

# Co-produced childcare

## An alternative route to affordable, high quality provision in the UK?

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## Introduction: why childcare matters

The UK childcare market was worth nearly £5 billion in 2014, up from £898 million in 1990, and it is projected to keep on growing into the future. 40 per cent of children under 3 years, 82 per cent of 3 year olds, and 97 per cent of 4 year olds have some kind of formal care - that is, care provided by a regulated provider.<sup>1</sup> Overall, 60 per cent of families pay for some form of childcare.<sup>2</sup> For many families, this formal care is part of a broader patchwork of arrangements: most get by on a fragile alliance of more informal sources of support such as grandparents, friends and neighbours too.

This picture would barely be recognisable a generation ago. There were just 56,000 nursery places in 1990, compared to 1.8 million places now.<sup>3</sup> Government today spends £1.3 billion on childcare.<sup>4</sup> In the space of 25 years, childcare has moved from being a marginal women's issue, to being treated across the political spectrum as an essential element of family life that needs to be more affordable as well as higher quality. Although it is not recognised as a universal public service (as it is in, for example, France or Sweden), childcare today is at the heart of economic and social policy.

Two drivers underpin this transformation. First, a growing recognition of the role that childcare has in driving economic growth. Female participation in the UK labour market is now 73 per cent, the highest since records began in 1971, when women's participation was 59 per cent, compared to men's 95 per cent.<sup>5</sup> It has been argued that equalising this participation rate could add 10 per cent to GDP by 2030.

Childcare is significant in this: 40 per cent of mothers who are unemployed see childcare as a key barrier to getting a job, and 20 per cent of mothers in work see childcare as a barrier to getting more or higher quality work.<sup>6</sup>

The economic arguments for childcare are reflected at the household as well as the national level. As well as being a symbol of women's liberation, the unprecedented growth of women entering the labour market has become the main way in which households have bolstered their economic security. In the light of stagnating wages and rising costs, households have started to work longer hours, and those increases in hours have predominantly come from women. For two-parent families on median

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<sup>1</sup> OECD Family Database 2013 [www.oecd.org/els/family/database.htm](http://www.oecd.org/els/family/database.htm)

<sup>2</sup> Rutter, J. (2015) Annual Childcare Costs Survey (London: FPI)

<sup>3</sup> Blackburn, P. (2014) Childrens Nurseries UK Market Report: 13th edition (London: Laing and Buisson)

<sup>4</sup> Children's Nurseries Market Report, *ibid.*

<sup>5</sup> ONS participation in labour market statistics

<sup>6</sup> comments from Dan Jones (Nesta) at a Policy Network breakfast, 17 March 2015

incomes, women's extra hours accounted for 75 per cent of the growth in household income between 1979 and 2004.<sup>7</sup> In other words, closing the gender pay gap, providing decent childcare and requiring more flexible working practices are not only about social policy or women's rights: they are central to the future economic security of modern households.

The second driver is about children's outcomes. There is a growing body of evidence about the role high quality childcare can play in narrowing the attainment gap between children. Studies have shown that there are significant cognitive and emotional benefits to children receiving high quality care in their early years, which can enhance both their well-being and their school-related achievement and behaviour.<sup>8</sup> These effects are strongest for children from poorer backgrounds, and for children whose parents have little education.<sup>9</sup> These benefits continue to be felt through late primary school and secondary school years.<sup>10</sup>

But the recognition of how important decent, affordable childcare is to the economy and employers, to families and to children has not translated into a well-functioning, decently funded infrastructure of support. Families, and particularly families in deprived areas, continue to struggle to find solutions that work for them.

## A dysfunctional market for childcare

The UK childcare market today is highly fragmented, with a large number of providers, and a large number of purchasers. Nearly four-fifths (79 per cent) of places are provided by commercial businesses, underlining the government view that their role is to stimulate the market, rather than directly provide services. Even the more direct supply-side initiatives of New Labour such as the Neighbourhood Nurseries scheme were clearly set up with the view that the funding provided was to pump-prime something that should become a viable business.

Successive governments have also experimented with demand-side programmes, from childcare vouchers to childcare support within the Working Tax Credit (WTC), to an entitlement to 15 free hours for parents of all 3 and 4 year olds. There have been

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<sup>7</sup> Parker, S. (2013) *The Squeezed Middle* (Bristol: Policy Press)

<sup>8</sup> Danziger, S. and Waldfogel, J. (2004) *Investing in Children: what do we know? what should we do?* CASE paper 34 (London: CASE); also Clothier, S. and Poppe, J. *New Research: early education as economic investment* (National Conference of State Legislatures), retrieved from [www.ncsl.org/research/human-services/new-research-early-education-as-economic-investme.aspx](http://www.ncsl.org/research/human-services/new-research-early-education-as-economic-investme.aspx) and OECD (n.d.) *Investing in high quality early childhood education and care (ECEC)* (Paris: OECD)

<sup>9</sup> Melhuish, E. C. (n.d.) *A literature review of the impact of early years provision on young children, with emphasis given to children from disadvantaged backgrounds* (London: NAO)

<sup>10</sup> UNICEF (2008) *The Childcare Transition: Innocenti Report Card 8* (Florence, Italy: UNICEF innocent research centre)

proposals to increase this entitlement to 30 hours a week for families where both parents are working, and the Universal Credit will continue to provide support for childcare costs (albeit at a lower level than under WTC). There is also an employer voucher scheme in operation, enabling parents to pay for childcare from their pre-tax wages.

Yet despite this support, UK families have the second highest childcare costs in the OECD. 27 per cent of family incomes goes on childcare, compared with an OECD average of 12 per cent. This is the equivalent of 41 per cent of the UK average wage.<sup>11</sup> The average cost of sending a 2 year old to nursery part-time (25 hours a week) is now just over £6000 a year, and a lot more in London.<sup>12</sup> Prices are rising above inflation, with the cost of this place increasing by over a third in the last Parliament.<sup>13</sup> In contrast, parental wages have stayed static.<sup>14</sup> It is hardly surprising that dependence on informal childcare is notably higher than in other countries, as parents turn to grandparents and friends to shore up the expensive formal arrangements they are paying for.<sup>15</sup>

Quality remains patchy, and continues to be particularly variable in poorer areas where childcare is delivered in the main by private providers.<sup>16</sup> Settings in poorer areas face higher numbers of vacancies, lower profitability, greater business vulnerability, and higher dependence on free hours.<sup>17</sup> This is problematic, given over three quarters of nurseries reported that funding for the entitlement was loss making.<sup>18</sup> While nurseries in richer areas can offset this by charging parents for top-up hours, demand for these additional hours is low in more deprived areas, making it an extremely challenging environment in which to create a successful business. These are not just issues for nursery businesses: as the new economics foundation has shown, unequal access to high quality childcare triggers and intensifies a range of income, gender and social inequalities.<sup>19</sup>

There are also gaps in supply, again more pronounced in deprived areas. Despite a higher rate of vacancies in these areas, over a third of parents report that they

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<sup>11</sup> OECD (2012) *Doing Better For Families* (Paris: OECD)

<sup>12</sup> Annual Childcare Costs Survey, *ibid.*

<sup>13</sup> Annual Childcare Costs Survey, *ibid.*

<sup>14</sup> Plunkett, J., Hurrell, A., Whittaker, M. (2014) *The State of Living Standards* (London: Resolution Foundation)

<sup>15</sup> *Doing Better For Families*, *ibid.*

<sup>16</sup> Dickens, S., Wollny, I. and Ireland, E. (2012) *Childcare Sufficiency and Sustainability in Disadvantaged Areas* (London: NatCen), also cited as DFE Research Report DFE-RR246

<sup>17</sup> Ofsted Annual Report 2009/10

<sup>18</sup> NDNA Insights Report 2013/14

<sup>19</sup> Himmelweit, J., Coote, A., and Hough, J., (2014) *The Value of Childcare* (London: new economics foundation)

cannot access the childcare they need.<sup>20</sup> There is evidence that this is in part created by a lack of accurate information; however it is also clear that these parents are looking for childcare that is not on offer - childcare that operates beyond 8am-6pm, or childcare that is closer to home, or childcare that caters better for children with special educational needs.<sup>21</sup>

Finally, childcare is a poorly paid profession, with low morale, and few opportunities for advancement. Training is of mixed quality, and most childcare workers are on very low wages. The average wage for a qualified nursery worker in 2014 was £8.58 an hour, dropping to £6.54 an hour for unqualified staff - just 13p over the national minimum wage, and less than the average wage of a cleaner. An HMRC investigation of 2006 found that a third of nurseries were paying some of their staff below the minimum wage. In this context, it is not surprising that annual turnover is 16 per cent in the nurseries sector.<sup>22</sup>

## Innovating to expand the supply of quality, affordable childcare

The Department for Education has recognised that there is an issue in providing sufficient childcare, particularly in deprived areas, and it has announced an investment readiness fund designed to increase the supply of quality providers who are willing to operate in poorer areas as well as more wealthy ones. Existing drives to innovate can be grouped into three approaches:

**Creating economies of scale:** this can be achieved via two routes. First, encouraging existing successful chains to expand into deprived areas through providing better incentives and support for doing so. Second, encouraging one-off or small chain providers already operating in deprived areas to grow their business to achieve economies of scale, offering business support and capital finance to expand.

**Reducing direct costs:** there are very different profit margins across the nurseries sector, with one small chain making a 41 per cent operating profit, for example. They have achieved this by a relentless focus on costs - moving their staff between their sites (which are all within quite a small geographical area) to manage vacancies very efficiently; and by squeezing staff costs as tightly as they can, while maximising charges for 'luxury' add-ons such as organic food and extra classes. There is

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<sup>20</sup> Smith et al (2010) Childcare and Early Years Survey of Parents 2009 (London: DFE) Also cited as DFE RR054

<sup>21</sup> Childcare Sufficiency and Sustainability in Disadvantaged Areas, *ibid.*

<sup>22</sup> Children's Nurseries UK Market Report, *ibid.*



evidence that larger sites yield higher profit margins as the overhead costs per child go down, so this is another route to innovation.

Cross subsidising: many nursery chains rely on a cross-subsidy model to operate successfully. Some, such as highly successful London-based chain London Early Years Foundation (LEYF), has given this model a more explicit social goal - using profit from its wealthier nurseries to cross subsidise nurseries it sets up in poorer areas of the capital. This model is effective in urban settings where there are pockets of wealth and disadvantage in close proximity. There is less evidence of chains using this model across rural areas or greater geographical range.

Yet the current scope for innovation to stimulate better quality, more affordable childcare feels somewhat limited, focusing on incremental innovations that improve rather than challenge existing business models for childcare. This may well yield some cost savings - perhaps 2 to 5 per cent of total costs - but it seems unlikely to transform the sector, given the requirements about ratios and staff qualifications. There just isn't that much to squeeze out of the model.

Recent innovation literature clearly points to the need to look beyond efficiency gains alone in redesigning services to improve quality, reduce costs and better meet user needs. More radical service re-design has been shown to rest on two central pillars: first, an understanding of how to make the most of new technologies to connect supply and demand in more efficient ways. There are already a handful of clues from which we have much to learn. Take for example My Family Care, which is using technology to connect up employers who need their employees for additional hours, with childcare settings who have vacancies.

The second core principle that underpins service transformation is the ability of a service to harness the assets and power of communities themselves, and to see the resources available to them in the broadest of terms. This not only ensures that a service is truly grounded in what people want and need, but also that it is designed in a way that goes with the grain of people's lives, working in tandem with their social networks, family life, working patterns and so on.

It also means that 'users' are not passive recipients of a service, but rather they are active in bringing their skills, time and knowledge to the creation of that service. In other words, they are co-producers. So for example, when thinking about childcare and how to improve outcomes, we would consider the work of the 7.7 million families with dependent children in the UK<sup>23</sup> alongside the work of the 427,000 people who

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<sup>23</sup> ONS data 2015

work in the childcare and early years settings<sup>24</sup>, and we would ask what those families could contribute to the goal of quality childcare, as well as thinking about what those paid workers might do.

Co-production is not about making parents into ‘mini-professionals’; rather, it is a way of recognising that good outcomes in many areas come from the effective bringing together of professional skills and knowledge, and people’s own wisdom and lived experience. The model is increasingly being put into practice across many other sectors and services in the UK - from social care, to mental health, to education - with proven benefits for those involved.

The remainder of this paper is focused on co-produced models of childcare, embodied in a distinctive parent co-operative model. The next section introduces the model of parent co-operatives, and offers five short case studies. The paper then goes on to explore benefits, challenges, and possibilities for this model in the UK childcare market now and in the future.

It is worth noting now that parent co-operatives cost up to 50 per cent less to run than standard nurseries, through engaging the parents alongside professionals in the delivery of childcare. It is easy to see that these are significantly more savings than any efficiency drive could hope to generate on its own. That said, these cost savings depends on the degree to which parents are counted as part of the ratio requirements of the setting. Some co-ops choose to treat parents as additional support, above and beyond the formal ratio requirements. This clearly improves the ratios but represents lower cost savings. Other settings count parents in the ratio requirement, saving significant costs in doing so.

The current UK Early Years Foundation Stage welfare requirements allow for parents to be included in the ratio, so long as they are deemed to be appropriate volunteers. This usually means they have been involved in the setting for some time, and are DBS-checked. As volunteers they can provide most tasks to support groups of children, but must not be left in a room alone with children, or perform intimate tasks such as nappy-changing or taking them to the toilet.

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<sup>24</sup> Brind, R., Norden, O., McGinigal, S., Oseman, D., Simon, A., La Valle, I. (2012) Childcare and Early Years Providers Survey 2011 (London: DFE) Also cited as DFE RR240

## How the model works - the parent co-op model in depth

Katherine Taylor is seen by many as the mother of the movement. Inspired by other co-ops already operating in Chicago, she founded the Children's Community in 1927, in Berkeley California, as a means of enabling the wives of university professors to participate in more voluntary work. For Taylor, parent co-ops were an opportunity for women and children to form family-like relationships with each other, in a setting of reciprocal learning, at a time when there were concerns about the fragmentation of families and the degeneration of extended family networks. She talked about parent co-ops as a 'family of families'. Of course in today's world, men are also part of this picture in a way they were not in Taylor's time.

So parent co-ops have been in existence for at least a century, and today they are much more prevalent and organised in other countries than they are in the UK. For example, there are over 500 parent co-ops in New Zealand, making up 12 per cent of the market there<sup>25</sup>. In Canada, parent co-ops make up about 9 per cent of childcare provision, reaching 34,000 families.<sup>26</sup> There are 910 parent co-ops in Sweden, looking after over 20,000 children.<sup>27</sup> And in the United States there are over a 1,000 parent co-ops today, yielding a revenue of \$420 million and creating 6,000 jobs.<sup>28</sup> A number of these countries - the US, Canada and New Zealand, for example - also have umbrella organisations connecting and supporting parent co-ops, as well as lobbying and profile-raising on their behalf.

So what defines the parent co-op model, and how is it different to the standard childcare provider model? In many ways the distinctive elements of the model are straightforward: they are about parental ownership and parental contribution:

- The majority of parent co-ops we have found started informally - a group of parents realising they had an unmet childcare need, and helping each other out in an organised way, perhaps rotating care for each other's children between their houses. This is significant - the culture is that the parents own the childcare setting - they are not being invited in by the professionals.

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<sup>25</sup> Anderson, J., (2007) Childcare Co-operatives in Canada in 2007: a research report (Ottawa: Canadian Co-operative Association)

<sup>26</sup> Childcare Co-operatives in Canada in 2007, *ibid*.

<sup>27</sup> Pestoff, V., 'Citizens and Co-production of Welfare Services: childcare in eight European countries' in Pestoff, V., Dransden, T., Verschuere, B., (2011) *New Public Governance, The Third Sector, And Co-production* (Routledge: London and New York)

<sup>28</sup> See analysis by the Centre for Co-operatives at the University of Wisconsin <http://reic.uwcc.wisc.edu/childcare/>

- Successful parent co-ops expect parents to contribute time and skills to the management and administration of the nursery - from managing communications, to fundraising, to admissions, to staff management.
- What makes parent co-ops distinctive from other types of childcare co-ops is that as well as this involvement in the management of the setting, parents are also expected to be involved directly in the classroom, working alongside professionals to look after the children. The level of involvement is usually guided by how many hours the parent's child is attending each week.

Below we outline five short case studies of how the parent co-op model is working in practice - in the USA, Canada, New Zealand and the UK.

### **Bannockburn, Washington D.C.**

Bannockburn was established in 1951 by a group of parents looking to pool their childcare needs. It incorporated as a co-operative in 1975, and the parents hired three teachers to work alongside them in the classrooms, which were set up in a neighbourhood community centre that continues to be the home of the co-operative today. Bannockburn serves 40 families with children between two and five years old, who are spread across four different classes. It has a total operating budget of \$230,000, made up almost entirely of parent fees and fundraising efforts. There are daily sessions that run between 9.30am and 12pm each day, although parents can choose to pay for extra non co-operative hours to extend this to 2.30pm if they choose. Costs are significantly lower than nonco-op nurseries - Bannockburn charges \$4,000 a year for 5 days a week, compared to a standard nursery rate in that area of around \$8,000.

Parents have some clearly set out co-oping duties. Everyone is expected to give approximately 15 hours a year to work on school maintenance - painting, cleaning, preparing the school for a new year and so on. Most parents have a period when they sit on the board (made up of 14 parents and the nursery manager). And parents have 'duty days' where they work alongside staff in the classrooms. These are more intensive when children are younger, thanks to ratio rules. On average, parents with a child going to Bannockburn full time would be expected to do a duty session once a fortnight.

Bannockburn has found as time has gone on that some parents are struggling with the co-op commitment. It introduced a category of 'limited co-operators'. These parents are only asked to undertake a duty day once every 4 to 6 weeks, but they pay 1.5 times the co-op fee, to cover the cost of the additional staff time required in the absence of the parent. Last year, Bannockburn decided to introduce a complete opt-

out of duty days to parents, in exchange for paying double the fees - although parents are still expected to undertake the other co-op duties. The co-op now allows other family members to undertake the duty days, although it does not allow childminders or nannies to do the job. Of the current forty families, none have chosen to fully opt out, 8 have taken the option to be limited co-ops, and the rest are fully engaged in the co-operative elements.

Parents are given some introductory training and orientation when they first join, but the emphasis is on learning through doing. On any one day, there will be 6 parents in the nursery, and 3 teachers. Bannockburn also hire an aide who can go to wherever support is needed, or to meet ratio requirements. Angie comments that she looks for resilient staff who can take feedback from the parents, and also staff who are willing to help parents to do a good job, building their confidence and encouraging them to get fully involved in the classroom.

#### **Dandelion Daycare, Ontario, Canada**

The Dandelion Daycare Co-op was founded in 2007 by a group of parents who wanted to play an active role in raising their children, while maintaining their working lives. Initially based in one of the members' homes, the centre now runs out of a Salvation Army building, providing care for up to six children between the ages of 18 months and 5 years. Dandelion operates five days a week, between 8.30am and 5.30pm, and children can attend between two and four days a week. It has a total operating budget of around \$50,000 a year, all of which is paid for through parental contributions or fundraising efforts.

Costs for parents are lower than the Toronto average: \$51 per day, compared to the average for under-2s of \$77 per day. While that daily charge is higher than the Toronto average for 3-5 year olds (\$46 per day), Dandelion chooses to keep its ratios significantly higher - 1:3, compared to the Ontario requirement of 1:8 for under-3s, and 1:12 for 3-5 year olds. The co-op employs two qualified early childhood educators. One covers all the morning shifts; the other all the afternoon shifts. Parents working duty days do full days to support these professionals.

Dandelion's recruitment involves current parents interviewing potential families to learn more about their approach to parenting. The co-op looks for parents who share an interest in Reggio Emilia approaches and who wish to promote social justice.<sup>29</sup> Once they join, parents are expected to undertake duty days, which are calculated based on how many days their child attends. In each six week cycle, for each day a

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<sup>29</sup> See this site for a brief summary of the Reggio Emilia approach, [https://en.wikipedia.org/wiki/Reggio\\_Emilia\\_approach](https://en.wikipedia.org/wiki/Reggio_Emilia_approach)

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week that a child is at Dandelion, the parents are responsible for one duty day (for example, with a child doing 2 days per week, the parents would do 2 duty days within the 6 week cycle). All parents meet together with staff once every other month, to cover any day-to-day issues, track the children's progress, and plan session content. In addition there are monthly General Meetings to discuss operational matters such as staff payment and family recruitment. From finances to professional development to buildings management, parents look after the nursery business, leaving the qualified professionals they employ to focus on quality issues.

On their duty days parents are expected to set up the daycare space, provide a morning snack, take the kids on a morning outing, provide and prepare lunch, settle the children for nap time, provide an afternoon snack and update the other parents at pick-up time. They don't get formal training, but they do shadow an existing parent to understand the role and responsibilities. Parents have jointly purchased training of mutual interest in the past. Families attending the co-op are a diverse mix, but all of them have some kind of flexibility in their working patterns. Both fathers and mothers deliver the duty days at the nursery. Most families remain involved for an average of three years.

The future of Dandelion is currently in question thanks to new legislation being introduced in Ontario later this year, which caps the number of children allowed in a non-licensed setting to five. This would make the current model of the co-op unsustainable, and the current family members are considering their options, should this new legislation be implemented.

### **Grasshoppers in the Park, Hackney, London**

Grasshoppers has been running for 14 years. It was started by a group of parents who looked after each other's kids in their own homes, rotating between the houses. After doing this for a number of years, they decided to formalise the arrangement by setting up in a separate space. They found a church hall with affordable rent and began operating from there. Grasshoppers today serves 25 families with children between the ages of two and five. It has a total operating budget of around £142,000 each year, made up of roughly two-thirds parent fees, and one-third funding for the free entitlement from Hackney Learning Trust. Grasshoppers offers full-time day care between 8am and 6pm, five days a week. They also offer an open playgroup on Fridays.

Costs for parents are determined by household income, and by how many hours their child attends Grasshoppers. Households with less than £25,000 income pay £38.22 per session for 5 full days; this figure is £43.26 for households on an income



of £25-50,000, and £44.52 for households earning more than £50,000. Parents who take on a small role in nursery life get a discount of £40 per month; those who take on a more demanding role get a discount of £80 a month. Parents who opt to do 'duty days' once a week are entitled to a monthly discount of £120. Furthermore they do not pay the fees for the day they are working in the nursery. Only parents whose children attend for three long days or more can choose this option, and they cannot ask family members or other carers to take on this role. At the moment, only two families are unable to meet any commitments to co-op duties - everyone else contributes at least two hours a week, but often much more than this.

Grasshoppers employs five permanent staff, three of whom have university level qualifications. All staff are paid at least the London Living Wage. Unlike Bannockburn, where parents are crucial to the nursery meeting its ratio requirements, at Grasshoppers parents are all additional adults beyond formal ratios. Parents who work in the nursery are all DBS checked. They are offered formal first aid training, and they also receive an induction to nursery guidelines on child protection and health and safety. Additional training has been organised in the past through Hackney Learning Trust. Luciana, the centre manager, notes that often when parents first start working alongside the nursery professionals, they do lots of the cleaning and clearing up. Over time, as they increase in confidence, they are encouraged and supported to bring more of their own skills and talents into the classroom.

Luciana has been there for 3.5 years, and in that time Grasshoppers has moved from being rated 'satisfactory' to 'good' by Ofsted, and now has a waiting list of about 20 families. They have ambitions to expand, although plan to cap the number of families involved to around 35, to maintain the focus on each child, and to enable the nursery to build strong relationships with each family. These plans are dependent on finding an appropriate space, as the nursery recently found out that they will need to move out of their current hall at the end of this year.

The intake of the nursery is still predominantly middle class, with many parents from professional backgrounds with flexible jobs in the creative industries. Luciana works hard to diversify this, but it is challenging as the nursery is based in an affluent area. The values reflect the backgrounds of the parents, and there is a strong emphasis on exposing the children to art. The parents have agreed collectively that it is worth the cost of bringing in additional teachers for art, music, cooking and dancing. There is a feeling that social class does play a role in which families want to use the nursery - Luciana speculates that some may be intimidated by the idea of needing to play a role.

### **ChildSpace, Brockwell, London**

Childspace is a small parent co-op based in a community centre just next to Brockwell Park in South East London. It has been running for about ten years, and the current manager, Rashda, has been there for five of those. Childspace serves 10 families at any one time, and is able to provide care for three under-2s and four children aged two or more in each session. Sessions run from 9am until 2pm, three days a week. Rashda runs each session with that days parent volunteer. They work with the whole group of children, tailoring the activities for the different ages present. Each session costs £24 to the parents, and the nursery is wholly funded by these contributions, as most of the children move to a pre-school before they qualify for their free entitlement hours.

There are clear expectations of parents - both in terms of their values and the commitments expected of them. Prospective parents are interviewed, and they are invited to complete a questionnaire. The other parents note that this often helps new parents to understand at an early stage how Childspace is different to other nurseries, and the focus on it being a community for the whole family, rather than the children alone.

Rashda organises the nursery by a 7-week rota. In any given seven weeks, a parent would be expected to complete the same number of duty days as their child attends each week. In other words, the parent of a child attending three days a week would be expected to complete three duty days each seven week cycle. As with Bannockburn, Childspace has found that parents can't always commit to this, and so they are permitted to convert up to two of these duty days into 'associate days' - these are charged at £31 to cover the additional costs of bringing in extra staff for that session. Three of the ten parents are currently using at least one associate day to fulfill their co-op duties.

Rashda is university qualified, Montessori trained and has a counselling background. She notes that this has proved crucial as she sees her role as supporting parents as much as working with the children. It is a mixed intake of parents and Rashda notes that working with them - mediating, facilitating and supporting them - is an essential part of making the group dynamic work. All new parents are given an induction, including some training around child development. As Luciana from Grasshopper noted, parents take time to grow in confidence. Over time, they are expected to design an activity in line with the session agenda that has been set by Rashda. Each parent is also expected to provide lunch for everyone on their duty day.

On top of the duty day requirements, there are monthly meetings, held at parents' houses, that everyone attends. While Rashda is responsible for child development



and quality issues, parents are collectively responsible for the running of the nursery. Parents take it in turns to assume responsibility for different issues, such as recruitment, communications, health and safety, and purchasing. There are a wide range of families attending. All of them have at least one parent who is working flexibly - for example in evening and weekend shifts. Many of the parents share the nursery commitments between the mother and the father.

The strong sense of community is clear. The founding cohort of Childspace children continue to go on annual camping trips. Parents frequently collect their kids and then go together to play in the park for the afternoon. And while they acknowledge that being part of the Childspace community is a big commitment, it seems to bring big benefits too. One parent commented that it's made her more tolerant; another said she'd learnt so much about letting children work things out for themselves; another still noted that her experience had given her the confidence to help kids work through their feelings.

### **Playcentres, New Zealand**

The Playcentre movement in New Zealand began when mothers got together while their husbands were at war. Their aim was to provide social and emotional support to one another, while bringing up their children together. A Federation of Playcentres was formed in 1948, based on the philosophies of child-initiated play, and the importance of parents as educators of their children. Membership peaked in the 1970s at around 600 centres. Today membership stands at around 440 centres. The Federation attribute this decline to a number of factors, including the 'professionalisation' of childcare, the increasing demand for full-day childcare thanks to parents working longer hours, and a growing emphasis on educating very young children as well as caring for them.

Playcentres are different to the other co-operatives reviewed here in that they do not employ qualified early education professionals, and as parent-led provision, they are regulated differently to New Zealand's teacher-led settings. They are still expected to comply with universal quality standards relating to buildings, equipment and activities offered, but each Playcentre is run and administered by local parents. In keeping with their early emphasis on adult education, and to meet regulatory requirements, the Federation offers a parenting qualification to all those involved. This is free to all Playcentre members. It focuses on three core elements: child development, parenting skills and organisational development. To qualify for government funding, Playcentres need to ensure that the parents running the centre to hold appropriate levels of the Playcentre qualification. Other parents with fewer qualifications can work alongside these parents to meet the ratio requirements.

Playcentres typically offer care for up to four hours a day, in a mixed age setting. Sessions tend to involve children from the ages of 18 months to four years, although it can be up to six years old, when school starts formally. There is great variation in how many families are involved in any one Playcentre - although the average is 10 to 15 families, most of whom remain involved for about three years.

All the funding for Playcentres is provided by the Ministry of Education. In addition, most Playcentres ask for a termly donation, or a donation based on the number of hours each child attends. But these are not significant: on average 'fees' are less than NZ\$1 per session. There is additional government funding for 20 hours of childcare per week for all 3-5 year olds, although Playcentres have reported that they can struggle to deliver these, as they do not offer the care in the blocks of hours that full-day providers do.

There is a strong ethos that has been part of the Playcentre movement since it began. They are based on a belief that the centres can play an important role in bringing communities together around the common experience of being parents. They also believe that there are real benefits for parents and children alike in families playing an active role with their children's education.

## The benefits of the parent co-op model

The impact of the parent co-op model is not just on cost alone, although it is worth reiterating the fact that parent co-ops tend to charge parents about half the fees that other comparable nurseries would charge.

Beyond that significant cost saving, there are many other benefits for parents, children and staff, as outlined below. As well as these specific benefits, there is a clear alignment between the way the model works, and parental hopes for raising their children today. For example, when asked what they'd like in an ideal situation, parents say they want someone who 'looks after the child in the same way a parent would', and settings that 'give children the opportunity to socialise with peers'.<sup>30</sup> This reflects the evidence that there's been a significant shift in attitudes towards group based care, with parents now reporting much more positive feelings about it.<sup>31</sup> And in more deprived areas, there is a preference expressed for group-based sessional

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<sup>30</sup> DFEE and NatCen (2001) Parents Demand for Childcare (London: DFEE) Also cited as DFEE Research Brief No 176

<sup>31</sup> Himmelweit, S. and Sigala, M. (2004) 'Choice and the relationship between identities and behaviour for mothers with pre-school children: Some implications for policy from a UK study', in *Journal of Social Policy* 33(3), July 2004; 455-478

places (playgroups and/or short nursery sessions, in other words) rather than daycare.<sup>32</sup>

Recent work by the Child Poverty Action Group highlights that regardless of socio-economic background, many parents feel that the needs of young children lose out to the pressure of work. The study reported widespread anger that the demanding work of raising children is not well recognised, given the obvious societal benefits which we outline below. Similarly, EHRC research shows that parents, particularly those of pre-school children, strongly believe that they need to take primary responsibility for their children's wellbeing, and that they would welcome greater support from employers and government to enable them to do so.<sup>33</sup>

Parents report that they think social and emotional skills are crucial. Polling conducted on behalf of the Early Intervention Foundation shows that 98 per cent of mothers agreed that social, emotional and language skills are just as important as literacy and numeracy in the early years. Parent co-ops are a great route by which parents themselves can learn more about how they can support the development of these skills, both within childcare settings and beyond them.

Turning to the specific benefits of parent co-ops, unfortunately there has not been any systematic evaluation of the model on outcomes. However by looking at the extensive qualitative work that's been done, it seems that the outcomes could be much more far-reaching than cost alone. They can be grouped around three areas.

### **Greater parental confidence, and stronger, wider social networks**

In her classic book on parent co-ops, Katherine Taylor talks about them as places where 'parents and children learn together'. As well as growing really meaningful family-to-family relationships, parents grow in confidence as they learn about child development, enabling them to extend learning much more effectively into the home. The experience of being part of a close-knit group of parents is often reported to have a real impact on confidence.

At ChildSpace in south London, a number of stay-at-home parents went on to retrain following their involvement with the co-op. Some had started work in childcare, several had become breastfeeding peer supporters, and another started work with a local social enterprise. As one of the current co-op mums said, 'Childspace has, for many parents, been the springboard for a new career, it's helped to encourage

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<sup>32</sup> Childcare Sufficiency and Sustainability in Disadvantaged Areas, *ibid.*

<sup>33</sup> EHRC (2009) *Work and Care: Modern Parents* (London: EHRC)  
[http://www.equalityhumanrights.com/sites/default/files/documents/research/15.\\_work\\_and\\_care\\_modern\\_parents\\_15\\_report.pdf](http://www.equalityhumanrights.com/sites/default/files/documents/research/15._work_and_care_modern_parents_15_report.pdf)

parents to take up new career paths they wouldn't otherwise have considered.<sup>34</sup> This echoes findings by a study conducted by Massey University in NZ about Playcentres, which found that parental involvement in the centres contributed to their willingness to try new tasks, take up new roles and participate in new activities.<sup>35</sup>

Similarly, an ethnographic study of disenfranchised mothers participating in American childcare co-ops noted that the women described themselves as more responsible parents, with a true feeling of belonging, that seemed to grow out of a greater sense of empowerment. All but three of the 15 co-op members in the year of the study made significant changes to their lives.<sup>36</sup>

### **Child outcomes that last well beyond pre-school**

Much has been made of the importance of 'parental engagement' in the early years for outcomes further down the line in terms of educational attainment and employment. OECD lists it as one of five markers of quality,<sup>37</sup> and in another study, it has noted that England has more to learn about how to go about engaging parents effectively from overseas.<sup>38</sup>

However it is not so much the engagement (which might include things like letters to parents from the nursery, or parents visiting to see their children's work) that matters, as the parent/child interaction. As the primary caregivers, parents are critical to the development of each child. As well as providing them with the basic needs such as warmth and shelter, we also know that children need to be securely attached to their primary caregiver, as well as have opportunities to develop their social, emotional and cognitive skills.

There is evidence that some of the most effective interventions to improve the quality of parent/ child interactions are where the parents work alongside professionals, who model effective behaviour, and encourage the parents to practice their new skills.

Group-based parenting programmes for families are similarly effective.<sup>39</sup>

Psychological research has argued that there are three constructs central to

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<sup>34</sup> Author interview with ChildSpace parent, 16th June 2015

<sup>35</sup> Massey University (2005) The Effect of Adult Playcentre Participation on the Creation of Social Capital in Local Communities [http:// www.playcentre.org.nz/researchdocs/16.pdf](http://www.playcentre.org.nz/researchdocs/16.pdf)

<sup>36</sup> Katherine Dunlop (2000)

<sup>37</sup> Taguma, M., Litjens, i., and Makowiecki, K. (2012) Quality Matters in Early Childhood Education and Care: United Kingdom (England) 2012 (Paris: OECD)

<sup>38</sup> Quality Matters in Early Childhood Education and Care: United Kingdom (England) 2012, *ibid.*

<sup>39</sup> Darlington Social Research Unit, University of Warwick, Coventry University (2015) The Best Start At Home: what works to improve parent-child interactions from conception to age 5 years? A rapid review of interventions (London: EIF)

successful parental involvement: their belief that they should be involved; their sense that they are capable of helping; and effective invitations and opportunities to get involved.<sup>40</sup>

Parent co-ops can provide these environments, at the same time as offering the childcare that helps parents juggle work and family life. This appears to have great benefits for the children involved - benefits which appear to last well beyond the period they attend the co-op. As the Early Intervention Foundation has argued, 'good quality parent child interactions provide the bedrock for children's future success throughout life'.

### **Happier staff who are less likely to move on**

Research about co-operatives beyond the childcare sector provide clear evidence that staff tend to be more satisfied, and less likely to leave, than they are in traditional organisations. The limited evidence we have for the childcare sector suggests this is also the case here. For example, one US study of Californian childcare co-ops found that 54 per cent of teachers had worked in the co-ops for five years. This rose to 72 per cent for programme directors and director-teachers. At least part of this satisfaction is likely to rest in the fact that wages tend to be slightly higher at co-op settings. Staff in co-owned public service organisations say they are willing and able to 'go the extra mile' to deliver a better service for people.<sup>41</sup>

Turnover can be a significant cost in any sector, but in pre-school settings it can be very tough. What is 'turnover' in the figures can feel like a very real loss to a small child, at a time in their lives when trusted adults play a central role to their sense of self and willingness to explore the world. Employee-owned companies and worker co-ops in the UK working to provide public services report far lower levels of staff turnover compared to sectoral averages. Employee ownership has also been shown to connect to higher levels of collective responsibility and peer pressure.<sup>42</sup>

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<sup>40</sup> Hoover-Dempsey, K. and Sandler, H. (2007), Why Do Parents Become Involved in Their Children's Education? quoted on the Education Evidence Portal, <http://www.eep.ac.uk/dnn2/ResourceArea/Carewelfareandbehaviour/Parentalengagement/tabid/287/Default.aspx>

<sup>41</sup> Leadbeater, C. (2008) Innovation Included: why co-owned businesses are good for public services (London: EAGA), quoted in Craig, J., Horne, M. and Mongon, D. (2009) The Engagement Ethic: the potential of co-operatives and mutual governance for public services (London: The Innovation Unit)

<sup>42</sup> Knell, J., (2008) Share Value: how employee ownership is changing the face of business (London: APPG on employee ownership), quoted in The Engagement Ethic, *ibid.*

## Challenges

Do today's parents have the time to participate?

This is one of the first questions that parent co-ops get asked. It is certainly true that most co-opping parents have flexible or part-time jobs, or are not currently in employment at all. So the model is not for everyone.

That said, households where all adults are in work full-time are the minority in the UK. 25 per cent of low income households have a stay-at-home parent.<sup>43</sup> More generally, just 27 per cent of women work full-time: 36 per cent work part-time, and the remainder are studying, choosing not to work, or unemployed - these numbers are higher in London. Even among men, who have a much higher full-time employment rate, there is some flexibility, with 17 per cent not in full-time work. Over a third (38 per cent) of parents work flexibly - a pattern that is more frequent in, but by no means unique to, higher social classes.<sup>44</sup>

Of course, what these figures do not take into account is the number of parents who would prefer to be more available for their children if their circumstances permitted. Just a quarter of parents are content with the balance they have between work and home life, with over three quarters of respondents in a 2014 survey saying that work limited the time they could give to activities they considered important with their children.<sup>45</sup> 27 per cent of parents said they'd like to work fewer hours, and more than a quarter of parents said they'd take a pay cut to do so. 22 per cent of parents said they'd prefer to work at home, and 21 per cent thought that flexible working would help.

That said, parent co-op experts in the US and in Canada have acknowledged in the interviews undertaken for this paper that it has become more challenging for parents to find the time required to be part of a co-op. To that end, many of the successful parent co-ops have adapted their requirements. Some have reduced co-op requirements through increasing the number of staff (with some implications for cost); others allow parents to partially or occasionally fully opt-out of the co-op elements in exchange for higher fees; others still have allowed carers and other family members to undertake the co-op duties in the absence of parents.

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<sup>43</sup> Ellison G, Barker, A., and Kulasuriya, T. (2009) *Work and Care: a study of modern parents* (London: EHRC)

<sup>44</sup> *Work and Care*, *ibid.*

<sup>45</sup> Working Families (2014) *Time, Health and the Family: what working families want* (London: Working Families)



### **Do parent co-ops provide high quality childcare as well as being affordable?**

Sometimes the assumption underpinning this question is that parent co-ops lack professionally qualified staff. That is not the case. As described earlier, co-production is not about substituting professionals for parents - far from it - rather, it is about finding better ways of unlocking all the resources available. If anything, parent co-ops need qualified staff with an even broader range of skills - they need to be equipped not only with a grounded understanding of early years development, and the ability to engage with children, but also the interpersonal skills required to draw the parents in, and support them, as well as mediating between them.

When it comes to closing the attainment gap and reducing inequalities in the early years there is clear evidence that quality childcare can make a real difference.<sup>46</sup> If the setting delivers high quality childcare, then children from disadvantaged backgrounds benefit disproportionately. These benefits are not present if the provision is not high quality.

Research has suggested that type of provider is a less useful proxy for quality than other measures, such as parental engagement, staff/child ratios, staff qualifications and so on. So it is more helpful to assess parent co-ops against some agreed proxies of quality rather than comparing them wholesale to, for example, a commercial provider, or a not-for-profit one.

When it comes to proxies for quality childcare, as noted above, parent co-ops are likely to score highly on parental engagement. Ratios between staff and children is another proxy used for assessing quality, and parent co-ops are likely to do well here too, as many of them do not count their parent volunteers when judging their ratios. This means that the adult/child ratios can be significantly higher than in other types of childcare.

One of the criticisms levied at parent co-ops in the UK by Ofsted is that parent volunteers do not have enough training to make high quality observations of child development. It is certainly true that parents report challenges in finding time to undertake the training offered by many local authorities. In this light the New Zealand PlayCentre model is particularly interesting. They have compulsory training for parent volunteers to address this issue, and the Federation has an agreement with the New Zealand Qualifications Authority about licensing and volunteer qualifications. Also of note is the fact that the NZQA has started to fund parent

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<sup>46</sup> Sylva et al (2014) The Effective Provision of Pre-School Education (EPPE) Project: findings from pre-school to the end of key stage 1 (London: DFEE)

education courses, and that increasing numbers of PlayCentres are now employing ex-parents as staff leaders. This suggests it is possible to develop a model that is good, both for the quality of the childcare setting, and for parental employment outcomes.

Some of the co-oping parents interviewed for this work expressed a degree of frustration about this question of quality. This frustration captures an inherent tension in the parent co-op model when looked at through the lens of the current UK childcare system. We tend to classify childcare as either 'formal' and therefore regulated, or 'informal' and therefore unregulated. Parent co-ops blur this distinction. The early parent co-ops were formed in an age where the focus was less on educational outcomes, and more on keeping children safe, socialising them and providing them with opportunities for play and stimulation beyond the home - what we might call 'enrichment' activities today. Many of the parent co-ops in existence now continue to see this as their primary role - they are spaces for parents to share the work of child rearing, to support one another and to enable the children to get to know other children and learn to play together.

So it is possible that parent co-ops disrupt current mainstream views about what quality looks like in early years settings, and add to the voices arguing for the need to update our indicators of quality in the pre-school years.<sup>47</sup>

## Parent co-ops: opportunities for the future

This paper has explored the potential for a parent co-op model of childcare to meet the challenge of providing affordable, quality provision in the UK. The purpose isn't to advocate for the model as a singular solution to our dysfunctional market of uneven quality and supply, but rather to present it as an option worthy of further exploration. It also presents a challenge to think more ambitiously about what innovation could look like in the childcare space.

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<sup>47</sup> See for example Mathers, S, Singler, R., Karemaker, A., (2012) Improving Quality in the Early Years: a comparison of perspectives and measures (London: Nuffield Foundation), which concluded that Ofsted needed to supplement its current framework with some broader 'process quality' indicators such as interactions between staff and children, or the degree to which the setting builds on children's interests and so on.  
<http://www.education.ox.ac.uk/wordpress/wp-content/uploads/2010/08/2.-Improving-quality-in-the-earlyyears.pdf>



In that spirit, we have identified five key areas where we believe there is real scope to explore the parent co-op model in more depth in the UK. We would welcome comments and further inspiration to build on what is here.

### **1. Building a parent co-op movement**

During the course of this project we have uncovered a number of parent-led nurseries in the UK. However they are few and far between, and are not connected to one another through any kind of network. Some of them are in precarious positions financially most of them are facing common challenges. Interviews with parent co-op experts in other countries suggest that the infrastructure provided is critical to their success. This infrastructure includes legislation that gives co-ops financial incentives, and clarity around definitions and ratios specific to the parent co-op model.

Experience from other countries also underlines the fact that it is very unlikely that the drive for greater parent co-ops will come from existing providers: the motivation to create this kind of setting is much more likely to emerge from a committed group of parents. Given this insight, what we also know from elsewhere is the value of effective support and guidance to these parents, so that they are not having to learn from scratch each time.

Many local councils already provide advice and guidance to people interested in setting up their own nurseries. Other organisations such as the National Day Nurseries Association perform a similar role. Some offer business advisors. All of this could be tailored to work for parents as well as professionals. There is also a case for the creation of an umbrella organisation, akin to the Parent Co-operative Preschool Corporation in Ontario, or the PlayCentre Federation in New Zealand. The role of this organisation could be to help to broker relationships between parents, to signpost them to relevant support, to help them identify appropriate buildings and partnerships, to create economies of scale and to provide policy and lobbying support. These kind of co-op consortia are well-established in parts of Europe, and are an essential part of what makes small, human-scale care co-ops viable in some parts of Italy and France.

### **2. Parent co-op partnerships**

The two biggest costs for any childcare setting are staff costs and building costs. Parent co-ops tend to operate out of informal spaces - church halls, or community centres - that they are able to rent for a low cost, as a further means of keeping prices down. An alternative model to expand the number of co-ops in the UK would be to work through other partners who bring assets - namely space - to the table.

Two types of partner stand out: the growing number of co-operative schools in the UK, and Housing Associations.

Co-operative schools could experiment with extending their provision into pre-school years, coupling their trained staff with parent volunteers to create a nursery that truly reflects the co-operative ethos. The synergies are obvious, and this move would be in keeping with the government preference for centring more pre-school provision around school settings.

Housing Associations could also have a powerful role to play in this space. Many Associations manage a wide range of community spaces, and some are moving into asset transfer with local communities taking on ownership of these spaces. It is easy to see how a parent co-op model could fit well with this pattern. Even where there aren't moves towards community ownership, Housing Associations all have targets to get more people back into work, and to generate greater employment opportunities locally. Again, it is possible to see a good fit between parent co-op models and this work.

Of course another route to finding assets would be to develop partnerships between parent co-ops and social finance businesses. Here, their role could be effectively to grant start-up capital to new co-operatives, and to guide them through business planning and development.

### 3. Freelancer collaboratives

The way people are working is changing; it is not that surprising therefore that the kind of childcare they need access to is also changing. Employment figures have shown that high-skilled self-employment is the fastest growing group in the EU labour market over the last decade - and the growth rate in the UK is 63 per cent, compared to an EU average of 45 per cent. Resolution Foundation analysis from 2014 found that 1 in 7 workers in the UK are now self-employed. An accompanying MORI survey showed that three quarters (73 per cent) of people who had become self employed since the recession had done so fully or at least partly as their preferred way of working. These patterns are particularly pronounced for women. This trend is manifested in the growth in 'hacker spaces' such as the 54 Impact Hubs across the world, or Second Home. Here are offices designed for freelancers and small-scale entrepreneurs looking for a shared, collaborative space in which to work flexibly.

Hackermoms is the pioneer in this space. Founded in 2011 by a group of artists, writers, entrepreneurs, designers and educators, Hackermoms operated initially in each of the mothers' homes with a hired babysitter. The group already had

connections to the burgeoning number of hack-erspaces in the San Francisco Bay Area, and they began a kickstarter campaign to set up their own hacker space - with the added benefit of childcare on site for children from 5 months to 6 years old.

Imagine a co-operative Hackermoms site in the UK, where members not only get the benefits of childcare on site, but also they can extend their professional community to being a supportive par-ent community as well.

#### **4. 21st century children's centres**

An evaluation of the US Head Start programme (the model for the UK Sure Start programme) showed that children gained most from the initiative when parents were highly involved. Similarly in New Zealand, PlayCentres have been shown to provide important community links, particularly in rural communities, and for adults with very young children. In the UK, Norman Glass, one of the architects of Sure Start, noted that the programme's success depended on ownership by local parents. He also argued that '...community development takes time. Disadvantaged communities have to be persuaded to participate, and their natural suspicion leads them to hang back until there is something to show. Engaging people in public services takes time.'

Children's Centres have evolved over the years since they were first rolled out in some of the most deprived areas of England and Wales. Few now provide the full day care that the government funded initially, although many do still offer some kind of sessional care among their services. However, their funding circumstances are precarious. The Early Intervention Grant was cut by 22 per cent in real terms between 2010/11 and 2014/15, and the central government pot for funding Children's Centre was cut by 36 per cent over the same time period.

In this context many local authorities are exploring alternative models to maintain their Centres. Some have outsourced Centres to charities such as The Children's Society and 4Children. Inter-views for this paper uncovered an appetite to explore how local authorities could enable the development of parent co-op children's centres, given the positive outcomes the model appears to have for parents as well as children. The co-op model offers a route to parental involvement that is arguably less stigmatising and more collegiate than traditional 'parent volunteer' schemes.

#### **5. Employer-based parent co-ops**

Employers are well aware of the costs of losing staff, and becoming a parent (particularly a mother) is a transition where the risk of losing an employee is notably high. Geokids is a nursery based on the US Geological Survey complex in California,

which was the brainchild of a group of employee parents. These parents formed a co-operative to run a nursery that takes about half its children from the community, and the rest from the staff. All parents contribute time, and they also under-take four hours of compulsory training each year in child development.

Imagine a world where an employer (or a group of employers on a single site, such as a business park) invests in a nursery for the children of its employees. There are a number of examples where this has already happened: some local NHS Trusts make provision for this, and First Direct offered childcare on site for its shift workers. In the co-op model, there would be scope for innovation in how the staff time was paid for. The employer could opt to co-fund the costs of a nursery duty day, seeing this as an investment in their staff and a way of increasing loyalty and commitment. For ex-ample, if each employee had to do a full duty day each month, the employer could forgo half a day of that staff member's time, and the staff member could forgo a sixtieth of their salary to pay for the second half of the day.

## Conclusion

There is clearly the potential for parent co-operatives to play a greater role in the UK childcare sector. International experience indicates that parent co-ops could be beneficial - not only to the children involved, but also to parents and staff alike.

This paper doesn't try to present the model as a panacea to the many challenges outlined here to the provision of affordable, high quality childcare in the UK. Nor does it argue that the model will work for all families. But given what we know about the value of parental involvement, and given the evidence about what parents want for their children, the parent co-op model does have something to offer.

The final section of the paper outlined five possible routes by which the parent co-operative model could be taken to scale in the childcare sector. Our proposal would be that the next step is to design some prototypes and pilots that begin to test the thinking here in practice, drawing on experience in New Zealand, the US, Canada and elsewhere.

We understand more now than ever before that parents play a crucial role in nurturing and socialising their children as well as providing for their more basic needs. Parent co-ops enable families to play a much more active role in the bringing up of their children, reflecting the desires of Britain's parents as well as the evidence about what children need. While working patterns mean they aren't for everyone, for those families who do have some capacity to get involved, there is evidence that parent co-ops can be a profoundly satisfying and loving childcare experience for everyone.