

Annual Childcare Report

January 2013



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Childcare - The Myths Dispelled



As a working dad of one (with another on the way) I can vouch that choosing childcare is undoubtedly one of the toughest decisions you will ever have to make and being in the business makes it no easier. We speak to parents daily and the same issues pop

up time and time again; what type of care is best for my child? Should I go back to work? Can I afford it?

The 2013 annual childcare report is compiled to help you to demystify childcare, the costs, the availability and the barriers that we face. Real parents from every walk of life have helped us to address the issues surrounding the choices we make.

The internet and frugal living in times of recession have really changed our lives, more and more services are now available online. We are no longer in the 1900's and demand a far greater degree of control over our life choices, and when it comes to childcare it's like our coffee. We want options; a French speaking, ballet dancing, housekeeper with extra pep or a motor sporting manny with excellent cookery skills. It's online services like Findababysitter.com that empower you to find your Mary Poppins, because who doesn't want a childcare professional that's practically perfect in every way?

Tom Harrow

CEO, Findababysitter.com

METHODOLOGY

Included data is from a national omnibus survey of 1001 parents with at least one child aged ten or younger. The survey was carried out between the 14 -19th November 2012.

In addition to the omnibus survey, Findababysitter.com also performed its own independent online survey of 27 parents and 355 childcare professionals.

The survey was carried out between the 3rd - 5th December 2012.

Childcare is Still a Major Concern in UK

Nearly forty years ago, a group of parent campaigners met together in London, to call for affordable childcare. Their activism led to the National Childcare Campaign, the predecessor organisation of Daycare Trust, and to pressure on successive governments for high quality affordable childcare. Much has been achieved since they met in the early 1970s; we have financial support for childcare through tax credits, Sure Start and we have 1.6 million nursery places in England, compared with just 59,000 in 1990. Family friendly work practices have become more accepted. But despite these advances, Daycare Trust still believes that finding affordable, flexible and high quality childcare is still a problem for many families in the UK, a view that is supported by the latest Findababysitter.com research.



Despite a major expansion in childcare places and the requirements of the Childcare Act 2006 which obliges local authorities in England and Wales to ensure that there is sufficient childcare for working parents, some parents still struggle to find childcare. Parents of school-age children and those with atypical work patterns are among the families who have the greatest difficulty finding childcare.

“ The high cost of childcare is a further barrier to mothers returning to work. ”

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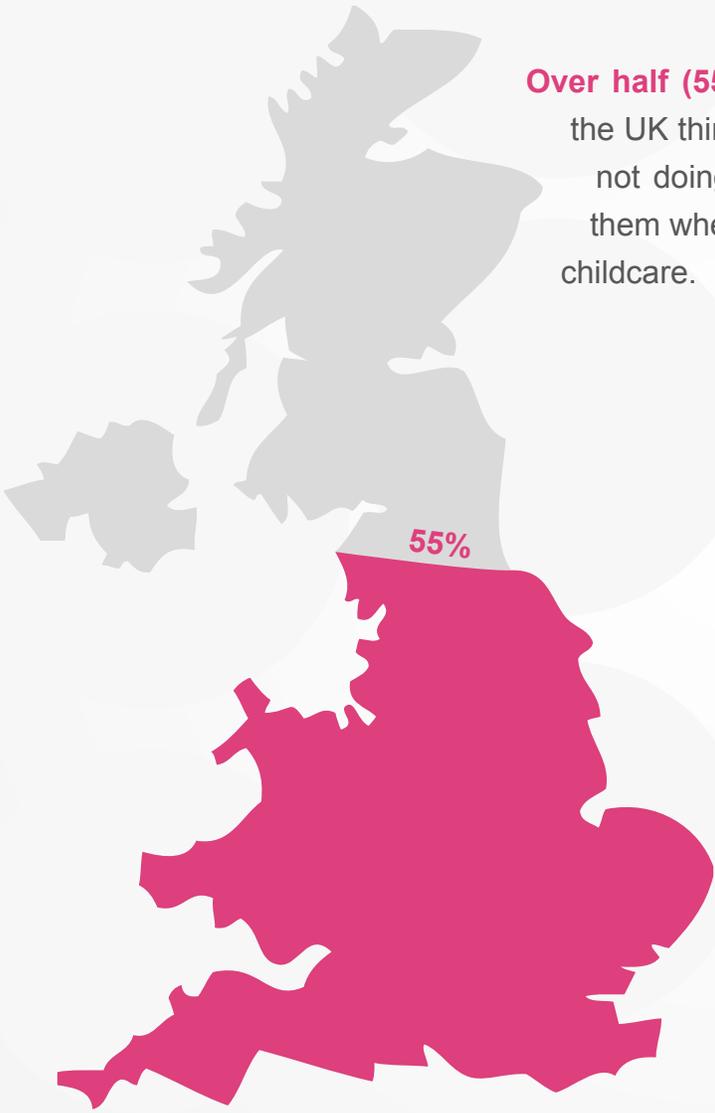
The high cost of childcare is a further barrier to mothers returning to work. Daycare Trust's 2012 Annual Childcare Costs Survey indicated that a part-time (25 hour) nursery place for a child under two now costs an average of £4.13 across Britain, with costs nearly 25 per cent higher in London. Help to meet childcare costs through the tax credit system was cut back in 2010; not all eligible families receive the childcare element of working tax credit as the system is complicated and confusing. In many families, work simply does not pay. Solving the childcare affordability problem, within the present fiscal constraints, is a major challenge for the government. In the short-term, Daycare Trust would like to see tax credit support for childcare to return to its pre-2010 levels and the two year old free early education offer become a universal offer. In the long term, we need to rethink the way that childcare is supported by the government. The evidence produced in your report can only contribute to a more informed debate about childcare.

Anand Shukla
Chief Executive, Daycare Trust

UK Childcare Landscape

Is the Government Doing Enough?

Over the last decade, the UK's childcare landscape has become more of a concern for parents, and employers. Rising childcare costs, lack of availability, and safety concerns are regularly covered by British media, who look to the government for answers.



Over half (55%) of all parents in the UK think the government is not doing enough to support them when it comes to childcare.



Kelly Haswell, Mum of three, Surrey

"Every week I read a new statistic in the media about struggling families who are becoming less and less able to make ends meet. Childcare is, second to the mortgage, a major monthly cost for us, and it seems to be getting more expensive by the month. I don't understand why the government isn't doing more to help – especially if we want to get parents back to work and reduce unemployment.

"I have been forced to start my own children's designer swimwear business so I can be more flexible and work around my family, but not all mums have the luxury of working from home."



53% of parents with one child said they do not think the government is doing enough which rose to **57% for parents with 2 - 3 children.**



Parents who have already paid off their mortgage are much softer on the government (37%) than those who are still paying off their mortgage (**60%**).

Are Parents Confused by Government Policies?

Mums (29%) are more confused than dads (24%) when it comes to understanding government childcare policies.



Holly Gilby, Mum of one, Southampton

“The cost of childcare seems to be constantly rising. Each month it is becoming increasingly difficult for my partner and I, who both work full-time to cover all of our monthly outgoings, which include a mortgage.

I wish the government would make childcare more accessible to younger parents, like us. We need some guidance and support, as the childcare policies are not clear, and often very confusing. Fortunately, we have incredibly supportive parents, who often give us advice, but there are some parents we know of a similar age to us who are less fortunate, and struggle to make ends meet. We’re not looking for handouts, we’re looking for help.”

UK parents say childcare policies become clearer with age – 32% of 18-24 yr olds are confused, compared to only **26% of 35 - 44 year olds.**

Returning to Work

As unemployment rates continue to soar, there's more chatter about childcare costs being a barrier to parents returning to the workplace. Are childcare costs a large contributor to the UK's unemployment problem?

“4 in 10 parents aged 18-24 yrs would prefer to work, but can't afford the childcare costs.”

“1/5 of all unemployed dads in the UK say they would prefer to work, but can't afford the childcare costs.”



Katie Bradshaw, Mum of two, Liverpool

"I worked as a carer for four years before I had my first child, I loved my job, looking after citizens within my community. Now, being a single mother of two young children, going back to work feels like a distant dream.

I would love to return to work, and I have looked into it on numerous occasions, but the salary I have been offered wouldn't even come close to covering my outgoings, including the incredibly high cost of childcare that I would require.

Although I love every moment that I spend looking after my kids, I strive to set a good example for them, and ideally, that would include seeing their mum working and earning money."



Marcus Smullen, Dad of one, Hertfordshire

"It worked out that if my wife Sarah returned to work rather than me, we'd be better off financially, so I stayed at home to look after my daughter, Katy. Because childcare for under-threes is more expensive, we have to wait until Katy turns three in January before I can consider looking for a job. As soon as Katy turns three, we get 16 hours of free childcare a month, meaning I can afford to return to work. Before Katy, I was a full-time facilities manager for a charity, and now I'm a stay-at-home dad.

Before we can even consider having any more children, we'd have to seriously consider the cost implications, and how that would change our standard of living.

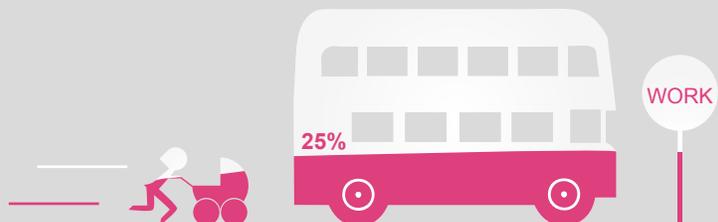
It's great to hear about the government doing more to help families who are less fortunate than others, but because Sarah works, we don't qualify for any subsidies or support."

The top 5 cities where unemployed parents would like to work but can't afford to are:

- 1 London **40%**
- 2 Bristol **37%**
- 3 Leicester **33%**
- 4 Glasgow **23%**
- 5 Oxford **20%**



2.8 million (25%) unemployed parents with 2 - 3 children would prefer to work, but can't afford the childcare costs.



A quarter (**25%**) of all unemployed parents in the **UK** would prefer to work, but can't afford to due to the cost of childcare.

Digital Technology & Child Development

Since the start of the digital revolution, parents and experts have debated the benefits of granting children access to digital technology during their early years. Does it hinder development, or is it helping the next generation to get ahead? What are the varying views of parents and the childcare professionals they employ to care for their children?



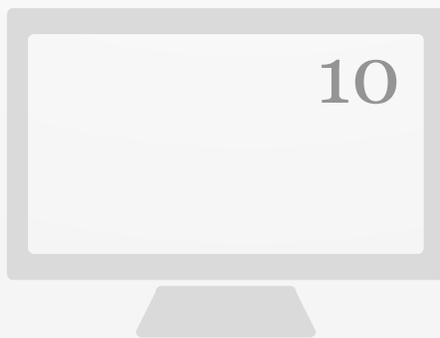
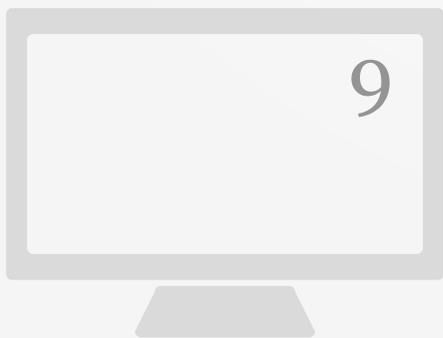
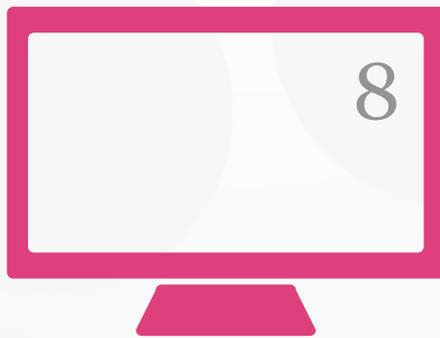
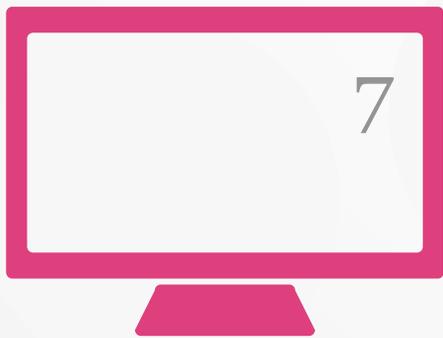
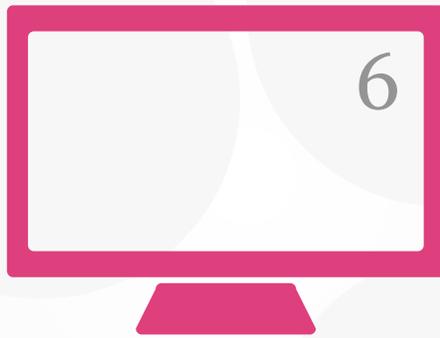
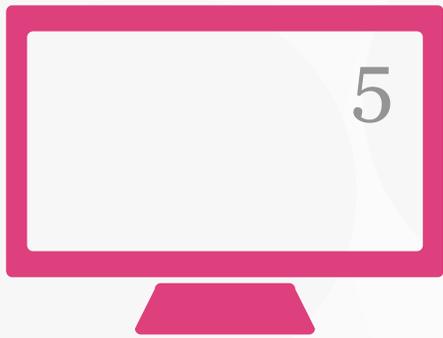
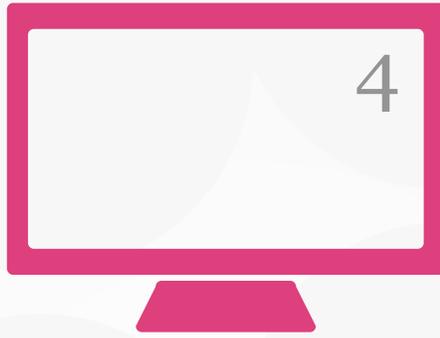
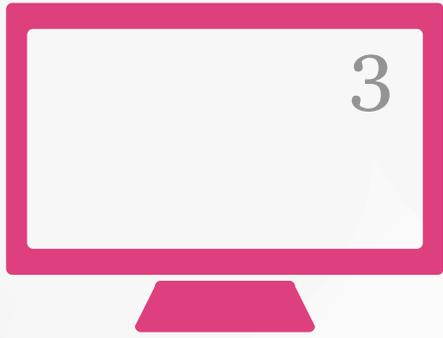
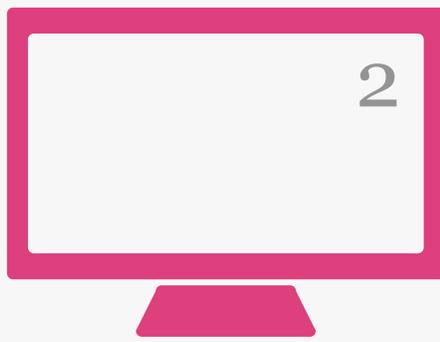
“ Parents and childcare professionals said they would feel comfortable allowing a child to use digital technology from the age of three, if supervised.”



Angharad Thorpe,
Mum of two, Wales

"I remember my parents telling me to move away from the TV set for fear of getting square eyes, and it seems the debate is back – this time, with handheld technology. I wholeheartedly agree that digital technology has a huge positive impact on a child's development – it's the way the world is going, and they are going to be a part of that world. My two girls show me how to use my SmartPhone!

Like the majority of parents I know, I think three is a reasonable age for children to use a Smartphone or an iPad whilst being supervised. TV is a completely different ball game – in our house, the DVD collection has become an extension of the bed-time bookshelf, but I still make sure we have a good story-telling session most nights."



8 in 10 parents in the UK believe digital technology enhances a child's development during their early years – slightly fewer childcare professionals agreed (78%).



Lily David, Full Time Nanny, London

“I have always considered myself as an extension of the family that I care for. I always meet with them before any childcare is arranged to discuss any requirements, and one of my questions I always ask is about the use of digital technology. If the parents are happy for their child(ren) to use digital technology, I am. I always supervise and monitor what the children are using and how long for, and the children are always in the same room as me. It's usually only watching a DVD or playing a game on the iPad, but it's still essential that children are supervised. Technology is something that is becoming increasingly common in family life, it's the way the world is moving forward so I'm happy to go with each family's personal preference. The parents do have the final say, and I follow that.”

Barriers to Childcare

When it comes to making the decision whether or not to return to work and rely on childcare, there are a number of barriers or concerns for most parents, but what are the biggest concerns? There's no denying that cost is a big concern for parents today, but would that be ranked higher than safety?



It is deeply worrying that cost has become the main issue when choosing childcare, with parents placing more emphasis on it even over safety. Studies show British mums and dads spend on average a third of their income on childcare as the costs are so high. This research clearly demonstrates that high costs are now a barrier stopping parents returning to work.

On Netmums our forums are buzzing with mums forced to quit work as their salaries simply don't cover the cost of childcare. And with many nurseries and childminders forced to put up their costs to meet fast-rising bills for basics like fuel and food, the situation is only going to get worse without radical government intervention.



Siobhan Freegard

Founder of the UK's largest parenting website, Netmums

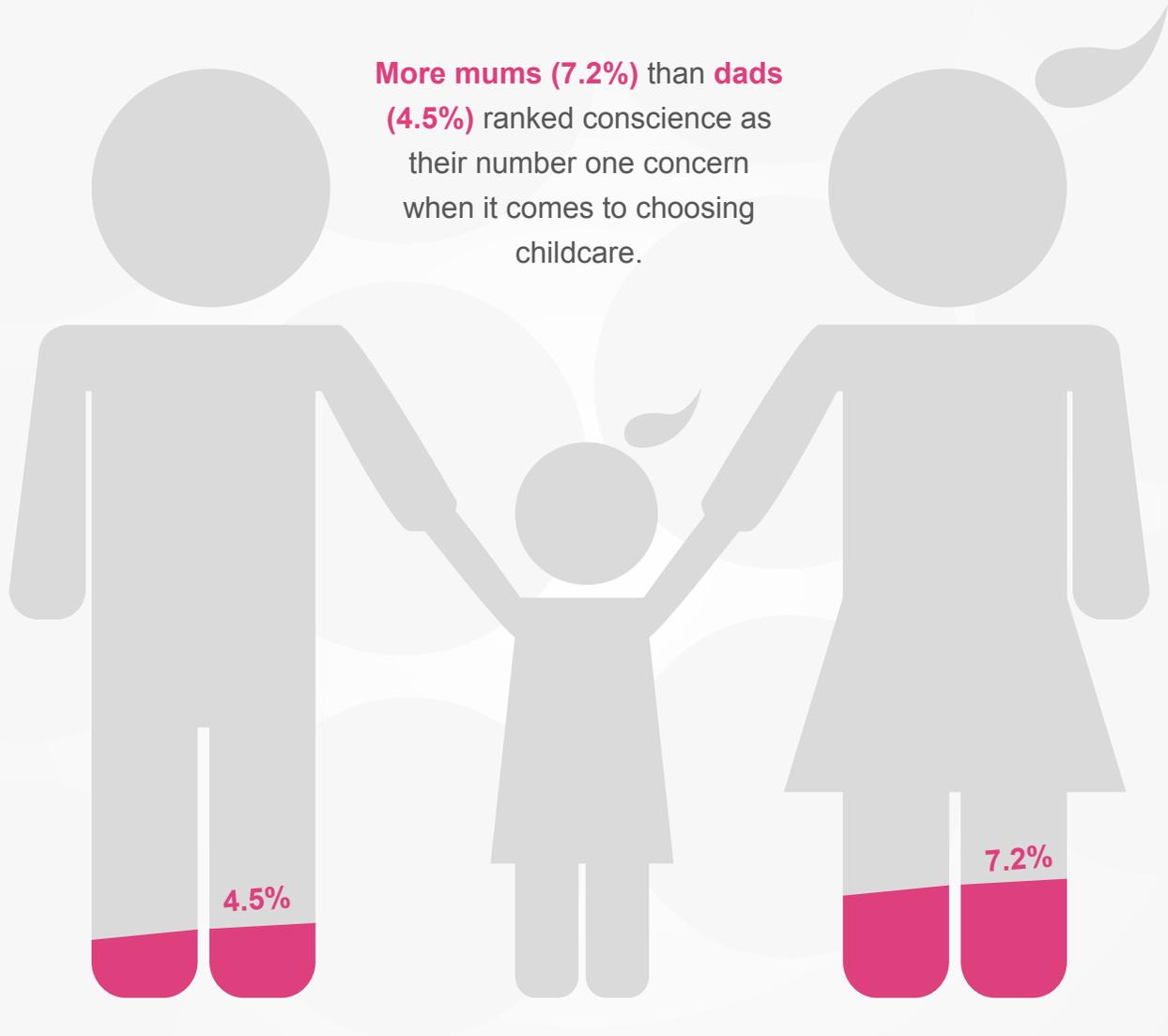
We asked UK parents to rank their childcare concerns:





Cost (ranked 1.9) is the BIGGEST concern when it comes to childcare, according to UK parents.

Conscience (ranked 3.73) is the last thing on parents' minds when it comes to childcare – it ranked lowest overall.



Vicky Ball, Mum of three, Leicestershire

"Cost is always going to be the biggest barrier – childcare costs are extortionate today. I am also not surprised to see that conscience is right down the bottom. A mother feeling bad about leaving her children while she goes to work is no longer the norm - we have evolved.

I think this is also down to modern communications and advancements in technology. You can speak to your children at any time of the day, and even see them on FaceTime and Skype – I quite often instruct the baking of cakes via the net, and then I get to eat them with the kids when I arrive home!"

“ Dads ranked location higher than safety!”



Jon Hill, Dad of one, Bradford

"Location is extremely important for working families – we need a local childcare professional who can get to us easily in the mornings, to allow us to run a business. Safety is paramount, of course, but today there are so many ways to ensure the childcare expert is who they say they are.

By finding the right childcare expert online, there are numerous background checks available at your fingertips.

On Findababysitter.com you can search for childcare professionals who have an Experian background check – and they also give parents lots of other tools and advice to ensure our child is in the best hands."



Safety less of a concern to parents

Cardiff

Oxford

Glasgow

London

Birmingham

Safety more of a concern to parents

Leeds

Manchester

Newcastle

Bristol

Cambridge

Childcare Availability and Costs

At least once a week we open the paper to see a story on childcare costs or childcare availability - issues that cannot be ignored. The Coalition Government has responded with its Childcare Commission, however some mums are still spending over 14 weeks of their annual salary on childcare. What is the real cost of childcare? How much does a nanny cost per hour? Are costs increasing? Where can I find a trusted childcare professional? Findababysitter.com is home to 150,000 childcare professionals, ranging from mothers' help to full-time live-in nannies. Due to its scale, Findababysitter.com is representative of the industry as a whole, allowing us to show what type of childcare is available, and where.



Childcare is one of the biggest cost factors facing parents today. It is simply unaffordable for many and more mums are being forced to stay at home and look after their kids rather than go out to work. This means there is a danger that families will fall into the poverty trap if they feel they cannot work due to crippling childcare fees.

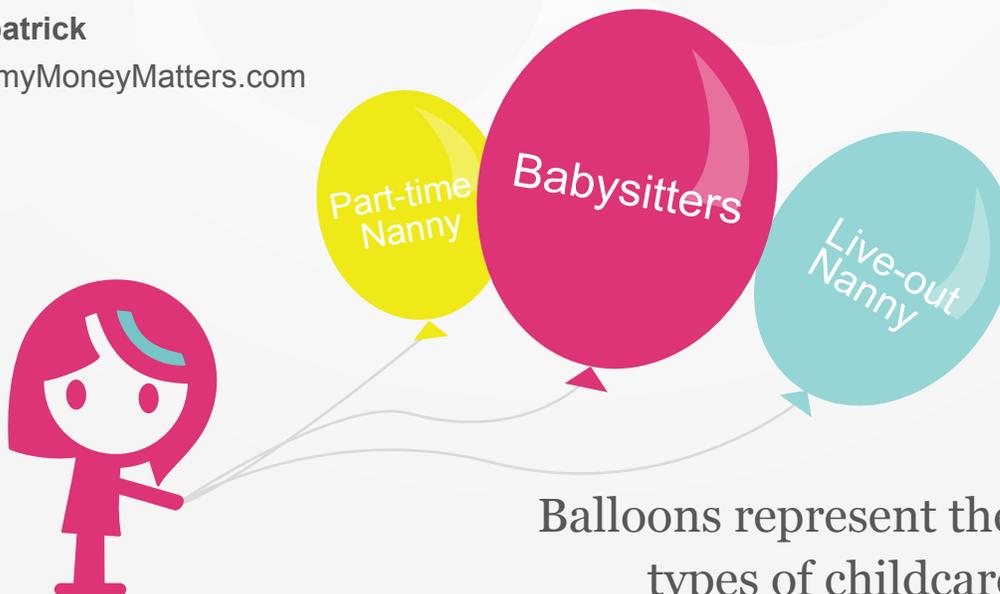
There are numerous childcare options available but the trouble is that few parents know about all of them, and even if they do, the costs are often unclear or confusing.

Weighing all the options and getting a good grip on costs is important because not doing so can force parents into expensive childcare provision when there may be a cheaper alternative. For instance, a childminder is, on average, cheaper than both an after school nanny and a babysitter.

Knowing the exact costs can help parents make the right decision that suits them economically and for some mums it could even make the difference between them returning to work and staying at home.

Kalpana Fitzpatrick

Director, MummyMoneyMatters.com



Balloons represent the most popular types of childcare professionals

Availability of Childcare Professionals in the UK*

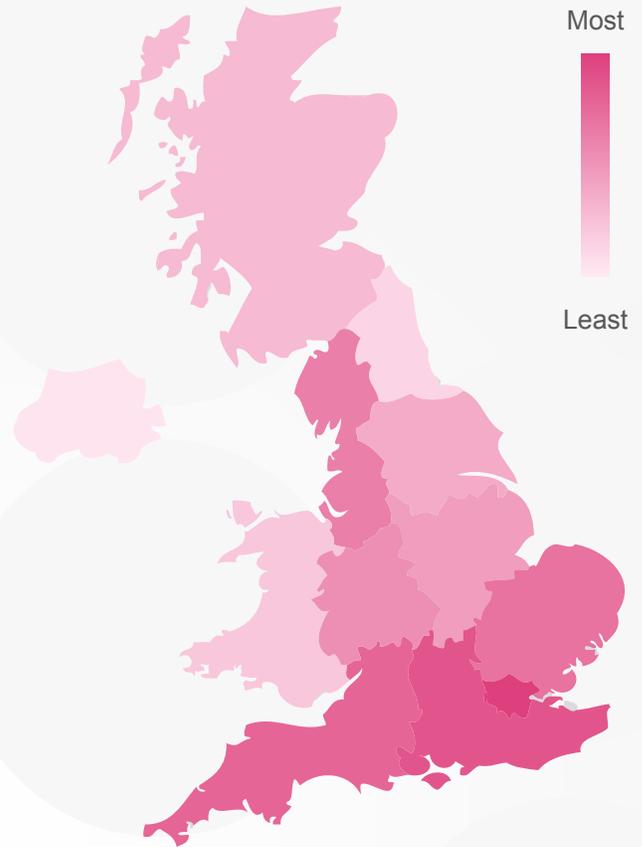


**Natalie Simcock,
Full-time Nanny,
Manchester**

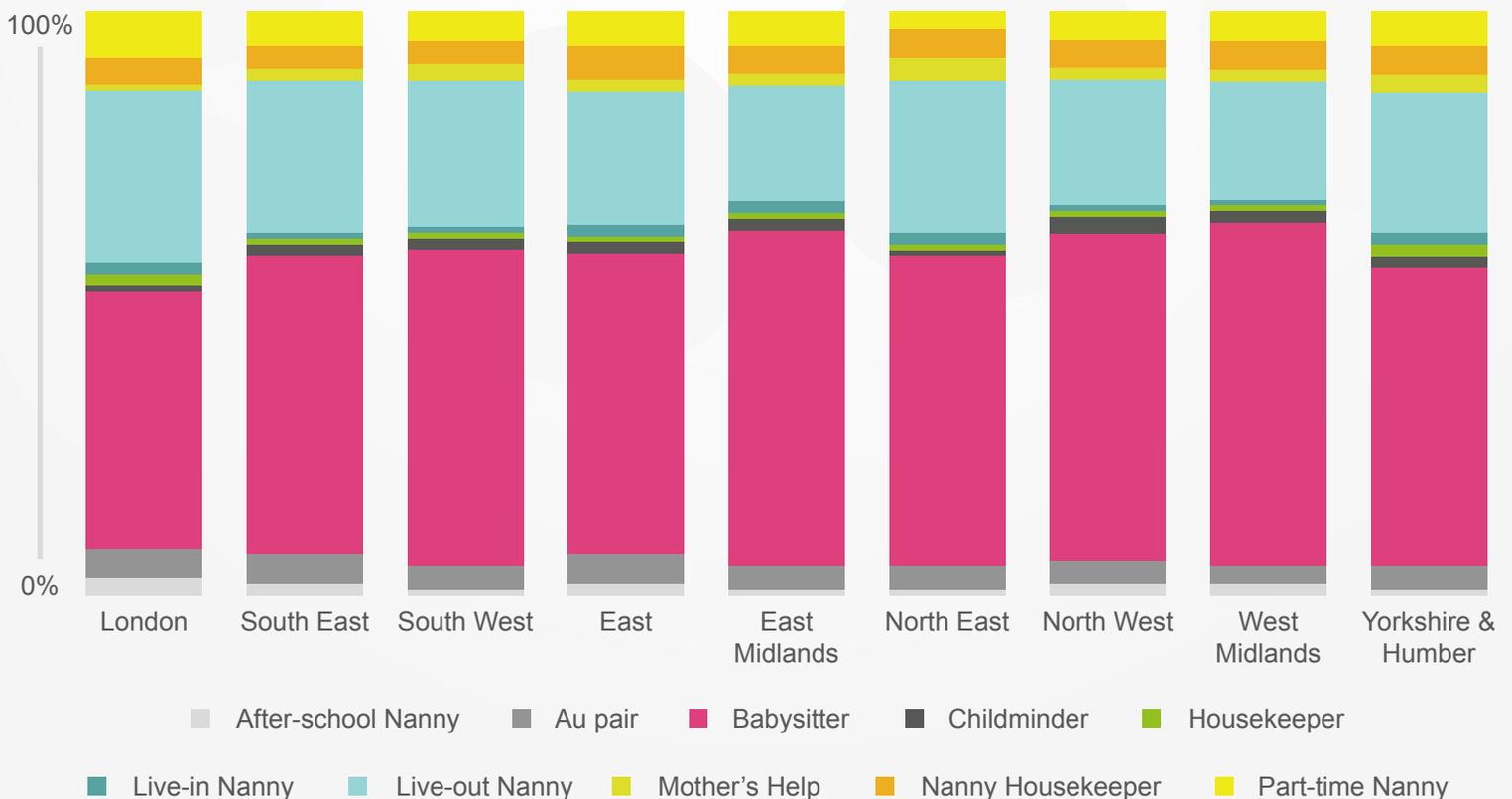
"Before I discovered Findababysitter.com I found it very difficult to find suitable families to work with in my area. Getting jobs was hard work and I heavily relied on word of mouth referrals.

Findababysitter.com has opened up so many doors for me, as families can easily find suitable, safe, childcare professionals in their area online. I can also respond to local adverts online too, whereas previously I wouldn't know if the family a few doors down needed my services.

One of the greatest benefits of living locally to the families is that I know where all of the parks and child-friendly areas are. I love showing the kids where I grew up and used to play, not to mention being available at short notice if required."



Childcare Availability by Area*



* Source: 180,000 registered users of Findababysitter.com

“ The costs of hiring a childcare professional have increased 6% on average across the UK. ”

Position	Sep '12 UK p/h	Dec '12 UK p/h	Cost change	Increase
After-school Nanny	£8.52	£9.05	£0.53	6%
Housekeeper	£7.67	£8.50	£0.83	11%
Live-out Nanny	£8.73	£8.75	£0.02	0%
Childminder	£6.36	£6.59	£0.23	4%
Nanny Housekeeper	£7.84	£8.46	£0.62	8%
Mother's Help	£7.50	£7.78	£0.28	4%
Part-time Nanny	£8.18	£8.77	£0.59	7%
Babysitter	£7.09	£7.55	£0.46	6%



**Hayley Stubbs, Mum of two,
Leicester**

"My eldest son is 10 years old, giving me a decade of experience when it comes to finding affordable childcare options. It's not easy, and it only seemed to get harder - until another mum mentioned Findababysitter.com in the school playground.

I always wanted to work, and I wasn't going to let the fact that I'm single stop me. The boys see their dad at the weekend and on Wednesdays, but the rest of the time, I have to work out the childcare arrangements. Now I have a part-time nanny who is affordable, looks after the boys in their home environment and makes it possible for me to be a career mum, who they are proud of!"

Thank you to our fantastic contributors:

Anand Shukla, Chief Executive, Daycare Trust,
Siobhan Freeguard, Founder, Netmums,
Kalpana Fitzpatrick, Director, MummyMoneyMatters.com,

And all of our wonderful case studies.

For more information, images or to arrange an interview, please contact Lisa Malyon or Natalie Day at Sense Communications & PR at lisa@sensecommunications.co.uk or natalie@sensecommunications.co.uk or call 0208 6438757.

About Findababysitter.com

Findababysitter.com is a leading UK online search site that brings parents and childcare professionals together to create cost-effective, flexible solutions quickly, and easily – putting an end to unnecessarily high childcare search costs.

Findababysitter.com currently has 200,000 members, including parents and childcare professionals. Each month Findababysitter.com attracts over 200,000 monthly visits, 2100 daily log-ins, and over 10,000 childcare professionals' profiles are viewed daily.

