Northern Ireland Childcare Cost Survey 2011

The second annual childcare cost survey to be carried out in Northern Ireland, analysing the experiences of using and paying for childcare services

Written by
Rachel Dennison, Sarah Lowndes & Nora Smith
Employers For Childcare Charitable Group
September 2011
Foreword

I am delighted to introduce the second annual Childcare Cost Survey for Northern Ireland. Employers For Childcare Charitable Group is committed to carrying out this survey on an annual basis as it an important tool for measuring progress and change in the availability of affordable childcare year on year. We are thrilled that more than twice as many parents have responded to the survey this year.

Since the launch of last year’s report, the economic and political climate has changed significantly for working parents. The recent changes to the benefit and welfare system have been particularly detrimental to families. Cuts to Tax Credits, Child Benefit and maternity entitlements, to name but a few, have left many families facing more difficult financial circumstances.

In addition, the lack of affordable childcare remains a key barrier for parents being able to access and stay in work. This year’s childcare cost survey presents a vivid picture of how parents are struggling to balance childcare and work commitments.

This year the Northern Ireland Assembly announced its intention to ring-fence £12 million of funding for childcare over the next four years. Although we welcome this announcement, there is an urgent need for a childcare strategy to ensure that funding for childcare is invested appropriately.

I hope that this report, and those which follow each year, will highlight the importance of investing in affordable childcare provision for working parents in Northern Ireland.

Chief Executive Officer
Marie Marin
Employers For Childcare Charitable Group
Daycare Trust’s mission for the past 25 years has been to ensure that there is high quality, affordable childcare available to all families, and we are delighted to welcome Employers For Childcare Charitable Group’s second Northern Ireland Childcare Costs Report.

From our work with parents, we know that finding appropriate childcare and paying for it remain significant barriers to work for many parents, particularly women. Through our research, policy work and campaigns, we aim to convince Government that they will not meet their objectives of increasing employment, reducing child poverty and narrowing the gender pay gap unless there is greater investment in childcare services.

We have conducted surveys on childcare costs in Britain for ten years, and over this time we have seen costs rising steadily. Yet despite these cost increases, there has been a positive story to tell about childcare in England, beginning with the introduction of a childcare strategy in 2004. The Childcare Act 2006 enhanced the duties placed on local authorities which include providing information, ensuring that sufficient childcare provision is available for working parents, and conducting three-yearly sufficiency assessments. As a result the childcare landscape in England has changed beyond recognition from 15 years ago.

Since the Coalition Government took office in 2010, childcare has continued to receive senior Ministerial support, and from 2013 free early education will be extended to disadvantaged two year olds.

We are aware that the situation in Northern Ireland is vastly different. The lack of an up-to-date childcare strategy and a lead department to take responsibility for childcare has led to a lack of childcare services across the region. This is a significant barrier to parental employment.

The challenges caused by the recent cuts to family benefits and entitlements have had a detrimental impact on families across the UK, in particular the cut in the level of childcare support available through Tax Credits. We are hearing from
parents that this cut in financial support means it is no longer worthwhile to be in work, because of the cost of childcare. Daycare Trust is working hard to persuade Ministers to reverse this change, and to offer a higher level of support for childcare in the new Universal Credit.

In an era of cuts, it is even more important that there is political leadership, a clear direction of travel and a statutory footing for services, so that parents know what childcare support to expect and how to access it. Without it, the risk is that too many parents struggle to remain in work, and children miss out on early learning experiences which will benefit them for the rest of their lives.

Daycare Trust offers its support to Employers For Childcare Charitable Group in seeking to achieve its objectives in Northern Ireland in the coming year, and we welcome this report as an important contribution to that debate.

Anand Shukla
Chief Executive
Daycare Trust
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Glossary of terms

**Childcare Sufficiency Assessments:** Section 11 of the Childcare Act requires Local Authorities to carry out an assessment of the sufficiency of childcare in their local area as a first step to securing sufficient childcare. This process will give local authorities the evidence and information they need, working in partnership with childcare providers and others, to facilitate and shape a childcare market that provides childcare which is sufficient, flexible, sustainable and responsive to parents’ needs.

The guidance for Childcare Sufficiency Assessments sets the framework for the assessment, clarifying what is required to fulfil this duty. The guidance details how the assessment duty fits with existing legislation, who is to be consulted, what is to be considered within the assessment and how the finished document is to be publicised and reviewed. Also contained within the guidance are examples of ‘best practice’, suggestions about possible methods and formats, and links to useful sources of information.

**Childcare voucher schemes:** The childcare voucher scheme is a Government initiative which operates through employers. The scheme allows parents to pay for registered childcare from their pre-tax salary, thus making a significant saving in tax and National Insurance Contributions. The childcare voucher scheme is available to both parents, provided they can access it through their employer. This means there is the potential for a family to double their saving. Childcare vouchers are accepted by all forms of registered childcare.

**Family Information Service:** A network of Family Information Services (FISs) operates in England and Wales, with one in each Local Authority Area. In Scotland a Childcare Information Service exists. Until March 2011, a national helpline and website existed to direct parents to their local information service. The helpline was replaced with a national online directory called ‘Open Family Services’, which holds information on childcare provision and family support. The information comes directly from participating Local Authorities who verify the information to ensure it is accurate.
**Formal childcare:** The definition of registered formal childcare provision as stated in the Children (NI) Order 1995 is as follows:

People running day care services, used by children aged under twelve and open for more than two hours a day. Day care services include facilities such as day nurseries, play groups, out of school clubs, holiday schemes and créches. People who run these schemes are required to register whether or not they receive payment.

Childminders who look after children aged under twelve for more than two hours a day in a private house for reward.

**Informal childcare:** Informal childcare is generally defined as care arranged by the child’s parent either in the child’s home or elsewhere, and is provided by relatives, friends, neighbours or babysitters and is unregulated. It is referred to as informal care because the arrangements are not formalised with contracts or employment rights (OECD Family Database) and are not registered with the appropriate authority.

**The Childcare Act 2006:** The Childcare Act, which passed into law on 11 July 2006, is applicable to England and Wales. It is the first piece of legislation exclusively concerned with early years and childcare. Measures in the Act formalise the important strategic role Local Authorities play through a set of duties including ensuring that there is sufficient childcare for working parents.

**Working Tax Credit:** Working Tax Credit is designed to help people on lower incomes who meet certain conditions and who are employed or self employed. The amount received depends on various factors, including hours worked and annual income. Working Tax Credit may also include support for eligible childcare. The childcare element currently enables parents to claim up to 70% of the cost of eligible childcare. The current maximum amounts of eligible childcare are £175 per week for one child and £300 per week for two or more children.
Executive Summary

Employers For Childcare Charitable Group carried out the first Northern Ireland Childcare Cost Survey in 2010. Although cost surveys have been carried out on an annual basis in the rest of the UK for the past 11 years, up until 2010 childcare costs in Northern Ireland were not recorded and published.

Our purpose is to make it easier for parents with dependent children to get into work and stay in work. We recognise that access to affordable, appropriate childcare remains extremely challenging for parents. We view childcare as both a labour market and an economic issue. One year on, the second Childcare Cost Survey allows us to track how childcare costs in Northern Ireland have changed. The survey also provides us with an opportunity to record the impact and the challenges that childcare presents to families within the region.

Furthermore, as well as being able to compare and contrast childcare costs with the other regions of the UK, we are now in a position to compare Northern Ireland 2011 costs with last year’s findings. Year on year childcare cost surveys are an important measuring tool and are necessary in order to keep the issue of the cost of childcare in the public and political domain. Employers For Childcare Charitable Group is committed to carrying out the Childcare Cost Survey on a yearly basis.

Methodology

The research was carried out in two stages. The first stage involved conducting a childcare provider survey. A return rate of 22% was received, which is an increase of 4% from 2010.

The second stage involved a parent survey with 2,478 parents participating in the survey, 1,431 more responses than last year.
Key findings

The results obtained from both surveys reveal a number of importance findings, which are highlighted below.

Childcare provision within Northern Ireland

- There are a total of 4,274 childminders, day nurseries and out of school clubs in Northern Ireland (DHSSPS, 2011\(^1\)). This figure has increased by 4\% since 2009 (see DHSSPS, 2010 for figures).
- In 2009, there were a total of 1,145 childcare places in community day nurseries (DHSSPS, 2010). 2010 figures show that this number has decreased to 782, which amounts to a 32\% decrease).
- There are 254 out of school clubs in Northern Ireland (DHSSPS, 2011), making up 6\% of the three main types of childcare provision available in the region. Since 2009 there has been a 10\% increase in out of school clubs (see DHSSPS, 2010 for figures). There are a higher percentage of out of school clubs in the East of the region than there are in the West. For example, the Belfast Health and Social Care Trust (BHSCT) area, which covers Belfast and its outskirts, contains almost double the amount of out of school clubs than the Western Health and Social Care Trust (WHSCT) area (DHSSPS, 2010), which covers most of counties Derry/Londonderry, Fermanagh and Tyrone\(^2\).
- The distribution of childcare settings across Northern Ireland is measured by DHSSPS and the data which exists records the volume across Health and Social Care Trust Areas. DHSSPS findings are summarised below:
  - The Northern Health and Social Care Trust (NHSCT) has the highest level of provision. It covers the majority of County Antrim and contains 32.8\% of all childcare settings\(^3\).
  - The South Eastern Health and Social Care Trust (SEHSCT), which covers County Down, has 23.2\% of providers. The Belfast Health

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\(^1\) The figures used in this report are those as cited in the Children Order Statistical Bulletin 2010, published in March 2011. These are the only published figures on the number of childcare settings and places in Northern Ireland.

\(^2\) 32\% of all out of school clubs in Northern Ireland are in the BHSCT area, only 17\% are in the WHSCT area.

\(^3\) Includes childminders, day nurseries and out of school clubs.
and Social Care Trust (BHSCT) covers parts of both County Antrim and Down and contains 15.1% of providers.

- Taken together, these three Trust areas represent 71% of Northern Ireland childcare providers.
- The remaining percentage of childcare settings are found within the Southern Health and Social Care Trust (SHSCT) and Western Health and Social Care Trust (WHSCT) areas, which have 14.5% and 14.4% of the total number of childcare providers respectively. The SHSCT and WHSCT areas cover the majority of counties Armagh, Fermanagh, Tyrone and Derry/Londonderry.

### Average full time childcare costs

- Childminding costs average at £155 per week, irrespective of the age of the child.
- On average, day nurseries charge marginally less than this, at £154 per week for a child under two and £153 for a child over two.
- In 2010 there was an average cost difference of £4 between a day nursery and a childminder for a child under two and £5 for a child over two.
- The difference between childminder and day nursery costs has decreased. There is now only a difference of £1 between the two setting types for a child under two and £2 for a child over two.
- Day nursery costs have decreased by 2% for a child under two and 2.5% for a child over two per week since 2010.
- Childminding costs per week have risen by 1.3% for a child under two and 1.9% for a child over two over the same period of time.
- Childcare in counties Antrim and Down is more expensive than in other counties. This is a trend which was also apparent in the 2010 survey.
- In terms of out of school club costs, there has been a slight difference in both after-school and holiday scheme costs since last year's survey. In 2010 an after-school club cost on average £78 per week and a summer scheme cost averaged at £120 per week.
• The 2011 results show that after-school costs have only risen by an average of £1 to £79 per week. Summer schemes have risen by only £3 per week, at £120.
• The average annual childcare cost for 2011 is £8,021 for one child.

**Costs across the six counties**

• Day nursery costs are highest in County Antrim, again reflective of last year’s survey, at £165 per week for children under two and £164 for children over two. Day nursery costs in County Antrim are £3 less expensive per week compared to 2010 figures.
• County Down follows closely behind County Antrim in terms of day nursery costs, with a cost of £162 per week.
• The lowest nursery costs are recorded in County Fermanagh, at £131 per week. This contrasts with last year’s findings where County Tyrone reported the lowest day nursery costs at £131 per week for a child under two.
• There is a difference of £34 per week between the average day nursery cost in County Antrim and County Fermanagh for a child under two.
• County Tyrone’s costs are still amongst the lowest in Northern Ireland for a day nursery place (£134 per week for a child over two).
• Childminder costs also vary by county, again the highest costs are found in counties Antrim and Down.
• Average childminding costs are £1 more expensive per week in County Down (£162) than in County Antrim (£161).
• The highest childminding costs in last year’s survey were £159 per week (County Antrim, child over two). This year’s findings are slightly higher at £162 per week, a difference of £3.
• The lowest childminding costs, similar to day nursery costs, are found in County Fermanagh. On average costs are £137 per week for a child under two and £138 for a child over two.
• The link between population density and childcare costs is evident. The highest childcare costs are found in the most populated and urban counties, namely Antrim and Down.
Community day nursery costs are, on average, £39 less per week than private settings for a child over two. The difference between community and private costs is less this year when compared to last year’s results. The 2010 results showed that there was a £58 cost difference between a community and private day nursery place.

Since 2010, with the exception of after-school clubs, community childcare costs have increased in price.

Comparison with the other regions of the UK

The following table illustrates the changes in childcare costs across the UK between 2010 and 2011. The figures are based on 50 hours per week.

- Of all the regions, Wales has experienced the highest increase in day nursery costs for a child under 2 since 2010 (2.4% increase). With the exception of day nursery costs in both Northern Ireland and Wales (for a child over two), which have decreased since 2010, all of the other costs across each facility type have increased.

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4 Percentage change calculations are made using figures for 50 hours of childcare, these figures were given to Employers For Childcare Charitable Group directly by Daycare Trust. They are not based upon the figures for 25 hours which the Daycare Trust’s “Childcare Costs Survey 2011” details.
• Childminding costs have increased across the UK. Costs have increased by the highest percentage in Scotland and Wales, by 6.6% and 7.7% for a child under two and by 8.3% and 5.4% for a child over two respectively.

• There have been changes in childcare costs in each of the four regions since 2010. The lowest percentage increase was 0.8% for a day nursery place for a child under two in Scotland.

• The region which has seen the largest decrease in costs is Northern Ireland.

• England has the highest average childcare costs across the UK. However the average costs across each of the regions of England vary from £140 for a childminder in the North West to £218 for a day nursery in London (Daycare Trust, 2011). The lowest cost is therefore less than the Northern Ireland average.

• When a comparison of the Northern Irish counties and the English regions is conducted, the difference in costs between England and Northern Ireland is not as significant as it would at first seem. For example, the highest childcare cost in Northern Ireland is a day nursery place in Antrim for a child under two, where a place costs £165 per week. This cost is higher than the average costs in four of the nine English regions. Furthermore, a County Antrim day nursery for a child over two is £164 per week. This is higher than the cost in five of the English regions for the same type of care.

Additional costs

• Fewer parents than last year reported that they were required to pay additional fees to their childcare provider.

• Parents using day nurseries were more likely to pay a retainer fee and fees in advance than any other registered setting.
Impact of childcare costs

- 45% of the average weekly net salary of a parent in Northern Ireland is spent on childcare for one child.
- Many parents struggle to meet their childcare costs and often have to adjust their work patterns to reduce the overall cost. For 46% of respondents, the cost of childcare influences the hours they work.
- Many parents rely on a mix of formal and informal childcare in order to manage their costs.
- Both one parent families and two parent families rely most on grandparents for additional childcare provision (62% and 48% respectively). Friends were the second most common additional childcare choice for one parent families (34%), followed by other family members (22%).
- 50% of one parent families struggle to meet their childcare costs, compared to only 22% of two parent families.
- 11% of respondents stated that a lack of available childcare had prevented them from entering work or training.
- 5% of respondents stated that they do not pay for childcare. A higher proportion of one parent families (13%) than two parent families (4%) were in this position. This was mainly because they rely more heavily on informal provision, in particular grandparents who are less likely to accept payment.
- The percentage of mothers working full time appeared to be linked to the number of children in the family. 76% of mothers with one child worked full time. The percentage of mothers working full time decreased as the number of children increased. These results are also reflective of statistics collected by the Department of Employment and Learning (DEL, 2011), which reveal that the employment rate for women with three or more dependent children is lower than for those with one or two dependent children.
- Most childcare settings are not in a position to offer flexible childcare (outside of Monday-Friday, 7.30am-6pm). 83% of parents said that their childcare provider did not open during evenings and weekends.
• Support from grandparents was clearly a deciding factor for many families in determining whether it paid to work.

Information services

• 97% of respondents were happy with the quality of service offered by their childcare provider.
• 53% of parents stated that they either ‘disagreed’ or ‘strongly disagreed’ that it was easy to access flexible childcare.
• When respondents were asked whether it was easy to locate affordable childcare, 52% either ‘disagreed’ or ‘strongly disagreed’ with this statement. Only 1% of parents ‘strongly agreed’ that it was easy to access affordable childcare.
• 48% of parents within the survey also struggled to locate information relating to family benefits and entitlements.
• 45% of respondents found it difficult to access information about the financial help which is available with childcare costs.

Economic and policy context

• The changes to the benefits and welfare systems as part of the UK Government’s approach to economic recovery have been particularly detrimental to families.
• The 10% reduction in the amount that can be claimed towards childcare costs through Working Tax Credit came into effect in April 2011 and makes the struggle to meet childcare costs more significant for families.
• There are also concerns about the level of support for childcare costs under Universal Credit.
• The Child Poverty Act 2010 places a statutory obligation on each region of the UK to eradicate child poverty by 2020. A key strand of the Northern Ireland Strategy is to reduce worklessness amongst adults with children. However Northern Ireland is the only part of the UK where the level of
child poverty has increased from 2% to 26% during 2009/10 (DWP, 2010).

- Northern Ireland remains the only region within the UK that does not have an up-to-date Childcare Strategy, with clear lines of accountability and leadership.

- Northern Ireland is also the only region that does not place childcare services on a statutory footing.
1. Introduction

Employers For Childcare Charitable Group carried out the first Northern Ireland Childcare Cost Survey in 2010. Although cost surveys have been carried out by the Daycare Trust on an annual basis in the rest of the UK for over 11 years, up until 2010, childcare costs in Northern Ireland were not recorded and published.

One year on, the second Childcare Cost Survey allows us to track how childcare costs in Northern Ireland have changed. We are now in a position to compare and contrast childcare costs not only with the other regions of the UK, but also with last year’s findings. Childcare cost surveys are an important measuring tool and are necessary in order to keep the issue of the cost of childcare in the public and political domain.

In comparison to the other three regions of the UK, Northern Ireland lags far behind in terms of childcare policy and legislation. As a result, the availability and affordability of childcare is not adequately addressed and does not meet the demand or the needs of local families.

This report carries out an analysis of childcare costs across Northern Ireland. It also depicts the particular challenges that parents within the region face when trying to manage their childcare and work/life conundrum. In order to place this in context, the next subsection sets out the economic and policy context.

1.1 The economic and policy context

The changes to the benefits and welfare systems as part of the UK Government’s approach to economic recovery have been particularly detrimental to families. Changes that have been announced over 2010-2011 include:

- Child Tax Credit: the family element of Child Tax Credit was withdrawn for family incomes of more than £40,000 from April 2011. Previously the limit was £50,000. This level will possibly be reduced to as low as £26,000 in the coming years.
• The baby element of Child Tax Credit has also been abolished. The family element and the baby element are worth £545 each per annum.

• Changes to Working Tax Credit: there is a three year pay freeze of the basic element of Working Tax Credit worth £1,920 per annum. Couples with children must work a minimum of 24 hours a week between them, with one partner working at least 16 hours per week in order to claim Working Tax Credit. The childcare element of Working Tax Credit has been reduced from 80% to 70%.

• Changes to Child Benefit: as of April 2011, Child Benefit has been frozen at its current rate for the next three years. From 2013, a parent with an income over £43,875 will no longer be eligible to receive Child Benefit.

• Child Trust Funds have been abolished.

• The Health in Pregnancy Grant has been abolished.

• The Sure Start Maternity Grant will be paid to the first child only.

Unemployed lone parents are now being moved from Income Support to Jobseeker's Allowance once their child turns seven. From October 2011 this will be reduced to when the youngest child(ren) turn five. Lone parents must actively be seeking work. However, access to appropriate and affordable childcare is particularly daunting for those on a single income.

The cumulative effect of all the changes will greatly impact on family budgets. Of particular concern is the 10% reduction in support available with childcare costs through the childcare element of Working Tax Credit. This change makes the ability to meet childcare costs an even more difficult challenge for families. Universal Credit, which is due to be introduced across the UK in 2013, will see the integration of six existing benefits:

1. Income support
2. Jobseeker's Allowance
3. Employment and support allowance
4. Housing Benefit
5. Working Tax Credit
6. Child Tax Credit
The new system will subsume all the benefits within a common framework of rules by working to simplify the existing welfare and benefits system and by ensuring that there is a financial incentive to entering employment. The reforms’ aims are to help and encourage families to use work as a route out of poverty. Essentially, Universal Credit will work on the principle that benefits will reduce as income increases, and increase if income falls. However, there are a number of concerns surrounding some aspects of the welfare proposals.

In particular, there is concern about support for childcare costs under Universal Credit. The Government has already cut childcare support for working families. Under the new system, reforms will, for the first time, help parents working fewer than 16 hours to pay for childcare. However, the Government has said that it will not contribute more financial support for childcare than it currently does, despite more parents being eligible for support. As a consequence, many parents will receive less support towards their childcare costs. The proposed policy changes will have huge financial implications for families, in particular for families of children with disabilities and/or special needs where their entitlement to financial support will be reduced (Employers For Childcare Charitable Group, 2011).

The accumulative affect of all the changes will greatly impact on family budgets. Indeed for families who are already struggling to meet their childcare costs, the proposals will make them particularly vulnerable.

Getting people back into employment has been a key driver for the Government. The Child Poverty Act 2010 places a statutory obligation on each region of the UK to eradicate child poverty by 2020. Each jurisdiction had to develop a Child Poverty Strategy to illustrate how it will move towards this goal.

A key strand of the Northern Ireland Strategy is to reduce worklessness amongst adults with children. The Government sees growing up in a workless household as the main cause of child poverty. Therefore a key strategic priority of the strategy is:
‘To support more parents to access reasonably paid work.’

This strategic priority is motivated by the Government’s recognition that work is the surest route out of poverty (OFMDFM, 2011). However Northern Ireland is the only part of the UK where the level of child poverty has increased by 2% to 26% in 2009/10 (DWP, 2011).

Employers For Childcare Charitable Group has long argued that childcare is both a labour market and an economic issue. Parents need to have access to affordable, appropriate childcare in order to enable them to enter and stay in work. However, the lack of childcare provision, coupled with the changes to the benefits and welfare system, means that working parents face a number of challenges.

We remain the only region within the UK that does not have an up-to-date Childcare Strategy, with clear lines of accountability and leadership. We are the only region that does not place childcare services on a statutory footing. At the time of writing this report an economic appraisals option on the future of childcare had been prepared for the Northern Ireland Executive. The report was finalised in June 2010, however it has yet to make it onto the Northern Ireland Executive’s agenda.

In March 2011 a commitment was given during an Assembly debate to ring fence £12 million for the development of a Childcare Strategy. As the Government increasingly promotes work as the best route out of poverty, access to affordable and accessible childcare remains ever more paramount. Clearly this is a time of significant change which brings with it opportunities to develop an integrated Childcare Strategy to help address the current challenges faced by parents within the region.
2. Methodology

This is the second childcare cost survey to be conducted in Northern Ireland. As there is no network of Family Information Services in the region, a different approach to that adopted by the Daycare Trust has to be taken in order to ascertain the true cost of childcare for families in Northern Ireland. The existence of a Family Information Service in England and Wales, and a Childcare Information Service in Scotland, means that information on childcare is readily available to parents. Furthermore, the role of Local Authorities in carrying out childcare sufficiency assessments in their local area means that information on childcare provision and costs is readily available in England, Scotland and Wales.

This report records costs for the three main forms of childcare in Northern Ireland, namely childminders, day nurseries and out of school clubs (comprising of breakfast clubs, after-school clubs and summer schemes). We do not record, or report on, the cost of playgroups because typically these settings only provide care for two and a half hours per day. Due to the limited number of hours, playgroups do not constitute full time childcare.

The research was carried out in two stages. The first stage of data collection was conducted through a childcare provider survey which was made available to childcare providers both in hard copy and online. This survey was carried out in July 2011. 2,800 childcare providers across Northern Ireland were contacted to complete the survey. 639 surveys were returned, representing a response rate of 23%. This is a 4% rise on last year. Consideration was given to the location and childcare type in order to achieve a representative sample.

The second stage involved a parent survey which was also launched in July 2011. We generated 2,478 responses, 1,431 more than last year. We received responses from parents across Northern Ireland by distributing the survey via online forums, Childcare Partnerships, Health and Social Care Trusts, a range of media, women’s and childcare sector organisations and parents who use our Childcare Voucher Scheme. This approach was taken in order to ensure that the data collected from the respondents captured the breadth of family needs.
circumstances within Northern Ireland. Factors considered included marital status, family size, household income, geographical location and working patterns.

The childcare provider survey enables us to collect precise information relating to specific childcare costs and was therefore used as a measure of childcare costs for Northern Ireland. The parent survey supplements the childcare provider information, offering a mix of both quantitative and qualitative data. The report will proceed with an analysis of the childcare provider results.

2.1 Limitations

It proved difficult to obtain a high return rate from lone parents. This could be explained by the fact that a higher percentage of lone parents are unemployed and therefore not utilising childcare services.

The majority of parents that completed the survey were in employment. This can be explained by the fact that most parents that access childcare services are in employment.
3. Childcare costs in Northern Ireland – childcare provider results

3.1 Information on respondents

The majority of respondents were childminders (49%), followed by out of school clubs (comprising of breakfast clubs, after-school clubs and summer schemes) and day nurseries (at 28% and 23% respectively), as illustrated in figure 1.

**Figure 1:** Childcare provider responses by facility type for 2011

There are a total of 4,274 childminders, day nurseries and out of school clubs in Northern Ireland (DHSSPS, 2011\(^1\)). This figure has increased by 4% since 2009 (see DHSSPS, 2010 for figures). Childminders are the most common form of childcare in Northern Ireland. In terms of childcare places, 51% of all childcare places are in childminding settings. This is followed by day nurseries with 32% of places and out of school clubs with 17% of places (DHSSPS, 2011).

The distribution of childcare settings across Northern Ireland is measured by the Department for Health, Social Services and Public Safety (DHSSPS) and the data which exists records the volume across Health and Social Care Trust areas rather than across the six counties (see Figure 2). The Northern Health and Social Care

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\(^1\) The figures used in this report are those as cited in the Children Order Statistical Tables for Northern Ireland 2009/10, published in May 2011. These are the only published figures on the number of childcare settings and places in Northern Ireland.
Trust (NHSCT) has the highest level of provision. It covers the majority of County Antrim and contains 32.8% of all childcare settings.

**Figure 2:** Percentage of total childcare settings in Health and Social Care Trust Areas in Northern Ireland

![Bar chart showing percentages of childcare settings in different Trust areas in Northern Ireland.](chart)


The South Eastern Health and Social Care Trust (SEHSCT), which covers County Down, has 23.2% of providers. The Belfast Health and Social Care Trust (BHSCT), which is situated in County Antrim and part of County Down, contains 15.1% of providers. Taken together, these three Trust areas represent 71% of Northern Ireland childcare providers. The remaining percentage of childcare settings are found within the Southern Health and Social Care Trust (SHSCT) and Western Health and Social Care Trust (WHSCT) areas, which have 14.5% and 14.4% of the total number of childcare providers respectively. The SHSCT and WHSCT areas cover the majority of counties Armagh, Fermanagh, Tyrone and Derry/Londonderry.

We received responses from childcare settings across Northern Ireland. The largest response rate came from County Antrim (39%), followed by County Down (23%). 14% of respondents were from County Derry/Londonderry.
Counties Armagh, Tyrone and Fermanagh received the lowest response rates at 9%, 8% and 7% respectively.

The response rate for the childcare cost survey across each county is similar to the percentage level of provision in each HSCT area (and therefore corresponding counties). Therefore a representative sample was obtained.

3.2 Childcare Costs

In this report, one week of childcare for a day nursery or childminder refers to a 50 hour full time place. In the parent survey, of all respondents who stated that they use a day nursery or childminder as their main childcare type, almost 60% used over 25 hours of childcare in an average week. Our survey therefore represents an accurate picture of childcare usage and cost in Northern Ireland.

3.2.1 Private childcare costs

Table 1 shows private childcare costs across Northern Ireland per week in 2011.

<table>
<thead>
<tr>
<th></th>
<th>Nursery (Under 2)</th>
<th>Nursery (Over 2)</th>
<th>Childminder (Under 2)</th>
<th>Childminder (Over 2)</th>
<th>Breakfast Club</th>
<th>After-school Club</th>
<th>Summer Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antrim</td>
<td>£165</td>
<td>£164</td>
<td>£161</td>
<td>£161</td>
<td>£36</td>
<td>£84</td>
<td>£121</td>
</tr>
<tr>
<td>Armagh</td>
<td>£143</td>
<td>£143</td>
<td>£148</td>
<td>£148</td>
<td>£25</td>
<td>£82</td>
<td>£134</td>
</tr>
<tr>
<td>Down</td>
<td>£153</td>
<td>£153</td>
<td>£162</td>
<td>£162</td>
<td>£30</td>
<td>£81</td>
<td>£137</td>
</tr>
<tr>
<td>Fermanagh</td>
<td>£131</td>
<td>£131</td>
<td>£137</td>
<td>£138</td>
<td>£15</td>
<td>£80</td>
<td>£100</td>
</tr>
<tr>
<td>Derry/Londonderry</td>
<td>£141</td>
<td>£140</td>
<td>£150</td>
<td>£150</td>
<td>£23</td>
<td>£61</td>
<td>£91</td>
</tr>
<tr>
<td>Tyrone</td>
<td>£135</td>
<td>£134</td>
<td>£139</td>
<td>£141</td>
<td>£16</td>
<td>£73</td>
<td>£75</td>
</tr>
<tr>
<td>Total Average$^2$</td>
<td>£154</td>
<td>£153</td>
<td>£155</td>
<td>£155</td>
<td>£28</td>
<td>£79</td>
<td>£120</td>
</tr>
</tbody>
</table>

$^2$ Total averages based on the average of each detailed cost per facility type, rather than an average of averages.
The 2010 Childcare Cost Survey was the first of its kind to be carried out in Northern Ireland. The survey showed the average childcare costs across the region by facility type. In 2010, day nursery costs averaged at £157 per week (50 hours). This form of childcare was more expensive than childminder costs, which averaged at £153 for a child under two and £152 for a child over two. Out of school clubs were less expensive; however this can be explained by the number of hours used.

The 2011 Childcare Cost Survey findings illustrate that although there is very little difference in the overall average costs for day nurseries and childminders, childminding costs have risen and are now slightly more expensive than day nursery costs per week. Childminding costs average at £155 per week, irrespective of the age of the child. On average, day nurseries charge less than this, at £154 per week for a child under two and £153 for a child over two. In 2010 there was an average cost difference of £4 between a day nursery and a childminder for a child under two and £5 for a child over two. The findings for 2011 show that the difference between childminder and day nursery costs has decreased. There is now only a difference of £1 between the two setting types for a child under two and £2 for a child over two.

Day nursery costs per week have decreased by 2% for a child under two and 2.5% for a child over two since 2010. Childminding costs per week have risen by 1.3% for a child under two and 1.9% for a child over two over the same period of time (see Figure 3).

Similarly to last year’s survey, the costs differ across each county. Childcare in counties Antrim and Down is more expensive than in other counties. This trend was also apparent in the 2010 survey.
Day nursery costs are highest in County Antrim, again reflective of last year’s survey, at £165 per week for children under two and £164 for children over two. Day nursery costs in County Antrim are £3 less expensive per week compared to 2010 figures. County Down follows closely behind County Antrim in terms of day nursery costs, at £162 per week. The lowest nursery costs are recorded in County Fermanagh, at £131 per week. This contrasts with last year’s findings where County Tyrone reported the lowest day nursery costs at £131 per week for a child under two. County Tyrone’s costs are still amongst the lowest in Northern Ireland for a day nursery place (£134 per week for a child over two). There is a difference of £34 per week between County Antrim and County Fermanagh in the average day nursery cost for a child under two.

Childminder costs also vary by county, again with the highest costs found in counties Antrim and Down. Average childminding costs are £1 more expensive per week in County Down (£162) than in County Antrim (£161). The highest childminding costs in last year’s survey were £159 per week (County Antrim, child over two). This year’s highest childminding costs feature in County Down, at a cost of £162 per week, a difference of £3. The lowest childminding costs, similar to day nursery costs, are found in County Fermanagh. On average costs are £137 per week for a child under two and £138 for a child over two. Last
year the lowest childminding costs were also found in County Fermanagh. The costs for County Fermanagh remain quite similar to the 2010 survey, sitting at £137 per week.

The link between population density and childcare costs is evident. The highest childcare costs are found in the most populated and urban counties, namely Antrim and Down. This is reflective of last year’s survey results. The predominantly rural and less populated counties, Fermanagh and Tyrone, report the lowest costs (see figure 4). Again this is a trend that was evident in the 2010 results.

The 2010 survey illustrated that as the level of childcare provision in an area increases so too does the cost of childcare. The same pattern exists in this year’s results. The NHSCT, which covers most of County Antrim, has the highest level of childcare provision in Northern Ireland. County Antrim also has the highest average childcare costs. When an average of day nursery and childminding costs across each county is considered collectively, County Antrim has the highest costs, with an average of £163 per week. County Down, which closely follows Antrim in levels of childcare settings, correspondingly has the second highest childcare costs in the region.

**Figure 4:** Average childcare costs per week by county (day nursery and childminder)
Counties Tyrone and Fermanagh, as part of the WHSCT, have the lowest levels of childcare provision in Northern Ireland. Their childcare costs are the lowest in the region.

In the 2010 survey the costs in each county were representative of the volume of each childcare type in that county. This is a pattern also evident in this year’s findings. The BHSCT contains 27% of all day nurseries in Northern Ireland. The NHSCT closely follows with a further 24% of all day nursery settings (DHSSPS, 2011). County Antrim covers all of the NHSCT area and the majority of the BHSCT area. It has the highest volume of day nursery settings in the region. It also has the highest day nursery costs, costs which exceed the cost of a childminder in the same county.

Although childcare provision in County Down is high compared to other counties, it contains a greater percentage of the total number of childminding settings in Northern Ireland than day nursery settings. County Down has the second largest childcare costs in Northern Ireland, however childminding costs in the county are higher than day nursery costs, reflecting the high percentage of childminders in the area. A similar pattern is evident in the WHSCT area. In counties Fermanagh, Tyrone and Derry/Londonderry childminding costs are higher per week than day nursery costs.

3.2.2 Out of school care

There are 254 out of school clubs in Northern Ireland (DHSSPS, 2011). This figure has increased by 10% since 2009. Out of school clubs make up 6% of the three main types of childcare provision available in the region.

In terms of out of school club costs, there has been a slight difference in both after-school and holiday scheme costs since last year’s survey. In 2010 the average cost of an after-school club was £78 per week and a summer scheme £120 per week. The 2011 results show that after-school club costs have only

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3 The SEHSCT covers all of County Down. It contains 24% of all childminders in Northern Ireland and 19% of day nurseries.
risen by an average of £1 to £79 per week. Summer schemes have risen by only £3 per week, now sitting at £120.

The difference in costs since last year’s survey has been marginal for after-school clubs and summer schemes. This is with the exception of County Armagh, where the cost of an after-school club increased from £65 in 2010 to £82 in 2011. Furthermore, while summer schemes cost £66 per week in Armagh in 2010, this year’s survey results show that costs increased to £134 per week. Taking an average of all out of school costs together, County Armagh has the highest costs in the region.

The cost of a breakfast club has decreased since 2010. Last year’s figures revealed that a breakfast club cost on average £44 per week. 2011 findings show a £16 decrease per week, with costs averaging at £28 per week. There is a higher percentage of out of school clubs in the East of the region than there is in the West. For example, the BHSCT area, which covers Belfast and its outskirts, contains almost double the amount of out of school clubs than the WHSCT area (DHSSPS, 2011), which covers most of counties Derry/Londonderry, Fermanagh and Tyrone4. Costs in the East of the region are more expensive than in the West. By taking an overall average of the cost of each type of out of school club across each county, it is clear that counties which are situated in the East of the region have higher out of school club costs that those in the West (see Figure 5), which has very limited provision.

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4 32% of all out of school clubs in Northern Ireland are in the BHSCT area, only 17% are in the WHSCT area (DHSSPS, 2011).
3.2.3 Community childcare settings

The majority of childcare settings in Northern Ireland are privately managed. However some community and voluntary groups do manage childcare settings. Community setting costs are typically lower than private setting costs. Community organisations that provide childcare are more likely to be in receipt of Government funding to subsidise their costs. This allows such settings to offer childcare services at a lower cost. Figure 6 shows the difference between community and private childcare costs.
In comparison to the private costs detailed earlier in the report, community settings are much less expensive. For example, community day nursery costs are, on average, £39 less per week than private settings for a child over two. In comparison to last year’s survey, the difference in cost is less. The 2010 results showed that there was a £58 cost difference between a community and private day nursery place.

Since 2010, with the exception of after-school clubs, community childcare costs have increased in price (see figure 7). As the cost difference has decreased, so too has the number of childcare places in community and voluntary childcare settings. In 2009, there were a total of 1,145 childcare places in community day nurseries (DHSSPS, 2010). 2010 figures show that this number has decreased to 782, which amounts to a 32% decrease (DHSSPS, 2011). Perhaps the decrease in community childcare has a bearing on the average costs. Furthermore, the reduction in Government funding may also mean that in the settings which do exist, costs may be subsidised to a lesser extent than in previous years. This could explain the increase in prices.
3.2.4 Conclusions

The 2011 Childcare Cost Survey findings show three clear trends, each of which were also apparent in the 2010 survey results. Firstly, there is an urban-rural divide in childcare costs. Secondly, and linked to the first trend, there is a connection between the level of childcare provision in each county and the cost of childcare. Finally, the level of provision of each form of childcare in each area is linked to the costs in that area.

In terms of the actual costs themselves, there has been little change in private childcare costs since 2010, with the exception of breakfast club costs which have decreased greatly. All other costs have remained relatively constant and therefore correspond with the 2010 findings. Childminding costs are also now slightly higher per week than day nursery costs.

Childcare settings run by community organisations continue to have lower costs than private settings. However, community childcare costs have increased since
the 2010 survey. This change could be due to the impact of the Government’s cuts to funding for community and voluntary organisations.

The next section sets childcare costs in Northern Ireland within the context of the rest of the UK.

### 3.3 Childcare in Northern Ireland within the context of the UK

Each year childcare cost surveys are carried out by the Daycare Trust for England, Scotland and Wales. This allows for an analysis of Northern Ireland’s childcare costs within the context of the UK. Before discussing the average childcare costs for each region, it is important to track the changes in childcare costs across the four regions of the UK since 2010.

#### 3.3.1 Changes in childcare costs across the UK between 2010 and 2011

Since 2010, the majority of childcare costs have increased across the UK (see Daycare Trust, 2011). Figure 8 shows that costs have increased by a higher percentage in Scotland since 2010 than in any other region. This is particularly evident in the increase in childminder costs for a child over two which rose by 8.3%. Northern Ireland has the lowest increase in costs compared to the other three regions. The highest increase in the region was 2% for a childminding place for a child over two. In terms of overall change, England has seen the smallest changes in average costs since 2010.

Day nursery costs for a child under two have seen little change. The highest increase was by 2.4% in Wales. Furthermore, day nursery costs were the only costs to decrease over the past year in both Northern Ireland and Wales (for a child over two). Childminding costs have increased across the UK. Costs increased by the highest percentage in Scotland and Wales - by 6.6% in Scotland and 7.7% in Wales for a child under two and by 8.3% in Scotland and 5.4% in Wales for a child over two.
Figure 8: Changes in childcare costs across the UK between 2010 and 2011 (50 hours per week\textsuperscript{5})

There have been changes in childcare costs in each of the four regions since 2010. The lowest percentage decrease was 0.8% for a day nursery place for a child under two in Scotland. The region which has seen the largest decrease in costs is Northern Ireland.

The percentage increase/decrease calculations show that the patterns of childcare costs which exist in Northern Ireland are also consistent with the rest of the UK. For example, childminding costs have risen more than day nursery costs over the past year and day nursery costs for children over two have changed to a greater extent for those under two.

3.3.2 Average childcare costs across the UK

Table 2 shows a comparison between average childcare costs for a day nursery and childminder provision across the UK for day nurseries and childminders\textsuperscript{6}.

\textsuperscript{5} Percentage change calculations are made using figures for 50 hours of childcare. These figures were given to Employers For Childcare Charitable Group directly by Daycare Trust. They are not based upon the figures for 25 hours which the Daycare Trust’s “Childcare Costs Survey 2011” details.
Table 2: Private childcare costs in the UK for 2011 (50 hours per week\(^7\))

<table>
<thead>
<tr>
<th>Country</th>
<th>Nursery (under 2)</th>
<th>Nursery (over 2)</th>
<th>Childminder (under 2)</th>
<th>Childminder (over 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>England Regional Average</td>
<td>£180</td>
<td>£171</td>
<td>£170</td>
<td>£169</td>
</tr>
<tr>
<td>Scotland Average</td>
<td>£169</td>
<td>£161</td>
<td>£170</td>
<td>£170</td>
</tr>
<tr>
<td>Wales Average</td>
<td>£159</td>
<td>£156</td>
<td>£171</td>
<td>£169</td>
</tr>
<tr>
<td>Northern Ireland Average</td>
<td>£154</td>
<td>£153</td>
<td>£155</td>
<td>£155</td>
</tr>
</tbody>
</table>

Northern Ireland has the lowest average childcare costs across the UK. England continues to have the highest costs in the four regions of the UK. That said, Northern Ireland has the lowest level of childcare provision, whereas England has the highest level of childcare provision.

Last year’s survey showed that England had the highest costs in each childcare type. However in 2011, England has the highest day nursery costs only, reaching £180 per week for a child under two. The highest childminding costs are found in Scotland and Wales.

The costs for day nurseries vary greatly across the four regions. For example, for a child under two years of age there is a difference of £26 between England’s average cost and Northern Ireland’s average cost. The difference between England and Scotland’s cost is £11 per week and £21 between England and Wales. A similar pattern of costs is noticeable in those for a child over two for the same facility type. Childminder costs do not vary so greatly, particularly across England, Scotland and Wales. For a child under two, childminding costs are the same in England and Scotland and only increase by £1 in Wales. There is only a cost difference of £1 for childminding costs across the same three regions for a child over two. Childminding costs in Northern Ireland are less at £155 per week.

\(^6\) The Daycare Trust surveys consider out of school care collectively. In Northern Ireland out of school care costs are broken down into breakfast clubs, after-school clubs and summer schemes. It is therefore not possible to compare costs with the other three regions of the UK.

\(^7\) These figures were given to Employers For Childcare Charitable Group directly by Daycare Trust. They are not based on the figures for 25 hours which the Daycare Trust’s “Childcare Costs Survey 2011” details.
Northern Ireland Childcare Cost Survey 2011

The high percentage increase in childcare costs across the other three regions of the UK in comparison to Northern Ireland sets it apart in this year’s survey. The difference in costs between Northern Ireland and the other three regions is greater than in last year’s survey.

3.3.3 Northern Irish counties and English regions

A breakdown of average costs per region in Scotland and Wales is not available. However, the costs for each of the regions in England are detailed by the Daycare Trust (see Table 3). This allows for a comparison between costs in the English regions and the Northern Irish counties.

Table 3: Average childcare costs across the English regions (50 hours per week)

<table>
<thead>
<tr>
<th>Region</th>
<th>Nursery (under 2)</th>
<th>Nursery (over 2)</th>
<th>Childminder (under 2)</th>
<th>Childminder (over 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>London</td>
<td>£218</td>
<td>£193</td>
<td>£212</td>
<td>£209</td>
</tr>
<tr>
<td>South East</td>
<td>£217</td>
<td>£210</td>
<td>£185</td>
<td>£185</td>
</tr>
<tr>
<td>South West</td>
<td>£187</td>
<td>£176</td>
<td>£178</td>
<td>£177</td>
</tr>
<tr>
<td>East of England</td>
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<td>£182</td>
<td>£186</td>
<td>£186</td>
</tr>
<tr>
<td>West Midlands</td>
<td>£172</td>
<td>£164</td>
<td>£146</td>
<td>£146</td>
</tr>
<tr>
<td>East Midlands</td>
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<td>£159</td>
<td>£163</td>
<td>£161</td>
</tr>
<tr>
<td>Yorks &amp; Humber</td>
<td>£160</td>
<td>£159</td>
<td>£162</td>
<td>£160</td>
</tr>
<tr>
<td>North West</td>
<td>£157</td>
<td>£147</td>
<td>£145</td>
<td>£140</td>
</tr>
<tr>
<td>North East</td>
<td>£161</td>
<td>£153</td>
<td>£157</td>
<td>£157</td>
</tr>
<tr>
<td><strong>England Average</strong></td>
<td><strong>£180</strong></td>
<td><strong>£171</strong></td>
<td><strong>£170</strong></td>
<td><strong>£169</strong></td>
</tr>
<tr>
<td><strong>NI Average</strong></td>
<td><strong>£154</strong></td>
<td><strong>£153</strong></td>
<td><strong>£155</strong></td>
<td><strong>£155</strong></td>
</tr>
</tbody>
</table>

English region costs sourced from Daycare Trust (2011)

Although England has the highest average childcare costs across the UK, the average costs across each of the regions of England vary from £140 for a childminder in the North West to £218 for a day nursery in London (Daycare Trust, 2011). The lowest cost in the English regions is therefore less than the Northern Ireland average. When a closer analysis of the comparison between the Northern Irish counties and the English regions is conducted, the difference in costs between England and Northern Ireland is not as great as it might at first appear. For example, the highest childcare cost in Northern Ireland is a day
nursery place in County Antrim for a child under two, where a place costs £165 per week. This cost is higher than the average costs in four of the nine English regions. Furthermore, a County Antrim day nursery for a child over two is £164 per week. This is higher than the cost in five of the English regions for the same type of care.

The pattern of childcare costs in Northern Ireland showed that in more urban and populated counties childcare costs were more expensive. The same pattern exists in England. For example, the highest childcare costs are found in London and the South East. In Northern Ireland, less populated and rural areas have lower costs, which is also evident in England. The North West (the region furthest away from the capital London) has the lowest childcare costs in England. For example, a childminder caring for a child over two costs £140 per week. This is a cost similar to County Tyrone in Northern Ireland for the same form of care.

The most expensive childcare costs in England are found in London, the South East and the East of England. These are also the three areas which have the highest volume of childcare providers in England. Furthermore, the regions which have the lowest number of childcare settings (West Midlands and the North East) are also the areas which have some of the lowest childcare costs in England. In Northern Ireland the level of provision is linked to the cost. Antrim has the highest volume of childcare providers and also has the highest costs. Correspondingly, counties Tyrone and Fermanagh have the lowest levels of childcare provision and the lowest costs. The link between volume of provision and childcare costs is therefore another trend which is found in both England and Northern Ireland.

3.3.4 Conclusions

The trends which exist in the Northern Ireland costs across each county are also apparent in the English regions. The urban/rural impact on costs and the level of childcare provision in existence in each region/county are two examples of this.
Although the overall averages for childcare costs in England are higher than those found in the rest of the UK, the breakdown by English region illustrates that the disparities in childcare costs across Northern Ireland and England are not as significant as it might at first appear. The highest childcare costs in England, which are found in London and the South East, strongly influence the overall average.

A fuller analysis could be completed if regional figures across Scotland and Wales were available. Despite this, the breakdown of English regional costs and county costs in Northern Ireland highlight some interesting themes and patterns in childcare costs throughout the UK.

The next section of the report turns to the experiences of Northern Irish parents in using and paying for childcare.
4. Listening to parents in Northern Ireland about childcare

The parent survey was designed to collect information on parents’ experiences of paying for and accessing childcare across Northern Ireland. As well as collecting information on childcare costs, we sought information on employment status, household income and family type in order to build a picture of the various experiences of households relating to their childcare costs and needs.

4.1 Personal circumstances of respondents

This section outlines the profile of the 2,478 respondents who participated in the survey in terms of gender, marital status and family size, location, employment status and household income.

4.1.1 Marital status and family size

The majority of respondents were female (73%) and came from two parent households (95%). Typically, two parent households had two children (46%). 38% had one child, 13% had three and 3% had four or more children. 5% of the respondents were from one parent families, 95% of which were female. Typically, one parent families had one child (68%), 23% had two children, 7% had 3 children and 2% had four or more children. The majority of families had children in the 0-2 age group (64%).

Table 4: Number of children according to age group

<table>
<thead>
<tr>
<th>Age group</th>
<th>Percentage of children</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2</td>
<td>64%</td>
</tr>
<tr>
<td>3-4</td>
<td>43%</td>
</tr>
<tr>
<td>5-7</td>
<td>34%</td>
</tr>
<tr>
<td>8-11</td>
<td>19%</td>
</tr>
<tr>
<td>12-13</td>
<td>8%</td>
</tr>
</tbody>
</table>
Therefore, the highest percentage of the respondents’ children were pre-school age. 5% of the respondents had a child with a disability and/or special needs. The profile of respondents was broadly similar to that of last year’s survey results.

4.1.2 Location of respondents

The majority of respondents lived in County Antrim (45%). This was followed by County Down (27%), Derry/Londonderry (9%), Fermanagh (7%) and Armagh and Tyrone (each 6%).

Table 5: Breakdown of respondents by county

<table>
<thead>
<tr>
<th>County</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antrim</td>
<td>45%</td>
</tr>
<tr>
<td>Down</td>
<td>27%</td>
</tr>
<tr>
<td>Derry/Londonderry</td>
<td>9%</td>
</tr>
<tr>
<td>Fermanagh</td>
<td>7%</td>
</tr>
<tr>
<td>Armagh</td>
<td>6%</td>
</tr>
<tr>
<td>Tyrone</td>
<td>6%</td>
</tr>
</tbody>
</table>

4.1.3 Employment status and working patterns

The majority of respondents were in employment (98.4%), with 74.7% working full time, 22.2% part time and 1.5% self employed. 1.2% of the respondents were not in employment and the remaining respondents were either studying or doing voluntary/unpaid work (0.4%).
In terms of family type, 98% of respondents from two parent families were in employment, with 75% working full time, 23% working part time and 1% self employed. The remaining 1% were either doing voluntary/unpaid work, studying or not in employment (see figure 10).

93% of one parent families were in employment, with 73% working full time, 16% part time and 4% self employed. 5% were not in employment and the remaining 2% were either involved in voluntary/unpaid work or studying (each 1%).
The working patterns of households revealed that the majority worked Monday to Friday, 9am-5pm (81%). There was only a very slight difference between two parent families and one parent families.

57% of two parent families were in a position where both work full time. This contrasts with our recent report on childcare provision for children with disabilities and/or special needs, where only 27% of two parent families were in a position where both work full time (Employers For Childcare Charitable Group, 2011:73).

The high employment rate within both family types could be explained by the fact that it is mainly working parents that avail of childcare. It is interesting to note, however, that the employment rate within each family type was lower than that of last year, with part time working on the increase and full time working on the decrease. In last year’s survey, 79% of respondents from two parent families worked full time and 10% part time. For one parent families, 76% worked full time and 9% part time.
4.1.4 Employment status and gender

Employment status differed according to gender. 98% of males were in full time employment, compared to 66% of female respondents. In contrast, 30% of female respondents were in part time employment, compared to only 2% of male respondents. These results coincide with Department of Employment and Learning (DEL) statistics which consistently show that a higher proportion of women than men are in part time work (DEL, 2011).

**Figure 11:** Employment status according to gender

The percentage of mothers working full time appeared to be linked to the number of children in the family. 76% of mothers with one child worked full time. The percentage of mothers working full time decreased as the number of children increased. These results reflect those of the gender analysis carried out by Employers For Childcare Charitable Group on the childcare cost survey results for 2010 (Employers For Childcare Charitable Group, in print). The results are also reflective of statistics collected by DEL, which reveal that the employment rate for women with three or more dependent children is lower than for those with one or two dependent children⁸ (DEL, 2011). Similarly, part time work appeared to rise as the number of children in the family increased. For example,

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⁸ The employment rate for females with one child is 74%, for those with 3 or more it is 56% (DEL, 2011).
only 20% of mothers with one child worked part time while 60% of mothers with five children worked part time.

4.1.5 Household income

Household income includes salaries, benefits and other sources of income. The highest percentage of respondents had a household income in the range of £60,001+ (28.7%). The vast majority of those in this category came from two parent households (30.2%), as illustrated in figure 13.

**Figure 12:** Annual household income

The following figure illustrates the annual household income levels according to family type. Interestingly, the figures are broadly similar to those obtained in the 2010 survey.
Household incomes of £40,001+ account for 76% of two parent families’ household incomes. This is slightly lower than for the 2010 survey, which sat at 78%. 24% of two parent households had a salary which ranged from £8,000 to £40,000, with 14% falling within the £30,001 to £40,000 income range.

As the figure above shows, the household income for one parent families portrays a very different picture, with the majority earning between £12,001 and £18,000 (22%). Household incomes of £25,000 or less account for 58% of one parent families. These results show an increase on last year’s survey, where 49% fell within this income range. Only 2.3% of one parent families had an income of £60,001+, indicating a decrease on last year, which sat at 6%. Given that 73% of one parent families stated that they work full time, their income levels are clearly significantly lower than those of two parent families.
4.2 Childcare usage

This section explores respondents’ use and experiences of childcare. We asked respondents to tell us about their use of both formal and informal provision.

4.2.1 Main form of childcare chosen by parents

The main form of childcare used by families was a day nursery (52%). This was followed by childminders (27%), after-school clubs (8.7%) and grandparents (6.3%). 8.7% of families used an after-school club, while only 0.3% used a breakfast club. Out of school care therefore accounted for 9% of main childcare provision. There was a slight increase in the number of families using a home approved childcarer (1.2% compared to 0.8% last year).

Figure 14: Main form of childcare used by families

In total, 9.5% of respondents used informal provision as their main form of childcare, with grandparents being the most common choice within this category (6.3%). Nurseries, childminders and after-school clubs were the three main types of childcare used by respondents, which reflects the findings from last year.
As figure 15 illustrates, the main form of childcare used in both one parent families and two parent families was day nurseries (30.4% and 52.4% respectively). A slightly higher number of one parent families used childminders than two parent families (29.5% and 28.6% respectively).

**Figure 15:** Main form of childcare used according to family type

![Chart showing main forms of childcare used by family type]

A higher percentage of one parent families used informal childcare provision (grandparents, other family members and unregistered childminders) than two parent families (18.5% and 10.3% respectively).

4.2.2 Additional childcare used

As well as asking parents what their main form of childcare was, we also recognised that parents tend to use a variety of childcare settings throughout the year to supplement their main childcare type. 50% stated that they were in this position.
Figure 16: Additional childcare usage

As figure 16 illustrates, respondents using additional childcare support were most reliant on grandparents (41%). This corresponds with the findings from the childcare cost survey for 2010. In fact, informal childcare (grandparents, other family members, friends and unregistered childminders) accounted for the majority of additional childcare used (60.7%).
Both one parent families and two parent families rely most on grandparents for additional childcare provision (62% and 48% respectively). Friends were the second most common additional childcare choice for one parent families (34%), followed by other family members (22%). Other family members were also a relatively common additional childcare choice for two parent families (13%). In terms of additional formal childcare, one parent families used mainly out of school care - breakfast clubs (20%) followed by holiday clubs/schemes (15%). With regard to formal childcare, two parent families also used mainly out of school care - after-school clubs (10%), followed by breakfast clubs (8%) and holiday clubs/schemes (7%).

Given that 58% of one parent families have a household income of £25,000 or less, it is perhaps unsurprising that they rely more heavily on informal provision from friends and family.

It is clear that both family types use a mix of formal and informal childcare, with grandparents being the most common choice for meeting their additional
Northern Ireland Childcare Cost Survey 2011

childcare needs. The additional support provided by family members, in particular grandparents, is clearly vital, as demonstrated through the experiences shared by parents in the survey:

“Grandparents don’t charge and it would be too expensive to have my child in daycare for a full week. Therefore, grandparents look after him two out of five days a week.”

“Grandparents are cheaper and cover more flexible hours.”

“My mother refuses to accept payment because she knows finances are limited.”

“It’s too costly to have them in nursery for the three days I work. If my parents did not have them then I would be paying all my wages on childcare.”

The qualitative responses revealed that many families lean on grandparents as an additional form of childcare in order to reduce their childcare costs. Having said that, many parents who utilise grandparents or another family member still pay for this care:

“Although we pay a family member to mind our child, I still find the cost a significant burden on the monthly budget.”

Others require additional childcare due to their work patterns, and again this childcare often falls to grandparents:

“I work unsocial hours and varying shift patterns. Daycare is inflexible with changing days.”

A number of parents had to use additional forms of childcare because they had children of both pre-school age and school age, for example, and therefore required different types of provision to accommodate both the needs and
different locations of the children. Many parents also stated that they used additional childcare, predominantly grandparents, when their child was sick to enable them to still go to work.

**Figure 18:** Additional childcare usage according to number of children

![Bar chart showing childcare usage by number of children](image)

Families with more than one child were therefore more likely to use an additional form of childcare. Additional childcare rose as the number of children in the family increased. For those families with 5+ children, however, the need for childcare decreased, perhaps because one parent was less likely to be working and therefore available to look after the children (see section 4.1.4).

It is clear that family members can supplement childcare at little or no cost. Lone parents rely more heavily on informal provision, in particular family members, which corresponds with last year’s survey results. Family members are in a position to provide more flexibility than most childcare settings, an area which will now be explored.

**4.3 Flexible childcare arrangements**

The survey revealed that 19% of respondents work atypical hours, a significantly lower percentage than last year (34%). Only 20% of lone parents work atypical hours, a 32% decrease on last year (52%). Most childcare settings are not in a
position to offer flexible childcare (outside of Monday-Friday, 7.30am-6pm).  
83% of respondents said that their childcare provider did not open during 
evenings and weekends. Therefore the majority of childcare providers offer 
childcare during conventional hours of work.

**Figure 19: Childcare providers offering flexible childcare**

As figure 19 illustrates, the most flexible type of childcare is registered 
childminders (55.5%), followed by day nurseries (22.4%), which corresponds 
with last year’s survey results.

In terms of location, parents cited childcare providers in County Tyrone as the 
most flexible (22.2%) and childcare providers in Country Antrim as the least 
flexible (14.1%). This contrasts with last year’s survey, where County Antrim 
was reported to be the most flexible by parents.

Fewer respondents in this year’s survey were working atypical hours, which may 
explain the difference in percentages when compared to last year’s results. 
Given that a marginally higher number of respondents in County Antrim are 
working atypical hours (20%), it is perhaps surprising that the availability of 
childcare outside of normal working hours is the lowest in this county.
The perceived inflexibility of childcare services caused concern for many parents. This is reflected in the qualitative responses provided in relation to the quality of childcare provision.

4.3.1 Views on quality of provision

Respondents were asked whether they are happy with the quality of service offered by their childcare provider. 97% of respondents said ‘yes’ to this question. This is a 1% increase on last year:

“The nursery and school have reduced the cost of childcare. However exceptional closures, school holidays and early finishes all impact on the cost and availability. For me, the wraparound care offered by [my childcare provider] has been great. The availability of school pickups and flexible start times and fitting in with the school dates and changes has helped. Also they do not charge for days not booked.”

The 3% that were unhappy expressed concern mainly over the inflexible nature of their childcare provision, not just in terms of hours but also in terms of cost:
“They are inflexible about costs and hours and too expensive in comparison to other European countries.”

“It is the principle of paying retainers for term time in the summer that I would be unhappy about.”

Others admitted compromising on certain aspects of their childcare in favour of cost:

“I am unsure if they do offer the best quality, but they were among the cheapest in price.”

Nonetheless, the majority of parents across all counties and childcare types were happy with the quality of care offered by their provider. This was the case for both one parent families and two parent families.

**Figure 21:** Quality of childcare provision according to type

Interestingly, of the respondents that cited a specialist day nursery/unit as their main form of childcare provision, 100% said they were happy with the quality of provision offered.
4.4 Childcare costs

This section explores how much families in our survey pay for childcare in an average week by giving a breakdown of costs within a number of scenarios. Firstly, we explore why some families using childcare do not incur childcare costs. Secondly, the costs for different family types are examined. Costs are then compared across different childcare types. Finally, where possible, the average costs are compared with the average costs detailed by childcare providers.

4.4.1 No childcare costs

5% of respondents stated that they do not pay for their childcare. This was mainly because they use grandparents who provide care at little or no cost:

“My mother refuses to accept payment because she knows finances are limited.”

A number of parents adjusted their working hours to avoid childcare costs altogether:

“I made the decision to go part time at work as I was having to pay so much for childcare that it did not make financial sense for me to work full time. I now work three days a week and my parents look after my children when I'm at work.”

“Both myself and my husband have to share childcare as we cannot afford to pay someone.”

“I can’t afford to pay for childcare so we work it out between us. I work Wednesday to Friday and my husband works Saturday to Tuesday.”

A higher proportion of one parent families do not pay for childcare (13%) than two parent families (4%). Again, this is because one parent families rely more
heavily on grandparents and other family members than two parent families (see figure 15).

4.4.2 Total average childcare costs

In this year’s survey we asked respondents to state how much they paid for childcare in an average week. In addition to this, respondents were asked to detail how many hours of childcare they used per week. This allowed us to calculate the average childcare costs paid by families per week according to the number of hours used. Figure 22 shows that respondents paying for a full time place (50 hours) paid on average £154 per week. This corresponds with the results of the childcare provider survey which showed that a full time childcare place averaged at £153-£155 per week for 50 hours of childcare.

**Figure 22:** Respondents’ average childcare costs each week per number of hours
4.4.3 Childcare costs by family type

Table 6 shows the breakdown of average weekly childcare costs by family type irrespective of the number of hours and the type of childcare used.

Table 6: Childcare costs by family type

<table>
<thead>
<tr>
<th>How much do you pay for childcare in an average week?</th>
<th>£143</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two parent families</td>
<td>£144</td>
</tr>
<tr>
<td>One parent families</td>
<td>£123</td>
</tr>
<tr>
<td>All respondents</td>
<td>£143</td>
</tr>
</tbody>
</table>

The table shows that of all respondents, the average weekly childcare cost averaged at £143 per week. For two parent families the average cost was higher at £144 per week. One parent families had lower average costs at £123 per week. The costs are influenced by the type of childcare used by families, with one parent families using more informal childcare than two parent families. Informal childcare is much less expensive than formal childcare, which could explain the difference in costs between the two household types.

In last year’s survey we asked respondents to tell us how much their childcare cost per week by choosing from a range of price brackets. It was clear from the results that one parent families paid less per week than two parent families. The majority of one parent families paid between £52-100 per week (32%), followed by £100-150 per week (25.8%). Childcare costs for one parent families stopped at the £201-300 price bracket, yet costs for two parent families continued to rise, up to £701 per week (see Figure 23). In this year’s survey we grouped all the respondents’ average weekly costs into the same price brackets as the 2010 survey. The pattern of responses is very similar to last year’s findings (see Figures 23 and 24).
Similar to last year’s results, the majority of one parent families continue to pay between £52-£100 per week towards their childcare costs. The chart illustrates that one parent families pay less for their childcare than two parent families. None of the respondents from one parent families paid over £201-£300 for childcare, whereas respondents from two parent families continued to pay up £701+ per week for childcare.

As subsection 4.2.1 illustrated, almost double the number of one parent families (18.5%) than two parent families (10.3%) use informal childcare. The use of informal childcare amongst one parent families can therefore explain the trends in their childcare costs. Informal childcare can come at little or no cost to the parent. Correspondingly, 13% of one parent families incurred no cost for their childcare compared to just 4% of two families.

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9 Figure 23 omits that 6.5% of one parent families and 0.4% of two parent families paid no cost for their childcare.
4.4.4 Breakdown of childcare costs by county and facility type

In last year’s childcare cost survey we encountered a limitation in comparing and contrasting the costs detailed by childcare providers and by parents. In order to overcome this, we asked parents to detail their exact childcare costs rather than instructing them to select from a range of price brackets. This enabled us to directly compare the childcare provider and parent costs.

Nonetheless, last year’s results enabled us to determine trends in the two datasets. This year’s survey further allowed for a direct comparison between the childcare provider costs and the costs detailed by parents. The data collected also permitted us to carry out a comparison between the parent and childcare provider costs in terms of both county and facility type (see Table7).
It is clear that overall the average costs across county and childcare type correspond with the costs detailed by childcare providers. The largest difference is between childminder costs in County Armagh, with a £12 difference between the childcare provider and parent costs.

The same trends are apparent in the two datasets, with childcare in counties Antrim and Down being more expensive than in the other four counties. The lowest costs are found in counties Fermanagh and Tyrone.

Overall, childminding costs are higher than day nursery costs. The highest day nursery costs are found in County Antrim, however in contrast to the childcare provider results, the highest childminding costs are reported in County Antrim, not County Down.

Being able to compare and contrast the two datasets ensures the validity and reliability of both the parent and childcare provider costs. It allows us to detail not only the costs provided by the childcare providers themselves, but also to illustrate the amounts families are paying on a weekly basis for childcare. For

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10 The sample of respondents using a breakfast club as their main form of childcare was too small to be representative and therefore cannot be compared.
11 Childcare Provider costs calculated by taking an average of costs for under two and over two year old care.
example, the majority of respondents in the survey used a day nursery as their main form of childcare (52%), and are therefore likely to pay an average of £153-£154 per week for childcare. This cost is further influenced by the county in which the parent lives. For example, of the respondents in County Antrim, 57% used a day nursery as their main form of childcare. These respondents, according to our results, pay in the region of £164-£165 per week for full time childcare.

The qualitative data collected confirms that parents are aware of the varying cost of childcare across location and type:

“Luckily enough my childcare is on my way to work in the country ... the price is more reasonable than the prices charged in the bigger towns.”

“We live in Ballymena [County Antrim] and have work colleagues living in Maghera [County Derry/Londonderry]. The registered day nursery they use in Maghera is half the price of what we pay. Why is that, surely overheads are similar in both areas?”

“I am aware that childcare in Belfast is much more expensive than outside the city.”

“I found, when looking for childcare, that nurseries in Belfast (where I work and where I would like to have had my baby minded) are vastly more expensive than the nursery I eventually chose in Dromore [County Down].”

“As my childminder is in a rural area and works from home, I am aware that I pay approx £40 less than a more urban day nursery 14 miles away.”

Although every family situation is different, the cost survey allows us to present a picture of childcare costs for average families across Northern Ireland.
**Additional fees**

Some childcare providers charge a retainer fee, which enables a parent to reserve a childcare place for future use. This fee is usually half of the normal rate. Some childcare providers also require fees to be paid in advance, which is a one off payment or deposit to secure their childcare place.

Parents were asked whether they are required to pay additional fees to their childcare provider. 27% said they were required to pay a retainer fee, 26% said they paid fees in advance and 51% said they were not required to pay any additional fees.

**Figure 25:** Additional fees according to childcare type

In comparison to other childcare settings, parents using day nurseries were more likely to pay a retainer fee (40%), a 3% increase on last year. 36% of parents using this setting stated that they were required to pay fees in advance, again the highest percentage of all childcare types. 33% of parents using breakfast clubs said they were charged fees in advance but were not charged a
retainer fee. This was followed by after-school clubs, with 27% paying fees in advance and 15% paying a retainer fee. In the context of registered childminders, there was a significant reduction in up-front costs in comparison to last year’s survey results. Only 12% of parents were charged a retainer and 11% fees in advance. Not surprisingly, those using informal childcare provision were least likely to pay a retainer fee or fees in advance.

A number of parents expressed concern about paying additional fees to their childcare provider:

“Having to pay the full amount to my childcare provider even when she takes holidays or if my child is ill is sometimes a bitter pill to swallow. I do, however, think she is a fantastic childminder, but I do often feel that I work to suit her requirements, not the other way round.”

“The worst aspect is the retainer fee for days that the child is sick, on holiday or the crèche is closed for bank holidays or public holidays. At these times you are paying £20 per day for nothing! The holiday times are a big financial strain when you have to provide money for your own child to have an entertaining holiday with paid activities plus pay for childcare when she is not even there. I disagree with this extortionate aspect of childcare providers.”

Although day nurseries were more inclined to charge both fees in advance and retainer fees, the majority offered discount for multi-child families (57%), compared to 33% of registered childminders and 33% of after-school clubs.

Those respondents whose childcare settings did not offer discount for second or multi-child families expressed a great deal of frustration:

“Lack of discounts for families with more than one child in some daycare facilities is frustrating. I am due another child shortly and future childcare costs will likely outstrip earnings, forcing one of us to stay at home.”
Indeed, within the qualitative data a number of respondents reported that the cost of childcare was a factor which determined whether they were in a position to have another child:

“Childcare costs have prevented us from having another child. My daughter is nearly eight. We have paid in the region of £40,000 for childcare since she was born, with no financial help.”

“We have considered one of us giving up our job and childcare costs have certainly been the reason why we have chosen not to have another child.”

“It is actually preventing me from having a larger family - I simply couldn’t afford another child.”

Childcare costs are clearly of huge concern to families.

*Fluctuation in childcare costs*

A significantly higher proportion of respondents in this year’s survey stated that their childcare costs fluctuate throughout the year (44% compared to 29% last year). 93% of these respondents stated that this was due to school holiday periods:

“The summer months and the numerous ad hoc days that schools take off due to adverse weather and staff training, for example, have put a major strain on my holidays and finances. My child has to attend full time over the summer so my costs will rise dramatically.”

Since registered childcare costs inevitably rise during school holiday periods, the qualitative data revealed that family members, in particular grandparents, often help out:

“It’s too expensive over the summer to pay so family members help out.”
The qualitative data revealed that nursery closures during holiday periods often lead to a reliance on grandparents to fulfil their childcare needs while they go out to work. Some parents also reported that their childcare costs vary due to changes in work patterns and work demands.

4.5 Proportion of salaries on childcare costs

Using the average median weekly earnings recorded across the UK, it is possible to calculate the proportion of the average parent’s salary which is allocated to childcare costs in each of the four regions (see Table 8).

Last year’s survey showed that 45% of a Northern Irish parent’s salary was allocated to childcare costs for one child. 2011 figures confirm that this percentage has remained the same. Last year’s figures illustrated that Northern Ireland parents allocated more towards their childcare costs than parents in England and Scotland, however in this year’s survey the percentage allocated across the three regions is now the same (45%). Parents in Wales allocate a higher percentage of their salaries to childcare than the other three regions (47%).

Almost half of one parent’s net salary is allocated to childcare. Parents who are paying for childcare for more than one child are under increased financial strain. Considering that 63% of the respondents had two or more children in their family, and may therefore be paying for childcare for more than one child, they may be under increased financial strain. One parent families who are dependent on one salary and therefore have lower household incomes are under more financial pressure.
Table 8: Proportion of net weekly earnings spent on childcare within the UK by childcare type

*Net weekly earnings are calculated using gross weekly earnings (DETI, 2010) minus basic rate tax and National Insurance.
4.5.1 The struggles in meeting childcare costs

The cost of childcare in proportion to the family income is one of the main barriers to work for many families. A number of the respondents stated that there was a strain between working to earn and working to pay for childcare:

“I am really working for nothing as my wages are equal to the total cost of my childcare. It actually costs me to work.”

“My wage just about covers the cost of childcare – I am in work because I have to think about the long term benefits of remaining in employment for career progression after my children are all at school.”

“Our childcare costs take up over 90% of my wife’s salary - she is effectively working to pay for childcare.”

“Childcare is more than our mortgage payments.”

“When my wife returns to work, our childcare costs for both children will be a struggle and will require us to reduce our mortgage payments to interest only in order to cope.”

“The cost of childcare is more than pay received from working.”

Parents were asked whether they struggle to meet their childcare costs. Last year’s survey asked for a definitive ‘yes’ or ‘no’, with 67% stating that they did struggle with their childcare costs. In this year’s survey we added the option of ‘sometimes’ to ensure the results allowed parents to reflect whether meeting their childcare costs is a struggle at some points in the year and not others. 40% of respondents said ‘sometimes’, 38% said ‘no’ and 22% said ‘yes’. Given that one parent families are dependent on one salary, it is not surprising that 50% of one parent families stated that they struggle to meet their childcare costs, compared to only 22% of two parent families. Figure 26 illustrates that one parent families clearly feel the struggle most.
The realities of this struggle for one parent families are reflected in the qualitative responses below:

“It’s hardly worthwhile working full time to pay someone else to bring up my children.”

“Childcare costs are crippling but I need to work - I want to work - so it is a necessary evil.”

“It is a struggle every month to pay all my bills as I get only Tax Credits and in the last month they have dropped by £80 per month.”

“It is my most important cost but the hardest to meet. I want to work and progress in my job.”

Many lone parents commented on their struggle in meeting their childcare costs particularly during school holiday periods:

“Holiday times when schools are closed add a lot of pressure and I am always trying to budget ahead for this.”
“Over the summer months when my child is not in school I would struggle the most.”

“When paying for registered childcare, I still have to pay even when it’s closed for holidays and bank holidays and still have to pay a family member or childminder to look after the children, so in effect I am paying for childcare twice.”

Due to these struggles, families often adjust their employment patterns to accommodate their childcare needs and reduce the hours their child is in childcare. These actions can, in turn, reduce the amount they pay towards childcare. The following section explores childcare and employment patterns in more detail.

4.6 Childcare and employment patterns

Access to affordable, appropriate and quality childcare enables families to access and stay in work. Within the survey we therefore explored respondents’ employment patterns to ascertain how the cost and availability of childcare had influenced their choice of employment patterns.

For 46% of respondents, the cost of childcare influenced the hours they work. Some even said they are considering taking on another job to help pay for childcare:

“One of us will be looking for a second job to provide funds to pay childcare costs.”

The challenge in managing the dynamics of work and childcare, and indeed the cost of childcare, was apparent in responses. A number of respondents stated that they work longer hours over a four day week to reduce the number of days that their child is in childcare:
“Myself and my partner both have to work extra hours each day to enable us to work up flexi time and cover one day of childcare between us each week. This reduces the overall cost of the day nursery, but unfortunately means that my child must spend very long days in nursery.”

“I increased my hours to work a four day week instead of the usual five.”

“I have rearranged my work to allow me to work four long days so I don’t have to send my children to childcare on the fifth day, which reduces costs.”

“The cost of childcare has influenced the number of hours per day I work. I have changed my working hours to compressed hours so that I still work full time hours but over four days per week. This lets me have one day off per week, which of course means one day less of nursery fees to pay.”

A number of respondents opted for part time working in order to reduce their need for childcare:

“I have made the decision to go part time at work as I was having to pay so much for childcare it did not make financial sense for me to work full time. I now work three days a week and my parents look after my children when I'm at work.”

“I changed my working hours to part time as childcare costs just became too expensive.”

“myself and my sister-in-law both work part time so that we share school runs and pick-ups between us. This means we can both meet our working requirements.”

Some respondents remarked that it was not financially viable to reduce their hours to part time due to the way childcare providers charge for a part time place. Many parents were forced to return to full time employment:
“When I worked part time hours until 2pm each day, my childcare costs were the same because once childcare goes past 1pm, you pay for a full day rather than half. It was therefore better for me financially to work longer hours.”

“Because I work until 1.30pm each day, we are not eligible for a part day rate.”

Many respondents remarked on the importance of grandparents in providing the childcare to enable them to work:

“If my mother was not available to look after my children, I would have no choice but to stop work.”

“I worked four days per week after having my first child and paid a registered childminder. I was barely breaking even between my wage and childcare costs. I've had my second child and am only going back to work two days a week as I cannot afford to have my children minded in registered childcare. Grandparents are looking after both children for two days free of charge. They were unable to look after them any more days. It costs £60 for both children to be minded per day. I only earn £53 per day before tax so registered childcare is not an option any longer. I only leave my child in one morning per week to a nursery because she enjoys playing with the other children.”

Support from grandparents was clearly a deciding factor for many families in determining whether it paid to work. When asked whether a lack of available childcare in their area had prevented them from entering work, training or education, 11% said yes to this question. Some parents also said that they did not have access to support with their childcare costs. Therefore the following section explores parents’ perceptions of the availability of information services in their area.
4.7 Information services for parents

A network of Family Information Services (FISs) exists across England and Wales, with one in each Local Authority area, while a Childcare Information Service exists in Scotland. Until March 2011, a national helpline and website existed to direct families to their local information service. Although the helpline no longer exists, a national online directory called ‘Open Family Services’ has been created, which holds information on childcare provision and family support. The information comes directly from participating Local Authorities who verify the information to ensure it is accurate.

A Government funded Family Information Service was never introduced in Northern Ireland, making it difficult for parents to access information on childcare provision, financial help available and possible benefit entitlements. Employers For Childcare Charitable Group, however, recognised the need for such a service and has offered a Childcare Information Service and freephone helpline since the charity was founded in 2002. This service is modelled on the original Family Information Service which existed in the other regions of the UK until earlier this year, however with limited resources our service is not as extensive as that which existed in the rest of the UK. In addition, the Health and Social Care Board for Northern Ireland has recently developed the Northern Ireland Family Support website which provides a directory of organisations that provide help and support to families.

A core part of Employers For Childcare Charitable Group’s services is the advice and information that we supply to parents on childcare and work related issues. Therefore, an essential component of the survey was to determine parents’ experiences of accessing information and advice on benefits and entitlements. The table below illustrates respondents’ perceptions and experiences of the accessibility of information in the region.
Table 9: Accessing information services within the region

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is easy to access information about the financial help which is available with childcare costs</td>
<td>2%</td>
<td>27%</td>
<td>26%</td>
<td>37%</td>
<td>8%</td>
</tr>
<tr>
<td>It is easy to find affordable childcare in my area</td>
<td>1%</td>
<td>17%</td>
<td>30%</td>
<td>38%</td>
<td>14%</td>
</tr>
<tr>
<td>It is easy to access information relating to family benefits/entitlements</td>
<td>2%</td>
<td>21%</td>
<td>29%</td>
<td>37%</td>
<td>11%</td>
</tr>
<tr>
<td>It is easy to find flexible childcare in my area</td>
<td>1%</td>
<td>16%</td>
<td>30%</td>
<td>38%</td>
<td>15%</td>
</tr>
</tbody>
</table>

As illustrated in Table 9, 45% of parents either ‘disagreed’ or ‘strongly disagreed’ that it was easy to access information about financial help available with their childcare costs. Indeed, this perception was reinforced in the qualitative responses provided by parents:

“I found out about Employers For Childcare and the tax free allowance through the vouchers by word of mouth from a work colleague, and many people entitled to it are not aware of it. Better advertising or ease of information would be appreciated.”

“I wish I had known about [Childcare Vouchers] sooner. All childminders should be aware of them, rather than parents having to persuade them to accept them.”

There are two forms of help available with registered childcare costs, the childcare element of Working Tax Credit and/or the Childcare Voucher Scheme. Both benefits reduce the overall cost of childcare, making it more affordable. The results indicate the lack of knowledge that exists amongst parents when trying to access help with childcare costs. 29% of parents had a positive experience of accessing financial help with their childcare costs, whilst 26% of
parents ‘neither agreed nor disagreed’. Some parents also reported the difficulty in determining the interaction between the two forms of financial help:

“Although it is easy to access information about childcare costs, there seems to be a maze of information and it is difficult to know how the different forms of help with childcare costs overlap with each other or not as the case may be.”

When respondents were asked whether it was easy to locate affordable childcare, 52% either ‘disagreed’ or ‘strongly disagreed’ with this statement. Only 1% of parents ‘strongly agreed’ that it was easy to access affordable childcare.

Parents within the survey also struggled to locate information relating to family benefits and entitlements, with almost half of the respondents (48%) stating that they disagreed or strongly disagreed with the statement.

These results correspond with those obtained from last year’s survey, which revealed that irrespective of county or family type, a large proportion of parents have difficulty in accessing information services relating to their family benefits and entitlements.

### 4.8 Accessible childcare

The results presented in the previous section indicate that parents still find it difficult to access information on childcare services in their area. Despite this, when asked whether there is a lack of available childcare in their area, the majority (42%) said ‘no’ while 23% said they were ‘unsure’. Figure 27 illustrates the results by county.
As the figure indicates, parents in counties Fermanagh, Tyrone and Derry/Londonderry perceived childcare to be most lacking. This is reflective of the level of childcare provision across Northern Ireland. Counties Fermanagh and Tyrone have the lowest levels of childcare provision, therefore it is unsurprising that parents in these counties stated that childcare is lacking.

Of those that said childcare was lacking in their area, 46% stated that after-school clubs were the most lacking. This corresponds with last year’s survey results, where 53% reported that after-school provision was most lacking. A further breakdown of the results by county and childcare type revealed after-school clubs to be the most lacking particularly in counties Antrim, Down, Armagh and Derry/Londonderry, whilst childminders in County Fermanagh were found to be the most lacking and day nurseries in County Tyrone.

Comparable to 2010, the picture portrayed in trying to access affordable and flexible childcare remains a challenge for many of the parents that participated in the study. 52% of parents stated that they ‘disagreed’ or ‘strongly disagreed’ that it was easy to access flexible childcare. Only 17% of parents stated that they ‘agreed’ or ‘strongly agreed’ with this statement.
5. Conclusion

Having explored the patterns of childcare costs across Northern Ireland, we are now in a position to identify and discuss the impact that childcare costs present to families in Northern Ireland. However, before doing so we will briefly summarise and highlight the key findings which stood out for us in the childcare provider data.

5.1 What does the report tell us about childcare costs in Northern Ireland?

This report illustrates that childcare costs are, on average, £8,021 per year\textsuperscript{12} for one child. Given that the majority of responding families have two children, this amount could be doubled. Childminding costs are slightly higher than day nursery costs at £155 per week. A day nursery place costs, on average, £154 per week for a child under two or £153 per week for a child over two years of age.

Out of school clubs are less expensive, with the total average for a breakfast club sitting at £28 per week, followed by afterschool clubs at £79 per week. Summer schemes cost on average £120 per week.

Childminding costs in 2011 are more expensive than day nursery costs, which had the highest average costs in 2010. Furthermore, day nursery costs have decreased overall since last year’s survey.

The same trends in childcare costs are noticeable in both the 2010 and 2011 results, namely childcare is more expensive in the more urban counties Antrim and Down than in the mostly rural counties Tyrone and Fermanagh. Furthermore, in areas with high levels of childcare provision, childcare is more expensive.

\textsuperscript{12} Calculated using an average of the four weekly average childcare costs (day nurseries and childminders) and multiplying by 52 to gain an annual figure,
These trends are also visible in the childcare costs recorded across the other three regions of the UK. In particular, when a breakdown of costs across the English regions is considered, the same trends are apparent.

The childcare costs detailed by the childcare provider survey provide precise costs across Northern Ireland by facility type and location. The parents’ childcare costs allowed us to draw comparisons between the two data sets. The same trends became apparent in both sets of results, showing that an average family’s childcare costs vary depending on location and the type of childcare used. For example, the majority of parents in our survey used a day nursery as their main form of childcare, meaning that they are likely to pay an average of £153-4 per week for childcare for one child. Taking the county in which the family lives into consideration, the cost either increases or decreases. For example, of the families who live in County Antrim, 57% used a day nursery as their main childcare provider and are therefore likely to pay around £164-5 per week for their childcare. In contrast, families living in Fermanagh incur lower costs at around £131 per week.

Although childcare is less expensive in counties Tyrone and Fermanagh, childcare is least accessible compared to the other four counties. The parent survey showed that a higher percentage of parents in counties Tyrone and Fermanagh stated that childcare was difficult to access in their area. Therefore, although childcare costs are less expensive in these counties, accessing childcare in the first instance is very difficult.

5.2 What is the impact of childcare costs on parents in Northern Ireland?

Through consultation with both childcare providers and parents, this report has demonstrated the amount that parents pay, on average, for childcare across the six counties and also by facility type. The findings have also provided us with an insight into the challenges that childcare presents for parents in the region day to day.
Childcare is essential for working parents and should enable them to work. However, the challenge in managing the dynamics of work and childcare, and indeed the cost of childcare, is highly significant for parents. The cost of one childcare place equates to 45% of a parent’s net weekly earnings. Given the cost of childcare and the alarmingly high proportion of salary spent on childcare, many parents therefore find themselves reconsidering whether work actually pays:

“I am really working for nothing as my wages are equal to the total cost of my childcare. It actually costs me to work.”

A dominant theme throughout the qualitative responses we received highlighted the struggle many families faced in balancing work with childcare. The cost of childcare has forced many families to change their working hours in order to manage their childcare costs. For 46% of the respondents, the cost of childcare influenced the hours they work. Some families adjust their working hours to accommodate their childcare needs and reduce costs:

“Myself and my partner both have to work extra hours each day to enable us to work up flexi time and cover one day of childcare between us each week. This reduces the overall cost of the day nursery, but unfortunately means that my child must spend very long days in nursery.”

For some, part time work was a solution to achieving a better work life balance. For others, it was not financially viable to work part time given that childcare that goes past 1pm is often charged as a full time place in many nursery settings.

For some families it did not make financial sense to work at all given that one parent’s salary was mostly allocated to paying for childcare. In the majority of cases it appeared to be the mother who considered giving up work. Many female respondents remarked on the importance of maintaining their career and setting an example to their children, but added that this aspiration is difficult to
manage and is becoming increasingly difficult to maintain, particularly in the current fragile economic climate.

For many families the support provided by grandparents was a deciding factor in determining whether work paid:

“If my mother was not available to look after my children, I would have no choice but to stop work.”

The cost of formal childcare has therefore led many families to balance both formal and informal childcare arrangements in order to manage their childcare costs, with grandparents being relied upon most. The perceived inflexibility of childcare settings and the lack of childcare particularly in rural areas have also left many parents dependent on informal childcare arrangements.

There is financial help available to working parents with the cost of childcare through Tax Credits and Childcare Vouchers. However, the survey showed that many parents are not aware of the potential financial assistance available with childcare costs. Those who were aware commented that the assistance available was both complex and difficult to understand. The complexity of the Tax Credit system was a particular concern for many parents, with a number reporting that the current system is unfair:

“The fact that Childcare Vouchers and Tax Credits can conflict is a joke. The current system does not encourage work as the more you earn the less Tax Credits you receive. I think a more simplified system should be introduced.”

“I feel that the Government is urging mothers to go back out to work but is not willing to help with childcare costs. I appreciate that those on low salaries will get help but what about those who are border line? I feel that I am basically working to pay my childcare costs and don’t feel that this should be the way it is.”
The heavy reliance on family members, in particular grandparents, to accommodate additional childcare needs is a significant concern because such care is exempt from financial assistance through Tax Credits and/or Childcare Vouchers. Indeed this was an apprehension expressed by a number of parents in the survey:

“It is extremely frustrating that we only get Childcare Vouchers for registered childcare and no assistance towards the cost of my mother caring for our children. There is a perception out there that grandparents provide childcare for free but my mother gave up two days of her normal job to care for our children because the cost of registered childcare is so prohibitive. We all know grandparents provide an invaluable service as far as childcare is concerned and there should be more financial support in recognition of this service.”

“I think it is time that family members were accepted in childcare costs when being assessed for Tax Credits and the Childcare Voucher Scheme. At least that way they would accept payment for looking after the child and it would supplement their income.”

The recent budget cuts to family benefits and entitlements, in particular the 10% reduction in support available with childcare costs through the childcare element of Working Tax Credit, puts an increased strain on family budgets. A number of parents expressed frustration at the recent reforms relating to Tax Credit entitlements:

“We have been informed that we may be losing most or all Tax Credits towards childcare even though we aren’t above the thresholds. This means that all of my wife’s wages and some of my own will go towards paying childcare. At the minute my wife may have to leave her job which seems a waste of all the years she spent studying. There is no point in her working if she is paying it all to a day nursery.”
Cuts in benefits have therefore led some families to reconsider whether working is financially viable. A number of parents, particularly mothers, commented on the important role of the Government in enabling parents to access and stay in employment. Financial help with childcare costs is one method. However, the Government also has a responsibility to encourage employers to facilitate family friendly working policies. A number of female respondents suggested that more flexibility from employers would help them to manage their work life commitments:

“Employers need to be more flexible with working hours for parents to get a work life balance and my employer is very inflexible. Flexi time and working from home schemes could benefit employers and parents and help parents to keep childcare costs down. The Government needs to start promoting these ideas and give people more balanced choices. It is particularly difficult when the woman is the main breadwinner as you cannot afford to cut your hours, yet you do the bulk of the work at home as well as working long hours and maintaining your career.”

One year on from the 2010 childcare cost survey, parents are in an increasingly difficult financial situation given the high proportion of salary spent on childcare set within the context of the current economic climate and budget cuts. We welcome the £12 million investment in childcare. However, the Northern Ireland Executive needs to recognise and address the struggles families face in finding and affording childcare. An up to date childcare strategy urgently needs to be implemented with the accompaniment of a statutory duty similar to the other regions of the UK in order to support parents to access and stay in work.
6. References


Employers For Childcare Charitable Group (in print) *The Impact of Childcare Costs for Northern Irish Females*.
