



A **comparethemarket.com** report on
the attitudes of parents towards childcare

#PARENTDEX



comparethemarket™

Foreword

For parents in the UK, childcare is an issue which continues to raise several questions and concerns. Can they afford to pay for childcare in an economy where costs are rising? And what about availability – are there enough local providers nearby, or are they forced to rely on their own parents for babysitting duties? In addition to their own concerns, what do parents think about the state of registered childcare in the UK? Are childcare providers getting the right support from local authorities? Or does more need to be done to improve it?

Not only do Mums and Dads across the nation want to ensure that their children are looked after by people they trust, but research shows that there is a need to balance this within the parameters of the family budget.

It's for these, and many more reasons, that childcare is such a common point of contention amongst parents in the UK.

That's why, for our second Parentdex, we have canvassed British parents on their attitudes towards childcare in the UK and – whilst the results are certainly varied – a number of key themes did emerge:



The cost of childcare and the likelihood of it rising over the next twelve months reaffirms itself as a key concern for parents in the UK.



A lack of funding tops the list as the biggest perceived barrier to improving the quality of childcare in the UK – despite the introduction of the 30 hours' free childcare policy later this year.



In a world of rising costs, Grandparents top the poll as the most used form of childcare in the UK – ahead of all other registered providers.

Although we should feel reassured that most parents are satisfied with the quality of childcare in the UK, it's clear that they still hold a number of concerns – and rising costs are causing them the most anxiety.

Whilst a significant number of parents might be fortunate enough to rely on their own parents for babysitting duties, others are not so lucky.

The results of this report therefore serve as an important reminder that the cost and availability of childcare must be further addressed as an issue. With so many families continuing to experience the effects of rising inflation on the household budget – rising childcare costs are the last thing they need.

Most-used form of childcare

Here come the Grandparents

In the UK, it's clear that Grandparents come out on top when it comes to the most preferred form of childcare.

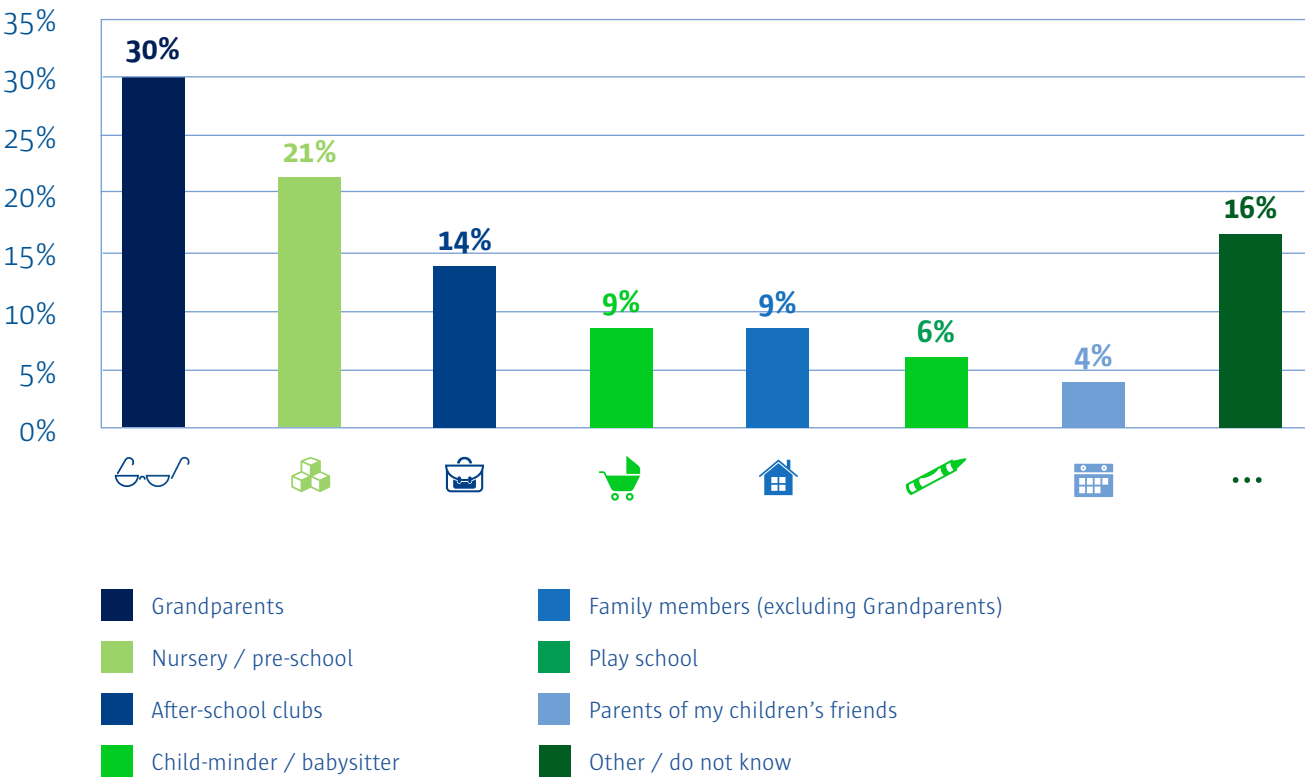
In fact, the growing army of babysitting Grandparents are now the most used form of childcare in the UK, **with 35%**

of the parents polled stating that they regularly use their own parents for babysitting duties.

In addition, when asked about the most used form of childcare today, Grandparents again topped the list, with

three in ten **(30%) who use childcare stating that Grandparents were their most preferred form of childcare,** closely followed by nursery / pre-school (21%) and after-school clubs (14%).

For parents in the UK, it is not just Grandparents that are sought for babysitting duties. It also seems that the wider family are regularly called on too, with the majority (72%) of parents stating that they had relied on family members to look after their children.



The frugal option

As well as being an easy option, it appears that using family members and friends for childcare is a purse-friendly alternative to registered providers too.

Indeed, a third **(33%) of those parents who had relied on family members to look after their children stated that they had saved £100 or more in childcare costs per month** compared to relying on a normal childminder – a saving of at least £1,200 a year.

The savings were most marked for younger parents, with almost four in 10 (39%) parents aged between 25-34 saving £100 or more, compared to less than a quarter (24%) of 45-54 year olds.

However, it seems that some parents are now rewarding their family members with more than just gratitude. Over a fifth **(22%) of the parents polled who have relied on family members for**

babysitting, have admitted to paying

them for their services. Parents in London appear to be the most generous, with more than a quarter (27%) of those in London admitting to having paid their family members for looking after their little ones.



The parent club

As well as making the most of the generosity of Grandparents and family members, it seems that the majority **(52%) of parents in the UK now rely on their friends, or parents of their children's friends, for childcare – and frequently too.**

Indeed, over 4 in 10 (44%) of those parents who rely on friends, or parents of their children's friends, to pick up their children from the school gates rely on them doing so at least once a week. This figure rises in Wales, where 55% of

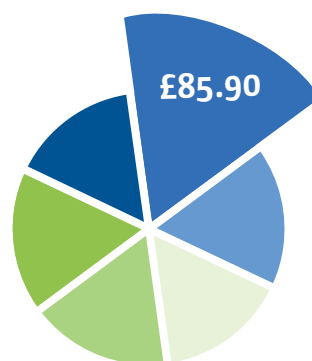
parents who share this form of pick-up duty do so at least once a week.

Yet again though, for some, this form of childcare does not go unrewarded; just over one in five (22%) of those parents who have relied on friends, or parents of children's friends, have paid them for their efforts.



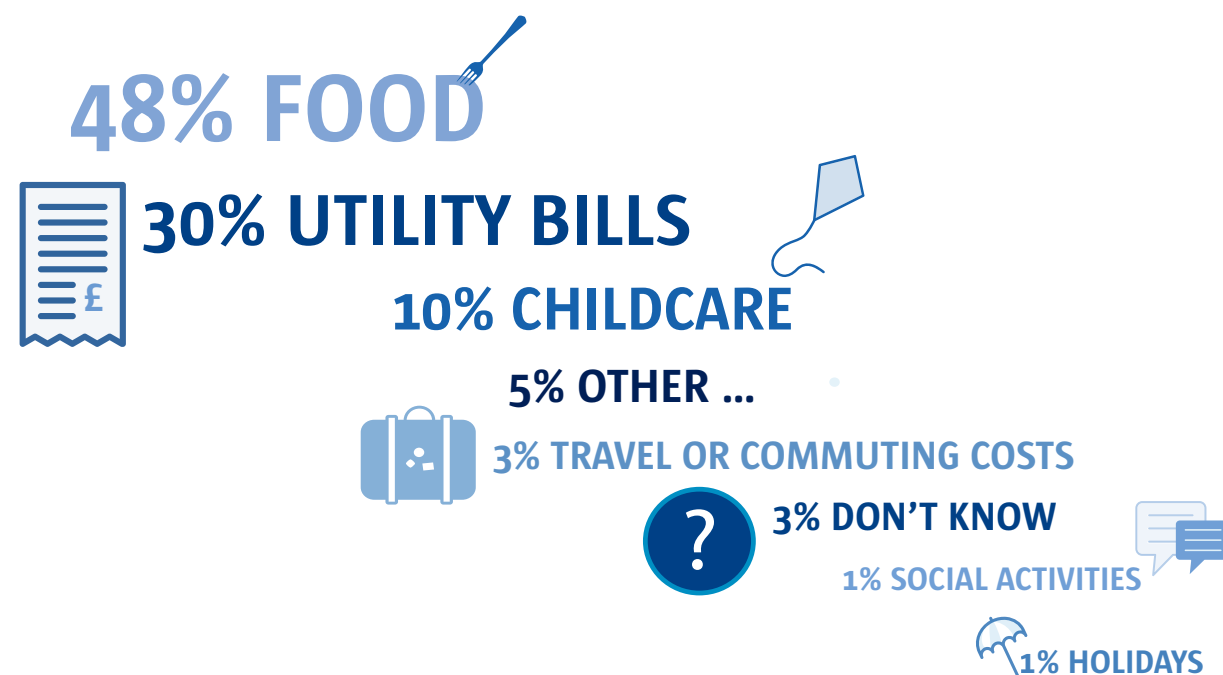
The cost of childcare

For parents in the UK, childcare is already a huge cost. In fact, one in 10 of the parents polled cited it as their biggest household expense (excluding rent or mortgage), with almost two fifths (17%) holding it within their top two expenses.



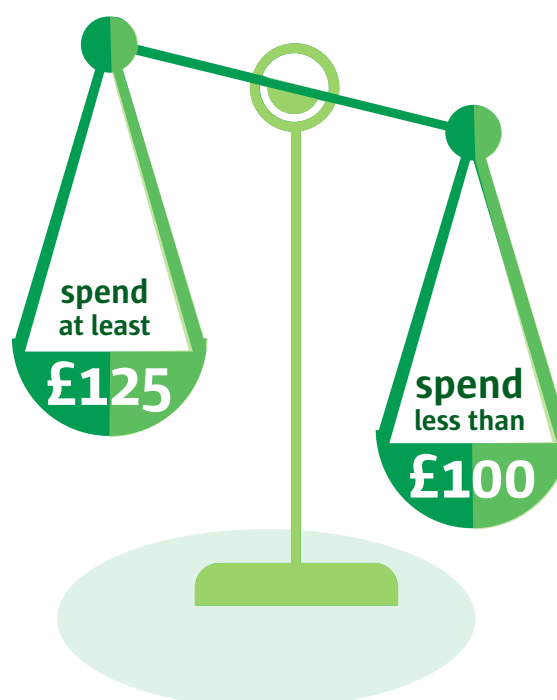
This is perhaps unsurprising, with the poll revealing that **parents of children**

aged 13 and under spend an average of £85.90 a week on childcare – equating to almost £4,500 a year on average, a sixth of the average salary. What's more, more than one in 10 (13%) parents polled also admitted they were left with as little as £50 disposable income a month to spare, after covering household costs.



Of course, the cost of childcare hugely varies across the nation and according to the type used – a fact that is strongly reaffirmed by the results of this survey.

Almost half (46%) of the parents polled stated that they spent less than £100 a week on childcare costs, while almost a fifth (17%) estimated they spent at least £125 or more. These variations are unsurprisingly more marked amongst the different social demographics; over double the number of parents in social grade ABC1 (23%) spent at least £125 a week on childcare, compared to just 8% of parents in the C2DE social grade*.



Fortunately for most parents, the cost of childcare doesn't appear to dictate the type of childcare chosen; just a third (33%) stated that they would change their childcare arrangements if they had more money.

However, for some, the cost of childcare is overwhelming; almost one in five (19%) parents admitted that they had to change their childcare arrangements because the costs were too high whilst over one in 10 (13%) stated that they

had to borrow money from family members to pay for childcare.

*Occupation-based system of demographic classification developed by the National Readership Survey. ABC1 refers to upper middle class, middle class and upper working class. C2DE refers to skilled working class, working class and non-working.

Sacrifices

Clearly, the impact of childcare costs extends to the broader parts of family life too. Almost four in 10 (**39%**) **parents stated that they had to sacrifice family luxuries** – from new clothes to holidays

– to pay for childcare. This is more evident amongst younger parents, with almost half (46%) of parents aged between 25-34 years old saying that they had sacrificed luxuries (such as clothes or family holidays) to pay for childcare.



Climbing costs

Unfortunately, for many British parents, childcare is a cost that is only expected to grow in the coming months. Nurseries have been hit by higher business rates this year, with the average nursery facing a 15% rise in bills from April 2017.

This is not only likely to increase the fees faced by parents but, in turn, is also likely to increase the financial pressures that they already face.

This is worrying, especially with so many parents already admitting that they

have little to spare at the end of each month. In fact, **13% of parents estimated that they had – on average – less than £50 to spare each month (after essential expenses).**

With this in mind, it's not surprising that rising childcare costs have been noted by British parents. In fact, six in 10 (**59%**) **of parents polled thought that the general cost of childcare will rise in their local area over the next twelve months.** Looking at regional differences, those in London were the most likely to think so (66%) – a statistic

that is perhaps unsurprising bearing in mind nurseries in the capital have been particularly hard hit by the hike in business rates.

Among those parents who think that the general cost of childcare in their local area will rise over the next year, the majority (54%) were concerned that these costs would have a knock-on effect on their own finances.

The availability of childcare

Keeping it local

While the majority of UK parents appear to be making the most of Grandma or Grandad's generosity, a lack of registered childcare providers hasn't gone unnoticed by Mums and Dads across the country.

Overall, a quarter **(25%) of all parents admitted that they sometimes struggled to find registered childcare locally**. In fact, three in 10 parents

with children aged 13 years or younger agreed that there were not enough registered childcare places available in their area.

Of this group, those most in agreement on this were parents aged between 18-24 years old, with 43% concurring with this statement.



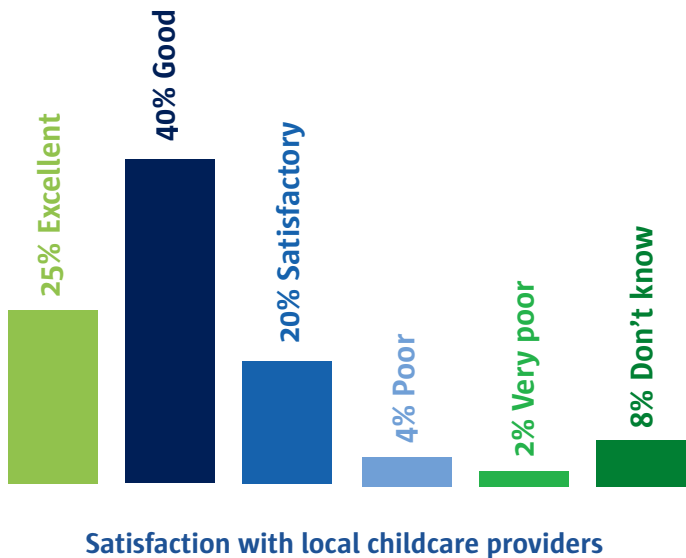
Barriers to better childcare

Despite facing such difficulties however, a number of British parents recognise there are external factors potentially affecting the provision and quality of registered childcare.

40% of parents from across the nation agreed that registered childcare providers in their local area were underfunded.

In fact, when it comes to identifying the biggest factor preventing the quality

of registered or formal childcare from improving, 30% of parents with children aged 13 years and under believe that this is due to a lack of funding – whether it's to train childcare practitioners or improve their own services.



Homegrown happiness

Despite the barriers to improving local childcare services, almost half **(46%) of UK parents polled stated that they are happy with the quality of their local registered childcare**, whilst just a small minority, 14%, disagreed.

What's more, of those who use a childcare provider in their local area, almost two thirds (65%) rate the quality of childcare as good/excellent.

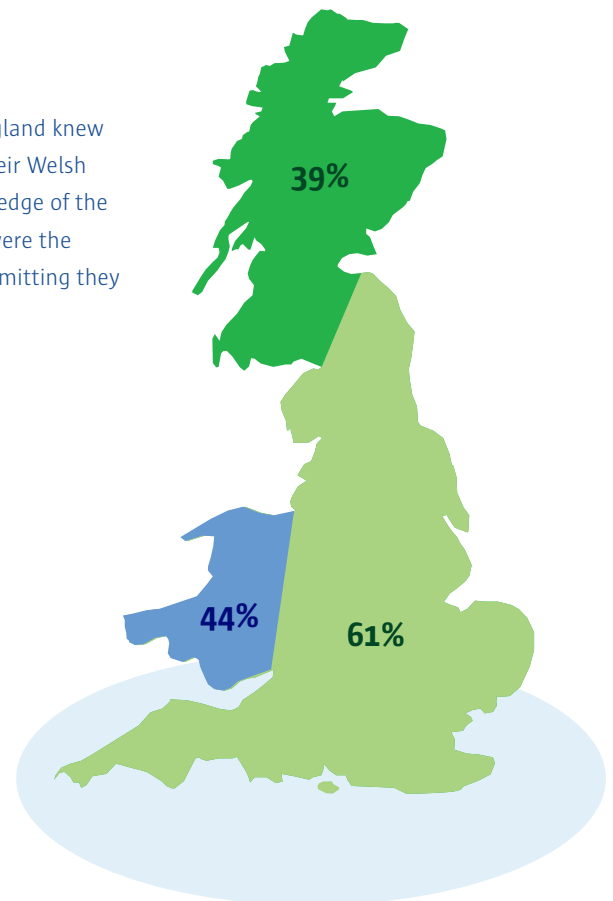
Policies, pressure points and positive reinforcements

Awareness and Apathy

This September, the **Government's new policy which will see the provision of free childcare increase from 15 hours to 30 hours for those with children between the ages of three and four years old**, will come into effect.

While the majority of British parents (58%) were aware of the change, over four in 10 **(42%) were still in the dark about the policy** at the time of polling. What's more, there appears to be a stark divide when it comes to awareness across the UK.

Whilst 61% of parents in England knew of the policy, only 44% of their Welsh counterparts had any knowledge of the change. Those in Scotland were the least informed, with 39% admitting they weren't aware.



Under Pressure

According to the latest Parentdex research, almost half **(49%) of parents with children aged between two and four years old, think they will be eligible to take advantage of the Government's new policy.**

While this strong rate of eligibility may ease some parents' childcare concerns, the impact on the nation's registered and formal childcare providers is a consideration for many Mums and Dads.

Almost six out of ten (59%) of parents with children aged between two and four years old, believe there would be an improvement in their household finances as a result of the increase to 30 free childcare hours per week. However, while some are looking forward to easing the purse strings, **just over a quarter (26%) of parents believe that there will be a decline in the quality of childcare deliver by those registered providers who offer 30 free hours** as a result of the policy coming into effect in September.



Supporting those who support us

So much for schemes...

While parents may discreetly benefit both emotionally and financially from the provision of free hours by registered childcare providers, there are also other potential benefits available to Grandparents who help out with childcare. Currently, **retired Grandparents looking after grandchildren under the age of 12 can qualify for National Insurance credits which can top up their income**

during retirement. However, less than a third (29%) of British parents are aware of the scheme. Interestingly, research showed that those who are most aware are young parents, with 41% of 18-24 year olds knowing about the benefits – a stark contrast to just 19% of 45-54 year olds. Further to this, it appears that in spite of the opportunity to give something back to their family members, many

Grandparents are likely to miss out. Overall, two thirds (66%) of parents who haven't used the scheme to date, admitted that they are unlikely to use it in future should they be eligible and across the nation it seems most agree. 68% of parents in Scotland, 67% in Wales, and 66% in England all admitted they would be unlikely to make the most of the offer if it was applicable to them.

Empathetic employers

In addition to existing and near-future childcare support from the Government, the role of employers and workplace benefits continues to be a point of contention for many parents.

Interestingly, in spite of the offer from employers, only 47% have used the subsidies, while more than half (51%) admit that they haven't.

Of those UK parents currently working, only three in 10 **(29%) with children under the age of 13 years old are offered subsidies for their childcare costs**, in contrast to 47% who are not.

EMPLOYMENT SUBSIDIES FOR PARENTS WITH CHILDREN	
55+ years old	10%
45 - 54 years old	26%
35 - 44 years old	33%
25 - 34 years old	29%
18 - 24 years old	30%



Flex Appeal

In the era of modern technology, subsidies aren't the sole method of support workplaces are providing to Mums and Dads.

Overall, half of parents **(50%) state that their workplace offers a flexible working scheme which allows them to build their working day around their childcare responsibilities.** Looking at

how this is broken down across the nation however, those in the South West are most likely to be offered such an arrangement (58%), while parents in the West Midlands are the least likely (39%).

Comparing both the existing and potential uptake of flexible working provisions with the aforementioned subsidies, the difference is vast.

In fact, two thirds **(66%) of employed parents whose workplace offers flexible working, state they have used the scheme.** For parents whose employers do not offer such benefits, more than half (57%) admit that they would be likely to use a flexible working scheme if it was introduced at work.

Holiday help

Smooth sailing into summertime?

For parents, sourcing childcare can become more difficult at certain times of the year, and this is no more true than during the long summer break. As highlighted by the parents polled, finding childcare for such a period of time is not easy. In fact, only 28% of parents said that they found it easy to find childcare during the 2016 summer school holiday.

Although sourcing childcare might not be easy, for some parents, it is not costly. Of those parents that do use childcare during the summer holidays, 45% are fortunate enough that they don't need to pay for it.

