Citizens Advice Parliamentary Briefing

Childcare Bill

House of Lords, Second Reading 16 June 2015



The Childcare Bill 2015

Citizens Advice welcomes the commitment to securing extra help for parents with childcare costs. However we have some concerns about how this offer will work in practice. These are set out below:

Eligibility

Key question: Will the eligibility criteria reflect the childcare needs of those seeking work or in training or education?

Without the draft regulations it is unclear which working parents will be eligible for the extra 15 hours of free childcare. It is also not clear how those looking for work, in training or in education, will be treated. To achieve the aim of increasing parents' ability to work, the full journey into work must be accounted for.

Administration

Key question: Who will administer the extra 15 hours support and what requirements will be placed on providers and parents?

Parents and childcare providers can be dealing with the administration of several different sources of financial childcare support. The need to apply for, evidence and maintain a claim for this extra 15 hours support is an extra burden for all parties involved. This is complicated further for parents who have insecure working patterns.

Reflecting the working year

Key question: Will there be any flexibility in the number of weeks that the extra 15 hours offer can be taken over?

The current 30 hours free offer is provided to parents for 38 weeks of the year. This matches school timetables and is in keeping with the current 15 hours of free early education but it does not reflect the needs of working parents. To account for this where possible childcare providers allow the current 15 hours of free childcare to be taken over 52 weeks at a reduced amount of hours per week.

Reflecting working hours

Key question: How will this offer ensure that parents who work outside of school times or who have changing hours of work can utilise the extra free hours?

The current 15 hours of free provision is predominantly delivered through settings which have restricted opening hours and limited flexibility. For many parents this does not reflect the hours that they are required to be in work.

Funding

Key question: How will the funding for the extra 15 free hours be set and delivered in a way that allows providers to offer flexibility to all parents?

The level of funding for current 15 hours of free childcare is seen by many providers as insufficient to cover the costs of delivery. We are concerned that providers are restricting availability and flexibility of the current 15 hours whilst cross-subsidising through paid for provision, potentially increasing the burden on other users.

Information to parents

Key question: Will this bill use the opportunity to provide a system that consistently provides all parents with quality, up to date information about all locally available childcare?

Information available to parents through local Family Information Services about local childcare providers varies widely in quality. There are many

different elements to finding suitable childcare and the lack of basic information like availability and price can lead to parents spending too much time looking for childcare or even not finding suitable childcare when it is available.

The childcare challenge

Restricting parents' working lives

Our new research, due to be published next week, reveals that the challenge of finding and maintaining affordable childcare is restricting parents' working lives.

The research, based on in-depth interviews with 20 working parents, finds that any changes to work or childcare arrangements can prove costly.

Impacts on working parents can include:

- Having to work fewer hours, leading to decreased household income.
- Damage to long term career goals as progression at work is held back.
- Strain on relationships if friends or family are asked to step in and look after children at the last minute.

The number of people turning to Citizens Advice for help with early years provision has doubled to almost 1,200 in the last year.

Opportunities for employers to be more supportive

The report also highlights the opportunities for employers to be more supportive of working parents who face an inflexible childcare market. Where possible allowing parents to adjust their working hours or days, or work some hours from home can help them to find and retain the childcare they need.

<u>Previous analysis of the childcare market</u> by Citizens Advice in July 2014 showed that:

- 24 per cent of childcare providers do not offer parents the Government's 15 hours' free provision (46 per cent of childminders).
- 3 in 4 providers do not provide evening or weekend care.
- 40 per cent of childcare providers do not have a space available.
- 9 out of 10 childcare providers expect payment in advance.

Contact us

For more information please contact:

Toby Brown / 03000 231 236 / toby.brown@citizensadvice.org.uk

Sarah Pope / 03000 231239 / sarah.pope@citizensadvice.org.uk

Or visit our website, citizensadvice.org.uk