

## SOSCN, 4th Floor, 41 St Vincent Place, Glasgow G1 2ER

Kate Forbes MSP
Cabinet Secretary for Finance and the Economy

(By email 4<sup>th</sup> November 2021)

CC: Nicola Sturgeon MSP, First Minister

Dear Ms Forbes

## Immediate financial support required to save the school age childcare sector in Scotland

As Chief Executive of the School Out of School Care Network (SOSCN) I am writing to share with you my concerns, and those of the sector, about the current sustainability of the 1000 registered school age childcare (SAC) services which support over 50,000 children in Scotland and employ over 5,000 professionals. Without immediate additional financial support, we believe a significant number are in danger of closing down which in turn will have a negative impact on the workforce as well as the children and families they support: parents may have to reduce working hours or give up employment/education opportunities. This is not good for household incomes (and supporting families out of poverty) or the wider economy.

We know that working mothers and lone parents are some of the individuals most affected by closures of school age childcare.

In our recent financial sustainability survey conducted with SAC services we found that:

- Prior to March 2020 88% of services said their income covered expenditure, however, compared to now, only 14% of services said their income currently covers costs.
- Without additional financial help 4/5 of services indicated they could not survive indefinitely.
- Just under half of respondents believe that their service(s) will have to close down completely, or begin the process of doing so by the end of this year.

The Scottish government's own childcare sustainability survey also found that SAC services were most likely to be facing financial sustainability issues- unlike ELC funded services, school age childcare services are wholly reliant on income through fees paid by parents.

We understand that demand in some circumstances may have dropped temporarily due to home working or redundancies, however, we believe that demand will increase as we continue to move out of the pandemic. Presently however, there are many parents who cannot work from home and are reliant on school age childcare services both term-time and during holidays. Often these parents are key workers (and sometimes lower-paid workers) in the service, retail, manufacturing, education, social care and health sectors. Quite simply if their local out of school care were to close then they would be put in stressful situations and would be faced with difficult choices as to how to both financially provide, and care, for their families.



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We were heartened to see the government's commitment to expanding wraparound school age childcare, however, we have real concerns that without additional funding now there will not be a strong base upon which to build and make this commitment a success. From 30+ years' experience I know that in the long-run it is cheaper to provide smaller amounts of continuation funding rather than setting up new services from scratch. We have a highly regulated, qualified and skilled professional sector, please do not let it disappear as it will have a major impact on children and families.

We believe that school age childcare must be seen as a part of the infrastructure necessary to support children, families and the wider economy, and as such must be appropriately funded.

Please act now to save the school age childcare sector in Scotland. I look forward to hearing from you. We shall be publishing this letter on our website and sharing with our membership.

Yours sincerely

Irene Audain MBE

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Chief Executive

Scottish Out of School Care Network