

# On the breadline

We know that 70 per cent of all poor children are in working families. So how easy is it for these families to access childcare? **Charlotte Goddard** investigates



**F**rom families who can't afford shoes to suicide attempts after job losses, childcare providers are frontline witnesses to the

impact of poverty. 'I have had mums saying they are so poor that they are looking for money on the floor,' says Nikki Finnis-Parker, co-director of Avenue Nursery and Forest School in Herne Bay, Kent. 'It is something we are noticing more every year.'

It is not just nurseries in traditionally disadvantaged areas that are seeing the impact. 'In the last eight years the impact of poverty is everywhere; it's wider across the city where before it may have been in clear pockets,' says Sharon Hogan, acting executive head teacher at three nursery schools in Bradford.

'Parents are still working, often in catering or taxi firms, but the weight on them is so great now they are sinking. A common thread with many of our families is the impact of a working culture where they feel they are dispensable.'

Two-thirds of child poverty occurs in working families,

according to Child Poverty Action Group; families which can be hardest hit by lack of housing, cuts to benefits and toxic working cultures.

One nursery head describes how a mother was driven to attempt suicide after being sacked from her job manning a helpline. After the parent company ran a presentation on how much they cared about employees' well-being, she admitted to her bosses she was suffering stress.

'A week later she was sacked and she was convinced it was because she had opened up to them,' says the head. 'We found her crying outside the nursery on the Friday and on the Monday we heard she had tried to take her own life.'

The nursery gave the children extra free sessions and staff supported the father with information about services that could help. The mother did not want to become involved in a tribunal, but nursery staff were able to help her write to the parent company about her poor treatment in the workplace.

Children who have lived in persistent poverty during their first

## The use of food banks is increasing

**“ When parents are afraid to come through the door because they owe us money, the well-being of both parents and children is impacted ”**

seven years have cognitive development scores on average 20 per cent below those of children who have never experienced poverty, according to CPAG. Children living in overcrowded inadequate housing are more likely to contract meningitis, experience respiratory difficulties and have mental health problems, such as anxiety and depression.

'Communication and language are massively affected, as stressed parents don't have time to talk to their children,' says Ms Finnis-Parker. Involving parents in children's learning is a key tenet of the EYFS, but parents owing money often seek to avoid staff members.

'Our job is to provide education and care,' says Theresa Staunton, area operations manager at Abacus Childcare Settings. 'When parents are afraid to come through the door because they owe us money, the well-being of both parents and children is impacted.'

Like well-publicised trends in the schools sector, some nurseries are now stepping into the place of social services, providing support to

# working poverty: parents

families on the breadline. 'Providers tell us they are operating food banks for their families,' says Neil Leitch, chief executive of the Early Years Alliance. 'I went into one where staff were having to provide shoes for some of the children.'

'We make sure any leftover food goes to the families in need,' says Andrea Layzell, workforce development leader at St Edmund's Nursery School in Bradford. 'We have a collection box for clothing, families can help themselves, and also we supply emergency tokens for meters when families don't have money for gas or electricity.'

'When children are coming in hungry, we provide breakfast. We have a staff room where families can get warm and have a cup of tea. The most important thing is not to judge – families know they will receive a warm welcome.'

## Additional charges

Yet while nurseries want to support vulnerable children and their families, there is a limit to what they can afford to provide, especially when funded places cost more to deliver than the funding rate. What happens then?

'We are starting to see a worrying situation,' says Mr Leitch. Visiting one setting, he was told parents are informed there have to be additional charges on top of the funded hours. 'I asked them "what if you get a parent who qualifies for the 30 hours but can't afford the additional charges or doesn't want to take additional hours?". They replied "we put them on the waiting list". When I asked what happened then, they repeated "we put them on the waiting list", implying the likelihood is they never come off.'

He adds, 'Providers don't want to be put in this position, but it is a

matter of survival.'

Avenue Nursery and Forest School charges a quality supplement of £1 an hour on top of the funded hours in order to continue to run its Forest School, keep its high staff-to-child ratio and provide activities such as trips to the seafront. The setting has one completely free funded place, which is offered to the poorest and most disadvantaged family.

'Parents have to meet certain criteria in order to access it,' says Ms Finnis-Parker. This year, however, the nursery has offered the free places to five families. 'We don't want to lose these kids who need it more than others,' she says.

'The Government is turning a blind eye to the impact of underfunding nursery places and has diverted responsibility onto providers to apply the moral judgement as to who gets the funded hours,' says Mr Leitch.

Is there a two-tier system? Yes, says Mr Leitch. In January it was reported that a Norfolk nursery had sent a letter to parents saying those failing to pay additional fees would have their children placed in a separate room. 'That is the sort of thing I have never seen in all the time I have been in childcare. It was always about supporting the most vulnerable children,' says Mr Leitch.

## Benefits

The less well-off are particularly hit by severe real-terms cuts in benefits. In areas where Universal Credit has been introduced, providers have noticed an immediate impact.

The system requires parents to pay for childcare in advance and then claim a percentage of the money back, pushing many into debt. 'Parents are telling us they are panicking, and don't know how to

cope,' says Charlotte McDonough, UK policy adviser at Save the Children. 'They have to borrow from family or take a payday loan. One mum had to sell her car to pay for childcare costs, another was not able to put petrol in her car to go to work.'

Recipients of Universal Credit can only claim for childcare, not food or other consumables, and they cannot claim for the initial deposit.

Abacus's Ms Staunton says she was hit by £9,000 of debt when Universal Credit was rolled out in Croydon. Parents, unable to pay fees on time, have been withdrawing their children from the setting.

'A lot absconded or gave notice,' she says. 'Normally I would take them to court, but I have had to write it off.'

Save the Children is lobbying for costs to be paid directly to providers, or for parents to claim against an invoice rather than a receipt.

The complexity of the system means many parents lose money by not claiming correctly. 'I have been very involved trying to help those parents because they are so stressed,' says Ms Staunton. 'We have a parent who is getting Universal Credit whose claim was rejected because she had written the date the money left her bank and we had written the date we received the money.'

Ms Staunton holds training sessions for parents to help them navigate the system.

With the UN's poverty expert predicting that close to 40 per cent of UK children are expected to be living in poverty by 2021, pressures on families will increase.

Labour is pledging to end in-work poverty within five years if it wins the next election. 'I have never seen politics affect early years so much and I have been doing this job since 1986,' says Ms Finnis-Parker. ■

## case study: Hannah, working mum of two, Newcastle

On her way to work earlier this year, Hannah received a phone call from her boyfriend who was dropping her four-year-old and nine-month-old off at nursery. 'He said "they are not going to let them in",' she says.

As a recipient of Universal Credit, Hannah had been in arrears with her childcare payments because the system requires payments to be made upfront. The nursery allowed her to stay in arrears for a while, but when Universal Credit was late to pay out one week, the manager would not let the children onto the premises. 'It wasn't communicated very well from the nursery, I had spoken to them only a few days before and they didn't say anything,' says Hannah. 'It caused lots of problems. I don't think nurseries are aware of the

issues caused by Universal Credit, they don't have information to give to parents.'

Hannah couldn't take time out from her job in technical support for a payroll accounting company, so her partner, who works part-time doing six-hour shifts, had to stay at home to look after the children, losing pay. 'Because of this he was later let go by the company, as he was fighting to win a permanent contract and this incident was taken into account when the decision was made,' says Hannah. 'The children were out of nursery for a total of three weeks because the nursery wanted payment upfront after this incident and I needed to find the money, so I had to ask my parents for a loan.'