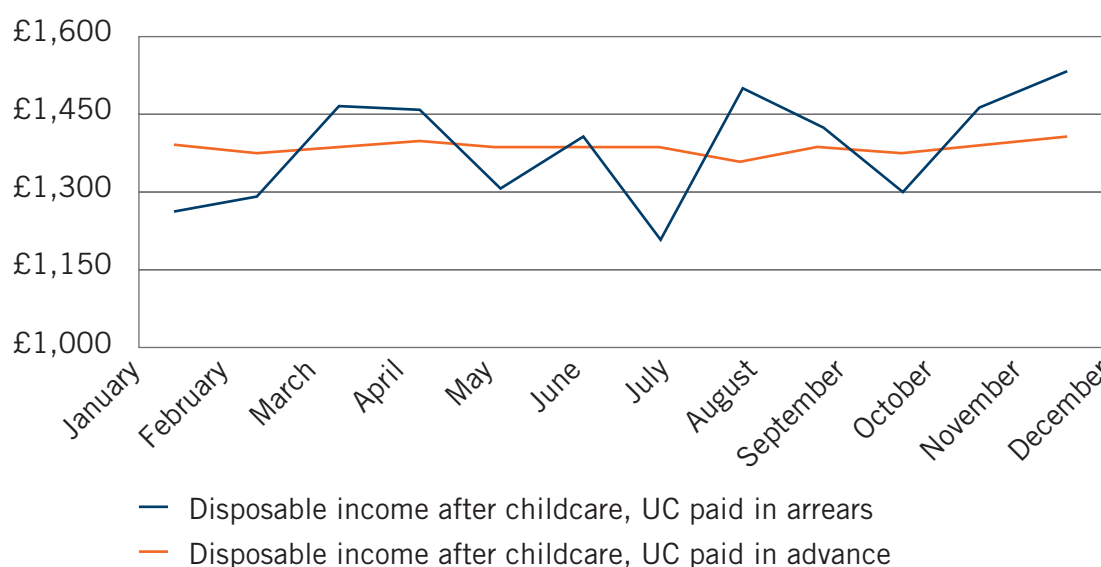
9 For a detailed description of Ayesha's assumed childcare use, see the methodology section.



Combining Ayesha's household income and childcare costs, we get Figure 7 (below) which illustrates the impact of the delay in Universal Credit's recognition of her changing circumstances on her actual income, after she pays for childcare. Looking again at the month of July, when Ayesha's childcare costs were highest, we see that this is when Ayesha's income after paying for childcare is lowest. The misalignment of her childcare bill and her support on Universal Credit leave Ayesha with an income which fluctuates by an average of £171 up or down each month, with changes in some months being as high as £300.

However, if Ayesha received Universal Credit payments in advance of paying her childcare bill each month, her income would be more stable, represented by the orange line. In this scenario, she would only have to face month-on-month fluctuations of £16 on average. This could provide Ayesha with a more stable income, providing her with more certainty about the near future and therefore helping her to manage the family budget and to make decisions about working.

**Figure 7: Household income after paying for childcare of a single parent earning NMW with two school age children, receiving Universal Credit, over a year**



Sources: Childcare Survey 2019; Holiday Childcare Survey 2018, authors' calculations.

### 3.3 The realities of paying for childcare and payment terms

The impact of Universal Credit paid in arrears is compounded by childcare providers requesting deposits or payments in advance. Our 'sample shopper' research into holiday clubs, after school clubs and childminders (81 replies in total across four London Boroughs) provides relevant insight to this. We found that although few (17%) childcare providers required deposits, they (after school clubs, holiday clubs and childminders) often required payments in advance: at least two-thirds requested this for all types of childcare. The most common requirement was at least one week in advance, with nearly one-fifth requiring payment one month in advance.

Furthermore, changing the arrangements would also incur further costs if, for example, the opportunity of changing work patterns or opportunities for a family holiday arose at short notice. For half-term cover from group providers between one and three weeks' notice was required (50 per cent of childcare providers) to cancel. Cancellation on the day still required payment for all five days for 42 per cent of the group providers. Some childcare providers allowed flexibility to change days at short notice, but then charged a higher daily rate.

During the term time, although 13 per cent of the group providers allowed notice for changes to be applied on the day, the remaining 87 per cent required advanced notice between one week and 6 weeks.

For childminders, 63 per cent required advanced notice of up to four weeks before to change half-term cover. Most childminders (78 per cent) required advance notice to change cover ranging from a 'couple of days' to four weeks in advance. However, it should be noted that childminders tended to be more flexible than other providers in which hours of the day they would provide childcare.

One parent shared her experience of having to pay for childcare which she could not use. Her experience highlights how paying for childcare can be a tricky issue for both parents and providers, with children's preferences and experiences being unpredictable:

*"I tried to use a children's centre and signed my son and my daughter up. But the second day they didn't want to go! I don't know whether it was other children there or the staff, they were just really uncomfortable. So I had to ask family to help. And I paid for the whole week and I just missed out. When you go and explain to them, look I can't force my children to come, they wouldn't give the money back."* – **Parent in Camden**

Another parent described having to pay upfront fees for childcare, and how this could be a barrier for parents taking up work:

*"For quite a lot of my friends who are single mums as well, they can't afford the childcare – the upfront fees – before they're in work, but they have to confirm the childcare before they can work. It's just the chicken and egg problem getting into it. Once you're in a pattern, it's fine."* – **Parent in Wandsworth**

Having to pay for childcare up front can make it harder for parents to move into work, leaving parents with a childcare bill before they get paid. Similarly, increasing working hours can be difficult if it means there is a big gap between when a parent has to pay a higher childcare bill and when they get paid reflecting the longer hours they are working. For example, a parent who has to pay for childcare one month in advance, and who gets paid one month after beginning work, will face a two-month gap between their childcare bill and getting paid. When Universal Credit is paid in arrears, it does not help to plug this gap, meaning that parents may struggle to afford to take up work because of childcare costs.

#### **Box 7: Parents' views of Government support with paying for childcare**

Some of the parents we spoke to had experience of using the Government's support schemes to help pay for childcare. While many were positive about the support, which can make childcare 20 per cent less expensive if a parent is eligible for Tax Free Childcare, or up to 85 per cent less expensive if they are eligible for Universal Credit, parents shared some issues with accessing it.

One parent said that she was unsure whether or not she was eligible for support, and what was on offer. Universal Credit and Tax Free Childcare are both means-tested benefits, which means that parents are only eligible for support if they meet certain conditions, such as working a certain amount or having a certain income. To add another layer of confusion, Tax Free Childcare has arrived as Childcare Vouchers are being phased out and Universal Credit is gradually replacing support available through tax credits. While this could be a positive change in the long term, because more people are eligible for Tax Free Childcare than were eligible for Childcare Vouchers, which rely on an employer offering them, in the short term this could be causing confusion among parents.

*"The voucher scheme, I'll be honest, I couldn't get my head around it. A lot of the girls I work with use that, and no one seemed to know who was entitled and who wasn't. It was never clear who was entitled, so I never used the vouchers."* – **Parent in Wandsworth**

In one focus group, three parents had experience of receiving government support with childcare costs but felt it was insufficient. Two of these parents also had experience of not being able to access their support, because their children were using childcare which was not registered with Ofsted.

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### 3.4 Paying the full childcare bill: childcare which is not registered with Ofsted

Throughout this section, we have been exploring the impact of childcare costs on families who are eligible for and receive government support with paying for childcare, through Universal Credit or Tax Free Childcare. However, some parents who need help with paying for childcare are not eligible for, or are unaware of, the support that is available. For these parents, childcare costs have a much greater impact on family incomes, as earnings from work must be traded off against the full costs of childcare.

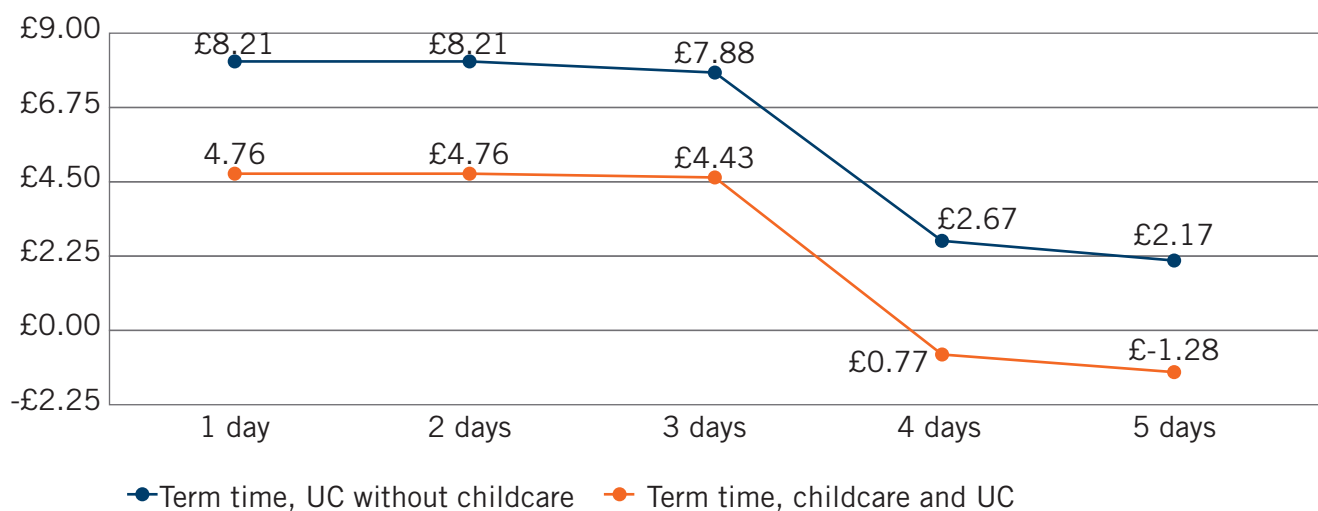
Families may not be eligible for government support with childcare costs because their childcare provider is not registered with Ofsted. Those families who cannot access Ofsted-registered childcare – for instance, because it is fully booked, or because their child's preferred childcare setting is not Ofsted registered – may struggle to make work pay.

Connor is a single parent with two children aged 8 and 10. He wants to take up work, but the only after school club with space for his children is not Ofsted registered. This means he cannot claim Universal Credit or Tax Free Childcare to help with his childcare costs. Left with no other options, Connor enters his two children with the provider and starts a part time job, working three days a week at the National Minimum Wage. After paying the average London price for an after school club, Connor will earn a marginal hourly rate of less than £5 for the first three days per week he works, just over half what he would earn without childcare costs (see Figure 8, below). For the fourth and fifth days each week that Connor works, his total income after paying for childcare will fall for each hour that he works.

The primary reason that Connor's marginal earnings diminish as he works more is that his Universal Credit payment changes in response to his increased earnings, but he is receiving no support with his childcare costs. However, as illustrated by Figure 8, Connor's childcare costs make a significant difference to his gains from working, pushing them into negative returns. Because Connor cannot get support with paying for childcare, he has to bear the full brunt of his childcare costs for each hour that he works, illustrated by the difference between the two lines in Figure 8. For parents like Connor, with two school age children, working more than three days a week simply does not make sense.

In the holidays, when childcare costs are more than double than in the school term, Connor will find that for each hour that he works on the fifth day of the week, he will be worse off by £5.68.

**Figure 8: Parent Connor's take home pay for each extra day per week worked after paying for childcare, earning the NMW but not receiving Universal Credit**



Sources: Childcare Survey 2019; Holiday Childcare Survey 2018, authors' calculations.

### 3.5 When your chosen provider is full: the impact of using childcare providers with the highest prices in the local area

Not all families will be able to get their first choice of childcare provider – in fact, as described in Section 4, most London local authorities do not have enough school age childcare in their area for all families. Some parents may be left only with the most expensive childcare to choose from, which very quickly becomes unaffordable, or providers that do not match their children's interests.

In the holidays, childcare costs are already considerably more expensive – the average price of a full time holiday club in London is more than twice the price of an after school club. Throughout this section, we have focused on the childcare costs that working parents face for the majority of the year – after school care costs. In this section we will explore how the most extreme childcare costs – holiday club costs in the most expensive local club – would affect the incomes of those parents left without another option.

Parents in London who are left with no choice other than the most expensive local holiday childcare provider will be left with a weekly bill of £44 per day per child (Holiday Childcare Survey 2018), compared to average costs of £27 per day per child. For low to middle income parents (those earning National Minimum Wage or median wage) in receipt of support through Universal Credit, having to pay the highest childcare costs in their area would mean that they would be worse off working for any more than three days a week. Even families with higher incomes would find that they are better off working less if they had to pay these high childcare costs. A single parent earning at the higher tax bracket (£50,000 a year) would find that they would be worse off working any more than three days a week.

Universal Credit covers up to 85 per cent of a family's childcare costs up to a limit of £300 a week for two children. However, working for more than three days a week while paying the highest childcare costs would leave a parent with costs which exceed £300 a week, meaning they have to pay the full amount over this threshold. This results in parents being worse off working for more than three days a week.

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## Conclusion

In this chapter we have explored how childcare costs interact with families' incomes, including financial support they receive through the benefits system. We have shown that parents earning low to middle incomes face work incentives which quickly diminish as they work more, as their Universal Credit payment tapers off and they face rising childcare costs. Our modelling illustrated that increasing the proportion of childcare costs that Universal Credit covers to 100 per cent instead of 85 per cent would help to eliminate the parent-penalty of increasing costs on top of reduced benefits for working more hours.

The childcare costs faced by families with school age children fluctuate over the course of a year as holidays, which are costlier, arise in varying lengths. Our modelling shows that families on Universal Credit will find that their income after paying for childcare remains exposed to these fluctuations, which can even be exacerbated due to payments on Universal Credit being made in arrears. This illustrates that moving Universal Credit payments so that they are paid in advance to cover families' childcare bills would help to give families a more stable income, which can help them to manage their budget and plan for the future.

Finally, we illustrated the impact on families' incomes of not being able to access financial support with childcare costs and of facing the highest childcare costs in their local area. In each case, families would find that their childcare bill is so large compared to their earnings that their total income would actually be less if they worked than if they did not. This is due to high childcare costs cancelling out the financial benefits of working while their Universal Credit payments were reduced in response to their working more hours.

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## Section 4: Is there enough school age childcare? Are parents blocked out of work by gaps in availability?

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### Introduction

For many families, finding childcare can be far from straightforward. In London, as elsewhere in the country, whether there is a suitable childcare place available locally will depend on a variety of factors, such as where they live and how old their children are. In the term time, finding a breakfast or after school club will depend on the particular school that a child goes to, as will how long those clubs are open for and how much they cost.

In this chapter, we explore whether there is enough childcare for the children who need it, and where the biggest gaps exist. We explore how childcare provision in London compares with the rest of England, and take a detailed look at what primary schools across London are offering to examine variation across the region and illustrate the challenges that different families will face.

In this section, we use evidence from the following sources:

- ▶ Our Childcare Survey 2019 and Holiday Childcare Survey 2018
- ▶ An audit of childcare provision for all primary schools in London, including the cost and availability of before and after school care
- ▶ Findings from a sample shopper exercise in four London local authorities
- ▶ Focus groups with parents in six London local authorities
- ▶ Surveys of parents conducted by the Department for Education (2017; 2018)
- ▶ Interviews with five local authority staff at four London local authorities.

### 4.1 How much childcare do families use?

Families can use either formal or informal childcare. Formal childcare is provided by the local authority, school or a private, voluntary or independent provider. Informal childcare is typically provided by family, neighbours or friends.

#### Childcare use across England

How much childcare families use is heavily influenced by the age of their child or children. In the early years, the vast majority of families use some kind of childcare. As children get older, they tend to use less childcare. The proportion of children using some kind of childcare in the first years of primary school (ages 5 to 7) is 74 per cent; this drops to 47 per cent of children aged 12 to 14. While children become less likely to use formal childcare as they get older, the amount of informal childcare (from grandparents or friends) that families use remains relatively stable as children age.

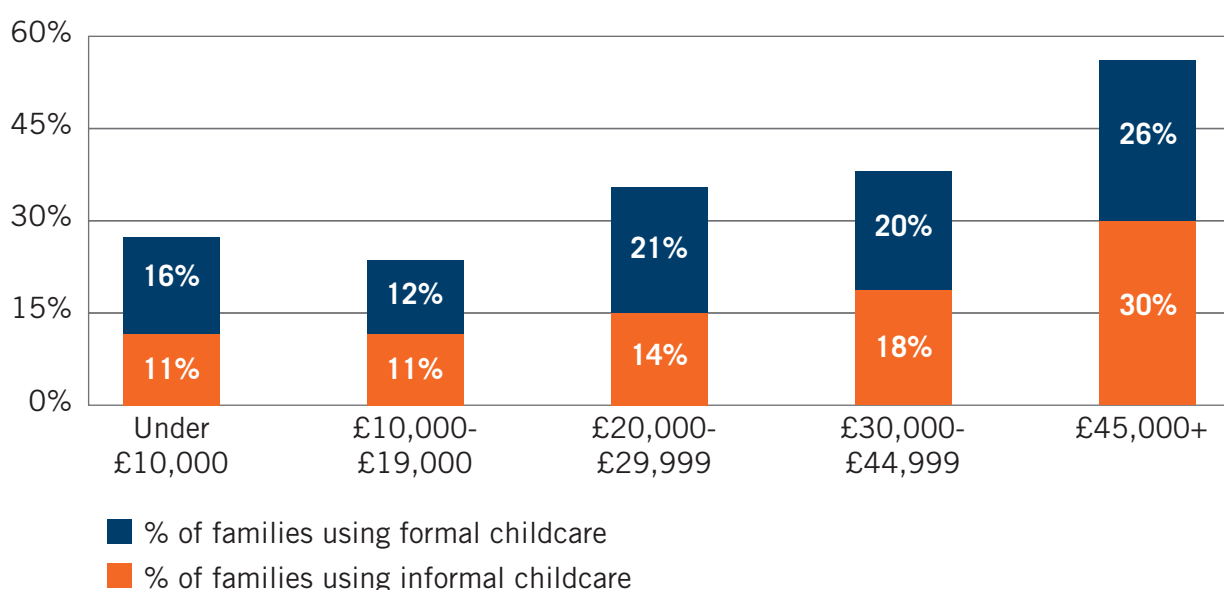
There is a big difference in the proportion of children using childcare in the school term and the holidays, with children being more likely to use childcare during term time. Two thirds (64 per cent) of parents of school age children use some form of childcare in the term time, compared to a third (33 per cent) in the holiday (DfE, 2018a). Some 51 per cent of parents use a formal provider in the term time compared to 20 per cent in the holidays. The proportion of parents using informal childcare is more consistent between



the term time and the holidays (26 per cent vs 20 per cent). The most common informal provider in both periods is grandparents (15 and 14 per cent respectively).

Use of formal childcare in the holidays is more common among families with higher household incomes (see Figure 9). Some 11 per cent of families with an income below £20,000 use formal childcare during the holidays, rising to 30 per cent of families with an income above £45,000. Use of informal holiday childcare also increases with family income.

**Figure 9: Proportion of families with school age children using formal and informal childcare by household income**



Source: Department for Education (2018a), *Childcare and early years survey of parents*.

Families with more children are less likely to use formal holiday childcare: 22 per cent of parents with one child use formal childcare in the holidays, 24 per cent of parents with two children do, but only 10 per cent of parents with three or more children do.

### Childcare use in London

Families in London are less likely than families in the rest of England to use childcare during the holidays. Though they are more likely to use formal childcare than families in the rest of England, families in London are less likely than families in any other English region to use informal childcare. While 22 per cent of families in London use some kind of formal childcare in the holidays (20 per cent of families across England), only 13 per cent of families in London use informal childcare in the holidays (20 per cent in England). This could perhaps be due to the higher proportion of individuals in London who are migrants than in other regions, leaving parents with fewer family members to offer informal childcare (The Migration Observatory, 2018). Being unable to access informal childcare can make the costs of working higher by increasing the costs of childcare. We heard from several parents who were unable to rely on friends or family for help with childcare, making daily living difficult:

*“There’s been experiences where I’ve had to ask family. I’d have to ask my mum but my mum passed away so I don’t have anyone like that, my sister works. When you’re in that situation, you can’t necessarily just afford emergency childcare, it’s very expensive.”* – Parent in Wandsworth

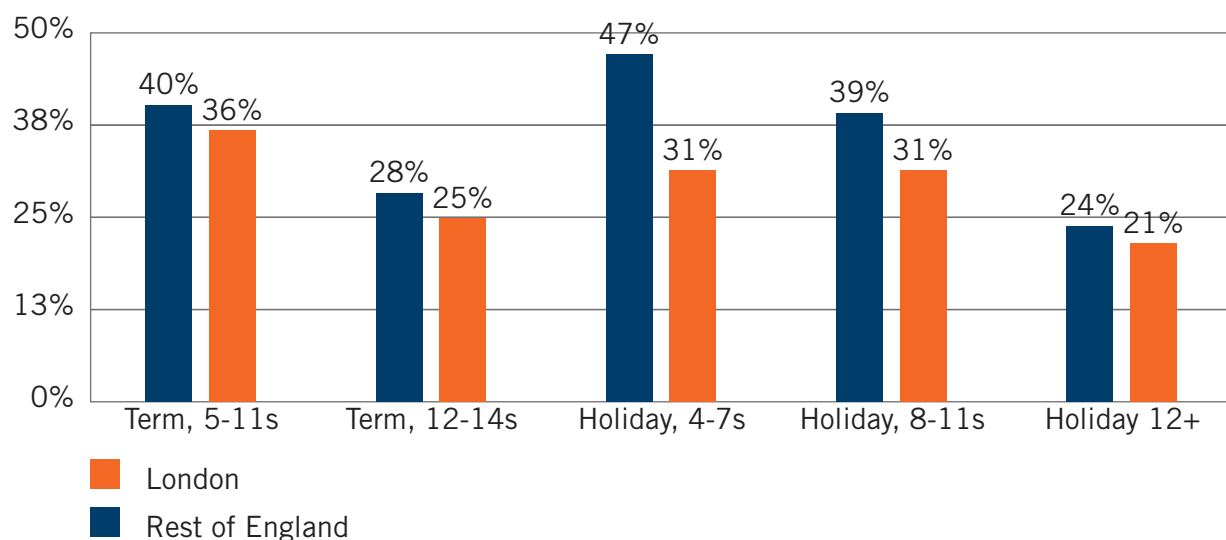
*“I’m stuck, even to pop down the shops I wouldn’t have it any other way but I’ve got to bring her with me to get my hair done. I haven’t got anyone.”* – Parent in Wandsworth

## 4.2 Is there enough childcare?

Every year, Coram Family and Childcare surveys all local authorities in Great Britain to find out about the price and availability of childcare. In this section, we describe what local authorities in London report when it comes to availability of childcare for school age children.

In the school term, 36 per cent of local authorities in London report having enough childcare across their local authority to match the needs of children aged 5 to 11 (see Figure 10). There is an even bigger gap between supply and demand for older children, as just 25 per cent of local authorities in London say they have enough term time childcare for children aged 12 to 14. For both of these categories, areas outside of London in the rest of England are slightly more likely to have enough childcare for the children who need it (40 per cent and 28 per cent respectively).

**Figure 10: Proportion of local authorities with enough childcare in all areas of their local authority, by group of children and time of year, London and rest of England**



Sources: Childcare Survey 2019; Holiday Childcare Survey 2018.

In the holidays, the proportion of local authorities in London who report having enough school age childcare varies between 31 per cent for the youngest children (aged 4 to 7) and 21 per cent for the oldest (aged 12 and over). This makes children aged 12 and over the group who face the biggest shortages in school age childcare.

For all groups of children, availability of childcare for school age children in the holidays is better in the rest of England than in London. This is especially clear for children in the first years of primary school, for whom 31 per cent of local authorities in London have enough childcare compared to 47 per cent in the rest of England.

The Department for Education's Childcare and Early Years Survey of Parents also provides an insight into parents' experience of finding holiday childcare. Across England, a quarter (25 per cent) of parents with school age children who have used holiday childcare say it is difficult to arrange (DfE, 2017). Families with a higher household income are more likely to say that it is easy to arrange holiday childcare than those with a lower household income (DfE, 2018a).

The Department for Education's survey of parents also sheds some light on what barriers to accessing childcare families face. Of those parents who said that they had difficulties arranging holiday childcare, 35 per cent said that it was difficult to afford, 24 per cent said that holiday clubs did not fit with their working hours, and 22 per cent said that there are not many places or providers in their area (DfE, 2017).

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Among the parents we spoke to, it was common to hear that finding childcare in the holidays is harder than in the school term. From childcare not covering the six weeks of summer or even the working day, to what's on offer not matching with children's ages or preferences, parents expressed frustration at trying to find something suitable.

*"I find with holiday care, the hours are really weird, they're not hours you work. [A local holiday club] was 10-4 or something which means I have to work a shorter day and make up the time another time so you're paying for it and it's not particularly convenient."* – **Parent in Camden**

*"If I'm really honest, I dread the six weeks' holidays because there are clubs out there but they just don't cater for all three [of my children] together [who are a mix of ages and needs]."*

– **Parent in Bexley**

*"I think there are holiday clubs around but there's not enough good quality. And then the ones that are quality are really expensive."* – **Parent in Lewisham**

It also became clear from speaking to parents that some families find it harder to find suitable childcare than others. For instance, families with more than one child, especially when those children are separated by a large age gap, or have different preferences about what they want to do at a holiday club. Older children were generally felt to be particularly hard to find suitable childcare for, partly because children's preferences tend to become stronger and more diverse as they age, and partly because parents felt that there was not enough childcare out there for older children. The widest gaps appeared to be in the availability of childcare for children with a special educational need or disability. Parents with older children felt there should be more childcare offered for this age group, with the most common suggestion among parents being youth clubs.

*"Youth clubs – slightly supervised but allow them to socially interact and be silly because in secondary school they've been in school all day long and they don't want to be in another class environment, what they want is to be able to be silly somewhere and show off a bit or whatever, but with some guidance."* – **Parent in Lewisham**

*"My two girls are only 20 months apart so they can go to most of them together, but there was a time when one was in the over five bracket and one was in the under-five bracket, so that can be harder because you can't send them to the same place. You've got to send them to two different ones and spend all your time going to the two different ones as well."* – **Parent in Brent** *"I find as he's got older, he's not happy to go to a summer camp, that sort of stuff, 'cause he wants it to be more individual, somewhere he has choice and freedom."* – **Parent in Wandsworth**

Some holidays are more difficult for parents to afford than others. Many parents mentioned the summer holiday, which typically lasts six weeks, often describing dreading the summer and the amount they have to pay. Other difficulties can arise locally. For instance, one parent told us that her daughter's school saved up a number of INSET days and ended term a week before other local schools. This left parents at this school without as many holiday childcare options, making it harder to find and afford childcare.

*"I tend to take leave and a bit of unpaid leave, use family as well. He can now go to summer clubs but there's only probably one or two that are able to take him."* – **Parent in Wandsworth**

*"I have five kids so two of them go to running club in the morning; over there is age restricted so key stage 1 children can't go but key stage 2 children can go."* – **Parent in Camden**

*"With all the gun and knife crime, I don't want my children on the street. You should provide some more affordable schemes now so that we know what we're doing in the holidays ... There's no one at home, parents can't afford to be at home. And this is 11 and 12 year olds we're talking about; vulnerable children who have just left primary school."* – **Parent in Wandsworth**

### Box 8: Childcare for children with SEND

Our Childcare Surveys and focus groups both found significant gaps in the availability of childcare for children with a special educational need or a disability (SEND).

The parents we spoke to highlighted some more specific gaps for children with SEND, such as childcare providers who provide care for different levels of need, so that parents whose children require different levels of support can attend the same setting. While holiday play schemes were viewed as useful for children without SEND, they were rarely felt to be suitable for children with SEND. This was either because the activities they offered were not suitable (e.g. not everyone can take part in physical sports) or because the staff were viewed as lacking sufficient skills or experience, and were often inconsistent from one week to the next meaning they were not familiar with the individual needs of children.

*“Most of the holiday clubs are for able-bodied children. As soon as they’ve had a meltdown or can’t cope with something, it’s ‘Come pick them up.’ But if you’re working, you can’t just drop it to come pick them up.” – Parent in Bexley*

*“There’s plenty of them [sports clubs] but kids who don’t like sports, there’s nothing for, is there?” – Parent in Bexley*

*“It’s all or nothing with childcare. You can either have a childminder, but you might only need them in the holidays and a lot of childminders don’t just do holidays, or you might need a holiday club but they don’t deal with special needs children and they’re much more expensive.” – Parent in Bexley*

*“Four times in the last year, they [after school club] the staff there have been temporary staff and they haven’t known he’s autistic. He’s also got a neurological condition and they didn’t know about that. So he said he’s got a headache and they were like, ‘Never mind, he’ll be fine’ whereas actually you need to ... headaches because they have implications.” – Parent in Wandsworth*

*“Schools are used to dealing with these children. They’re in familiar surroundings ... it almost needs to be done by the teachers who have the experience.” – Parent in Bexley*

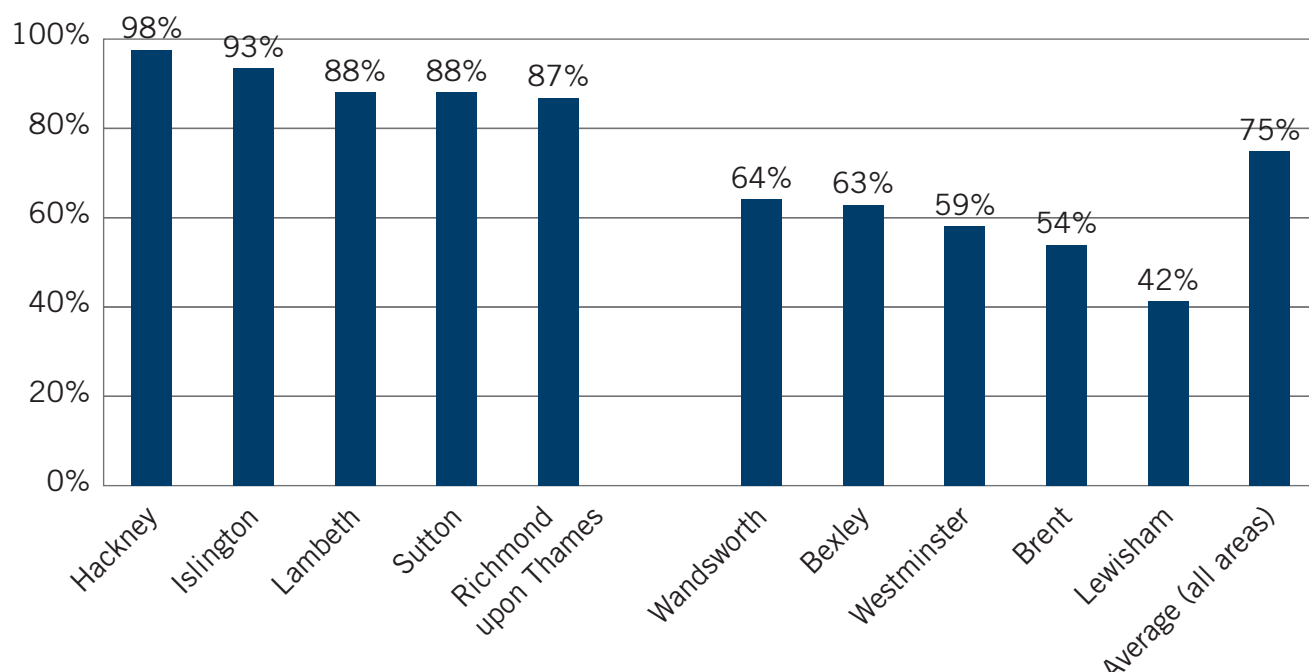
## 4.3 Schools in London and the wraparound care they offer

From our audit of 1,812 primary schools across London, we found that 75 per cent offered breakfast clubs and 61 per cent offered after school clubs. The availability of breakfast and after school clubs showed some marked variations by local authority, school type, Ofsted rating and by a small number of socio-demographic features of the pupil intake. These will be presented in turn.

### Variation by local authority in London

There is varied provision across the local authorities in providing breakfast clubs, differing by over 50 percentage points. The lowest levels of provision are in Lewisham (42 per cent) and Brent (54 per cent). The highest levels of provision are in Islington (93 per cent) and Hackney (98 per cent). Figures 11 and 12 show the local authorities with the five highest and five lowest levels of availability of breakfast clubs, compared to the average London figure.

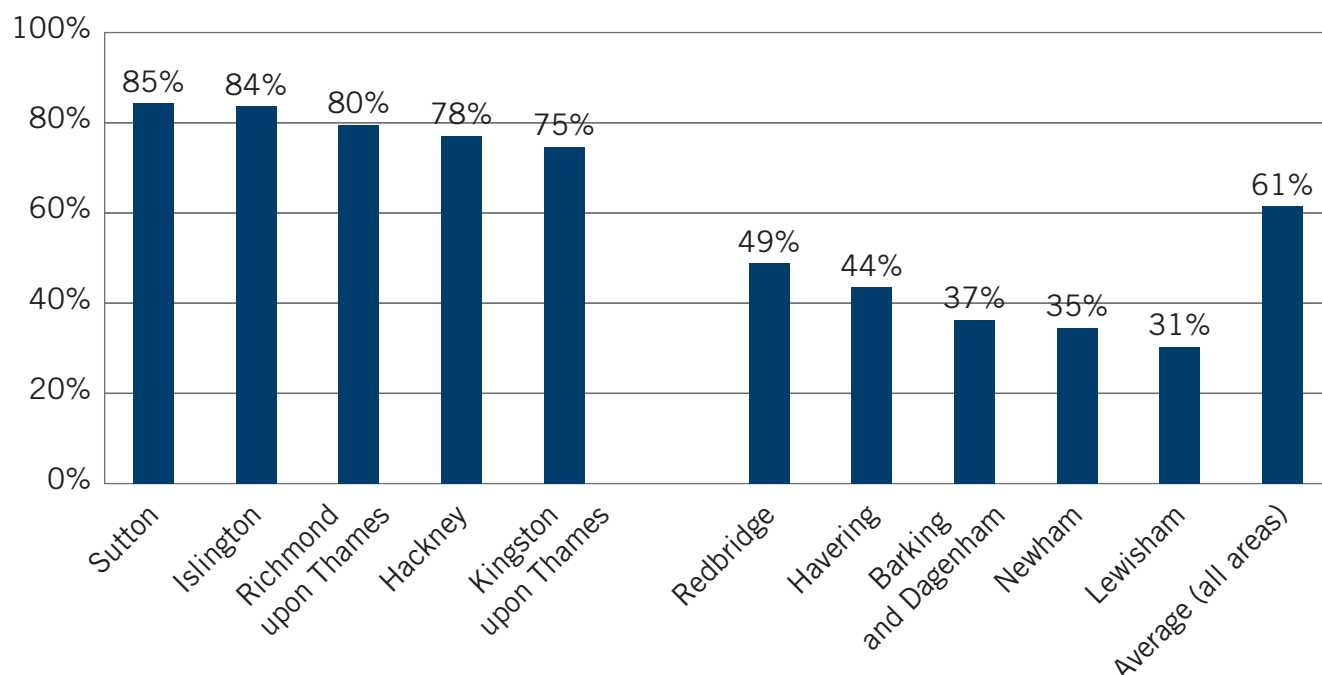
**Figure 11: Percentage of schools offering a breakfast club, by local authority - 5 local authorities with the highest and 5 local authorities with the lowest levels of availability**



Source: Audit of all primary schools in London, authors' calculations.

Similar to breakfast clubs, there is wide variation in the provision of after school clubs (by over 50 percentage points). Only 31 per cent of schools in Lewisham provide after school clubs as do 35 per cent in Newham (see Figure 12, below). By contrast the highest levels of provision are in Islington (84 per cent) and Sutton (85 per cent):

**Figure 12: Percentage of schools offering an after school club, by local authority - 5 most availability and 5 least availability**



Source: Audit of all primary schools in London, authors' calculations

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### **Variation by school type**

We compared the availability of breakfast and after school clubs in primary schools in London by type of school. Of school types – community (local authority-run) schools, academy schools, and voluntary schools – community schools are most likely to offer a breakfast club (78 per cent), and voluntary schools the least likely (69 per cent). The trend is similar but less pronounced for after school clubs; 64 per cent of community schools offer an after school club, compared to 56 per cent of voluntary schools. As well as being the most likely to offer wraparound care, community schools offer care which charges less than at other types of school. The average price of a breakfast club at a community school in London (£2.89 per hour) is lower than at academy schools (£3.25 per hour) and voluntary schools (£3.48 per hour).

### **Variation by socio-demographic features of school pupils**

From the full list of primary schools in London, and details of the wraparound provision offered or advertised by each, we sought to explore if there are any differences between those schools that offer wraparound care and others that don't. To do this, we looked at whether there was anything about schools and their pupils that was associated with the existence or price of wraparound care provision. That is to say, certain facts about schools may be more common among those that offer breakfast or after school clubs than those that do not. The direction or causation behind these correlations cannot be assumed.

Overall, there were a few important observations from the data as follows:

- ▶ Schools with a higher proportion of children in receipt of free school meals were more likely to offer a breakfast club.
- ▶ Schools with a higher proportion of children whose first language is English were more likely to offer an after school club.
- ▶ Schools with higher proportions of pupils at school who had English as their first language and those who were from White British or Asian ethnicity were more likely to have breakfast clubs which were open for more hours per day. By contrast, schools with a higher proportion of pupils eligible for free school meals and whose first language was not English were more likely to have breakfast clubs of shorter duration, perhaps suggesting their key aim was around providing a nutritious meal rather than childcare.
- ▶ Schools with a higher proportion of pupils at school who were White British and those who had English as their first language were more likely to have after school clubs which were open for more hours per day. By contrast, those who had a first language other than English and those in receipt of free school meals were more likely to have access to shorter after school clubs at their school.

## **4.4 Parents' views: local, affordable, high quality, enjoyable**

Many of the parents we spoke to shared experiences of finding it difficult to find suitable childcare in both the term time and the holidays. For some parents, a childcare place was available, but it was unaffordable, or they did not think it was high enough quality, or their child did not want to attend. Some 13 per cent of parents using a formal childcare provider in the holidays are not happy with the quality of childcare available to them in the school holidays (DfE, 2017).

School age childcare can be more varied than its preschool equivalent, because it caters to a wider range of children's ages and preferences and does not have a set curriculum to follow. This can make it harder to find suitable childcare, as a local provider may have a place, but it may not suit the age or preferences of your child.



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For families to be able to find childcare that works for them locally, they need to have at least one high quality childcare provider in their area which provides age-appropriate childcare for their children. Often, because children's preferred activities differ by age and individual circumstance, it is helpful for parents to be able to choose between several providers. However, for parents to be able to access childcare it can be important that they can use the same setting for all their children to avoid multiple drop offs and collections – this can mean that larger providers which cater to a range of different age groups and preferences can be more accessible for parents.

A central theme that ran across all the discussions we had with parents was how important the quality of childcare was. This was most clear for those parents who would be earning a lower income from working, for whom the marginal gains of working were less, and so the quality of the childcare they used was imperative to make working worth it. What quality entails for school age children varied between parents, based on a range of factors such as children's ages and preferences, and to what degree parents wanted their children to be active or creative; to focus on education or socialising. However, some common themes arose which suggest that high quality school age childcare involves a variety of activities, physical and creative, supported by experienced, trained professionals and supportive peers.

Some parents thought that after school clubs should focus on child development, including providing an environment conducive to social and emotional learning.

*“It's not just a question of doing the homework and feeding them. Ideally you want somebody who is also going to talk about issues at school, someone who is genuinely nurturing. Support them with whatever issues they've had. Emotional support as well.” – Parent in Wandsworth*

*“For me I need to know that my child is spending purposeful time there. I want them to maximise their potential.” – Parent in Camden*

*“It is about the social development as well as the physical and academic. If I know they are looked after that way, I wouldn't mind spending my time doing other stuff.” – Parent in Camden*

Thinking about holiday clubs, some parents thought that it was important for children to be able to engage in activities tailored to their interests.

*“I took my son to a holiday day camp. One of the things that was really nice is that they did have a lot of flexibility in terms of what he did. So although they do say tennis at this time and they did different things sort of for different age groups, as they saw his interests after the first day they said, ‘Oh you're really interested in archery, that's what you like.’” – Parent in Camden*

*“I don't want my child to spend every day of the holidays playing out in the playground. I want them to go out and experience things.” – Parent in Lewisham*

*“They're [school clubs] sporty: it's tennis or cricket. There's no arts and crafts. [My son] is like yeah he loves the outdoors, running round. [My daughter] is like I'm not running round at that time in the morning, it's too cold! She'd be in and bake bread or help in the breakfast club – she'd rather do that.” – Parent in Brent*

*“If they had clubs for specific ages, I wouldn't mind so much. But I sent my six year old daughter to a club where there weren't any other kids her age – they were 14, 15.” – Parent in Lewisham*

Schools were often viewed as trusted providers of childcare. This was due to a combination of factors, including parents being familiar with the staff and the school grounds, children not having to travel to a different setting and being among familiar peers.

*“You trust the school. The teachers are there.” – Parent in Camden*

*“And the kids know who they’re with. If you take them to a different place they might not know who they’re with.” – Parent in Camden*

*“Like you said with your little girl that she wouldn’t feel confident going [to a new club] in the summer with new faces whereas if it was something that ties together with school with the leaflets, that she knew her friends are going to.” – Parent in Brent*

*“In school, there’s more of a community feel. Cause if they are in school, they might know each other or have brothers or sisters from other year groups.” – Parent in Lewisham*

#### Box 9: Sample shopper research – looking for childcare

We performed a telephone-based investigation into the availability and cost of school age childcare across four London local authorities: Bexley, Brent, Southwark and Camden. We telephoned 159 childcare providers (51 holiday and after school clubs and 108 childminders), and were able to get through to 81 (51 per cent) after calling three times. We explained that we were looking for childcare for two primary school age children (aged 6 and 9 years). We sought information about the availability, costs, and terms of payment of childcare for the February half-term and for school term cover.

- **Term time childcare:** 58 per cent of the childcare providers we spoke to had places available for the following term. Of these, 91 per cent of after school clubs and 45 per cent of childminders had places available. Those childminders which did not have available places were often booked out until September, when they expected to have more availability.
- **Holiday childcare:** 48 per cent of the childcare providers we spoke to had places available for the upcoming half term. Of these, 70 per cent of holiday clubs and 41 per cent of childminders had places available.

The fact that a lower proportion of childcare providers had places in the holiday than in the term could be due to the half term approaching slightly sooner, or that families tend to plan for the holidays further in advance, or it could signal a lack of supply in the holidays. Childminders were less likely to have available places, which could be due to the fact that childminders tend to look after a smaller number of children than group providers, reducing the chances that any given childminder will have two available spaces.

The figures described above cover area-wide samples of childcare providers, and do not capture the experiences of an individual family looking for childcare in their local area. Accordingly, our findings illustrate patterns of availability, but family experiences are likely to vary between areas.

## 4.5 Finding out about and trusting childcare

Many of the parents we spoke to in focus groups expressed feeling under informed about the childcare that was on offer locally. Some parents also discussed finding it difficult to trust childcare providers, which often appeared to be linked to not having enough information about them – specifically, no reliable indicator of quality. A common source of both information about local childcare options and trust in those providers cited by many parents was word of mouth.

The most common sources of information about childcare that parents cited included recommendations from other parents, either verbally or via social media such as Whatsapp and Facebook, information from their school and internet searches. Some parents described using their local council’s website, but it was not very common and parents’ views on how helpful they had found it were often mixed.

*“In my head, the council wouldn’t be the first place I’d go. I think I’d go on mumsnet and childcare.co.uk or something like that.” – Parent in Lewisham*

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*“There probably is more out there but then there’s that thing about familiarity – my daughter’s the most precious thing to me in the world, I’m not just going to leave her in a club down the road that I’ve heard about.” – Parent in Brent*

*“If schools were aware of what’s going on in their local borough, and could share a list of the places that are available to you.” – Parent in Bexley*

Parents often described having the most trust in the reviews of fellow parents and friends. Without this – or despite it – some parents found it difficult to trust childcare providers to look after their children.

*“There were childminders I went to see at their houses, but my husband didn’t agree to send them to a home we don’t know about. They were registered with Ofsted and everything, but I wasn’t comfortable enough to send them.” – Parent in Barnet*

*“I think personally, word of mouth from someone else I know would help me to trust childcare. Even if they had all those 5 star ratings and all that stuff on their website that wouldn’t convince me.” – Parent in Barnet*

*“I prefer to use word of mouth cause if you get a recommendation then you know it’s a good place. I’m a bit wary about just going online and picking somewhere.” – Parent in Lewisham*

## Conclusion

In this section we explored whether there is enough childcare for the children who need it, and where the biggest gaps exist.

We described research by the Department for Education which finds that two thirds of families use childcare during the school term, compared to a third in the holidays. Families in London are less likely than families in the rest of England to use informal childcare during the holidays, which could increase the costs of working for families in London by making them more reliant on formal childcare.

Surveys of local authorities showed between a fifth and a third of local authorities in London report having enough school age childcare for all the children who need it in their area. Despite childcare use declining as children get older, gaps in the availability of childcare are more pronounced for older children, in the term time and in the holidays. London has bigger gaps in childcare provision than in the rest of England for school age children of all ages.

We described the experiences of the parents we spoke to; the particular issues they had faced in finding childcare and what they would like to see improve. The experiences of these parents suggested that some families find it harder to access suitable childcare than others – for instance, those with more than one child, with older children, and with children who have a special educational need or disability. They also suggest that there are significant gaps in the information that parents have about the childcare on offer, and that plugging these gaps would help parents to trust local providers.

We took a detailed look at what primary schools in London are offering, and found a great deal of variety between different local authorities and between different types of school. While 75 per cent of primary schools in London offered a breakfast club, this ranged from 42 per cent in Lewisham to 98 per cent in Hackney. Similarly, while 61 per cent of primary schools offered or advertised an after school club, this ranged from 31 per cent in Lewisham to 85 per cent in Sutton. Local authority-run schools were more likely than academy and voluntary schools to offer wraparound care, as were schools with a higher Ofsted rating.

Finally, in a sample shopper exercise, we found that only half of the childcare providers we contacted across four local authorities were contactable within three phone calls. Of those we spoke to, 58 per cent had places available for the following term and 48 per cent had places available for the upcoming half term.

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## Section 5: What are local and national governments doing to address gaps in childcare?

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In this section we describe some of the responses that local and national governments have made to try to plug the gaps in the provision of childcare for school age children. These examples provide some ideas for how solutions could work in London to improve the childcare market for families. We begin with a review of the perspectives of four local authorities in London, before describing a selection of specific interventions.

There are many examples of charities which provide childcare, either as voluntary sector providers of school age childcare, or through holiday feeding schemes which focus on tackling holiday hunger and sometimes offer childcare for short periods. Because we are focused on consistent childcare for working parents, we will not cover these interventions. However, we recognise the tremendous impact of voluntary sector childcare providers, and recommend that they remain a key part of the solution to address gaps in childcare, and that local and national governments continue to work with them to this end.

### 5.1 Local government

#### **Local authority perspectives**

We interviewed local authority staff at Westminster, Bexley, Barking and Dagenham, and Camden. The focus of the conversations was on the availability of childcare for school children, the reasons behind this, and possible solutions to improve availability. Some key themes emerged.

Local authorities shared with us some concerns about their local childcare markets for school age children. Not all local authorities shared the same view, nor did any one particular concern stand out as the most pressing across all four areas. However, some of the issues raised by local authority staff are likely to be shared by other areas across London; these are shared below.

Some local authorities said that there have been reductions in childcare provision in recent years, including cuts in what the council is able to provide. For example, cuts to council youth clubs and play services have affected availability. One local authority said that a number of private providers have opened up recently but are more expensive than those previously available and run by the council.

Some local authorities had pockets in their local area where there was not enough childcare available. One local authority said that a number of the 'big providers' do not operate in some areas where families tend to have lower incomes, leaving these families without childcare.

A couple of local authorities said that they had difficulty getting providers to engage with and cooperate with the local authority. It can be beneficial for providers and the local authority to communicate – local authorities can guide parents to local providers, helping parent, provider, and local authority, but only if they have good information about those providers. Providers may not share their opening times with the local authority, making it more difficult for the local authority to inform parents. A staff member at one local authority said that they are now only involved with settings which are on the Early Years Register, and that in response to this, some childcare providers have removed themselves from the early years register to avoid the hassle.

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Concerns were raised about the availability of childcare for 11-12 year olds, who are too young for youth services but often lack access to alternative provision. Some of the biggest gaps in childcare provision were also viewed as children with special educational needs or disabilities (SEND). These perceptions fit with what parents told us, and with our wider research on availability.

The variety of clubs and activities was felt by some to be insufficient for the range of children's interests and abilities. For instance, subsidised sports clubs are available in one area but not suitable for all children, while there are few other activities like arts and crafts.

Local authority staff each made some recommendations about how to reduce gaps in access to childcare for school age children, shared below. Similar to the concerns above, not all recommendations were made by all local authorities, and no local authority subscribed to them all.

- ▶ Central and local governments should more actively promote the financial support available to parents and the childcare entitlements to make sure parents are getting the support they are entitled to.
- ▶ Central and local governments should recognise that school, without breakfast and after school clubs, does not cover a working day.
- ▶ Central and local governments should ensure that children have the option of a 'classic after school club', rather than doing different activities every night which can be tiring.
- ▶ Schools should not only offer reception children 'phased starts', where settings close for home visits or inductions, sometimes for weeks at a time. These can make it difficult for parents to plan work, and schools should offer alternatives for working parents.
- ▶ Central and local governments should increase awareness among parents of the Right to Request wraparound and holiday childcare and the use of school premises (ultimately helping parents to work).
- ▶ Local authorities and schools should ensure that school grounds are being utilised in the school holidays.
- ▶ Central Government should increase funding for local authorities to enable them to manage their local childcare markets, including subsidising high quality childcare.

### **Case study: Camden**

Camden appears to stand out in their proactive approach to making school age childcare available and affordable. When we spoke, in summer 2018, they were not aware of any significant waiting lists for school age childcare in their area. The local authority operates a community-based hub model, where the majority of school age childcare is provided by the voluntary sector. Most primary schools are linked up with after school clubs, with breakfast and holiday clubs, with ferrying between settings done by voluntary organisations where necessary.

The local authority opens up council-owned premises for private and voluntary providers to operate out of. Low rents can support supply, while council premises often offer a range of good facilities, improving quality and meaning that settings tend to be suitable for children with special educational needs or disabilities.

The local authority operates a concessionary fee structure, based on family incomes, helping to make childcare more affordable for lower income working families. The local authority subsidises providers which sign up to this fee structure, which all do.

Child characteristics which our research identified as being related to bigger gaps in childcare availability – such as children being older or having a special educational need or disability – did not appear to affect availability in Camden. For older children, the local authority has a 'Summer University' which is aimed at children aged 13-19, and the interviewees said that provision for children with SEND is good.

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The local authority provides business planning support to school age childcare providers, as well as training in basic health and safety and first aid as well as specifically around caring for children with SEND. There are low turnover rates of staff in many of the providers operating in the community-based hub model, possibly as a result of this.

There remain concerns, for example around the quality of some childcare and the availability at particular times of year like the Christmas holiday. However, the approach in Camden appears to provide a useful example of how a local authority can support local childcare provision for school age children.

### **Improving access with a Childcare Deposit Loan Scheme, Greater London Authority**

In 2017, the Greater London Authority (GLA) introduced a childcare deposit loan scheme across all its organisations – such as Transport for London and the Metropolitan Police. The scheme provides parents with an interest-free loan to help them to cover the upfront costs of childcare. Some parents have also used it for deposits for holiday childcare to manage the cost fluctuations between term time and holiday costs.

The GLA has produced a guidance document to try to encourage other employers to support their employees by making childcare more accessible.

While this scheme, if widely rolled out, could support many families to manage the advance payments required by many childcare providers identified by our research, it relies on parents not being self-employed, and having a participating employer.

## **5.2 National Government**

### **Right to Request holiday childcare in England**

The right to request wraparound and holiday childcare was introduced in September 2016 for England. It was designed to encourage schools to make more use of their existing facilities by:

- ▶ enabling parents to request that the school their child attends considers establishing wraparound or holiday childcare, and
- ▶ enabling childcare providers to request to use school facilities for wraparound or holiday provision at times when the school is not using them.

We asked local authorities in England what impact the policy was having on their local childcare market – once in 2017, and again in 2018. We found that overwhelmingly, local authorities thought the policy was having no impact on the sufficiency of the supply of holiday or wraparound care in either year, with between 50 and 60 per cent of local authorities saying it had no impact, compared to between 3 and 7 per cent of local authorities who said it was having a positive impact.

In interviews with local authority staff for this project, one said that parents in their area did not appear to be aware of the right to request. This may be unsurprising: an internet search for ‘right to request childcare’ brings up only two relevant documents: guidance for schools on how to implement the policy from the Department for Education, and a document summarising that guidance from Coram Family and Childcare. Searching the gov.uk website does not bring up anything other than this guidance related to the policy, so parents may be forgiven for having not heard about it. Another local authority employee we spoke to said that those parents who are aware of the policy can struggle to gather a group of parents who would all use the service and successfully lobby for change.



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The Right to Request childcare policy puts the onus on parents or childcare providers to lobby their local school to provide childcare or offer the school facilities for other providers to do so. Parents who are in need of childcare are often strapped for time, with some of the parents we spoke to for this project saying they lacked the time required even to search for locally available childcare, let alone to organise a convincing formal request to their local school. The lack of publicity of this policy has further stalled its impact.

### **Free Breakfast Initiative in Wales**

In 2004, the Welsh Government introduced a Free Breakfast Initiative in primary schools with the aim of improving the health and concentration of children (Welsh Government, 2014).

Since 2013, local authorities have had a statutory duty to provide free breakfast on each school day for pupils at schools it maintains if the governing body of the school makes a request to the local authority for it to do so.

Breakfasts provided by the local authority must be free of charge, provided on school grounds, and available before the start of the school day, as well as complying with healthy eating regulations.

It is estimated that 96 per cent of primary schools in Wales now have a breakfast club (Kellogg's, 2014), compared to the 75 per cent of primary schools in London identified as offering breakfast clubs as part of this project.

### **Funding for charity provision in Scotland**

The Scottish Government has recently increased its budget to tackle food insecurity (a lack of access to enough affordable, nutritious food) during school holidays – from £500,000 last year to £2 million in 2019-20. £340,000 of this will go to six charities that offer children nutritious meals and a place to play and socialise when schools are closed for the holidays this year (Scottish Government, 2019).

While the emphasis is on tackling holiday hunger, this could help to close gaps in childcare provision during the holidays and provide children from low income families with a range of benefits. The funding will go to charities which provide breakfast, healthy snacks and a hot lunch, as well as a range of games and activities during the holidays.

It is not clear what age range of children the funding will provide for, nor how long or how frequently the provision will be open for.

### **Extra support for disadvantaged children in the holidays in England**

The Department for Education recently announced a £9 million programme, inviting organisations across England to bid for a share (DfE, 2018b). Following a similar £2 million programme in the summer of 2018, the funding is to be used to provide holiday clubs for pupils eligible for free school meals during the 2019 summer break.

In 2018, with a smaller pot of funding, the programme supported more than 18,000 children over the summer. There are approximately 1.1 million children eligible for and claiming free school meals in state-funded schools in England (DfE, 2018c).

The programme aims to deliver on the Department's ambition for every child to reach their potential, and to build on work to shrink the attainment gap in schools.

It has not yet been announced which organisations will receive funding. Recipients of funding for last year's programme included StreetGames, which brings sport to disadvantaged children, and OnSide Youth Zones, which runs a network of clubs for young people to socialise, take part in enriching activities and learn new skills.

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## Section 6: Recommendations

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Our research finds that many parents struggle to find and afford childcare for school age children and that this is affecting their choices about whether and how much to work. Based on our findings, we have identified best practice and policy solutions to increase the supply of affordable, high quality school age childcare that works for families.

### 6.1 Affordability of childcare

The cost of childcare, particularly during the expensive school holidays, means that parents may see low marginal gains from working or working more hours, even with support from Universal Credit or Tax Free Childcare. Universal Credit makes working while paying for out of school childcare substantially more affordable than without it, by paying for up to 85 per cent of childcare costs. However, there are areas where Universal Credit could be improved to make work pay for more families. The Department for Work and Pensions should make the following fixes to Universal Credit:

- ▶ **Switch to upfront payments** so that families with school age children who face fluctuating childcare costs between the school term and holiday periods can get help with paying for childcare in time to pay their bill. This will help to provide a more stable income for families with school age children.
- ▶ **Raise the childcare element of Universal Credit from 85 per cent to 100 per cent of eligible costs** to improve the financial incentive for parents paying for childcare to work or work more hours.

### 6.2 Availability of childcare:

Our research finds gaps in the childcare offered by schools in London, and a desire among parents to be able to access more childcare in schools, which are often highly trusted and convenient for parents, as well as offering children the familiarity of the setting and their peers.

In the longer term, we concur with previous calls (CPAG, 2018) in recommending that:

- ▶ **Dedicated funding for extended schools, working in collaboration with voluntary and private sector providers, should be made available by the Government**, with a view to providing a basic guarantee of provision to all school age children in term time and the holidays, offering a variety of different enrichment activities for children. Ring-fenced funding for extended schools should be used by local authorities to enable schools to offer wraparound care, or should be directed towards local voluntary sector providers and used to subsidise ferrying services between settings, depending on the local context.

**In the shorter term:**

- ▶ **Government should strengthen the ‘right to request’ policy so that it tackles the persistent gaps in school age childcare provision.** This should include better support to schools around assessing and responding to requests and setting up on-site childcare and providing better information for parents on making effective applications.
- ▶ **Local authorities should open up council-owned premises for private and voluntary providers to operate out of**, support good relationships between schools and providers, and subsidise ferrying services between them.

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- ▶ **Government should introduce inclusion funding for school age childcare.** It is clear from our research that children with a special educational need or a disability (SEND) are among the least likely to be able to access suitable childcare. Introducing inclusion funding – money available to childcare providers to support children with SEND – for school age children could help to increase the number of childcare providers who can offer care for children with SEND, improve the quality of childcare, enable parents to trust providers, and offer parents respite or the opportunity to work.
  - ▶ **Government should prioritise making sure there is enough year-round childcare for the groups that currently face the biggest shortages:** 12 to 14 year olds and disabled children.

## 6.3 Quality of childcare

A central theme that ran across our discussions with parents was the importance of the quality of childcare. What quality entails for school age children varied between parents, based on a range of factors such as children's ages and preferences, and to what degree parents wanted their children to be active or creative; to focus on education or socialising. However, some common themes arose which suggest that high quality school age childcare involves a variety of activities, physical and creative, supported by experienced, trained professionals and supportive peers.

- ▶ **Central and local government should work with families and childcare providers to build understanding** of the types of provision that appeals to parents and children and supports children's development. This should be widely shared with families and childcare providers to support quality improvement.
- ▶ **Local authorities should provide business planning and training services to school age childcare providers.** This could include basic training such as health and safety and first aid, as well as specific training for caring for children with SEND. As well as improving quality, this could help to improve staff retention and provider engagement with local authorities.

## 6.4 Information about childcare

Many of the parents we spoke to felt under-informed about local childcare options, and some were unaware of or unclear about the support available with paying for childcare.

- ▶ **Local authorities should provide high quality and up to date information for parents on school age childcare.** Statutory information duties on local authorities should be better-enforced, with supporting funding from central government, to ensure that local authorities have the information they need about school age childcare in their area.
- ▶ **Local authorities should work more closely with schools and childcare providers to boost the number of parents they can reach with information about the local childcare offer.** This could include linking up local authority information on local childcare providers with schools' communication with parents (e.g. via school websites).

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## Appendix 1: Methodology

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This report was written by Coram Family and Childcare (previously Family and Childcare Trust) in 2018-19 and funded by Trust for London. The methods employed in its various strands of research are detailed below.

### **Childcare prices over time**

We used two sources to compare the price of school age childcare over time: our Childcare Surveys 2009-19, and our Holiday Childcare Surveys 2008-18.

Over the period 2009-19, between 52 and 93 per cent of local authorities in England and between 55 and 100 per cent of local authorities in London provided data about the price of an after school club. Between 62 per cent and 97 per cent of local authorities in England and between 39 and 97 per cent of local authorities in London provided data about the price of after school childminding.

Over the period 2008-18, between 54 and 95 per cent of local authorities in England, and between 55 and 100 per cent of local authorities in London, provided data about the average price of a holiday club.

### **Modelling of family incomes**

To model the impact of school age childcare costs on family incomes, we used an in-house built model. The model takes into account a family's earnings from work, childcare costs, and eligibility for Universal Credit and Tax Free Childcare and calculates their monthly income.

We assumed that families are paying childcare costs at the average London price, based on findings from our Childcare Survey 2019 and Holiday Childcare Survey 2018.

We based calculations on parents working a 7-hour day and requiring 3 hours of after school club care for each day that they work during the school term, and a fifth of a full time holiday club place for each day that they work during the holidays.

We assumed that families who are eligible for support with childcare costs from the Government will take this up, using the support most beneficial to their income after childcare costs.

We modelled family incomes at three bands of earnings:

- ▶ National Minimum Wage for over 25s (£8.21 per hour, rate from April 2019),
- ▶ Median hourly pay in London of £15.90 (ONS, 2018c)
- ▶ Higher income at the threshold for paying higher rate income tax based on working a 35-hour week - £27.40 an hour.



When looking at how childcare costs and incomes interact over the course of a year, we assumed that parents use an after school club for the 38 weeks of term time, and used a holiday club for 7 weeks of the school holiday. The exact breakdown of holiday childcare use is as follows:

Holiday period	Length	Weeks of formal childcare used
October half term	1 week	1 week
Christmas holiday	2 weeks	None
February half term	1 week	1 week
Easter holiday	2 weeks	None
May half term	1 week	1 week
Summer holiday	6 weeks	2 weeks in July, 2 weeks in August

### **Audit of all state-funded primary schools in London**

We conducted an audit of all state-funded primary schools in London to find out whether breakfast or after school clubs were offered, what their opening times were, and how much they cost.

For each school, we located the school website via an internet search and looked for information about breakfast and after school clubs, recognising that schools use any of a variety of terms to describe these, such as ‘School Clubs’, ‘Extended Day’, ‘Childcare’, or jargon unique to particular schools. Many schools outsource wraparound childcare – especially after school clubs – and these were included where this was mentioned on the school’s website. Schools are legally required to have a website but not all schools provided information about wraparound care.

Many schools have specific activity clubs (e.g. football, drama). We only counted a club as an after school club if:

- ▶ It is available every day, or every day except the Sabbath (a very small number of faith schools do not have Friday after school club specifically because that is their Sabbath day).
- ▶ It is available to all children (or all children above a certain age), even if it has a waiting list.

Clubs may be provided on site by the school, on site by a private provider, on site at another school, or somewhere else. We included any of these so long as there were arrangements for children to get to an offsite venue while being supervised – e.g. if they walk there with a staff member, or if they go in a minibus.

Breakfast and after school clubs often offered a range of times at which children could be dropped off or picked up. Where there were options, we always chose times that were closest to 7:30am drop off for breakfast club and 6pm pick up for after school club.

If there were discounts available for attending for 5 days a week (rather than, say, 3) then we incorporated this discount. We did not include the price of any optional extras (e.g. food or activities). We did not include other discounts such as for siblings, for children eligible for free school meals, or for payment by direct debit.

When schools offered breakfast or after school clubs and listed the opening or closing times, they often did not display the time that breakfast club ended (ie. when school began) or when after school club began (ie. when school ended). To find these, we looked at the attendance policy of the school which often included these times.

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### **Mystery shopping**

We conducted a telephone-based ‘sample shopper’ of two primary school children aged 6 and 9 years to gain an insight into the ‘real-life’ experiences of parents. We sought information about childcare costs and availability from holiday clubs, after school clubs and childminders across two inner London and a further two outer London local authorities: Southwark, Camden, Bexley and Brent. We selected local authorities for geographical and childcare price variation.

We asked providers asked about the February 2019 half-term childcare and term time childcare thereafter. Field work took place from mid-January to early February.

We used local authority directories of childcare providers to gather a sample of childcare providers. For each borough, we sorted childcare providers alphabetically and selected every third provider. We attempted to call a total of 159 childcare providers up to three times each, including 51 ‘group providers’ (after school and holiday clubs) and 108 childminders.

### **Focus groups**

We spoke to 7 groups of parents in six London local authorities about childcare for school age children. The local authorities were Barnet, Bexley, Brent, Camden, Lewisham and Wandsworth. We selected local authorities for geographical and childcare price variation, but our choices were also influenced by factors such as local authority support with set-up.

These included six mixed groups of parents, including those who were and were not currently using school age childcare, and one group of parents of school age children who have a special educational need or a disability.

We were supported by local authorities, schools, children’s centres, childcare providers, parent forums and our own project, Parent Champions, in getting the word out to parents. We offered voucher incentives and travel costs for participants.

### **Ethics in research**

In conducting the ‘sample shopper’ exercise, we followed the MRS Guidelines for Mystery Shopping (2014). This includes specific guidance regarding mystery shopping’s relevance, credibility, brevity, appropriate times of day for calling, and intention to record objective, factual information. For further information, see [www.mrs.org.uk](http://www.mrs.org.uk)

We conducted focus groups and interviews within the British Psychological Society (2018) ethical principles of respect, competence, responsibility and integrity. In invitations for participation, we provided details of the study, enabling people to provide their informed consent for participation. We outlined a number of details at the start of each focus group/interview including how the research will be used; rights to withdraw; who to contact for further information about the research; and management of personal data (including confidentiality, minimisation and anonymisation of personal information, data retention and archiving in accordance with GDPR compliance). Exclusions towards the confidentiality of personal data would apply if there were safeguarding issues. For further information, see [www.bps.org.uk](http://www.bps.org.uk)

In conjunction with these formal ethical standards, we took steps during participation to ensure the discussions were ethically sound. This involved the interviewer or moderator allowing all people to share their views (in a discussion format); recognising potential power imbalances; showing compassion and empathy; and being unbiased and non-judgmental in opinion.

## Appendix 2: Findings from audit of wraparound childcare offered by primary schools in London

**Table A1: Price and availability of breakfast clubs offered or advertised by primary schools in London, by local authority**

Local Authority	Average price of breakfast club per hour	% of schools within local authorities offering breakfast clubs
Barking and Dagenham	£2.48	72.1%
Barnet	£3.37	70.0%
Bexley	£3.99	63.2%
Brent	£2.41	54.2%
Bromley	£4.18	78.2%
Camden	£2.94	80.5%
Croydon	£3.32	78.8%
Ealing	£3.25	72.1%
Enfield	£2.69	79.1%
Greenwich	£3.13	76.2%
Hackney	£1.91	98.3%
Hammersmith and Fulham	£2.93	78.4%
Haringey	£3.32	85.9%
Harrow	£3.71	73.2%
Havering	£3.02	72.1%
Hillingdon	£3.10	76.8%
Hounslow	£3.08	74.5%
Islington	£2.14	93.3%
Kensington and Chelsea	£2.73	80.0%
Kingston upon Thames	£4.99	86.1%
Lambeth	£2.32	88.1%
Lewisham	£2.68	41.5%
Merton	£4.00	81.8%
Newham	£1.65	84.8%
Redbridge	£3.51	68.6%
Richmond upon Thames	£4.72	86.7%
Southwark	£2.91	64.4%
Sutton	£3.85	87.5%
Tower Hamlets	£1.49	82.6%
Waltham Forest	£3.60	72.5%
Wandsworth	£4.08	63.9%
Westminster	£2.52	58.5%
Total / Average for London	£3.13	75.2%

**Table A2: Price and availability of after school clubs offered or advertised by primary schools in London, by local authority**

Local Authority	Average price of after school club per hour	% of schools within local authorities offering after school clubs
Barking and Dagenham	£3.60	37.2%
Barnet	£3.44	57.8%
Bexley	£4.09	56.1%
Brent	£3.56	52.5%
Bromley	£4.29	69.2%
Camden	£3.30	69.2%
Croydon	£3.79	65.5%
Ealing	£3.63	60.3%
Enfield	£3.33	62.7%
Greenwich	£3.50	69.8%
Hackney	£3.07	77.6%
Hammersmith and Fulham	£3.46	59.5%
Haringey	£3.93	64.1%
Harrow	£3.26	73.2%
Havering	£3.94	44.3%
Hillingdon	£3.76	59.4%
Hounslow	£2.93	65.5%
Islington	£3.44	84.4%
Kensington and Chelsea	£3.62	56.0%
Kingston upon Thames	£4.40	75.0%
Lambeth	£3.76	69.5%
Lewisham	£3.39	30.8%
Merton	£4.07	68.2%
Newham	£3.35	34.8%
Redbridge	£4.11	49.0%
Richmond upon Thames	£4.83	80.0%
Southwark	£3.43	56.2%
Sutton	£4.29	85.0%
Tower Hamlets	£3.03	62.9%
Waltham Forest	£3.54	74.5%
Wandsworth	£4.28	65.6%
Westminster	£3.88	53.7%
Total	£3.72	61.4%