



Department
for Education

Survey of Childcare and Early Years Providers and Coronavirus (COVID-19) – Wave 4

Research report

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Notes on the Data

- This is the 4th wave of a series of rapid surveys designed to capture evidence during the Coronavirus pandemic.
- Wave 4 of the survey is designed to provide a representative, stand-alone snapshot of all early years providers operating in 2021. As the sample of providers contacted for Wave 4 is different from that used at Wave 3, and the focus of the questionnaire is different, making comparisons with previous waves of the COVID study is not possible.
- At wave 4 only providers who were open at the time of the survey or were temporarily closed but had been open in the past 30 days were eligible to take part¹. At waves 1-3 all providers that were open in March 2020 (that is before the COVID-19 pandemic) were eligible to take part even if they had since closed.²
- Wave 1 of this survey was conducted 2 to 20 July 2020 and the results of this have been published: [Survey of childcare and early years providers and COVID-19 \(coronavirus\)](#)
- Wave 2 of this survey was conducted 25 September to 18 October 2020: [Survey of childcare and early years providers and coronavirus \(COVID-19\): wave 2](#)
- Wave 3 of the survey was conducted between 27 November and 20 December 2020. [Survey of childcare and early years providers and coronavirus \(COVID-19\): wave 3](#)
- Wave 4 of the survey was conducted between 24 November and 19 December 2021.
- Figures with an unweighted base of less than 30 have been highlighted as having a low base and should therefore be treated with caution. Figures with an unweighted base of less than 5 have been suppressed, as per the accompanying tables.
- Some figures may not sum to the total due to rounding.
- We asked providers to consider that 'before COVID-19' was before March 2020. We asked providers to think of a 'typical day' or 'typical week' when thinking about before COVID-19.

¹ This methodological decision was based on the assumption that most providers would be open in November and December 2021, and that the questions asked (e.g. on finances and the childcare workforce) would be more relevant to open providers.

² The proportion of providers who were temporarily or permanently closed in January and February 2022 and reasons for closures is available at [Attendance in education and early years settings during the coronavirus \(COVID-19\) pandemic, Week 8 2022 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](#)

- For some of the analyses, there is a focus only on Group-Based Providers (GBPs) and School-Based Providers (SBPs) or on GBPs and Child Minders (CMs) only. This is because not all the questions were relevant to all provider types.
- GBPs who are part of a chain answered about provision run by their own branch.
- Due to questionnaire changes at wave 4 of the survey, there is no comparable data from previous survey waves. As such, no significance testing has been carried out to determine whether changes over time or between provider type are statistically different.

Executive Summary

The Department for Education commissioned NatCen Social Research and Frontier Economics to conduct wave 4 of an online survey with childcare providers entitled the Survey of Childcare and Early Years Providers and Coronavirus (COVID-19) (SCEYP COVID). The purpose of this study was to understand how childcare providers have responded to the pandemic, the status of childcare provision and any potential longer-term consequences for the childcare market. Three waves of the survey were conducted between June and December 2020; findings for waves 1-3 are available at the links below:

- [Survey of childcare and early years providers and coronavirus \(COVID-19\): wave 3.](#)
- [Survey of childcare and early years providers and coronavirus \(COVID-19\): wave 2.](#)
- [Survey of childcare and early years providers and COVID-19 \(coronavirus\): wave 1](#)

As the COVID-19 pandemic continued, a fourth wave of the SCEYP COVID survey was fielded 12 months on from the last data collection, in November/December 2021. The survey aimed to assess whether and how settings continue to be affected by exploring workforce changes since the onset of the pandemic, the impact of changes on provision, and financial position.

The Study

A nationally representative sample of group-based providers (GBPs), school-based providers (SBPs) and childminders (CMs) were invited to complete a 10-15 minute online survey between 24 November and 19 December 2021.

Wave 4 of the survey was designed to provide a representative, stand-alone snapshot of all early years providers operating in 2021. The sample of providers contacted for Wave 4 is different from that used at Wave 3, and the focus of the questionnaire is different. Making comparisons with previous waves of the COVID study is therefore not possible.³

Topics covered in the survey include:

- Workforce
- Changes to provision
- Managing finances

³ One other difference between the wave 4 survey and previous waves is that at waves 1-3 all providers that were open in March 2020 (that is before the COVID-19 pandemic) were eligible to take part even if they had since closed. At wave 4 only providers who were open at the time of the survey or were temporarily closed but had been open in the past 30 days were eligible to take part. This was based on the assumption that most providers would be open in November and December 2021, and that the questions asked (e.g. on finances and the childcare workforce) would be more relevant to open providers.

In total, 1,950 providers participated in the study, including 217 SBPs, 1,111 GBPs and 622 CMs

Key Findings

Leavers

- GBPs reported a higher average number of staff (3) leaving their setting since the start of the pandemic compared to SBPs (1).
- On average, GBPs reported an average staff turnover rate of 28%, compared with 11% for SBPs. Just over half (55%) of SBPs reported a 0% turnover rate, compared with 28% of GBPs.
- GBPs who had at least one member of staff leaving at the time of the survey, reported an average of 1 staff member leaving their setting for issues specifically related to COVID-19 since the start of the pandemic compared to an average of 0.4 in SBPs. 73% of SBPs reported no staff members leaving for issues related to COVID-19.
- Providers who had staff who left the setting since COVID-19 were asked to select the reasons why staff left their setting for employment elsewhere. For SBPs, the three most common reasons why staff left their setting for employment elsewhere were: for career progression (42%), a better work-life balance/ less stressful job (34%) and better and more suitable working hours (32%). For GBPs, the three most common reasons were for better pay (47%), better and more suitable working hours (43%) and a better work-life balance/ less stressful job (43%)

Vacancies

- At the time of the survey, GBPs were carrying an average of one staff vacancy whereas SBPs had no vacancies, on average (80% of SBPs had no vacancies).
- The majority of SBPs (60%) and GBPs (54%) said their current staff are equally as experienced as the staff working in their setting before COVID-19, and The majority of SBPs (68%) and GBPs (55%) said their current staff are equally as qualified. However, around a third of GBPs said their current staff are less experienced (31%), and less qualified (31%).

Changes to provision

- Since the start of the pandemic, the majority of providers (73%) had made no notable changes to their opening hours/days.
- Of the providers who increased their opening hours/days, the primary reason was because of a change in demand from parents (63%). This was also the primary reason for providers who decreased their opening hours/days (51%).

- Since the start of the pandemic, the majority of providers (65%) have made no notable change to the choice/flexibility in hours that parents can use.
- Of the providers who increased the flexibility/choice in hours that parents can use, the primary reason was because of a change in demand from parents (64%). This was also the primary reason for providers who decreased their flexibility/choice (52%).
- Since the start of the pandemic, the majority of GBPs and SBPs (78%) made no notable changes to the average number of children each staff member looks after per session.

Managing Finances

- Just under half (49%) of GBPs and three-quarters (75%) of CMs reported that their current total income covers their current costs.
- Around half of GBPs (54%) and CMs (49%) reported that their total costs have notably increased since before COVID-19, while total income – for a similar proportion - has notably decreased since before COVID-19.
- GBPs most commonly reported that they made changes to their income by increasing fees (45%), while CMs most commonly reported that they made no changes around income to manage their finances (67%).
- CMs and GBPs most commonly reported making changes to their costs to manage their finances by reducing spending on food, materials or equipment (47% and 55% respectively). 44% of CMs reported making no changes.
- Almost half of CMs (49%) used their own personal savings and 34% of GBPs used business contingency reserves as a necessary step to help manage their finances as a result of the pandemic.

Introduction

The COVID-19 pandemic and subsequent lockdown has resulted in a large amount of change for the childcare sector in England. During the first year of the pandemic, the biggest financial challenge for childcare providers was the reduction in income from parent-paid fees due to lowered attendance rates, especially for GBPs and CMs who are more reliant on parent-paid hours⁴.

As the pandemic continued, a fourth wave of the SCEYP COVID survey was fielded 12 months on from the last data collection, in November/December 2021. The survey aimed to assess whether and how settings continue to be affected by exploring workforce changes since the onset of the pandemic, the impact of staffing changes on provision, and financial position.

The Study

Survey of Childcare and Early Years Providers (SCEYP) COVID Wave 4 consisted of a 10-15 minute web survey asked of a sample of group-based providers (GBPs), school-based providers (SBPs), and childminders (CMs) in England, who had participated in either the previous wave of the SCEYP COVID survey or the main SCEYP survey fielded in spring/summer 2021, and who agreed to be recontacted.

Wave 4 of the survey is designed to provide a representative, stand-alone snapshot of all early years providers operating in 2021. As the sample of providers contacted for Wave 4 is different from that used at Wave 3, and the focus of the questionnaire is different, making comparisons with previous waves of the COVID study is not possible.⁵

In total, 1,950 providers participated in the study. This includes 217 SBPs, 1,111 GBPs and 622 CMs.

The data has been weighted to provide a stand-alone snapshot that is representative of all providers in England and of the three provider types separately.

More information is provided in the technical report published alongside this release.

⁴ [Survey of childcare and early years providers and COVID-19 \(coronavirus\) 2020](#)

⁵ One other difference between the wave 4 survey and previous waves is that at waves 1-3 all providers that were open in March 2020 (that is before the COVID-19 pandemic) were eligible to take part even if they had since closed. At wave 4 only providers who were open at the time of the survey or were temporarily closed but had been open in the past 30 days were eligible to take part. This was based on the assumption that most providers would be open in November and December 2021, and that the questions asked (e.g. on finances and the childcare workforce) would be more relevant to open providers.

Findings

Workforce

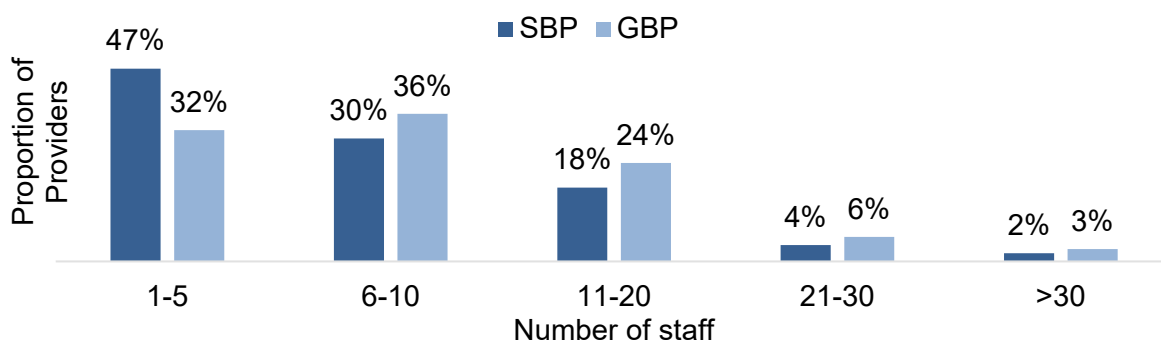
Number of paid staff

At Wave 4, group-based providers (GBPs) and school-based providers (SBPs) were asked about the number of paid staff in their setting who work directly with children, and count towards their staff:child ratios, and the number of paid staff who do not work directly with children (excluding apprentices).

GBPs reported employing slightly more staff who work directly with children, with an average of 10, than SBPs, who employ around 8 members of staff. The majority of both provider types had between 1 and 10 paid staff who work directly with children (68% for GBPs and 76% for SBPs). Only 6% of SBPs and 9% of GBPs reported having 21 or more paid staff members who were directly involved in the delivery of provision (Figure 1, accompanying table T01).

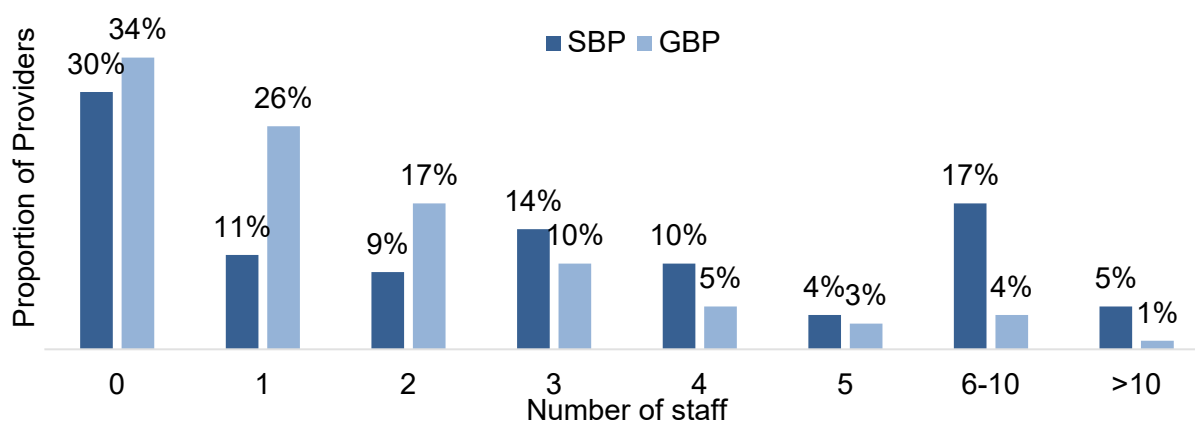
GBPs with a higher proportion of income from parent paid fees were more likely to have a higher number of paid staff than those with a lower proportion of income from fees.

Figure 1: Number of paid staff involved in delivery of provision (who work directly with children)



On average, providers employ more staff who do not work directly with children in SBPs (4) than in GBPs (2). Half of SBPs (50%) and over three quarters (76%) of GBPs had 2 or less paid members of staff that do not work directly with children, and therefore do not contribute to the staff:child ratios. Around a fifth (22%) of SBPs and 5% of GBPs reported having 6 or more members of staff that do not work directly with children. This varied by region, with GBPs located in the East of England and the South-East reporting the lowest average number of paid staff (1 staff member) not directly involved in the delivery of provision (Figure 2, accompanying table T02).

Figure 2: Number of paid staff who do not work directly with children (do not count towards staff to child ratios)

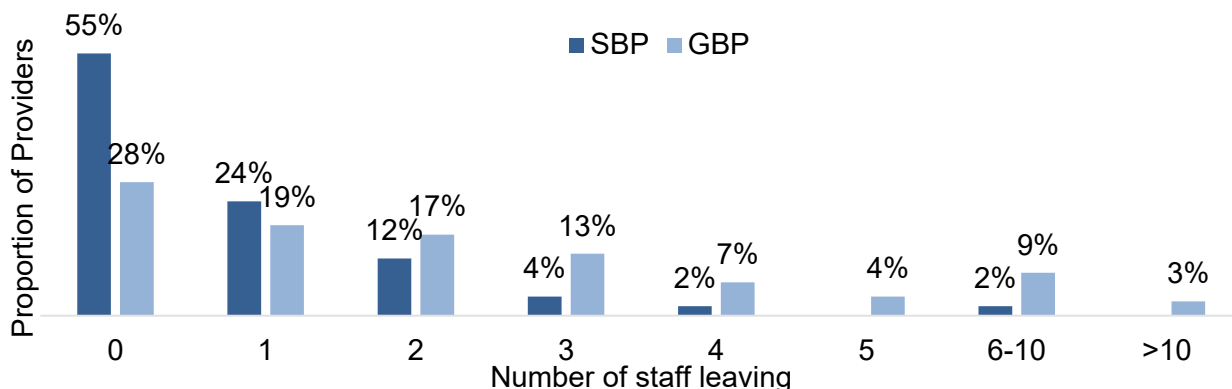


Leavers

To understand the impact of the pandemic on providers' ability to run their business as usual, providers were asked to report whether they had seen staff leaving their setting since the start of COVID-19.

GBPs reported a higher average number of staff, who work directly with children, leaving their setting since the start of the pandemic compared to SBPs (3 and 1, respectively). Over half of SBPs (55%) reported losing no members of staff, and almost an additional quarter (24%) losing 1 staff member. In contrast, just over a quarter (28%) of GBPs said they had lost no members of staff since the start of COVID-19, and just under a fifth (19%) reported losing 1 staff member. For GBPs, the average loss of staff members was lowest in the East of England at around 2, and highest in the East and West Midlands, South East, and the North East and West where an average of 3 staff members had left since March 2020 (Figure 3, accompanying table T03).

Figure 3: Number of leavers from SBPs and GBPs since the start of the pandemic

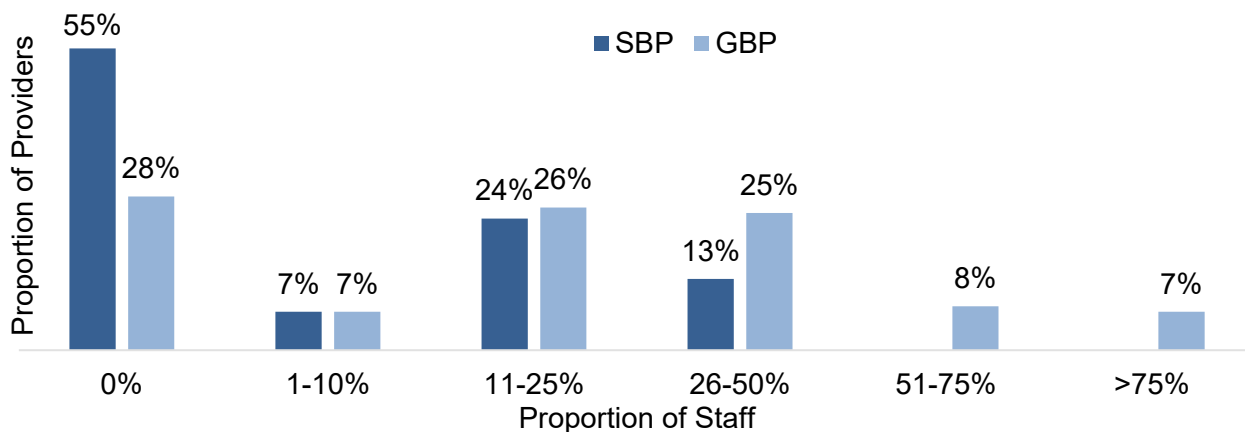


Notes: Data for SBPs with 5 and 10+ leavers has been suppressed due to low number of observations.

In general, staff turnover⁶ was higher in GBPs than in SBPs. The majority of SBPs (62%) reported a low turnover rate of 10% or less, compared with 34% of GBPs. Moreover, a comparatively high proportion of GBPs (40%) reported a turnover rate of over 25% (Figure 4, accompanying table T04). This compares with 13% of SBPs who reported a turnover rate of over 25%.

In the main Survey of Childcare and Early Years Providers (SCEYP 21), which was carried out between March and July 2021, providers were also asked about turnover rates. GBPs reported an average turnover rate of 16%, compared with 6% for SBPs.

Figure 4: Turnover Rate: Proportion of staff who have left the setting since March 2020 as a proportion of all paid staff (staff who work directly with children)



Notes: Data for SBPs with a turnover rate of 51% or over have been suppressed due to low number of observations.

Providers were asked to select the reasons why staff left their setting for employment elsewhere since the start of the pandemic (Figure 5, accompanying table T06). For SBPs, the three most common reasons why staff left their setting for employment elsewhere were:

- For career progression (42%)

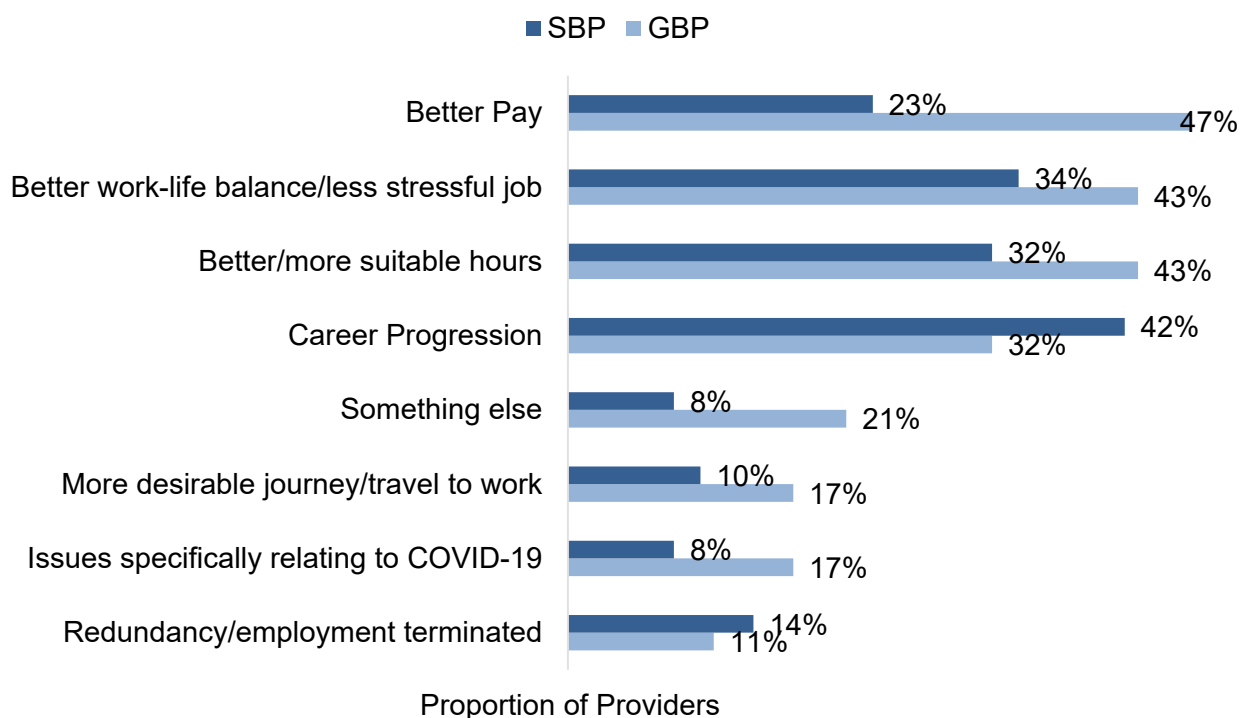
⁶ Staff turnover calculated as proportion of staff who have left the setting since March 2020 as a proportion of all paid staff (staff who work directly with children)

- A better work-life balance/ less stressful job (34%)
- Better and more suitable working hours (32%)

For GBPs:

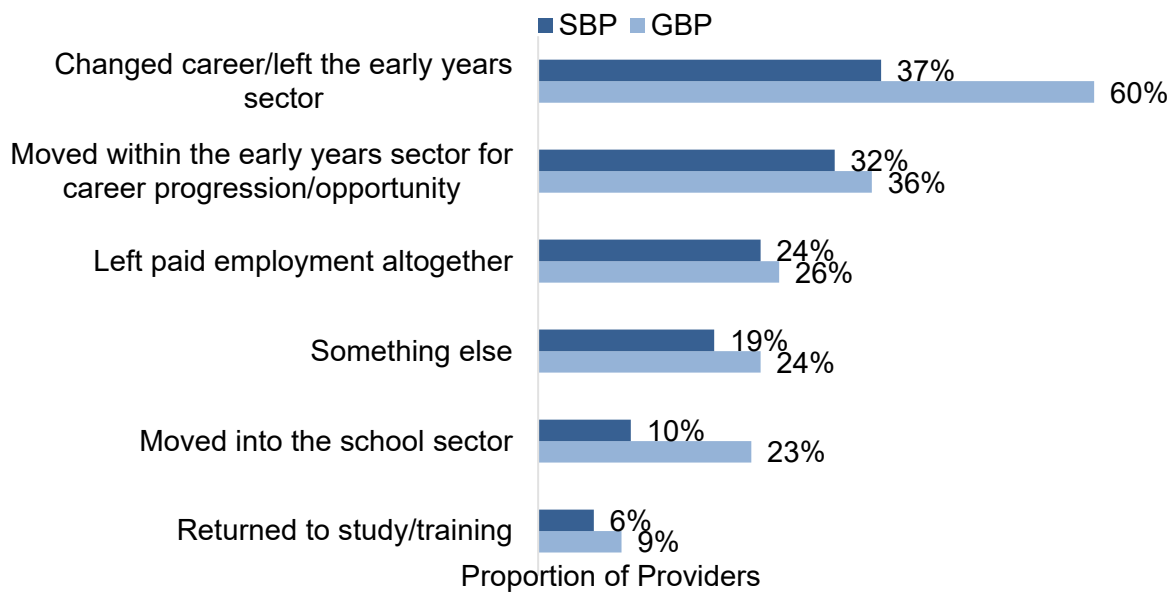
- For better pay (47%)
- Better and more suitable working hours (43%)
- A better work-life balance/ less stressful job (43%)

Figure 5: Reasons staff left for employment elsewhere from SBPs and GBPs



Amongst SBPs and GBPs with at least one member of staff leaving employment at their setting, providers most commonly reported that leavers changed career/left the early years sector (60% of GBPs and 37% of SBPs) (Figure 6, accompanying table T05). The next most common destinations were: movement within the early years sector (36% of GBPs and 32% of SBPs) and leaving paid employment altogether (26% of GBPs and 24% of SBPs).

Figure 6: Destinations of leavers from SBPs and GBPs



Where staff members left employment altogether (Figure 7, accompanying table T07), the most three common reasons for GBPs were:

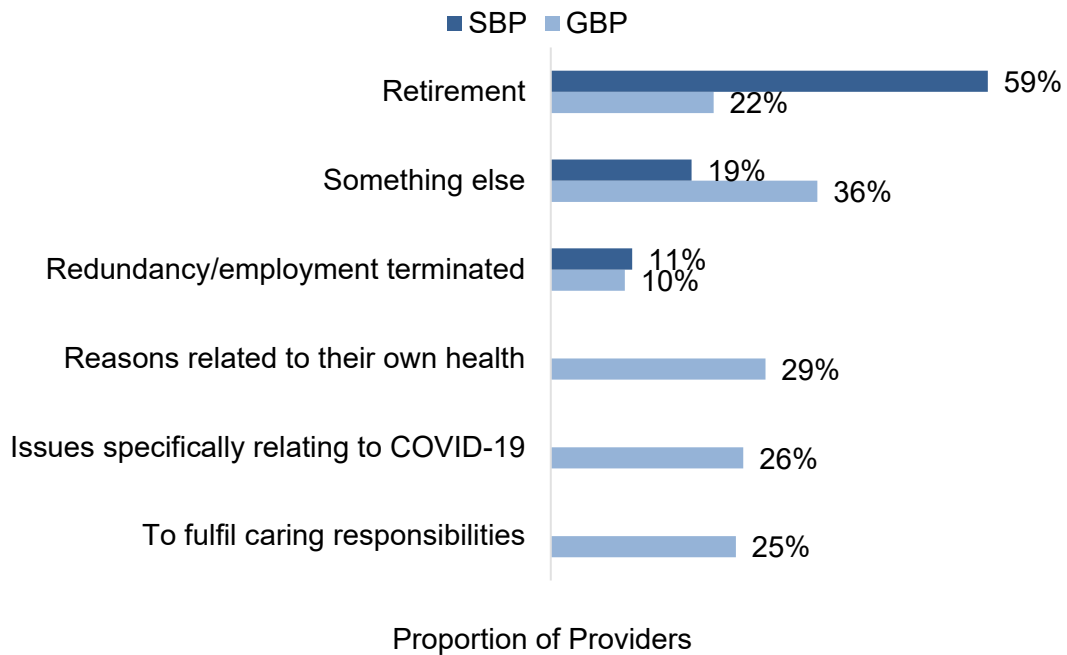
- Other reasons not noted in the survey (36%)
- Reasons related to their own health (29%)
- Issues specifically relating to COVID-19 (26%)

For SBPs:

- Retirement (59%)
- Redundancy/employment terminated (11%)
- Other reasons not noted in the survey (19%)

Issues specifically relating to COVID-19 was the most common reason amongst GBPs in London (40%), and second most common reason in Yorkshire and the Humber (39%). Reasons related to health were the most common for the South East (32%), and second most common for another 5 regions: East Midlands & West Midlands (34%), North West & North East (29%) (accompanying table T07).

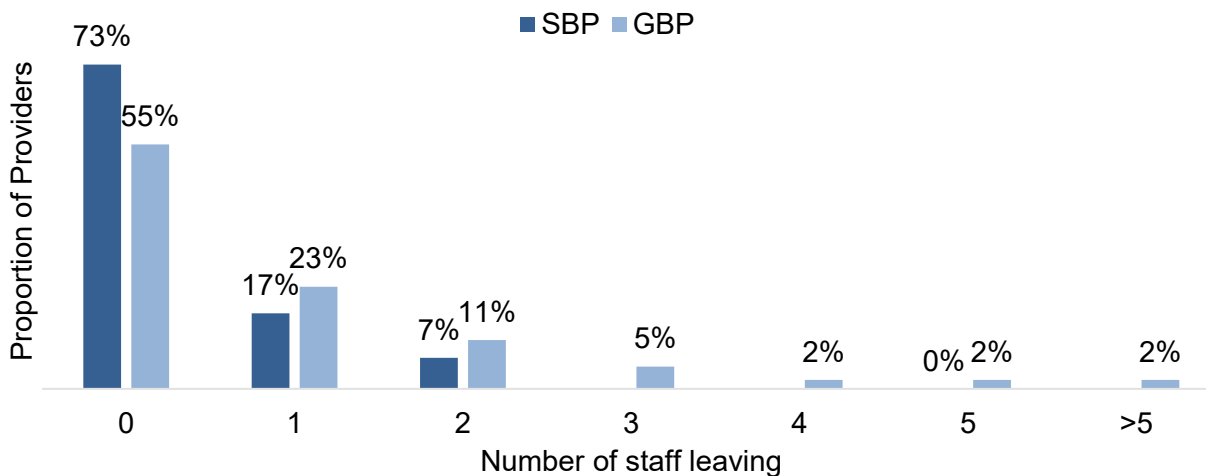
Figure 7: Reasons staff left employment altogether from SBPs and GBPs



Notes: Data for SBPs for “reasons related to their own health”, “Issues specifically related to COVID-19” and “To fulfil caring responsibilities” have been suppressed due to low number of observations.

To understand the impact of the pandemic on the Early Years Workforce, providers who had at least one member of staff leaving since March 2020, were also asked to report on the number of staff leaving specifically due to COVID-19. GBPs reported an average of 1 staff member leaving their setting for issues specifically related to COVID-19 since the start of the pandemic. This compares to an average of 0 staff in SBPs. Seventy-three per cent of SBPs reported 0 staff members leaving for issues related to COVID-19 (Figure 8, accompanying table T08).

Figure 8: Number of leavers since before the pandemic that left because of issues related to Covid-19 (Base: all providers where at least one staff member has left since the start of the pandemic)

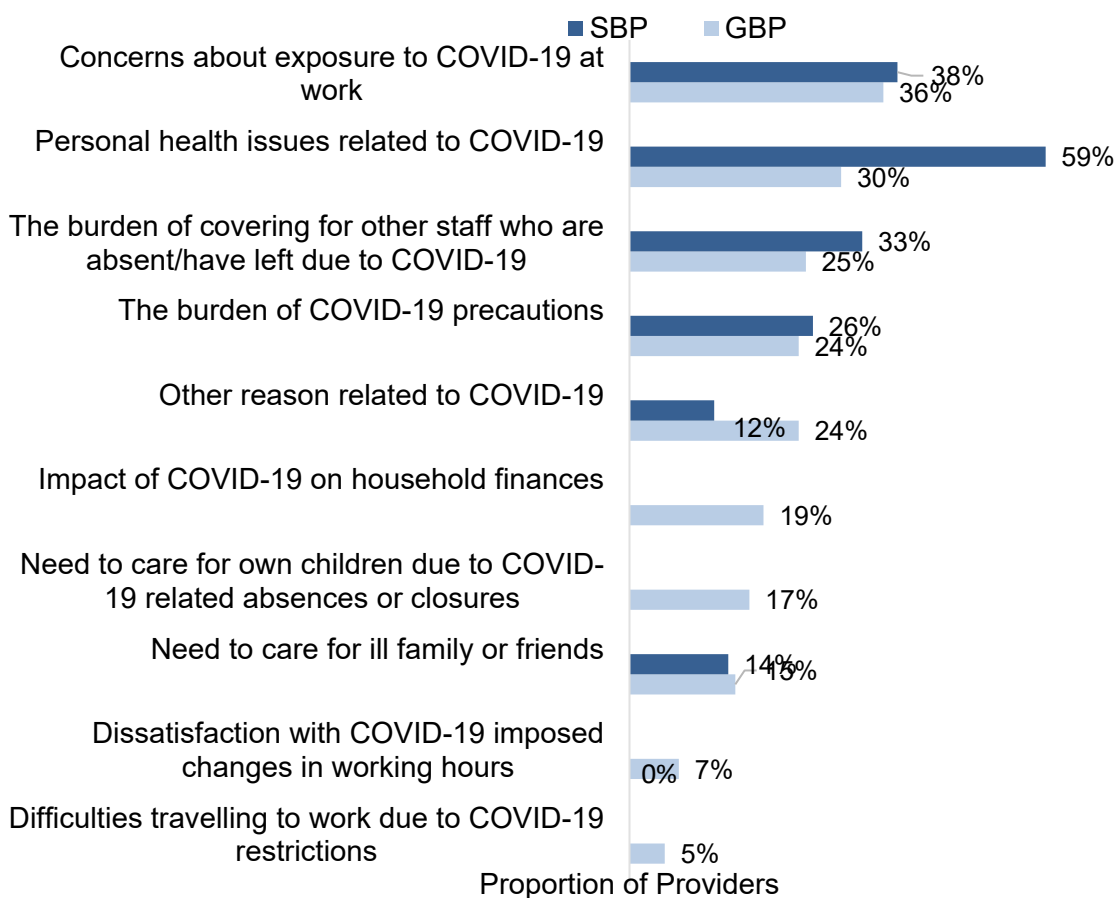


Notes: Some data for SBPs have been suppressed due to low number of observations. For SBPs with 5 leavers there were no observations (zero value).

For both provider types, the most common COVID-related reasons for leaving were (Figure 9, accompanying table T10):

- Concerns about exposure to COVID-19 at work (36% for GBPs, 38% for SBPs)
- Personal health issues related to COVID-19 (30% for GBPs, 59% for SBPs)
- The burden of covering for other staff who are absent/left due to COVID-19 (25% for GBPs, 33% for SBPs)

Figure 9: Leavers since before the pandemic that left because of issues specifically related to COVID-19



Notes: Data for SBPs for “Impact of COVID-19 on household finances”, “Need to care for own children due to COVID-19” and “Difficulties travelling to work due to COVID-19 restrictions” has been suppressed due to low number of observations.

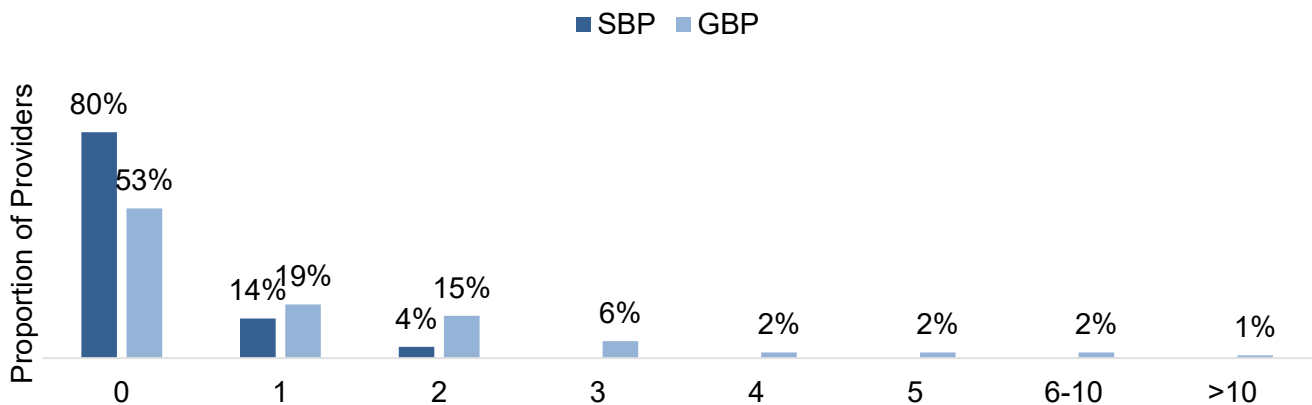
Vacancies

In addition to questions on leavers and reasons for leaving, providers were asked about staff vacancies and the number of applications they typically receive for each staff vacancy, both currently and before the start of the pandemic. At the time of the survey, GBPs were carrying an average of 1 staff vacancy whereas SBPs had an average of 0.3 vacancies (80% of SBPs had no current vacancies) (Figure 10, accompanying tables T11 to T14).

In terms of applications per vacancy (accompanying table 13a), both GBPs and SBPs reported receiving more applications for each vacancy before the start of the pandemic. Before COVID-19, for SBPs and GBPs with at least one staff vacancy, SBPs had an average of 12 applications per vacancy, compared with 4 applications for current vacancies. For GBPs, there were an average of 8 applications per vacancy before COVID-19, compared with 2 applications for current vacancies.

On average, GBPs in the 20% most deprived areas were likely to have more applications per current vacancy (3 per vacancy) than providers in the 20% least deprived areas (2 per vacancy). London had the highest mean number of applications per current vacancy (3) for GBPs, with the East of England, East and West Midlands, and South West having the lowest (2).

Figure 10: Number of staff vacancies available (staff who work directly with children)



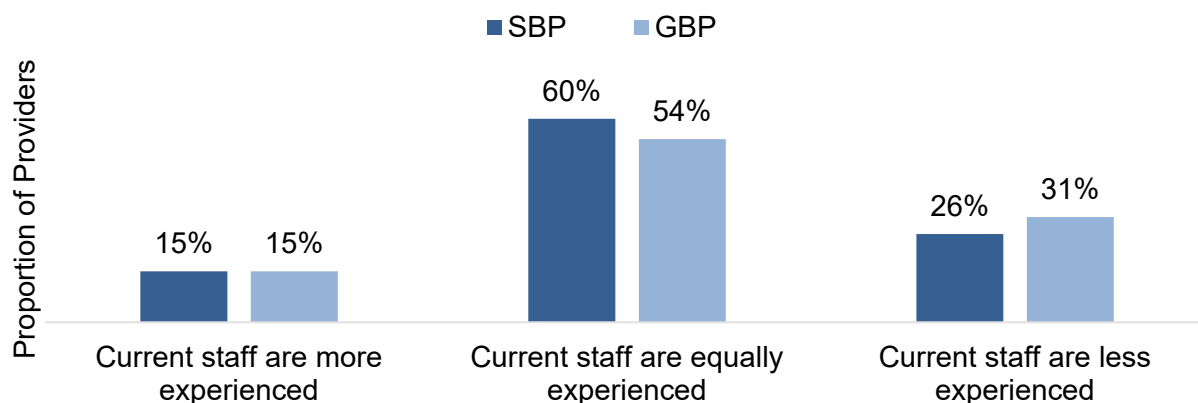
Notes: Some data for SBPs have been suppressed due to very low observation sizes in the data.

Experience and Qualifications

Providers were asked whether their current staff are more or less experienced than the staff who worked at their setting before the pandemic⁷. The majority of SBPs (60%) and GBPs (54%) said their current staff are equally as experienced as the staff working in their setting before COVID-19. However, around a quarter (26%) of SBPs and a third (31%) of GBPs said their current staff are less experienced (Figure 11, accompanying table T15).

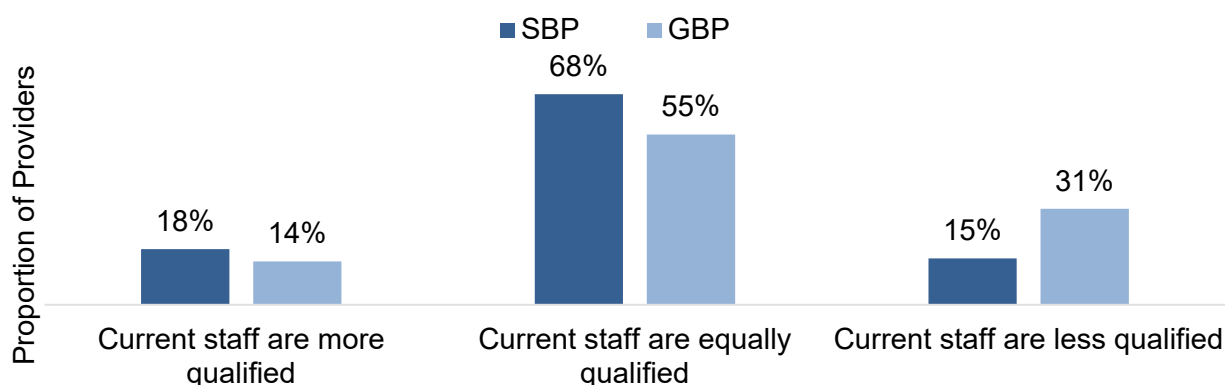
⁷ Depending on the level of turnover at different settings, current staff may be the same as previous staff from before the start of the pandemic.

Figure 11: Proportion of providers who consider their staff to be more/less experienced than previous staff, pre-COVID



Providers were also asked whether they felt their current staff were more or less qualified than staff at their setting before the pandemic (Figure 12, accompanying table T16). The majority of SBPs (68%) and GBPs (55%) said their current staff are equally as qualified as the staff working in their setting before COVID-19. However, 31% of GBPs and 15% of SBPs said their current staff are less qualified.

Figure 12: Proportion of providers who consider their staff to be more/less more/less qualified than previous staff

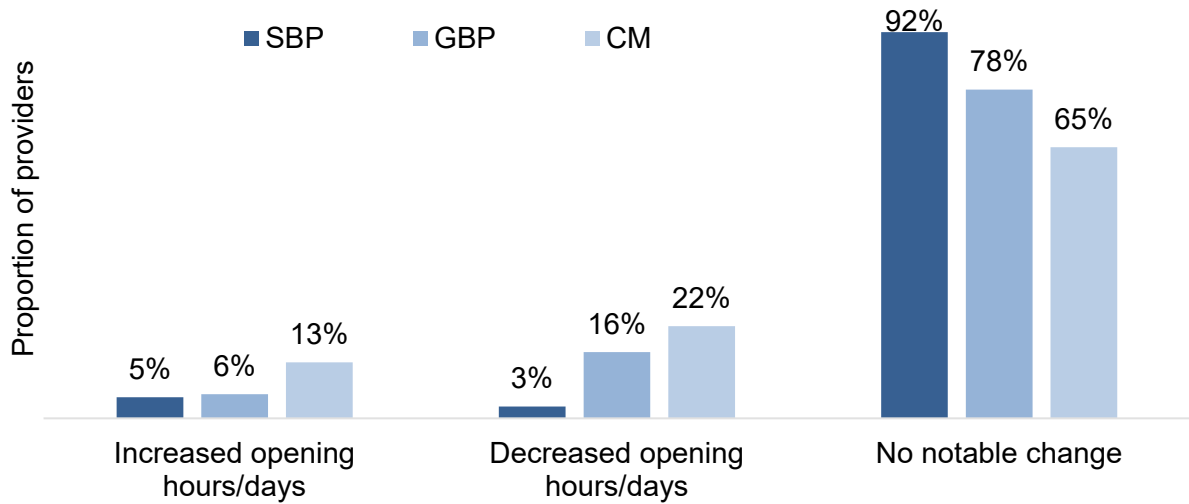


Changes to Provision

To find out whether settings had had to adapt their provision in order to accommodate different pressures brought on by the pandemic, providers were asked about changes made to opening day/hours, flexibility in hours that parents can use and changes to the number of children each staff member looks after.

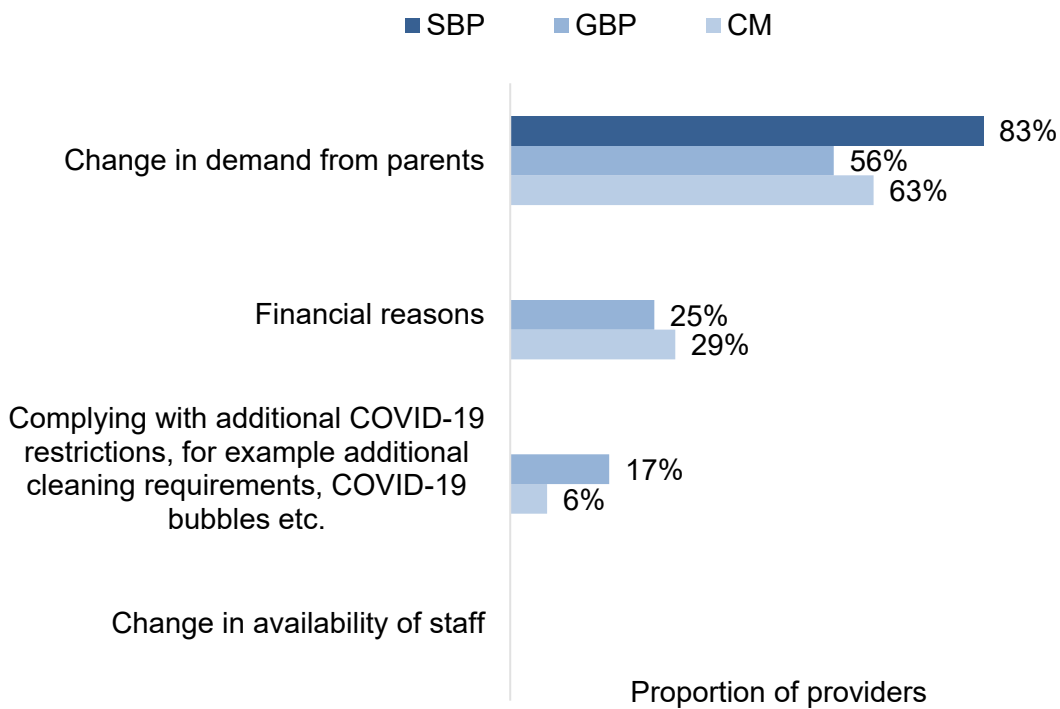
Firstly, providers were asked whether they had made any changes to their opening days or hours since the start of COVID-19 (Figure 13, accompanying table T19). The majority of all providers (73%) reported that they had made no notable changes.

Figure 13: Proportion of providers who changed their opening days/hours since the start of the pandemic



Where providers did change their opening hours or days, this was generally in response to a change in demand from parents. Of the providers who increased their opening hours/days, the primary reason was because of a change in demand from parents (63%) (Figure 14, accompanying table T20a).

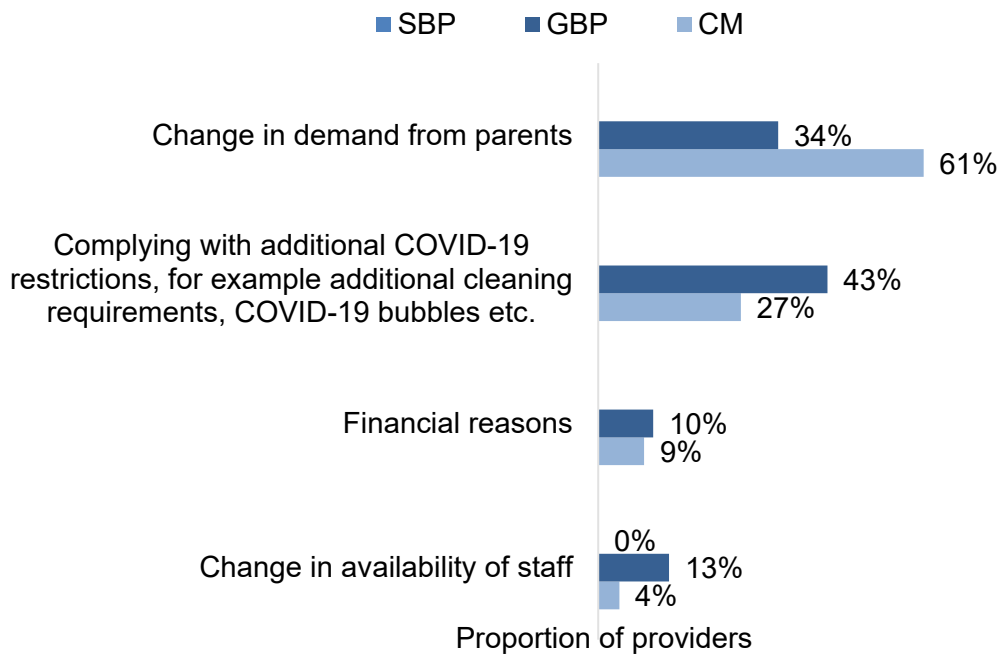
Figure 14: Primary reasons for increased opening days/hours



Notes: Data for “change in availability of staff” has been suppressed for GBPs, CMs and All Providers due to a low number of observations. For SBPs, there were no observations to report (zero value).

This was also the primary reason for all providers who decreased their opening hours/days (51%) (Figure 15, accompanying table T20b). For GBPs specifically, the most common reason was to comply with additional COVID-19 restrictions (43%).

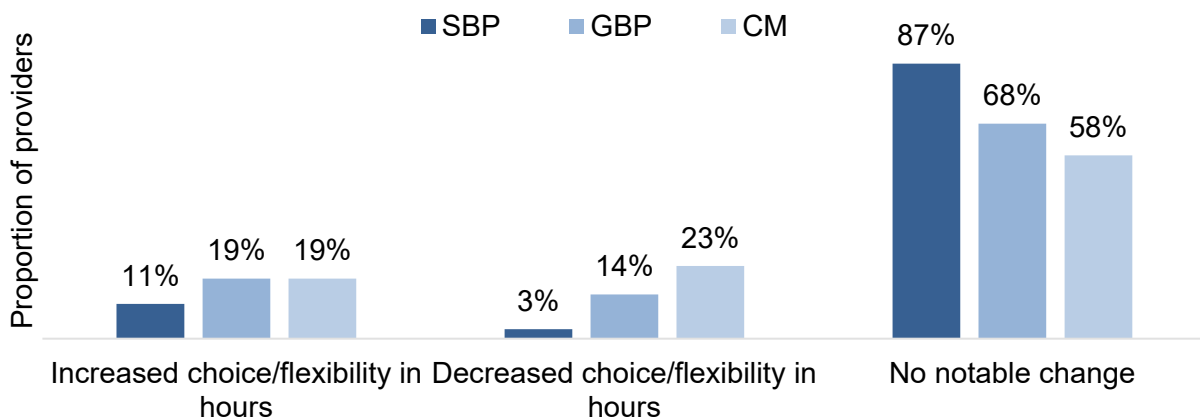
Figure 15: Primary reasons for decreased opening days/hours



Notes: Some figures for SBPs have been suppressed due to low number of observations.

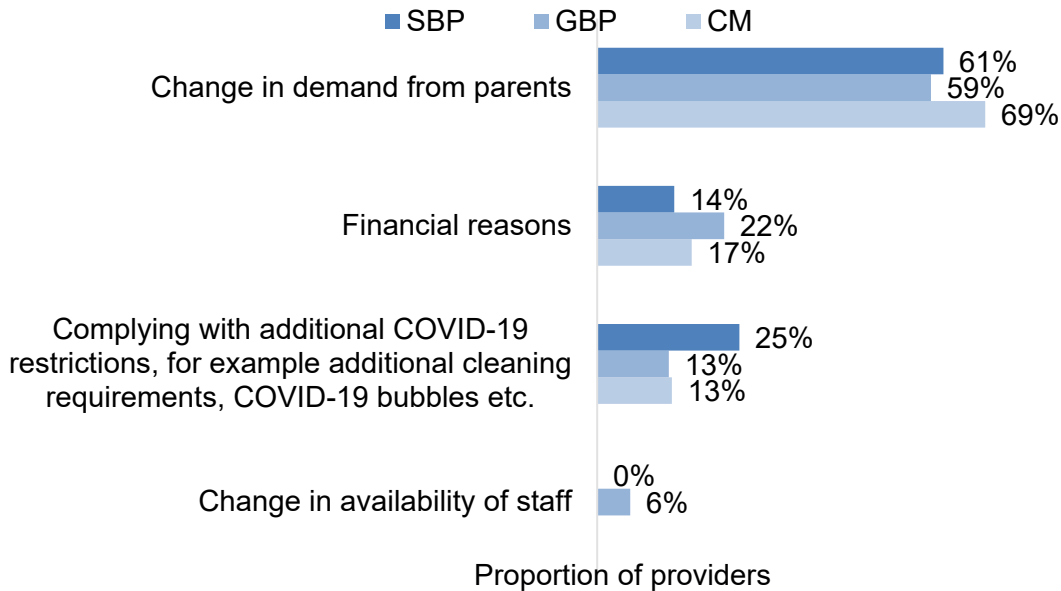
In terms of changes to the flexibility of their operating hours, most providers (65%) had made no notable changes to hours that parents can use (Figure 16, accompanying table T17).

Figure 16: Proportion of providers who made changes to the choice/flexibility of their hours since March 2020



Of all the providers who did increase the flexibility/choice in hours that parents can use (Figure 17, accompanying table T18a), the primary reason was because of a change in demand from parents (64%).

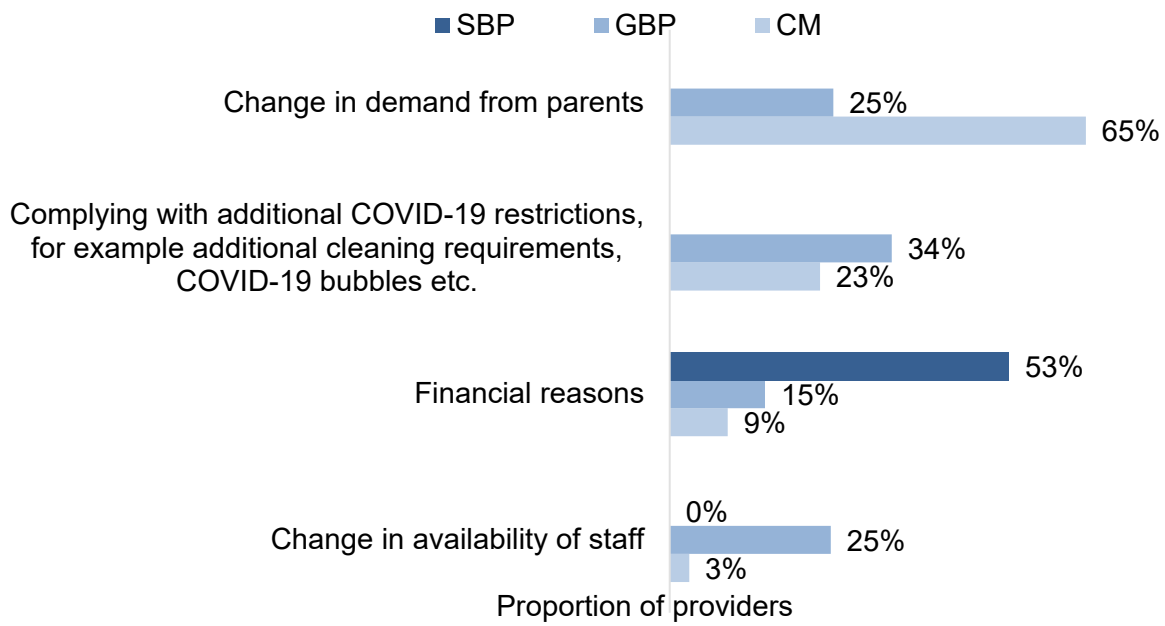
Figure 17: Primary reason for increased flexibility/choice



Notes: Some data for CMs (Change in availability of staff) has been suppressed due to low number of observations.

This was also the primary reason for all providers who decreased their flexibility/choice (52%) (Figure 18, accompanying T18b). For GBPs specifically, the most common reason was similar to decreased opening hours: to comply with additional COVID-19 restrictions (34%).

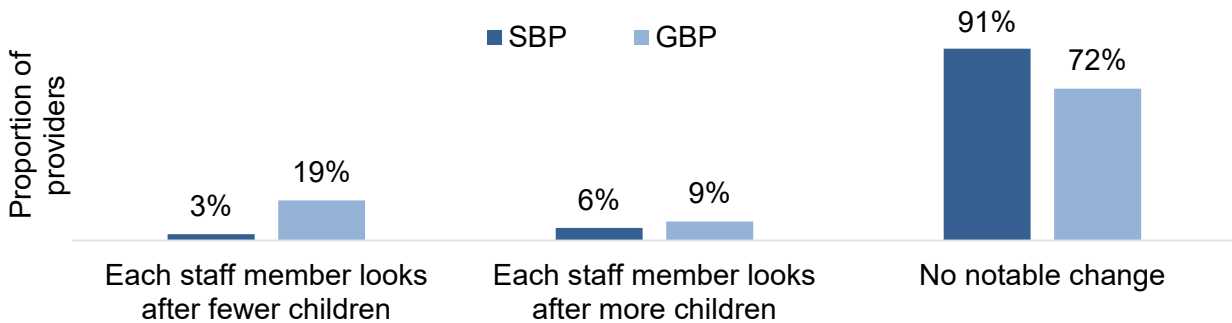
Figure 18: Primary reason for decreased flexibility/choice



Notes: Some figures for SBPs have been suppressed as they were based on a low number of observations. For “change in availability of staff” there were no observations for SBPs (zero value).

As for changes to the average number of children each staff member looks after per session, the majority of GBPs and SBPs (78%) made no notable changes (Figure 19, accompanying table T21).

Figure 19: Proportion of providers who made changes to the average number of children each staff member looks after per session, since March 2020



Of the SBPs/GBPs whose staff members were looking after fewer children, the primary reason was to comply with additional COVID-19 restrictions (57%) (Figure 20, accompanying table T22a). The primary reasons for SBPs/GBPs who reported staff members looking after more children was a change in the availability of staff (52%) (Figure 21, accompanying table T22b).

Figure 20: Primary reason for each staff member (on average) looking after fewer children

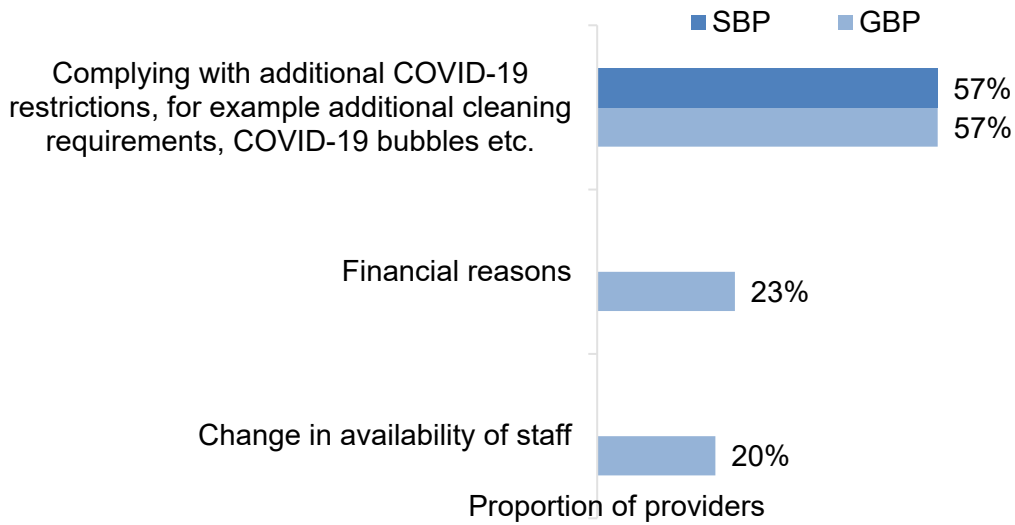
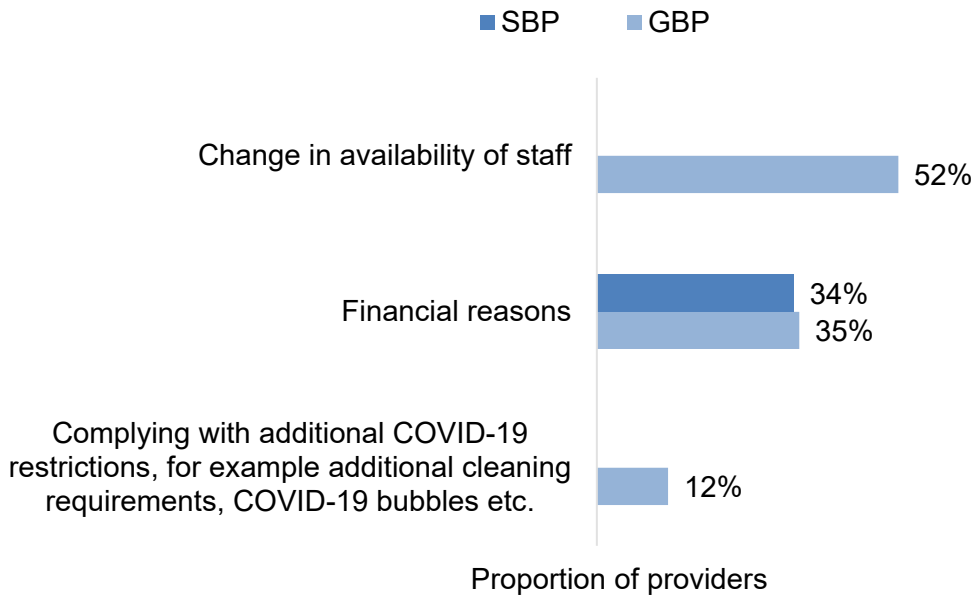


Figure 21: Primary reason for each staff member (on average) looking after more children



Notes: Some figures for SBPs have been suppressed in Figure 20 and Figure 21 as they were based on a low number of observations.

Finances

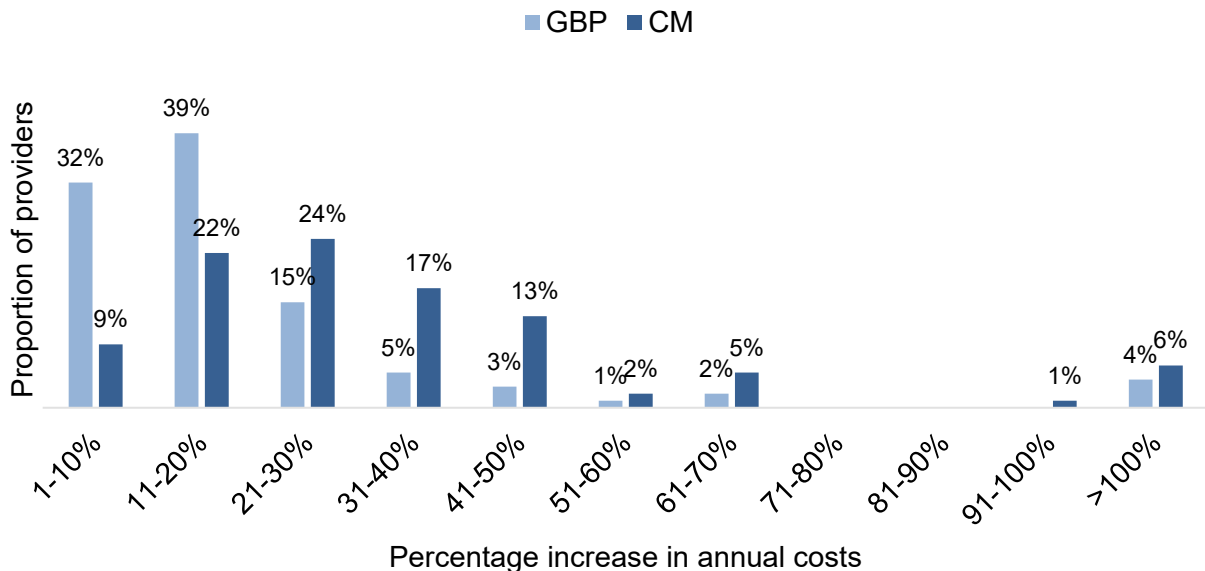
Changes to typical income and costs

To understand the longer-term financial position of providers 20 months on from the start of the pandemic, Group-Based Providers (GBPs) and Childminders (CMs) were asked whether they thought their total income and total costs had notably increased, decreased or stayed the same since before COVID-19⁸. Those that reported a notable change were then asked to provide estimates of their current total income and costs and their typical total income and costs from before COVID-19⁹.

Around half of GBPs (54%) and CMs (49%) reported that their total costs had notably increased since before COVID-19, while 37% of both provider types said there had been no notable change. Only 9% of GBPs and 14% of CMs said that their costs had notably decreased since before the pandemic (accompanying table T29).

Of the providers who reported an increase in their average annual costs, for the majority of GBPs (71%) costs had increased by 20% or less. In comparison, costs for the majority of CMs had increased by more than 20%, with 69% reporting an increase in annual costs of 21% or higher. Note that the increase in costs is based on the estimates provided for current costs and typical costs from before COVID-19 (Figure 22, accompanying table T32a).

Figure 22: Average percentage increase in annual costs of childcare since before COVID-19 among providers reporting an increase



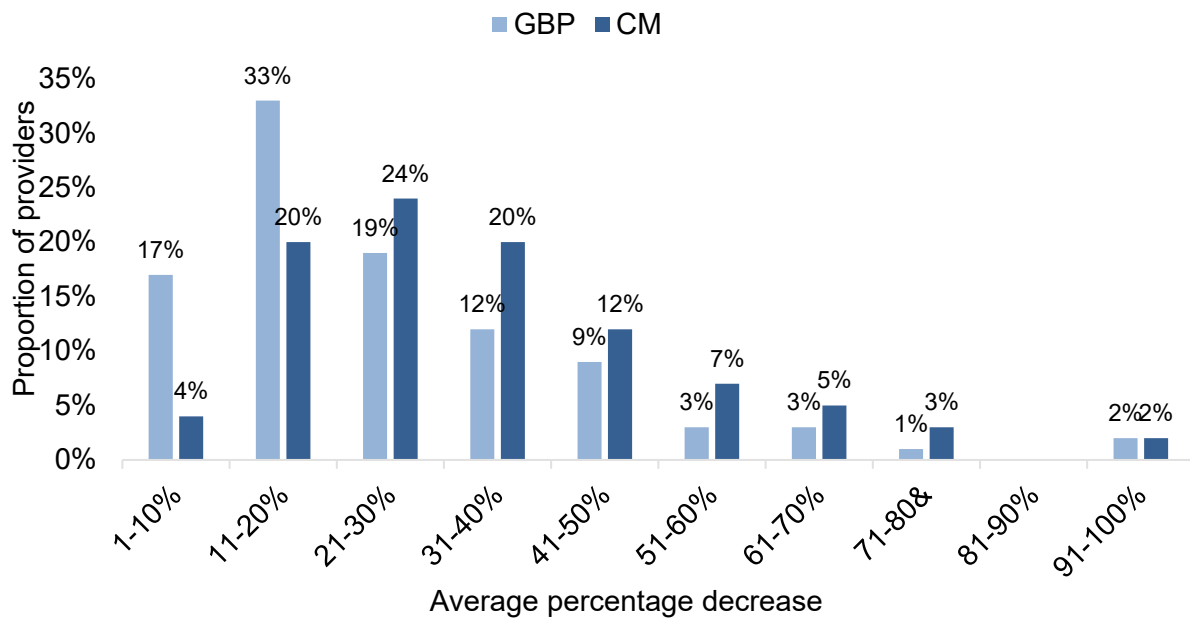
Notes: Data have been suppressed for percentage increases of 71-80% and 81-90% due to low number of observations.

⁸ SBPs were not asked this question as perspectives and decisions about finances and financial sustainability are part of wider decisions concerning the larger school strategy

⁹ Figures provided were then adjusted to provide a figure for total annual costs or annual income

While costs went up for around half of providers, a similar proportion of GBPs and CMs reported that their income had notably decreased since before COVID-19 (50% for GBPs and 58% for CMs). Forty per cent of GBPs and 36% of CMs said that there had been no notable change in their total income since before COVID-19, while 10% of GBPs and 6% of CMs reported that their total income had notably increased (accompanying table T33). Of the providers who reported a decrease in total annual income, income for the majority of GBPs (70%) had decreased by 30% or less. For CMs, income for around half of them (48%) had decreased by 30% or less, however for a similar proportion income (50%) had decreased by more than 30%. In general, childminders had greater increases in costs and greater decreases in income than group-based providers (Figures 23 & 22, accompanying tables T32a & T36b).

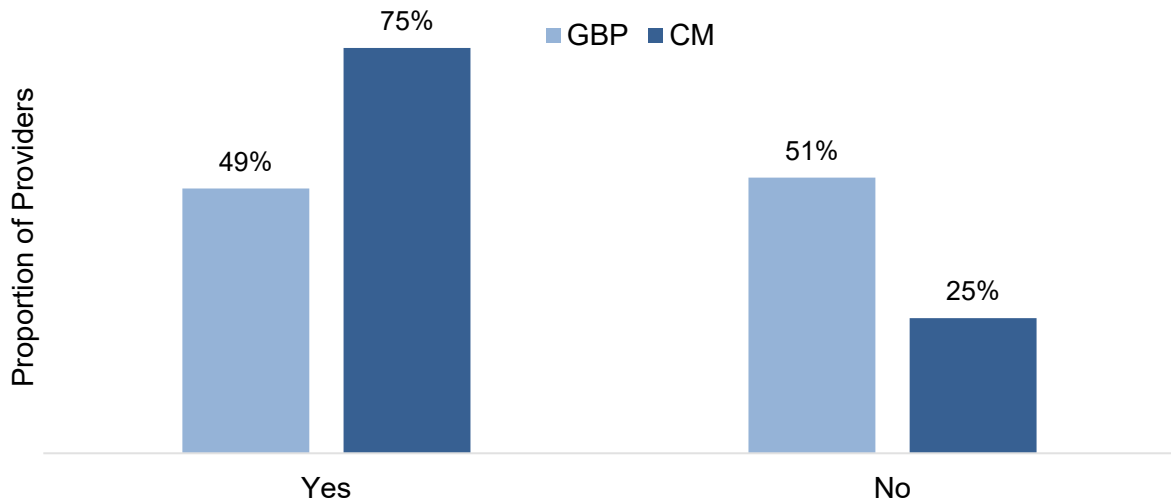
Figure 23: Average percentage decrease in annual income from providing childcare since before COVID-19 among providers reporting a decrease



Notes: Data have been suppressed for percentage increase of 81-90% due to low number of observations.

However, while estimated, reported costs of delivering childcare appear to have increased while income has decreased since before the start of the pandemic for a number of providers, three quarters of CMs reported that their current total income from all sources was sufficient to cover their current costs of delivering childcare. This compares to 49% of GBPs who said that their current total income covers their current costs (Figure 24, accompanying table T24).

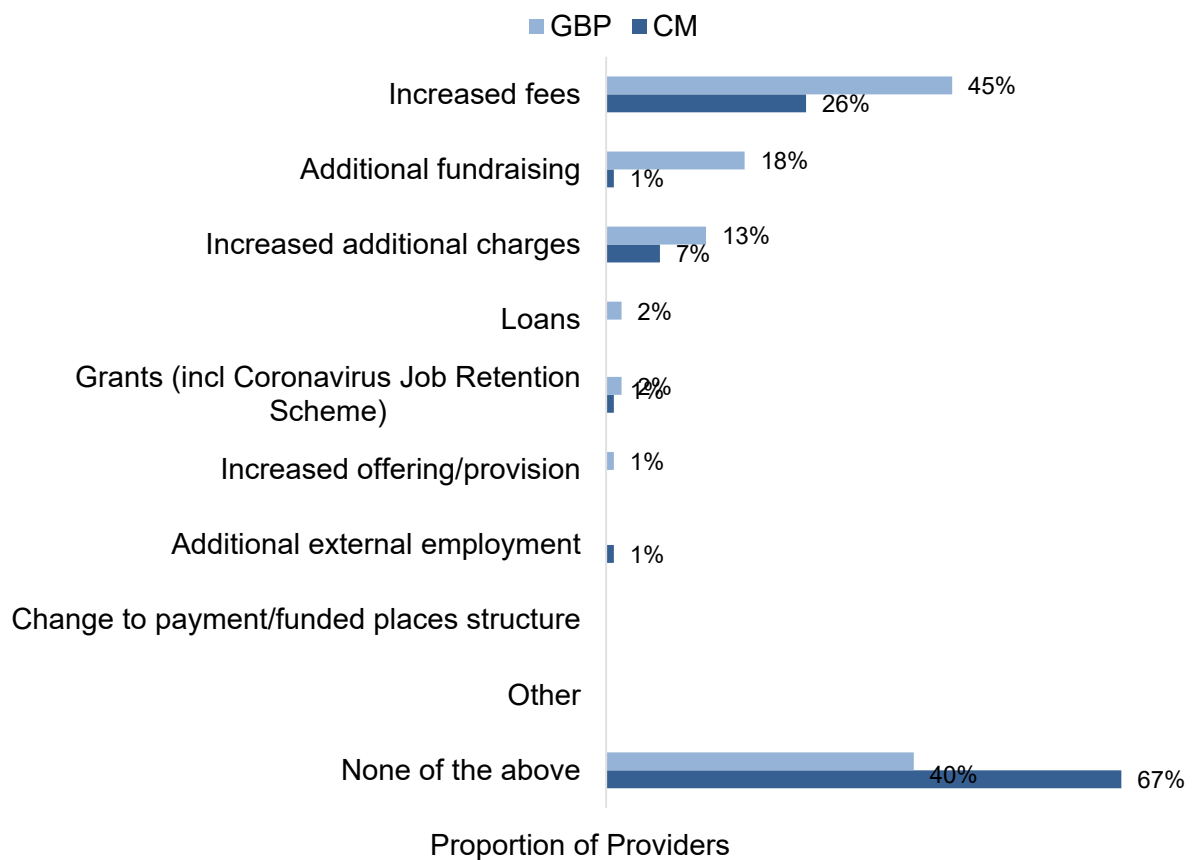
Figure 24: Proportion of providers who reported that their current total income covers current costs



How settings manage finances as a result of the pandemic

GBPs and CMs were asked whether they had made any changes around their income to manage their finances since the start of the pandemic. GBPs and CMs most commonly reported making changes by increasing fees (45% and 26%, respectively). However, the most common response amongst CMs was 'none of these' (67%), suggesting that the majority of CMs made no changes to manage their finances since March 2020 (Figure 25, accompanying table T25).

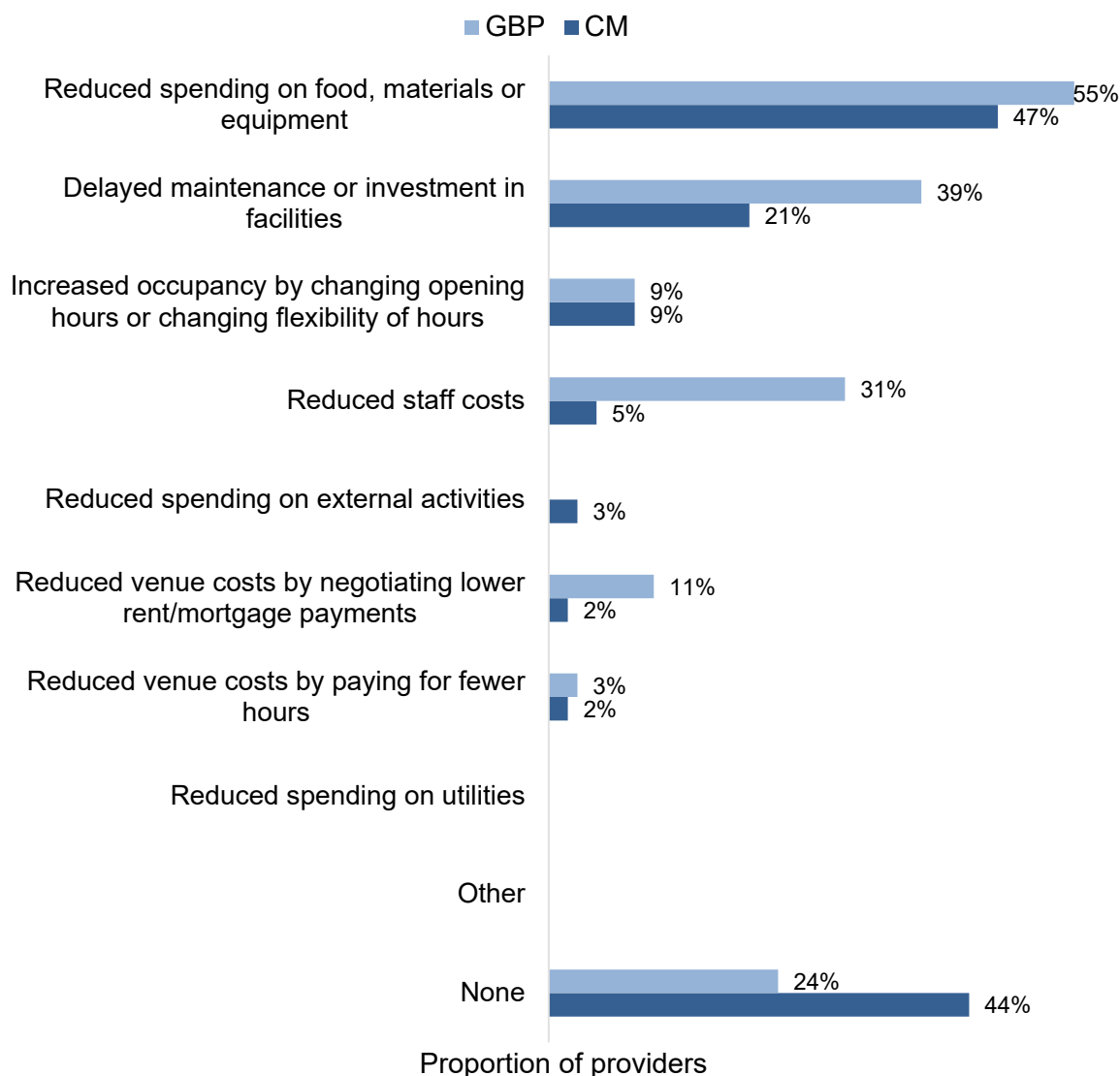
Figure 25: Proportion of providers who made changes to income to manage their finances since the start of the pandemic



Notes: Figures have been suppressed for “Change to payment/funded places structure” and “Other” as they were based on a small number of observations.

A similar question was asked to providers around changes to costs. At the time of the survey, 55% of GBPs and 47% of CMs said they reduced spending on food, materials or equipment to manage their finances as a result of the pandemic. GBPs also reported delaying maintenance or investment in facilities (39%) and reducing staff costs (31%). For CMs, the second and third most common changes were to delay maintenance or investment in facilities and to increase occupancy by changing opening hours or the flexibility of hours parents can use (9%). As with changes to income, a large proportion of CMs (44%) still reported making no changes to their costs to manage their finances (Figure 26, accompanying table T26).

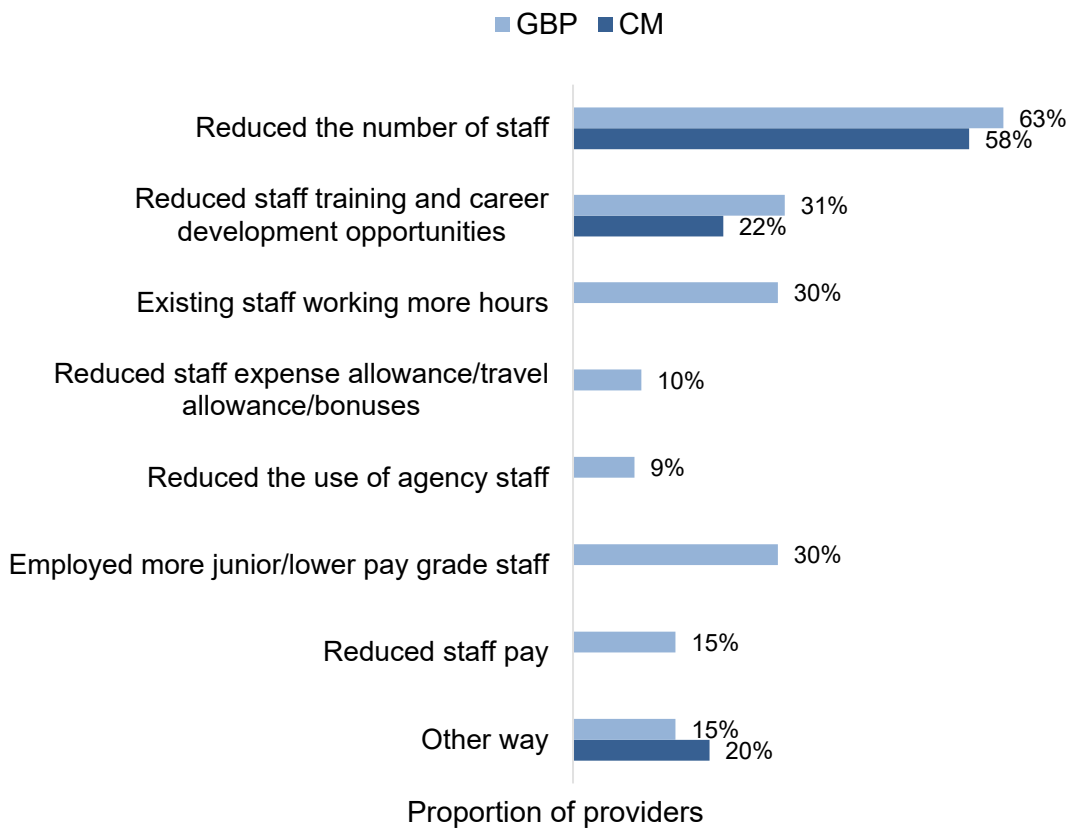
Figure 26: Changes made by providers to their costs to manage finances, prompted by the pandemic



Notes: Data for “reduced spending on utilities” and “other” have been suppressed for GBPs due to low number of observations. Data for “other” has also been suppressed for CMs.

Of the providers who said they reduced staff costs, GBPs and CMs most commonly achieved this by reducing their staff numbers. Sixty-three per cent of GBPs and 58% of CMs reported reducing the number of staff who work at their setting or for their childminding business. The second most common action taken by both provider types to reduce staff costs was to reduce staff training and career development opportunities (31% for GBPs and 22% for CMs). GBP also reported asking existing staff to work more hours (30%) or employing more junior/lower pay grade staff (30%) to reduce their staff costs (Figure 27, accompanying table T27).

Figure 27: Actions providers have taken to reduce staff costs

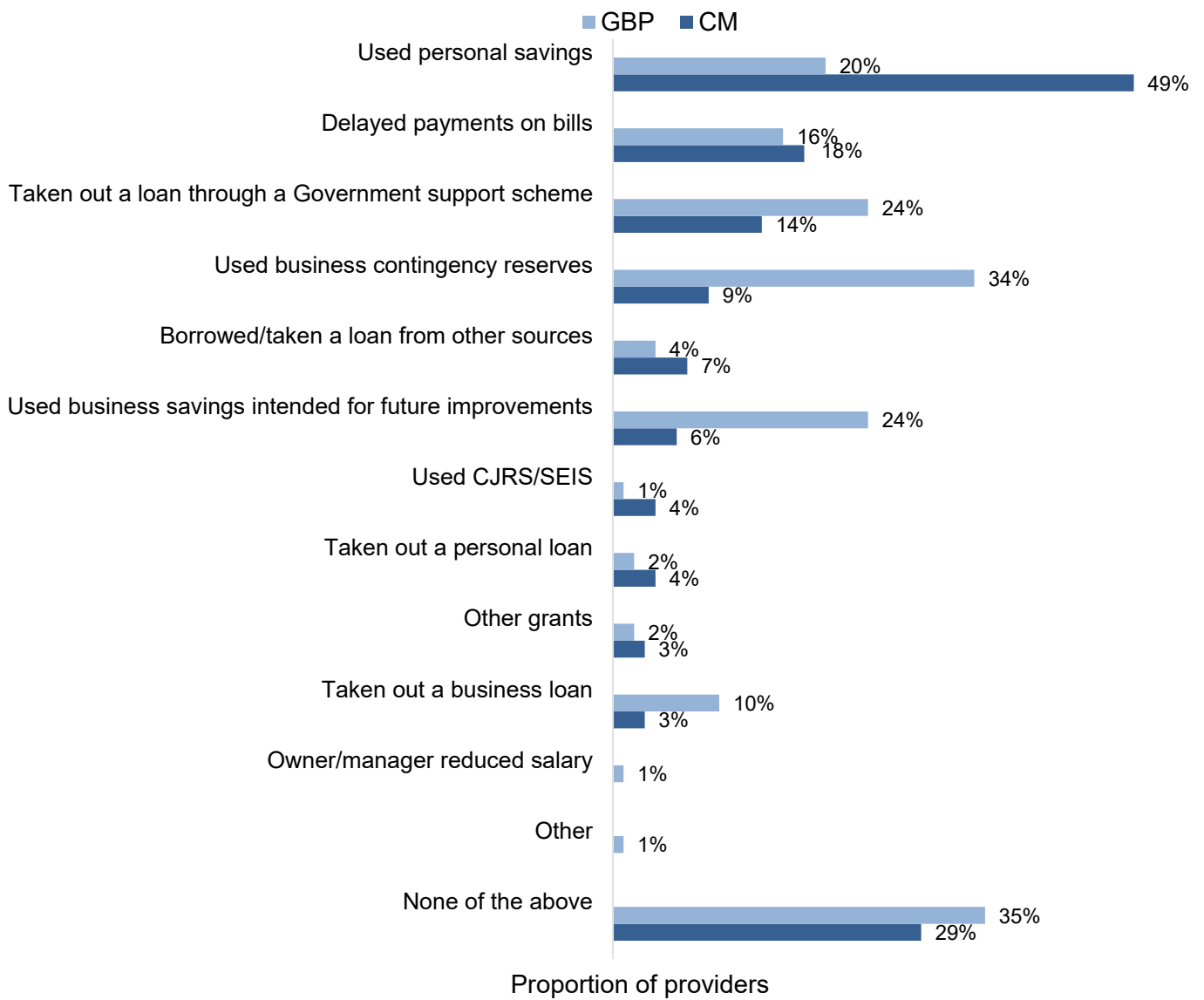


Notes: Some figures for CMs have been suppressed due to low number of observations.

GBPs and CMs were asked whether it had been necessary for them to take certain steps to help manage their finances as a result of the pandemic. These steps included using personal savings, contingency savings or business savings intended for future improvements, taking out a personal loan, a business loan, or a loan through a Government support scheme or other sources, delaying payments on bills, or something else.

The survey found that almost half of CMs (49%) had used their own personal savings, while 34% of GBPs had used business contingency reserves as a necessary step to help manage their finances as a result of the pandemic. GBPs also commonly reported taking out a loan through a Government support scheme (24%) and using business savings intended for future use (24%). After using personal savings, CMs were more likely to have delayed payments on bills to manage their finances (18%) (Figure 28, accompanying table T28).

Figure 28: Steps taken to manage finances



Notes: Some figures for CMs have been suppressed due to low number of observations.



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