

# COVID-19 exposed the UK's childcare crisis. Poncho has launched in the UK to address this

Average annual childcare costs reached £6,800 in 2020. New digital startup Poncho, backed by Kamet Ventures, will help businesses support working parents and their kids.

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Schools closed at the start of the pandemic and nearly 90% of parents have had to homeschool at least one child since May. Though educational establishments are now open again, the national childcare crisis their closure exposed remains. Working parents naturally require childcare yet often this comes at a very high cost. Alongside this, one in six childcare providers in the UK is expected to close by Christmas.

By offering Poncho – a new digital startup backed by Kamet Ventures – as an employee benefit, companies can help employees make substantial savings, with average annual childminding costs reaching £6,800 in 2020.

Founded by Ben Prouty, David Adams and Vijay Raghavan, Poncho is an app that empowers businesses to better support their employees by making wraparound childcare more affordable and accessible. Its digital and in-person activities are available for children aged six months to 18 years. They fit flexibly around busy schedules, and are delivered by high-quality, verified partners including MadScience, Stagecoach, and Firetech.

As well as providing access to activities, Poncho also helps parents understand and access the government-provided childcare support that they are eligible for. This is particularly significant given that only 27% of people were aware of tax-free childcare in 2018, and only 205,000 of the estimated 1.2 million families eligible under the Childcare Payments Act are using the benefit today.

Poncho has been gaining impressive traction – companies already signing up to the platform include JCDcaux UK as well as other key players in the media and technology sector.

Ben Prouty, CEO and Founder, said:

*“We came up with the idea for Poncho after seeing how under-resourced and expensive childcare was, and the impact this was having on working parents. We know that businesses want to help – in fact, our research suggests that UK companies are collectively willing to spend up to £1.2B on childcare support for their employees. Such a vast, untapped resource could be critical in keeping working parents in employment, and ultimately helping the UK’s economic recovery.”*

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Phoebe Chandler, Head of People, Employee Experience at JCDcaux UK said:

*“When we asked employees in our Working Parents*

*Group to test Poncho and tell us their views, they said Poncho would make their lives easier and help relieve some of the pressures that they face as working parents. We are acutely aware of these challenges and feel that Poncho will help us better support employees with benefits tailored to the current climate.”*

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Article by MADDYNESS