

Briefing for the Citizen Participation and Public Petitions Committee on [PE2112: Conduct an independent review of childcare costs and availability in Scotland](#), lodged by Carole Erskine on behalf of Pregnant Then Screwed

Brief overview of issues raised by the petition

The petition seeks:

“an independent review of publicly-funded early learning and childcare in Scotland, in order to better understand and address the challenges families face when trying to secure and afford childcare.”

Funded Early Learning and Childcare (ELC)

Local authorities have a duty to secure the provision of 1,140 hours per year for eligible children. Funded ELC is available to all three- and four-year-olds and some two- and five-year-olds. Eligibility for children under three is not currently universal, but is based on [parents/carers being in receipt of certain benefits or the child or parent/carer having experience of care](#). Funded ELC is available for all children up to the start of school – which is why some, but not all, five-year-olds will receive funded ELC.

The provision of funded ELC can be through: local authority centres; private, voluntary or independent nurseries; or childminders.

Costs and sufficiency

Providers of funded ELC are not allowed to charge additional fees. Parents/carers would need to fund childcare which is not covered by the funded ELC offer.

[Coram Family and Childcare undertakes annual surveys of childcare providers across Great Britain](#). This includes data on the costs of childcare. In its 2024 report, it found that, on average, the price of 25 hours of childcare for a child over two but under five is £120.15. This had increased by 6.8% compared to 2023, but remained cheaper than the average prices reported for England and Wales. The survey also reported that the average weekly cost of an after school club in Scotland is around £67, which is a little less than the

average for Great Britain. The average weekly cost of a childminder after school was around £84, which was higher than the average cost in Great Britain as a whole.

Commenting on sufficiency of childcare options, Coram’s report stated—

“Differences in statutory requirements in Scotland mean that local authorities tend to have less knowledge than their English counterparts about the availability of childcare outside of the funded entitlements.”

Nevertheless, fewer local authorities in Scotland reported that there is sufficient childcare across a range of ages of children and types of provision, including funded ELC.

All childcare providers must register with the Care Inspectorate. The Care Inspectorate provides data on the number of settings and places available, but not unmet demand.

Social security and tax-free childcare

Families may be able to get help with childcare costs through the childcare element Universal Credit (and legacy benefits).

Under the [Tax-Free Childcare \(TFC\) scheme](#), a parent or carer pays funds for childcare into a TFC account. The Government then tops up each £8 paid in with an extra £2, up to a maximum of £500 per child every three months, or £1,000 every three months for a disabled child. Money in the TFC account can then be used to pay for approved childcare.

TFC can be paid for any child under 12 years of age, or under 17 if they are disabled. The eligibility criteria are the same as for the 30 hours entitlement in England (it is generally only available for working households). The scheme is UK-wide. Take up TFC is not routinely reported.

One cannot get Tax-Free Childcare at the same time as claiming Working Tax Credit, Child Tax Credit, or Universal Credit.

Some parents may also still be using the [childcare vouchers scheme through their employers](#). This scheme was closed to new entrants in 2018.

Flexibility

The [Children and Young People \(Scotland\) Act 2014](#) provides that local authorities “secure that the mandatory amount of early learning and childcare is made available for each eligible pre-school child belonging to its area” (section 47) and that local authorities “must have regard to the desirability of ensuring that the method by which it makes early learning and childcare available ... is flexible enough to allow parents an appropriate degree of choice when deciding how to access the service.” (section 52)

Local authorities have a duty to secure the availability of the service – the available types of service may not suit the circumstances of every family. [Statutory guidance](#) states—

“Section 52 of the 2014 Act does not place an expectation that every setting will offer every possible pattern of provision that a parent may request. This is to allow providers to effectively plan for and manage the capacity of their setting, and to acknowledge that for providers in the private, third and childminding sectors they will likely have a core offer for parents that underpins their business model. For example, settings will have established session times when delivering their service. While parents should have access to a range of sessions of varying lengths and start times, it is not expected that individual settings must accommodate every request from parents to use their child's statutory funded early learning and childcare entitlement for only part of a session (i.e. choosing their own drop off/pick up time).

“Flexibility should be driven by local demand from families regarding the nature, and type, of provision and support that they require. The range of options available to families, should be established through consultation with representative populations of parents as specified in section 50 of the 2014 Act.”

One element of flexibility is that parents have a choice of provider and those providers may offer different types of places. The policy of 1,140 hours of funded ELC is underpinned by the [funding follows the child model](#). This says—

“Families will be able to access high quality funded ELC with the provider of their choice if that provider meets the criteria set out in the National Standard, wishes to deliver the funded entitlement, has a space available, is able to offer the funded hours inline with local ELC delivery plans (subject to the setting’s overall capacity) and is willing to enter into a contract with the local authority.”

Plans to expand funded childcare

The Programme for Government in 2021-22 said that the government would, “work to expand funded early learning and childcare for children aged 1 and 2, starting with low-income households within this Parliament.” The Scottish Government also plans to develop a “system of wraparound school age childcare, offering care before and after school and in the holidays, which will be free to families on the lowest incomes”.

The 2022 childcare strategy, [Best Start - strategic early learning and school age childcare plan 2022 to 2026](#), said—

“We will be taking the time to get policy design and engagement on our future childcare offers right, recognising that they must be appropriate

to parents', carers' and families' needs and that these will differ depending on children's ages and stages, and families' circumstances. We will also work closely with providers in the public, private, third and childminding sectors throughout our design process.”

The [2023-24 Programme for Government](#) said that the expansion of childcare support would cover children from 9 months old.

The Government published a [School-age childcare delivery framework](#) in October 2023. This was sought to define the Government’s “action areas for the next three years, describes our transformational approach – centred around people and place – and considers how we will measure and evidence the impact of early delivery.”

In answer to a [Parliamentary Question \(S6W-25667\) in March 2024](#), the Government stated—

“We have recently completed and published two key pieces of research to help us understand and identify what models of ELC are best for younger children. The first is a summary of work to map [current ELC provision for younger children in Scotland](#) and the second [a literature review undertaken by Public Health Scotland](#). Evidence from this early insights work supports taking a considered approach to policy development in 2024-25, so that we understand what is right for families with under three’s.

“Over the next year we will continue to build on this early insights work by piloting new approaches via funding from the Whole Family Wellbeing Fund to test models of holistic family support and by engaging with the ELC sector to understand what is required to support an expansion.”

Ned Sharratt
SPICe Researcher

28/8/2024

The purpose of this briefing is to provide a brief overview of issues raised by the petition. SPICe research specialists are not able to discuss the content of petition briefings with petitioners or other members of the public. However, if you have any comments on any petition briefing you can email us at spice@parliament.scot

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