

Childcare for adult learners in further education



Access to further education (FE) and training is crucial if parents are to gain stable and well-paid employment. It is also vital for reducing child poverty. As the Leitch report states: “ensuring everyone has the opportunity to improve their skills is the best way to improve social mobility in the UK”.¹ Access to affordable childcare is essential if parents are to be able to undertake FE and training, and childcare costs can be “a formidable barrier”.²

During the 2006-07 academic year, Daycare Trust’s Information Service received a number of calls reporting a shortage of childcare services and funding for FE learners. This has continued at the start of the 2007/08 autumn term. We are concerned that learners and potential learners are not gaining access to the childcare they need. This will have a negative impact on their ability to study and therefore obtain sustainable employment. If the Government is serious about enabling people to improve their skills, this ambition must be matched with childcare support and funding.

This briefing paper identifies the potential childcare funding routes available to parents who are studying at FE level in the UK. It also highlights some of the difficulties in accessing childcare funding, and offers some recommendations for improving the situation in the future. (Please note that, apart from the descriptions of funding availability, much of this paper focuses on England only.)



“I’ve been studying here for the last four years and I’m hoping to go to university next year.

When my daughter first came here (to the college nursery) she wasn’t speaking or anything but she’s progressed a lot now. I’m amazed at how much she’s grown more confident in herself.”

Lone parent

Why further education?

Funding in FE is very different to that in higher education (HE). Eligible learners in HE can claim the Childcare Grant (funds up to 85 per cent of childcare costs, up to a maximum of £175/week, or £300/week for two or more children) and the Parent’s Learning Allowance (up to £1,435/year). Access to Learning Funds can also be used to top up childcare costs.³ Childcare funding in HE has its problems; for example, it is only available for full-time learners. However, the level of support is higher, and all eligible parents can receive the relevant funding. Learners themselves also perceive that there is better funding available in HE.⁴

Why only adult learners?

This paper concentrates on learners aged 20 and over. Those aged under 20 are *entitled* to childcare support through Care to Learn (England and Northern Ireland only). This pays for childcare costs and associated travel, including deposits, up to £160 a week (£175 in London).⁵ Most adult learners,⁶ studying in FE colleges, are not *entitled to* support, but they can apply for discretionary support through their college.

What childcare support is on offer?

England

The main source of funding for adult learners in England is the **Learner Support Funds** (LSF). These are allocated by the Learning and Skills Council (LSC) to individual colleges, and then learners apply to their own college for funding support.

In 2007/8 there is £32.7 million allocated to childcare support for learners aged 20 and over through the LSF, out of a total LSF pot of £112 million. This has seen a decrease from earlier years, for example in 2003/04 there was £40 million allocated to childcare. Colleges also report that their childcare funding has been reduced despite the increase in childcare costs.⁷ Indeed, some colleges indicated that this decrease would lead to further restrictions to eligibility for childcare support. One college indicated in a Learning and Skills Development Agency review that “the childcare funds were so severely cut that our policy was changed from 100 per cent to 70 per cent support”.⁸

LSF as a whole decreased further in 2005/06, although the childcare element remained similar to 2004/05, with funding in the hardship element reduced. This is partly because of the introduction of Educational Maintenance Allowances and extension of Care to Learn for 19 year olds and Adult Learning Grants (available nationally from 2007/08). This redistribution shows a focus on 16- to 19-year-old learners.

Although colleges are allocated an amount for childcare support within their overall LSF budget, the childcare allocation to colleges is not ring-fenced. Colleges can use their hardship allocation to support childcare cost. Likewise, colleges can spend some of the childcare allocation on other learner support priorities if they choose. In practice, however, the full childcare allocation (and more) tends to be spent on childcare.

LSC guidance on priority groups for the LSF targets learners facing financial difficulty, and within this group identifies further priority groups; adults taking a full first Level 2 qualification or Skills for Life course, and learners aged 19-25 taking a full first Level 3.⁹ Colleges should follow this guidance, but use their discretion in setting additional eligibility criteria. So, for example, some colleges only allow learners on means-tested benefits to apply for funding. Some colleges pay around 90 per cent of childcare costs, with others meeting the full cost. Some colleges will

pay for deposits, whereas others will not. In most cases, parents cannot apply for funding until they are enrolled on a course.

FE learners may also be eligible for the **Adult Learning Grant**. From September 2007 this is available across England and eligible learners can receive up to £30 a week.¹⁰ This could potentially be used to help with the cost of childcare, although it also has to cover other essentials such as travel, books and equipment.

Scotland

FE colleges in Scotland receive a **Childcare Fund** allocation from the Scottish Funding Councils to help cover the cost of registered childcare. In 2007/08 £7.1 million is available, allocated across Scottish colleges (an increase of 2.7 per cent on 2006/07). Learners apply to their college for support with childcare costs. Colleges are encouraged to have their own policies for administering the fund. Priority groups are mature learners, part-time learners and lone parents. No means test is stipulated by the Scottish Funding Councils but, because of the limited funding, colleges do often set income criteria.

As in England, the Childcare Fund is not ring-fenced, but colleges are informed of their allocation for the Childcare Fund. Colleges are encouraged to make maximum use of the Hardship and Childcare Funds, using them interchangeably to meet local need.

Some learners in Scotland may also be eligible for funding through **Working for Families** (WFF), allocated to a selection of local authorities for 2004-08. WFF supports disadvantaged parents from deprived areas to progress towards or into employment by providing additional support, particularly with finding childcare. Support is available to parents on a low income, lone parents, and parents who have difficulties preventing them from getting the job or training they want.¹¹

Examples of other funding

Some parents may be able to access other sources of funding, outside that offered by their college (NB, this is not an exhaustive list):

● **New Deal for Lone Parents (NDLP)**

NDLP aims to get lone parents who are not working, or working less than 16 hours a week, into employment. Parents on NDLP can access training courses, for which their childcare costs are paid. However, the training courses have to be approved by their NDLP personal adviser and childcare can only be funded for courses that parents start after going on the NDLP programme.

● **Free early years education**

Children aged three and four are entitled to 12.5 hours a week of free early years education. In England, this will be extended to 15 hours by 2010.

● **Tax credits**

Parents over the age of 16, who work for at least 16 hours a week while studying, may also be able to claim the childcare element of Working Tax Credit (depending on their income), which can meet up to 80 per cent of childcare costs.

Wales

Learners in Wales are able to apply for the **Financial Contingency Funds (FCF)** from their college. FCF are for all learners experiencing financial difficulties and can be used to pay for childcare among other things. The Welsh Assembly Government allocates £7 million a year to the FCF, of which £2.15 million was used for childcare costs in 2005/06. National priority groups for the fund include learners on a low income and those with children (especially lone parents). Colleges determine their own policy for allocating FCFs, which is likely to include some means-testing. Most colleges also set limits on the amount payable towards childcare, depending on demand for FCF and the fees charged by childcare providers in their area.

Learners aged 19 or over on low incomes may be able to apply for an **Assembly Learning Grant**.¹² This is a payment of up to £1,500 for full-time learners and up to £750 for those studying part-time.

Genesis Wales can also provide help with childcare costs for some parents. The project aims to increase economic activity and decrease child poverty in disadvantaged areas.¹³ It enables parents to access learning, training and work opportunities, by providing advice, guidance, and affordable or free childcare.

Northern Ireland

FE Awards are available centrally through the Western Education and Library Board. No specific amount is allocated to childcare within the FE Awards, but childcare costs can be covered by the awards where requested. Generally, FE Awards are allocated on a first-come, first-served basis for all learners who apply by the closing date. The funding is means tested, and funding cannot be released to learners until they are in attendance on their course – usually the first week in September. The FE Awards can pay for up to 85 per cent of childcare costs, up to a maximum of £185 a week for one child and £300 for two or more children, and can also be used to pay for holiday retainers.¹⁴

Locally, colleges have a discretionary **Support Fund**, which can also support the cost of childcare if needed (as well as other costs such as books, travel and equipment). This can potentially be used to cover childcare costs or deposits in the period before the FE Award becomes available, or to cover the 15 per cent not met by the FE Award. It is a hardship fund, and as such is normally means-tested.



What are the difficulties with current funding?

Through talking to colleges and learners, Daycare Trust has become aware of a number of difficulties with Learner Support Fund (LSF), the current system of funding FE childcare support in England. This is a common reason for parents calling Daycare Trust's Information Service. In September and October 2007, 26 per cent of calls from parents were on the subject of childcare funding for learners.

Although the outlined difficulties below focus on the situation in England, many also apply to other UK countries.

- **Uncertainty of funding** Learners are rarely certain of the funding they will receive when they apply for a course. Therefore decisions about study and childcare can be very difficult.

- **Full costs are not always covered** Some colleges cover 85 per cent or 90 per cent of childcare costs, rather than the full amount. This means that learners have to pay the remaining proportion of the costs, which may be a burden for learners on low incomes.

"I don't think we should be paying at all... I'm not working so I shouldn't have to pay"

Lone parent covering 10 per cent of childcare costs

- **Childcare allocations to colleges are not sufficient**

Almost all the colleges we contacted indicated that they had to supplement the childcare funding with the main hardship element of LSF. Colleges either phase funding to ensure it continues throughout the year, or some use their allocation on a first-come, first-served basis, so it may run out. Both of these methods can be problematic: it can restrict the amount of funding that all learners are able to receive, or mean that learners starting courses in the spring or summer terms may not be able to receive childcare funding.

Rachel has been told by the college that funding for childcare has already run out, both for nursery places at the college and for external care. She starts her course in two weeks and has no funding for childcare. She can access the Hardship Fund, but has been told that this can only be used for books and travel. Jobcentre Plus has said that it is unlikely that she will get help for her course through NDLP.

Caller to Daycare Trust Information Service

- **Waiting lists for college-based childcare**

Many colleges have waiting lists for college-based childcare. One learner had waited three years to start her course because she had been waiting for a place at the college nursery. Learners often specify a preference for college-based childcare, or at least provision that is located close by.

"It just wasn't doing any justice for my son because he was tired, obviously having to wake up earlier than any normal person would to travel to college and I just thought it wasn't worth it."

Lone parent studying Health and Social Care - because the college nursery was full she had to leave her son in a nursery some distance away. She ended up dropping out. (Case study from YWCA)

- **Childcare for personal study time** Some colleges only provide childcare funding for contact time and not for personal study time. Personal study is an essential element of almost all FE courses, and parent learners have difficulty fitting this study in without childcare support, particularly if they are lone parents.

"I would love to have him five days (rather than three to cover contact time) in the nursery so I could study. I finish at five and get home at about half past six... I need to play with him and then I'm too tired to even

get a book out. Any time he's sleeping I get the books out... because there is no one here to help"

Lone parent studying accounting

● **Limited time to set up childcare arrangements before the start of courses.** Because learners are not able to apply for the LSF before they are enrolled onto a course (ie the first week of term), there is very little time to set up childcare arrangements. This is particularly difficult for young children, who may need time to settle into their childcare setting. In some cases learners are unable to set up suitable childcare in this short space of time and may need to use a provider who is further away, or miss some of their initial classes because of a lack of childcare arrangements.

Deepika has been told by her college that she will not be able to apply for any funding for childcare until she has started her course and has shown that she is committed to it by keeping up the relevant hours. This will be impossible without her childcare arrangements being set up, for which she needs funding support.

Caller to Daycare Trust Information Service

● **Eligibility criteria can exclude some parents who need support** If colleges stipulate that the LSF can only be used for parents on Income Support, this can exclude some learners, such as those in couple families on low incomes, who might need support to access childcare for their learning.

● **Deposits are often not paid** Many childcare providers require a week or month's deposit to secure a place, and this can be problematic for learners eligible for LSF. They may have less choice of childcare, as it is difficult for them to secure a place before the start of term. Deposits are normally required before the start of the academic year, before learners are enrolled on courses, when funding is normally allocated. Some colleges support learners in negotiating with childcare providers, and this can work well.

● **Incompatibility of college and childcare providers' arrangements** Unless learners are using college-based childcare, there can be difficulties in aligning the college funding arrangements and childcare providers' terms and conditions. For example, colleges may only make payments every half term, while providers may want weekly or

monthly payments. LSF cannot be used to pay for holiday retainers (if a learner wants to use the same provider after a holiday period), which most providers charge. In some cases the college will help learners to negotiate this with providers, otherwise it can be a difficult situation for learners.

Future policy developments

- The Leitch review (2006) made a number of recommendations about the future of FE funding and support in England including:¹⁵
 - Establish a universal adult careers service in a range of locations, including co-location with Jobcentre Plus
 - Establish a Skills Development Fund (replacing the LSF) – which will be based on clear eligibility criteria (established by the new Careers Service), and will give potential learners a clear understanding of support before they enrol on a course.
 - Route funding for adult vocational skills through Train to Gain (employer-supported and -based provision) and Individual Learner Accounts.
- In the Budget 2007, HM Treasury announced 50,000 free childcare places for workless parents undertaking training in England (£75 million over three years), to help them take the first steps into work. The Department for Children, Schools and Families is finalising proposals for the funding, which is expected to be available from September 2008.
- The welfare reform proposals, outlined in the 'In work, better off' Green Paper suggest that lone parents should move from Income Support to Job Seekers Allowance when their youngest child is 12 (and from 2010, when their youngest child is seven) and therefore actively seek work.¹⁶ This work needs to be sustainable and relatively well paid. To achieve this, training and qualifications, supported by childcare provision, will be essential.

What needs to be done

Adult learners continue to struggle with limited and uncertain funding, which does not seem to be wholly meeting their needs. Daycare Trust believes that in order to encourage more parents into FE, additional and increased certainty of funding is required, including provision for meeting all childcare costs for parents on low incomes.

These recommendations focus on England, although many are transferable across UK countries.

Department for Innovation, Universities and Skills

- The Individual Learner Record (filled in by colleges and used by the LSC for record-keeping and analysis) should include a field to record parent (and lone parent) status, so that the LSC can monitor numbers of parents accessing training.
- Childcare provision should be a requirement of all new college buildings.
- There must be greater certainty of childcare funding for learners and time to get childcare in place before the start of term.
- There must be sufficient funding for childcare to enable parents to participate in further education.
- LSF guidance (and later the Skills Development Fund – SDF) should include:
 - Payment of 100 per cent of childcare costs, with variation in maximum amounts depending on location: this will maximise retention and progression on courses.
 - A mechanism for up-front fees (eg deposits) to be paid – or colleges should negotiate on behalf of parents so that they do not have the stress of organising or paying for these fees.
 - Funding for a childcare taster/settling in period.
 - Childcare payments for some personal study time.
 - Decisions about funding must be made in good time so that learners can establish childcare support before the start of their course.
- If the SDF is to be modelled on the Jobcentre Plus advisor discretionary fund, there must be strong guidance to ensure the Fund is allocated as effectively and consistently as possible. The existence of the fund and guidelines should be well advertised.
- Learners should not be expected to meet additional childcare costs (on top of the LSF) from their Adult Learning Grant. Learners eligible for this grant will have other funding needs such as books and equipment.

“The lack of transparency and uncertainty over the Learner Support Fund acts as a real disincentive for the hardest to reach. Since it is discretionary, potential learners cannot be sure whether they will receive help and how much they might get.”

Leitch Review of Skills¹⁷

Department for Children, Schools and Families

- As part of their sufficiency duties, local authorities should be required to consider the needs of FE learners, and whether they have access to funding and childcare that enables them to access courses.
- The free entitlement to early years education for three- and four-year-olds should be increased to 20 hours as soon as possible, and available flexibly.

FE Colleges

- Applications for courses from parents should be fast-tracked, to give them time to sort out childcare.
- Colleges should build up good relationships with local childcare providers (even if they have an on-site nursery, as this will not cater for all learners) so that providers understand the LSF criteria and childcare can be arranged at short notice where necessary.
- Colleges should employ a dedicated childcare support worker as part of their student services team, who can build a relationship with parent learners and be a point of contact for any difficulties.
- Colleges should take on the burden of negotiating arrangements for holidays, deposits etc. with childcare providers, if funding for these is limited by the college LSF criteria.
- Colleges should establish and maintain college-based nurseries wherever possible.
- Timetables should be arranged in advance so that parents can arrange childcare, and should reflect parent-friendly times (for example, starting at 9.30 so that there is time to take children to school) or include some flexibility for learners who have childcare commitments.

Childcare providers

- Childcare providers should be willing to work within the constraints of the LSF and to work with colleges to put childcare support in place for learners.
- Sessions should be flexible so that they can fit in with learners' timetables.

Research methods

In researching this briefing paper, Daycare Trust undertook a small survey of colleges in six local authorities and interviewed staff at three colleges. We held a focus group with FE learners and monitored calls to our information service. We also carried out desk research and a literature review, and met with relevant government departments and organisations.

1. Leitch Review of Skills (2006) *Prosperity for all in the global economy – world class skills*. London: HSMO
2. Land H, Martin B and Spencer S (2000) *Forty-five years of plugging the gaps in women's education: from daughters to mothers*. School for Policy Studies, University of Bristol
3. www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/FinanceForNewStudents/DG_10034864
4. Tyler & Bates (2005) *Learner Support Funds: Second evaluation*. Institute of Employment Studies
5. For more information on Care to Learn see <http://caretolearn.lsc.gov.uk/>
6. Adults studying in a school sixth form or sixth form college can apply for support from the Sixth Form College Childcare Scheme, which operates on the same basis as Care to Learn.
7. Knight and Fletcher (2006), *College perceptions of the Learner Support Fund*. LSDA
8. Ibid, page 18
9. <http://readingroom.lsc.gov.uk/lsc/National/nat-discretionary-lsc-guidance-0708.pdf>
10. Learners are eligible if they are taking their first full Level 2 or first full Level 3. There are also income thresholds in place. For more information see www.direct.gov.uk/en/EducationAndLearning/AdultLearning/Adultlearninggrant/DG_068364
11. www.scotland.gov.uk/News/Releases/2007/03/23104125
12. Eligible learners are those with a household income of £16,830 or less (2007/08 figures)
13. www.genesiswales.co.uk
14. www.delni.gov.uk/fe1107feawards.pdf
15. Leitch Review of Skills (2006) Op cit.
16. DWP (2007) *In work, better off: next steps to full employment* available at www.dwp.gov.uk/welfare-reform/in-work-better-off/
17. Leitch Review of Skills (2006) Op cit.

Daycare Trust, the national childcare charity, is celebrating 21 years of campaigning for quality, accessible, affordable childcare for all and raising the voices of children, parents and carers. We lead the national childcare campaign by producing high quality research, developing credible policy recommendations through publications and the media, and by working with others. Our advice and information on childcare issues assists parents and carers, providers, employers, trade unions and policymakers.

Daycare Trust offers a range of services, including an information line, consultancy, training and membership. This year we are offering free membership to parents as a celebration of our achievements. Contact us for details of our services or visit our website.

Daycare Trust
21 St George's Road
London SE1 6ES
Tel: 020 7840 3350
Fax: 020 7840 3355
Email: info@daycaretrust.org.uk
Website: www.daycaretrust.org.uk
Information line 020 7840 3350
or email info@daycaretrust.org.uk

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