



**Policy Briefing:  
Childcare Survey  
2023**

Scottish Women's  
Budget Group



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## Executive Statement

This policy briefing shares the findings and policy recommendations that emerged from our Childcare Survey 2023. It aims to draw attention to the particular challenges faced by women who have childcare responsibilities, how these are impacting on them during the cost-of-living crisis, and what measures could be taken to improve women's wellbeing and financial outcomes.

### Key messages and recommendations

**Problem:** The cost-of-living crisis is having a deep impact on women's ability to afford childcare, which on average in Scotland costs £1,079.59 per month (Penfold, 2023). Current funding provision falls short as average nursery costs for children aged between 1 and 3 represent a sizeable expense for parents. Non statutory after school care services pose a further financial challenge for families, especially women.

**Recommendation 1:** Introduce 30-hour funding with immediate effect after paid maternity leave and outline a plan towards universal access to 50 hours per week.

**Recommendation 2:** Ensure free provision for those groups experiencing poverty.

**Recommendation 3:** Extend funding beyond school term.

**Recommendation 4:** Review current implementation of ELC to ensure flexible childcare services for under 5-year-olds.

**Recommendation 5:** Work with childcare providers in urban and rural areas to improve accessibility.

**Recommendation 6:** Develop affordable wraparound care for over 5-year-olds.

**Recommendation 7:** Recognise the extra costs of disabled children when designing childcare policies, services, and funding.

## Introduction

According to figures from the OECD, childcare costs in the UK are one of the highest in the world (OECD, 2022), with an average cost per month of £1,106.52 (Penfold, 2023). In Scotland, the average cost of childcare for under-twos can exceed the UK's average in some regions. For example, Aberdeenshire leads the list of most expensive region in Scotland with an average cost of £1,341.98, followed closely by Edinburgh with an average of £1,269 per month (Daily Record, 2023).

Previous evidence gathered by Scottish Women's Budget Group identified childcare costs as one of the main reasons why women tend to reduce their working hours or give up work entirely (SWBG, 2022). This impacts greatly on women's economic equality and professional development, contributing to gender inequality. As the cost-of-living crisis puts further strain on women's finances, we ran a dedicated survey on childcare and sought to understand:

- a) The extent of the problem at present,
- b) What other strategies women are deploying to manage ever increasing household costs (including childcare) and
- c) Whether the 30-hour funding is helping families to manage childcare expenses.

*“Cost of living really kicked in when I was on maternity leave, so we went from having some savings to absolutely nothing. We have always been excellent with our finances and really on top of it, but we’ve never been so skint and so worried”.*

(Survey respondent, SWBG, 2023)

## About the survey

SWBG launched its Childcare survey on 15<sup>th</sup> August 2023. This coincided with the beginning of the new school term (in most local authorities in Scotland) and was available for over three weeks. The survey included quantitative and open-text questions to give participants the opportunity to elaborate on their answers. In total, 216 women from 26 local authorities in Scotland took part in the survey.

## Demographics

- 80% of respondents live in an urban area.
- 10% of respondents are single parents (this increased to 21% for disabled women).
- 15% of respondents had a disabled child, this increased to 24% for single parents and 31% for disabled women.
- 85% are in a two-adult household.
- 78% of respondents had children under 5 years old.
- Regarding employment, 44% stated they work full-time; 48% work part-time; 3% are self-employed; 7% are looking after the home/family, and 2% are in further/higher education<sup>1</sup>.
- The majority of respondents (66%) have a household income of over £50,000 per year.
- Single parents reported lower household income levels than those who completed the survey overall: 28% had a household income of less from £19,999 (including benefits) compared to 6% for the survey overall.
- Regarding monthly personal income (including benefits) women from minority ethnic communities were more likely to have a monthly personal income of less than £500: 15% compared to 5% for the survey overall.

## Key findings

### Affordability

The current cost-of-living crisis has deepened the long-standing problems of affordability linked to childcare provision in Scotland. 30% of women responded that they do not find childcare costs manageable, and consequently struggle to keep on top of other household expenses, while 54% of respondents stated that they find childcare affordable after making changes to other areas of household expenditure. The percentage of respondents who do not find childcare costs affordable increases

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<sup>1</sup> Individuals selected more than one option. For example, some respondents working part-time were also in further education.

to 47% for single parents, 38% for women from ethnic minority communities and 36% for disabled women.

In addition to this, 74% of women told us that the increase in other household costs was impacting on their ability to manage childcare costs. This finding is indicative of the broader impact that the cost-of-living crisis is having on families, particularly when 66% of respondents have a household income of over £50,000, and 13% have an income of over £100,000.

81% of single parents told us that increases in other household costs was impacting on their ability to cover childcare, while this increased to 93% for disabled women.

*“It is a struggle to keep any savings to cover household repairs and things the kids need as they grow. We have secured a place for our youngest at the council nursery and that will bring costs down as fees are cheaper than the current private nursery”.*

(Survey respondent, SWBG, 2023)

### Accessibility

Accessibility of childcare provision was another key issue highlighted by women in the survey, **38% of respondents told us that accessing childcare during school term in their local area is difficult, while 22% find it very difficult.** Only 6% told us that accessing childcare was very easy. **For single parents, 53% find it very difficult to access childcare during school term.** These responses do not vary significantly when considering childcare provision outside term time.

#### Accessing Services for Disabled children

The extra costs linked to disability add further financial pressures on women with disabled children. The lack of high quality after-school care and specialist holiday club services were highlighted as critical problems by respondents. As these services are non-statutory, they are also more vulnerable to funding cuts.

Issues linked to accessibility are even more acute in **rural areas**. Women expressed concerns about what feels like “an urban/rural inequality”, with less childcare available to parents. Childminders appear to be the most feasible option in rural areas. However, according to some respondents, childminders do not tend to be registered for the UK Government tax relief scheme, which poses a further financial burden on parents living in rural areas. Provision of after school and/or wraparound care also presents challenges to parents trying to balance working and caring responsibilities.

*“So many rural schools in Aberdeenshire miles away from nursery provision so I have to drive to two disparate places and no afterschool provision”.*

(Survey respondent, SWBG, 2023)

### Three and Four-Year-Old Funding: 1140 hours Funded Early Learning and Childcare (ELC) in Scotland

Of the 216 survey respondents, 44% qualified for the 1140 hours funded ELC as their children met the **age criteria**. The household income of those who qualified was higher

than the average for the survey. Fewer people from minority ethnic communities were eligible for ELC funding, only 6% from a total of 19% of respondents.

The survey revealed that 16% of those who were eligible for the funded childcare were unable to access the hours due to **lack of flexibility in provision**. For example, women working evening shifts explained that the funding does not cover evening childcare. In other cases, the 'alternate Friday' creates another hurdle for parents, who consequently do not get the full benefit of the 30 hours funding. Finally, a recurrent comment amongst respondents highlighted that the ELC funding does not fully support parents as it does not take into consideration the costs of nursery during the school holiday period and where people are able to access these hours outwith term time, it reduces the hours they are able to access throughout the year.

*“The 30 hours does not fully cover the cost of year-round (private) nursery, and council nurseries offer term time only”.*

(Survey respondent, SWBG, 2023)

### Impact of managing childcare on women

62% of women told us that their mental health had been affected by the challenges of finding and paying for childcare, and 66% said it has impacted their financial wellbeing. These figures increase to 71% for single parents, and 85% for disabled women. In addition, 55% respondents told us that this has impacted on the paid work that they can do, which increases to 67% for single parents and 71% for disabled women. Furthermore, 48% respondents stated that the challenges of managing childcare have influenced their decision not to have another child. Finally, 4% of respondents had given up work, which increased to 10% for women from minority ethnic communities.

These answers expose the extent to which the current system does not support parents and penalises women who are more likely to reduce their working hours to manage childcare responsibilities and/or to absorb the financial costs linked to it. 44% of women told us that their partners did not have to make any changes to their work arrangements to manage childcare, while only 10% of women said they didn't need to change their working arrangements. Similarly, only 9% of respondents said their partners had to reduce work hours to manage childcare, in comparison to 33% of survey respondents who made this change.

*“We cannot currently afford any extra childcare costs; I have had to decline extra working hours because childcare would not be covered by the extra pay”.*

(Survey respondent, SWBG, 2023)

### Conclusions and recommendations

The long-standing problem of lack of flexibility and affordability of childcare in Scotland compounded by the challenges created by the cost-of-living crisis is putting families' finances, and particularly women's, under further pressure. Despite the majority of survey participants (66%) reporting a household income of over £50,000, 74% respondents told us that the increase in other household costs was impacting on their ability to manage childcare costs.

The following recommendations have been informed by women's responses to the survey. We are calling on Scottish Government and Local Authorities to:

**Recommendation 1: Introduce 30-hour funding with immediate effect after paid maternity leave and outline a plan towards universal access to 50 hours per week.**

Introducing the 1140 hours ELC after paid maternity leave would contribute significantly to achieving greater gender equality. It would mean that women could stay in meaningful employment, reducing their likelihood of giving up work or reducing their working hours, which could have a positive impact on child poverty figures across Scotland. Consequently, women would see an improvement in their financial wellbeing at a time when financial pressures are high, making them more resilient to the impact of the cost-of-living crisis and to other long-term economic changes.

In addition, the Scottish Government should outline a plan to deliver a universal funded entitlement of 50 hours per week for all children above 6 months old and that is free to families at the point of use.

**Recommendation 2: Ensure free provision for those groups experiencing poverty.**

The current funded ELC to two-year-olds for children whose family receive qualifying benefits should be immediately replaced, guaranteeing free access to childcare services to all children from the age of 6 months living in a household experiencing poverty.

**Recommendation 3: Extend funding beyond school term.**

Current funding calculations are based on provision during the school term, which is 38 weeks per year. Using nursery services all year-round (52 weeks) means that the government's funding only covers 22 hours per week. This represents a significant decrease in terms of the financial support available to parents. Some respondents drew attention to the lack of clarity around this, and the impact it is having on their finances. SWBG would like to see government funding increased so it also covers holiday periods for all children under 5-year-old.

**Recommendation 4: Review current implementation of ELC to ensure flexible childcare services for under 5-year-olds.**

Scottish Government should review the implementation of ELC by Local Authorities. This review should include analysis of demographic data to identify which groups benefit from this policy, and what changes could be made to deliver more flexible childcare services so all parents can take advantage of the current funding offer.

**Recommendation 5: Work with childcare providers in urban and rural areas to improve accessibility.**

Local Authorities should ensure they understand the demand for childcare services in their area, paying attention to the needs of urban and rural settings, and design services that respond to the challenges that arise in these settings (such as service connectivity and transport links) to guarantee both affordability and accessibility to childcare services.

**Recommendation 6: Develop affordable wraparound care for over 5-year-olds.**

The traditional school schedule (9-3) creates challenges to parents with kids aged above 5. The lack of childcare options before and after school time punishes women as they take on more responsibility, filling the gap left by a lack of public service provision. Local Authorities must work with schools, private and third sector partners

to invest and develop affordable wraparound care, including after school clubs, which support parents' working arrangements and children's needs.

**Recommendation 7: Recognise the extra costs of disabled children when designing childcare policies, services, and funding.**

The Scottish Government should work with all Local Authorities, public and private providers, and third sector organisations to guarantee specialist services across Scotland for children with additional support needs, such as high quality after-school care and specialist holiday club services.

## References

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