

Working families saving thousands on childcare costs

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Research shows that government-funded childcare has cut childcare costs for families in half.

New research has found government-funded childcare has cut costs on childcare for families in half, with working parents now saving an average of £8,000 a year.

According to Coram Family and Childcare's annual Childcare Survey, costs of a part-time childcare place have now dropped back to the same level as 2005 - reversing more than two decades of rising costs in just two years and giving more children the very best start in life.

The report is clear-cut evidence that the government's childcare reforms are putting money back in the pockets of working families, after the successful roll out of 30 hours government-funded childcare to over half a million families last September.

The Coram report finds that the cost of a full-time (50-hour) place for a child under two has fallen by 52% compared to 2024 - from around £305 per week to £149.

This is one of many ways the government is supporting families with the cost of living, now saving parents an average of £8,000 a year for every child according to the latest analysis, and enabling nearly a third (29%) of parents to up their work hours.

The report finds that a part time place for a child under two is now theoretically free, coming on top of further cost savings including £450 thanks to free breakfast clubs and £500 come September when over half a million more children begin to access free school meals.

In addition to this cost of living support, the government is today confirming 9,000 early years special educational needs co-ordinators will start training next month, to make sure nurseries and childminders have the staff they need to deliver support for children with SEND and increase earlier intervention.

This will help children in the most deprived communities and those with SEND, too many of whom are starting school without the foundations they need. It is the communities where childcare is hardest to find and least affordable where the cost-of-living pressure on families is most acute.

Education Secretary Bridget Phillipson said:

Childcare costs have weighed on working families for too long - pushing parents out of work and stretching household budgets to breaking point.

Today's figures show we've halved those costs in two years, and families are now thousands of pounds better off.

As we continue to roll out free breakfast clubs, free school meals and Best Start Family Hubs, we are giving working families the real, practical cost of living support they need to get on.

Early Years SENCOs ensure all early years educators understand the needs of children with SEND and the setting has an established approach to identifying and meeting those needs.

This comes in the wake of the government's £200 million SEND training programme, which will make sure all early years' educators have the training, evidence-backed identification and intervention tools and expert help they need to support children with additional needs.

It also builds on the ongoing roll out of school-based nurseries, already creating thousands of new places with local areas soon to be invited to set out plans for new nurseries where need is the highest.

As part of wider work to make sure that as costs come down, quality and support for every child continues to improve, and the government has also announced an extension of its Maths Champions programme to up to 5,000 more nurseries, reaching around 160,000 more children.

Delivered by the National Day Nurseries Association, the programme trains up staff to support children's early mathematical development, building on the government's commitment to drive up standards in numeracy from the earliest years.

Tim McLachlan, Chief Executive of NDNA said:

We are overjoyed that the Government has recognised the enormous benefits of our Maths Champions programme and agreed to fund a further 5,000 places. This includes private, voluntary and independent nurseries as well as those in schools.

Over the past couple of years, many thousands of children have had this additional support with their early numeracy – and this also boosts their early language skills – which gives them a solid foundation for lifelong learning.

We are incredibly proud of this programme, which continues to grow from strength to strength and make a meaningful difference in the lives of children and educators alike. Through the power of early intervention, we are helping to build confidence, spark curiosity and create strong foundations for learning maths that lasts a lifetime.

Thanks to this funding, NDNA is committed to ensuring that everyone who wants to be part of this journey has the opportunity to participate. Together, we can inspire a love of maths from the very start.

Visit our website to get involved and become a Maths Champion today.

Today's announcement is the latest in a sustained programme of support for families with the cost of living and to unblock the barriers that hold children back.

Free breakfast clubs are set to reach 300,000 children from April, the extension of free school meals will mean 500,000 children on universal credit will be eligible this September, and Best Start Family Hubs will bring health, parenting and specialist SEND services to every community for free from next month.

<https://www.gov.uk/government/news/working-families-saving-thousands-on-childcare-costs>