

Employers For Childcare

Northern Ireland Childcare Survey 2021



Foreword

Reading through the experiences of parents and childcare providers who responded to this year's Northern Ireland Childcare Survey I was really struck by a theme that came through again and again. That theme is value.

On the surface, never more so than in the last 18 months has the 'value' of childcare been publicly recognised for its role in enabling parents to work, and in supporting the early development of children and young people.

And yet, it is still the case that when it comes to the practicalities of ensuring that parents can afford and access the childcare they need, or that providers can plan for the future and invest in their services and staff, those parents and providers are left feeling undervalued. We are still without a Childcare Strategy that, even when we wrote our first Northern Ireland Childcare Survey over a decade ago, was already overdue.

So I am both cautiously optimistic and hopeful that we are now seeing small, but important, steps towards a new Childcare Strategy that could bring about a big leap towards a childcare infrastructure that is valued and recognised as essential to the Government's agenda of 'building back better' from Covid-19. In the last year, the Government – through the Departments of Education and Health in particular – has worked closely with the childcare sector to deliver vital funding to support its re-opening, recovery and sustainability during the pandemic.

This 'scaffolding' has kept the sector going during these unprecedented times, and makes me think of a lovely poem by Seamus Heaney called Scaffolding. It talks of the importance of this support when starting upon a building, and yet the scaffolding comes down when the job is done. So even in times of insecurity, and difficulty the building itself will remain standing strong. Heaney's poem closes: "Never fear. We may let the scaffold fall...Confident that we have built our wall."

I think that could be a good analogy as we move beyond this crisis, and towards a better long-term childcare infrastructure for Northern Ireland. The scaffolding of Covid-19 support funding has been essential – but what we now need to see from the Government is concrete, permanent investment delivered through an ambitious Childcare Strategy, holding together the bricks of affordable, high quality, accessible, flexible and sustainable childcare provision. A strong wall, laying foundations for better economic, educational and societal outcomes, and that enables us to #buildbackbetter.

**Marie Marin,
Chief Executive**



Contents

Introduction	4
About Employers For Childcare and the research	5
Key findings	6
1. The cost of a childcare place in Northern Ireland	10
1.1 Cost of a full-time childcare place per week	10
1.2 Cost of out of school childcare	12
1.3 Impact of Covid-19 on fees charged by childcare providers	13
1.4 Impact of Covid-19 on services provided	15
2. How are families using childcare?	16
2.1 Hours of childcare used	16
2.2 Type of childcare used	16
2.3 Specific forms of provision used by families	17
2.4 What influences a family's choice of childcare?	18
3. What are families spending on childcare?	19
3.1 Household spend on childcare	19
3.2 Accessing support for childcare costs	20
3.3 How does the childcare bill compare to overall household income?	20
3.4 How does the childcare bill compare to other household bills?	21
3.5 Using means other than income to pay the childcare bill	22
4. Are families able to access the childcare they need?	23
4.1 Provision of childcare across Northern Ireland	23
4.2 What challenges do families face in accessing formal childcare?	24
5. Impact on work and career progression	25
5.1 Have difficulties accessing or affording childcare impacted on a parent's ability to work?	25
5.2 Times when it is more or less difficult to afford the childcare needed in order to work	26
5.3 How can employers support parents with childcare?	27
6. Impact of Covid-19 on work and childcare	29
6.1 Impact of Covid-19 on working arrangements	29
6.2 Impact of Covid-19 on childcare arrangements	30
7. Overall parental attitudes towards childcare	32
7.1 Experience of accessing childcare	32
7.2 Attitudes towards childcare	33
7.3 Recommendations looking ahead	34
8. Experiences of childcare providers	38
8.1 Changes to income and expenditure	38
8.2 Overall financial position	38
8.3 What are the main challenges for providers?	40
8.4 Capacity	42
8.5 Impact of Covid-19 on childcare providers	42
8.6 Recommendations looking ahead	45
9. Conclusion	50
Appendix 1: Methodology and profile of respondents	51
Appendix 2: Key terms	52

Introduction

When we published last year's Northern Ireland Childcare Survey, we reflected on the unprecedented challenges for parents, childcare providers and the whole of society in responding to the Covid-19 pandemic. A year later, the effects are still being felt, both by parents and across a sector that stepped up to continue delivering a vital service for families and for the economy. The sector has benefited from Covid-19 related funding which has been a lifeline for many, but underlying challenges – which have only been exacerbated by the pandemic – remain. Many parents are continuing to use childcare differently to how they used it prior to the pandemic, and it is not yet clear how changes in the way in which parents are working, and childcare providers are having to operate, may last into the longer term.

At the same time, families are facing into a worrying financial situation. Prices are rising for everything from the weekly shop to the cost of heating and electricity. Universal Credit payments, a vital form of support for many families, were cut in October – when Government support through the furlough and self-employment income support schemes also came to an end. This all combines to make it an even more challenging time for families to make ends meet.

But what has also changed since last year, and in what is hopefully a real step forward, is that work has now commenced on the development of a new, and long overdue, Childcare Strategy for Northern Ireland. This is beginning with a Strategic Insight Programme, engaging with key stakeholders, which the Department of Education will be using to inform the drafting of the new Strategy.

Robust evidence is vital as the work gets underway, and the Northern Ireland Childcare Survey 2021 provides a rich and unique resource, documenting the experiences of parents and childcare providers in Northern Ireland – rising costs for both parents and providers, families struggling to access and afford the childcare they need, and many providers finding it impossible to break even. It builds on a series of Northern Ireland Childcare Survey Reports, through which data from almost 50,000 parents and childcare providers has been analysed.¹

Their voices must be heard, and we are committed to using the views and experiences shared by parents and childcare providers to inform our engagement with the Department of Education on the development of a new and ambitious Childcare Strategy for Northern Ireland that:

- Helps to give all children and young people the best start in life
- Enables parents to get into, stay in and progress in work
- Supports a flourishing, high quality childcare infrastructure
- Is a part of the solution to addressing stubbornly high levels of poverty in Northern Ireland.

¹ Full suite of reports available at: <https://www.employersforchildcare.org/research-and-lobbying/research-and-reports/>

About Employers For Childcare

Employers For Childcare comprises a registered charity and a social enterprise. 100% of the profits from our social enterprise businesses – a Childcare Voucher administration service, a recruitment and AccessNI service for childcare providers and High Rise - are invested into our charity. As a charity, our aim is to make it easier for parents with dependent children to get into work and to stay in work. We help parents maximise their incomes, manage childcare costs and create a suitable work-life balance. Through working with employers and policy-makers, we seek to encourage and secure better support for families in the workplace and in public policy. We address childcare as a labour market and economic issue, as well as a social one.

About the research

Northern Ireland Childcare Survey 2021

Employers For Childcare has conducted the annual Northern Ireland Childcare Survey since 2010 to explore the experiences of parents and childcare providers. This survey marks the 12th in this series, which is widely used to inform political debates and policy development in relation to childcare. Data collection took place during August and September 2021. Childcare providers and parents were invited to respond to an online survey that was circulated across a variety of networks and shared on social media. In total, we received 1,580 responses from families, representing 2,950 parents, and 714 responses from childcare providers.

2,200+
responses
from parents
& childcare
providers

Thank you!

We would like to thank each parent and childcare provider who completed the Northern Ireland Childcare Survey 2021. This report highlights and reflects your views, attitudes and experiences. We continue to strive to achieve a childcare system that is affordable, accessible and flexible to meet the needs of families, employers, childcare professionals and providers.

Thank you to all the parents and childcare providers who completed the Northern Ireland Childcare Survey



Key findings

Employers For Childcare received over 2,200 responses from parents and childcare providers to the Northern Ireland Childcare Survey 2021. The findings provide a vital insight into the challenges they are experiencing, that have been exacerbated by the impact of the Covid-19 pandemic. They highlight that parents and childcare providers in Northern Ireland are under real and mounting pressure.

For childcare providers, budgets that were already squeezed, have become ever tighter in the face of rising costs, an end to Covid-19 related funding and difficulties in recruiting and retaining staff. While providers have sought to minimise passing the cost on to parents, it is clear that this is not sustainable and we would anticipate rising fees for parents in the next 12 months. This in turn could force parents into having to make difficult choices about their working lives, impacting on the financial stability of their family and the early educational and social development of their children.

A small increase in average fees with further increases anticipated

- A full-time childcare place costs an average of £170 per week, an increase of £1 on last year and equivalent to 34% of the median household income in Northern Ireland
- Fees vary across Northern Ireland, but are typically highest in the Belfast Health and Social Care Trust and lowest in the Western Health and Social Care Trust
- Providers report having tried not to pass rising costs on to parents, and having benefited from Covid-19 related funding from the Department of Education
- However, this is unsustainable with a third of providers (34%) anticipating that the fees they charge will increase in the next 12 months – rising to 68% of day nurseries.



Childcare providers reaching financial breaking point after a difficult 18 months

- In the last year, 84% of providers reported that their outgoings had increased, while income had increased for just 7%
- 71% of providers reported that they are either just breaking even or are making a loss
- Almost a third describe their current financial position as 'distressed' or 'struggling', meaning that they are at immediate risk of closure or are focused on survival over the next 12 months
- Challenges are long-standing, but also Covid-19 related, including staff absences, recruitment and retention, spare capacity and an increase in the cost of food, materials and equipment
- The challenges for providers are not only financial:
 - 74% of providers report that the pandemic has had a negative impact on them/their staff in terms of mental health and well-being, and
 - 57% report it has had a negative impact on their physical health and well-being.



Parents struggling with a perfect storm of rising costs for essentials, including childcare, and the challenge of accessing the childcare they need

- Families report an average spend of £140 per week on childcare, which is the largest monthly bill – ahead of their mortgage or rent – for a third of families
- Over a quarter – 28% – report that they are struggling to meet the costs of childcare
- 41% of parents report regularly having to use means other than their income to pay for childcare including savings, overdrafts, credit cards and even payday loans
- 69% of parents report that there is insufficient provision of childcare in their area, an increase from 61% last year. This rises to 73% of lone parents and 87% of parents who have a child with a disability
- More than half of families (54%) report challenges in accessing the formal childcare they need, and raise the issues not just of cost but also of flexibility and accessibility
- Lower income households are much less likely to be using childcare than households on a higher income – 26% of families with a household income of £15,000 or less are using no childcare, and a parent is looking after the children themselves. This compares to 4% of families with a household income of £50,000+. Enabling parents on lower incomes to access the childcare they need to work is a key contributing factor to increasing household income.



Difficulties in accessing or affording childcare impact on parents' ability to work

- For 44% of parents, difficulties in accessing or affording the childcare they need have impacted on their ability to work. This rises to 58% of mothers, compared to 27% of fathers.
- Of those affected:
 - mothers are more likely to have had to reduce their working hours (71%) or to have seen their career prospects or progression limited (49%)
 - fathers are more likely to have increased their working hours to pay for childcare (36%)
- Parents revealed that the times when it is more difficult to afford the childcare they need to work are when returning to work from parental leave and when their child is aged 0-2 years
- They also highlighted an important role for employers in supporting working parents through offering flexible, family-friendly working and in the provision of financial support, advice and guidance and workplace childcare.



“Both my husband and I work full time. My husband is on minimum wage and so his entire wage goes on childcare. It is unaffordable when you have no alternative support. I have sleepless nights worrying about the cost of childcare. It is soul destroying.”
(Parent)

“Better funding is needed for childcare as fees that cost the same as or more than mortgage or rent discourages people working and forces working people into debt. Our childcare costs are more expensive than our mortgage.” (Parent)

“The quality of care is excellent! But it is tailored to people who work 9-5 not nurses married to farmers with unpredictable hours and long days/shifts.”
(Parent)

“Childcare needs to be more affordable. I'm in a reasonably paid part-time job but I couldn't afford to go full-time as 90% of my wage would go on child-care costs which is pointless. One parent (usually the mother) of most families has to work part-time as they can't afford full-time childcare.”
(Parent)

“I gave up work and my career to care for our children because I felt I had no other option. This impacted my well being, mental health and our family's ability to buy a home. I feel I now have very limited career options for the future.” (Parent)

“I need to increase my fees due to not having as many children but I feel I can't or parents will struggle to afford childcare.”
(Childcare provider)

“The pandemic has mainly affected my setting throughout the various lockdowns in which our numbers of children attending significantly reduced yet we focused from July 2020 to stay open to support keyworker parents. I am proud to say I work with an amazing team who push forward despite the many obstacles in our way as the welfare of our children is always the most important factor.”
(Childcare provider)

“My business is really struggling. I've lost families and can't seem to get built up again. I'm fearing having to close permanently.”
(Childcare provider)

“Keeping up with and on top of changes has been exhausting. Increased working hours and responsibilities could take its toll on staff morale and health.”
(Childcare provider)



“Working from home has made a massive impact, really helps with childcare costs.” (Parent)

“I am using more formal childcare - Grandparents are more reluctant to help with informal childcare because of their own health concerns because children are socialising at school - but working from home also allows me to pick the kids up from school one day a week.” (Parent)

“Working at home through Covid was the first time I had no childcare costs in years and the first time I wasn't waiting on my wages to go in to buy food for the next morning! That's the reality for working families these days, when paying for childcare.” (Parent)

“Childcare has to be addressed as a government policy. Other countries are doing a better job. Here parents are seen as a burden on the workplace, on their colleagues, on society. Someone has to raise the next generation, and that is a societal issue that needs to be supported by government, to ensure the next generation get the best start in life.” (Parent)

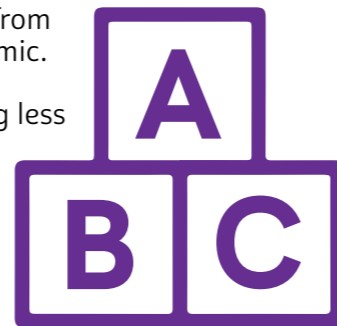
The pandemic has changed the way in which many parents are working

- 69% of parents report that Covid-19 is continuing to impact on their working arrangements, with changes including working from home and hybrid working
- 70% expect changes to their working arrangements are likely to continue in the longer term
- For many parents this has been a positive experience – 61% report that it is now easier to balance work and childcare because of these changes
- For others – 26% – it has become more difficult, as they have struggled to balance competing demands, or to carve out the space needed to work without interruption. For others, working from home was simply never an option.



The pandemic has also impacted on how parents are accessing and using childcare

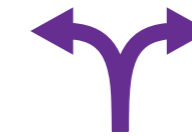
- 51% of parents report their childcare arrangements now have changed from what they were prior to the pandemic. Where there has been a change:
 - 34% of parents are now using less formal childcare, compared to 27% using more
- This is seen in the small decrease in the average number of hours of childcare used by families, 39 hours per week compared to 42 hours last year
- 57% think changes in their childcare arrangements are likely to continue longer term
- Fewer families report using a mix of formal and informal childcare this year, compared to previous years, suggesting that parents are still seeking to limit household interactions
- There has been a decrease in the percentage of families using grandparents to provide some or all of their childcare – although they are still the most popular form of provision
- Similarly, there has been a small decrease in the percentage of families using out of school childcare provision, suggesting that with more parents working from home, it may be easier to accommodate pick ups, drops offs and older school age children being at home for part of the working day.



Alongside these challenges, the pandemic has highlighted the essential role of childcare as a vital part of our economic, educational and societal infrastructure

- Parents reported that quality, accessible and affordable childcare is:
 - Good for children: 98% agree it has a positive impact on the learning, social and emotional development of children
 - Good for parents: 98% say it is key to enabling parents to work
 - Good for the economy and society: 94% believe childcare is essential to the economic and societal recovery from Covid-19
- Similarly, 94% of childcare providers agreed that Covid-19 has highlighted the vital role of the sector to the economy in enabling parents to work
- And yet, both parents and childcare providers expressed the view that the sector is ‘undervalued’ and needs to be better supported by Government.

Longer term financial support as part of an ambitious Childcare Strategy is critical to ensuring a quality childcare infrastructure that is affordable for parents to access and sustainable for providers to deliver



- Covid-19 related financial support for the childcare sector was a real lifeline for providers during the pandemic:
 - 88% reported that it had helped their business/setting to re-open and recover
 - 91% said it had helped the financial sustainability of their business/setting
- However, looking ahead almost 9 in 10 providers – 89% – believe that, excluding the Covid-19 related support, the childcare sector in Northern Ireland is underfunded to deliver affordable, high-quality childcare that is financially sustainable
- Similarly, a majority of parents – 73% – agree that current financial support available to parents with the cost of childcare is insufficient
- With almost a third of families not claiming any financial support towards the cost of childcare, it is essential that we continue to raise awareness of the support that may be available to parents, enabling them to make informed decisions about childcare that best suits the needs of their family.

“Childcare needs to be subsidised by the Government, so it is more affordable to parents, and ensure that formal childcare settings have the resources they require to provide quality childcare.” (Parent)

“The childcare staff are the key - we have had a wonderful experience with them. They make our child feel so welcome and always make them feel supported and safe. This really sets my mind at ease when doing drop off/pick up every day.” (Parent)

“Childcare sector should be better supported and funded to maintain the high standard of service to children and their parents and promote their well-being, and meet their needs. Hence it will also help to support and improve our economy. Thank you!” (Childcare provider)

“Childcare is the forgotten essential workforce, we need it to keep the parents in work and are so badly underfunded.” (Childcare provider)

“There needs to be a childcare strategy; 30 hours of funded care a week from age 2 instead of a measly 12.5 at pre-school would have made a big difference. I would have liked another child but we couldn't afford the childcare even though I earn a good wage.” (Parent)

“As a first-time parent, working full time, with all the childcare providers fully booked in my local area, and my son on waiting lists, we are just getting by using grandparents. It's not ideal, but we have no other option. Hopefully something positive comes out of the engagements for a new Childcare Strategy.” (Parent)



1. The cost of a childcare place in Northern Ireland

1.1 Cost of a full-time childcare place per week

In 2021, families could expect to pay, on average, around £170 a week for a full-time childcare place. This is an increase of £1 on last year's average of £169 a week.

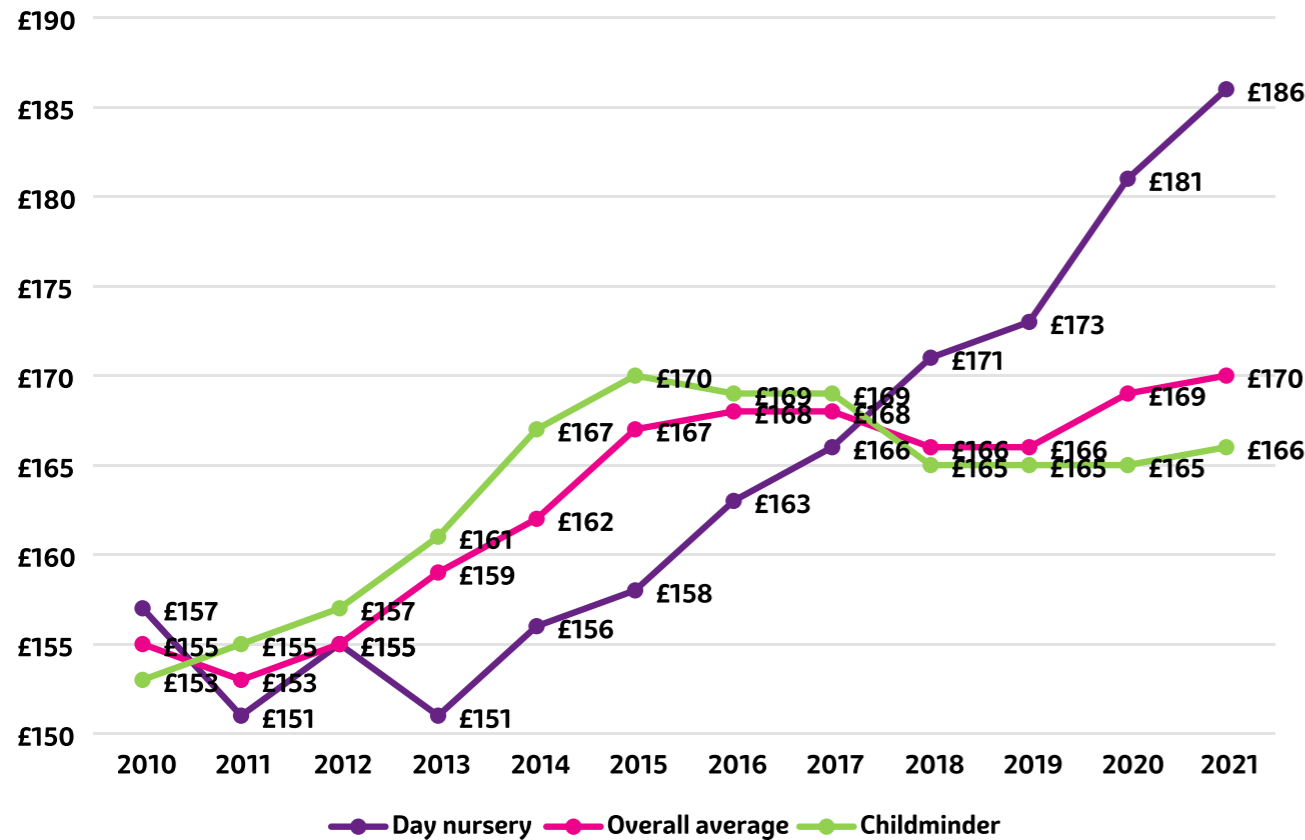


Figure 1: Full-time average weekly childcare costs since 2010

The cost of childcare varies depending on the type of childcare provision. Since last year, the average cost of a full-time day nursery place has increased by £5 per week to £186. Since 2013, we have seen a continuous trend in the cost of a childcare place at a day nursery increasing. This can be understood in the context of increased staffing costs due to uplifts in the National Living and Minimum Wages, and the introduction of pension auto enrolment.

For the first year since 2015, the average cost of a full-time place at a childminder has increased, by £1 to £166 a week.

Average cost of a full-time childcare place per week	2021	2020	Change
Day nursery	£186	£181	£5
Childminder	£166	£165	£1
Overall average	£170	£169	£1

Table 1: Average full-time childcare costs per week 2021

Breaking down these figures, the average cost of a childcare place as reported by childcare providers is £34 per day and the average cost per hour, for a full-time place, is £4.

While these figures present an average of the cost of a full-time childcare place per week, it is important to note that there is considerable variation both across settings and across Northern Ireland, with the lowest priced place costing £100, rising to £300 for a week.



Variation across Northern Ireland

There is considerable variation across Northern Ireland in relation to the cost of a full-time childcare place, with the highest average in the Belfast Health and Social Care Trust, and the lowest in the Western Health and Social Care Trust.

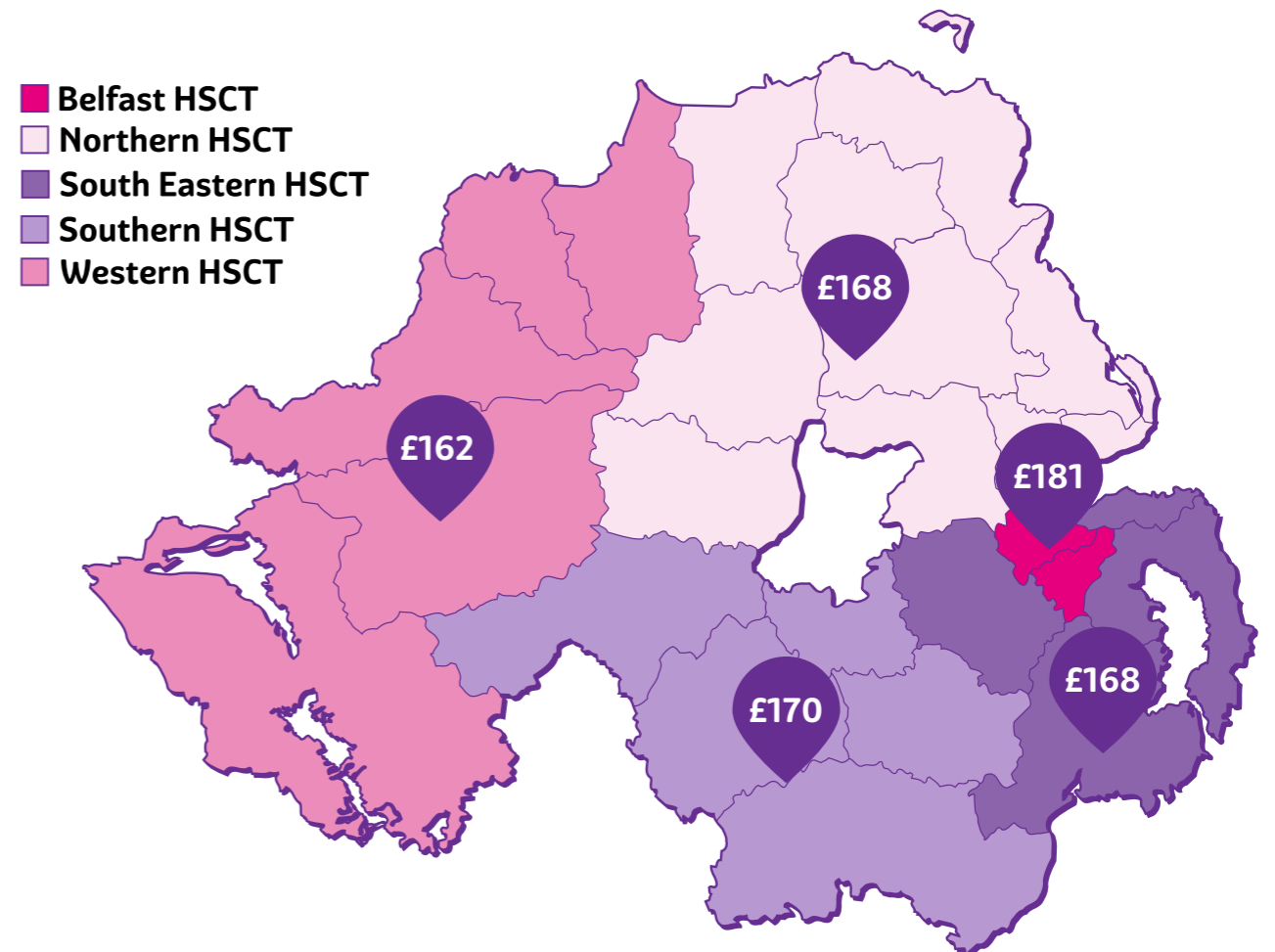


Figure 2: Average full-time childcare costs across Health and Social Care Trusts

Similarly, fees vary across counties in Northern Ireland. While in previous years, the highest average has tended to be in County Armagh (£172), this year it comes in second to County Antrim (£174). They are followed closely by County Down (£172) and County Derry/Londonderry (£170). Similar to previous years, counties Tyrone (£150) and Fermanagh (£153) have the lowest childcare costs. There is a difference of £24 between the average cost of a full-time place in County Antrim (£174) and County Tyrone (£150).

1.2 Cost of out of school childcare

Breakfast clubs, afterschool clubs and holiday schemes are the three main types of out of school childcare or wraparound services. Each type is designed to cater for school-aged children to provide childcare that wraps around the school day and during holiday periods. It can be provided in private, community or school-based settings.

This year we have seen an increase in the average cost of a week in an afterschool club, or at a holiday scheme, while the average cost of a week's breakfast club has decreased by £1.

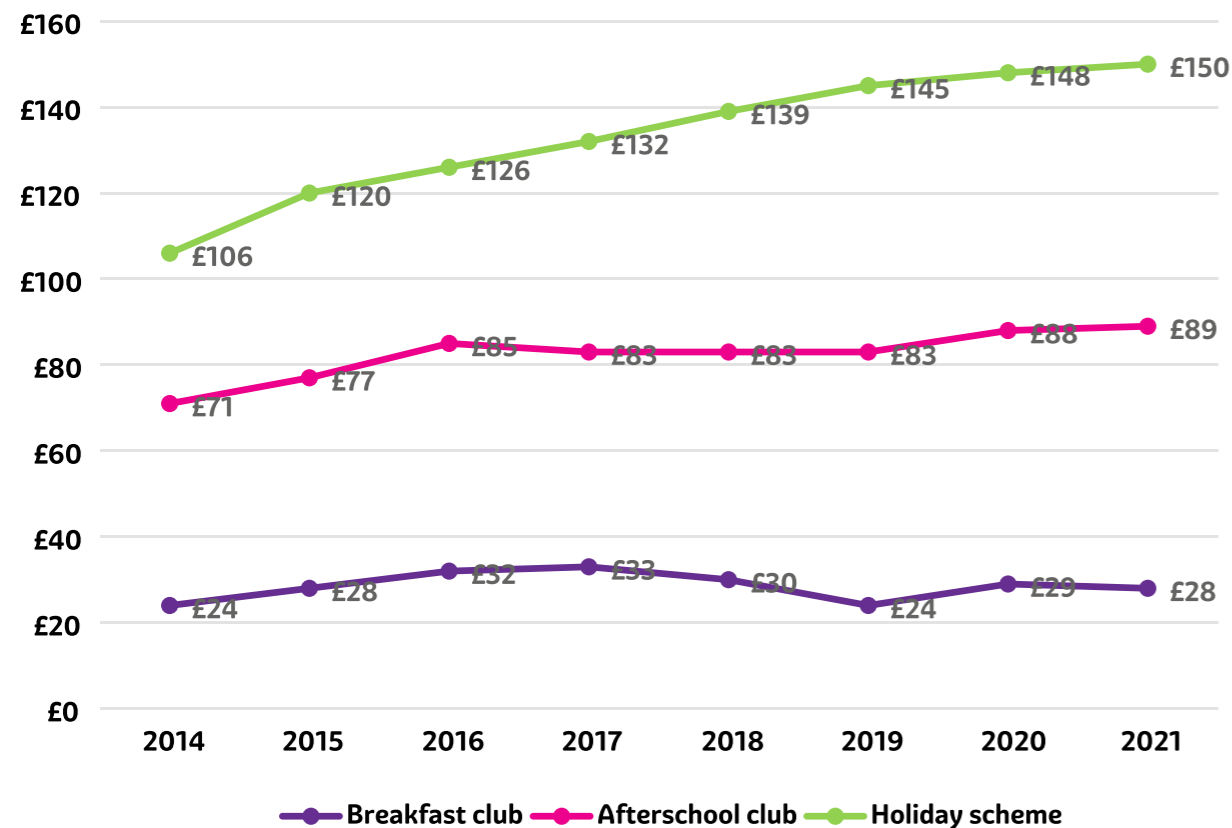


Figure 3: Average weekly cost of out of school provision since 2014

Cost per hour

On average, an hour's out of school childcare – whether at a breakfast club or afterschool - costs £5 in 2021, reflecting no change from 2020.

1.3 Impact of Covid-19 on fees charged by childcare providers

The last 18 months have seen unprecedented pressures placed on childcare providers as a direct result of the Covid-19 pandemic. While providers were initially required to close to all but vulnerable children and the children of key workers, from the summer of 2020 providers have been open to children from all families, even when schools moved to remote learning during subsequent lockdowns.

During this time, providers have faced increased costs relating to enhanced cleaning, infection control measures and to meet the requirements of Covid-19 related guidance for the sector. For example, group settings were required to operate a 'pod' system, keeping children in separate groups and limiting interactions between children, as well as between staff. Many providers have seen a decrease in occupancy as parents worked from home, or chose to keep their children home from childcare in order to minimise their social interactions. In group settings, providers have also reported a 'crisis' in terms of recruitment and retention of vital staff.

In this context, it could have been expected that we would be reporting a significant increase in the fees charged by childcare providers in order to cover their increased costs. While there has been an increase in the overall average, this is not as large as it was in 2020.

Reported change in fees

This year, over three quarters of childcare providers (79%) reported that they had kept their fees the same in the last 12 months, while just 17% had increased them, compared to 26% who had increased their fees in 2020. 5% of providers – childminders and out of school providers – reported that they had actually decreased their fees in the last year, compared to just 1% in 2020. Childminders were more likely to have kept their fees the same, while day nurseries were more likely to have increased their fees.

Nature of provider	Increased	Stayed the same	Decreased
Overall	17%	79%	5%
Childminder	11%	83%	5%
Day nursery	41%	59%	0%
Out of school	26%	70%	4%

Table 2: Change in fees by nature of provider in last year

Where there was an increase, the top five reasons for this were identified by providers as:

	Top reasons	Percentage
1.	Day to day expenses (eg food, materials and equipment, petrol costs)	83%
2.	Covid-19 related costs (eg PPE supplies, cleaning supplies, meeting guidance)	78%
3.	Staff costs	35%
4.	Occupancy rates	20%
5.	Business rates and insurance	19%

Table 3: Reasons given for an increase in fees

Day nurseries and out of school providers were more likely to identify ‘staff costs’ as a driver for increasing their fees. Childminders who are more likely to be working on their own, without staff costs, reported the cost of food, materials and equipment as a key reason for an increase in their fees.

The main reasons given for providers increasing fees reflect the challenges that they are facing, due in part to Covid-19, and are a real concern for providers. The percentage of providers highlighting occupancy levels almost doubled from 11% in 2020 to 20% in 2021. Day to day costs for expenses such as food, materials and equipment also featured more prominently, reflecting rising costs for essentials across society.

“I increased my fees solely due to my expenses for cleaning materials and extra outdoor equipment. Also with having the windows constantly open I’ve to keep the heat on. Food, electricity and fuel rates are all rising costs.”

“We had to increase our fees due to loss of income as we have lost more than half our registered children.”

In understanding why the increase in fees has not been higher, and the greater proportion of providers who have sought to keep their fees the same or decrease them, it is important to note that during the course of the pandemic the Department of Education has provided financial support to the sector through the Covid-19 Childcare Support Scheme. Approximately £35 million has been allocated across various phases to assist in the re-opening, recovery and on-going sustainability of childcare providers. At the same time, UK wide support schemes – such as the Coronavirus Job Retention Scheme (furlough) and Self-Employment Income Support Scheme – provided financial assistance at a critical time.

Some providers also reported that they have either maintained their fees or, in some cases decreased them, appreciating the challenges that parents were also experiencing.

“We have tried to keep increases to a minimum as support funding considerably helped us with additional Covid-19 related costs.”

“Felt people were having it rough and if we decreased our prices it might help them a bit.”

“I have kept them the same because I’m worried about losing children and some parents have lost jobs because of Covid and had to take other jobs with less money.”

Variation in approach to charging during periods of self-isolation or closure

Childcare providers also reflected on how Covid-19 resulted in their having to change their approach to charging.

Typically, before the pandemic, parents could expect to be charged if their child could not attend childcare due to sickness. However, several providers reported that they chose not to charge a fee if a child had to self-isolate due to having Covid-19, or being in close contact with someone who tested positive. Others continued to charge the full fee, reflecting that they were open and continuing to provide a service.

Where a provider had to close due to a case of Covid-19, again many providers reported that they did not charge families during this time. Others required parents to pay a partial fee, for example half, during a period of closure.

Looking ahead

The financial support schemes implemented by the UK Government and through the Department of Education in Northern Ireland have come to an end. In the context of ongoing challenges for the sector it is unsurprising that 34% of providers anticipate that the fees they charge for their services will increase in the next 12 months, rising to 68% of day nurseries.

Nature of provider	Fees will increase	Fees will stay the same	Fees will decrease
Overall	34%	65%	1%
Childminder	31%	68%	1%
Day nursery	68%	32%	0%
Out of school	38%	62%	0%

Table 4: Anticipated change in fees in the next 12 months



Providers also reflected that additional charges may start to be introduced, if they are not already in place, for things like snacks and trips for children.

Projecting an increase in fees is likely to be of concern both for parents – many of whom are already struggling to afford the childcare they need – and for providers, who may find it more difficult to maintain occupancy levels.

1.4 Impact of Covid-19 on services provided

Childcare providers also reported that Covid-19 has impacted more broadly on the services that they are able to provide, including:

- 23% are now open for fewer hours, compared to 10% who are open for more hours
- More frequent and intensive cleaning of settings, and use of hand sanitiser and PPE
- Changes to pick up and drop off procedures meaning parents cannot come into the setting
- More communication with parents electronically or by telephone
- Reducing the number of toys available, removing those that are less easily cleaned
- Integrating more outdoor play
- Cutting back, or stopping, outings for children.

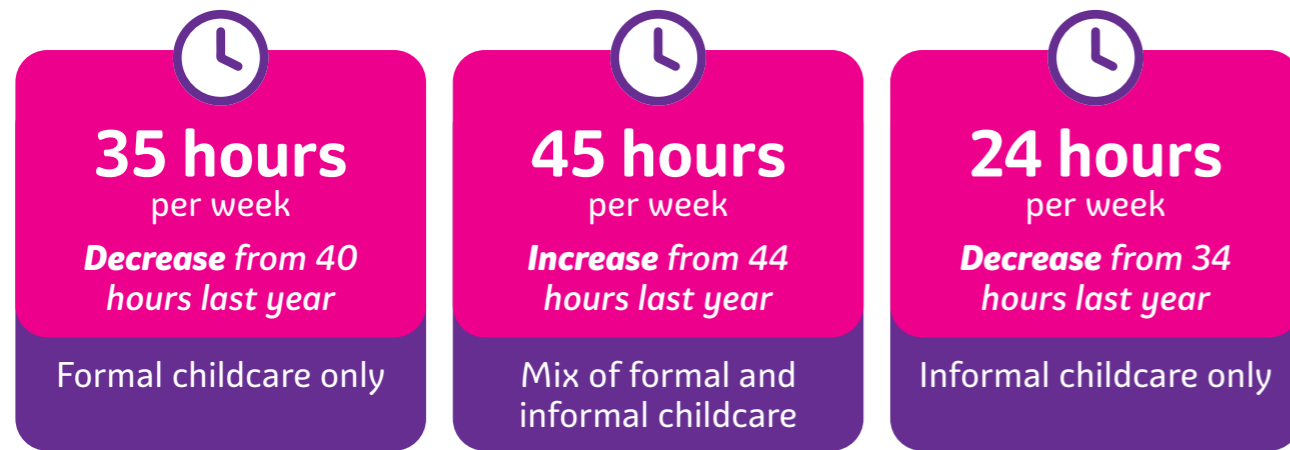
2. How are families using childcare?

2.1 Hours of childcare used

In 2021, families reported using an average of 39 hours of childcare each week, a decrease from the 2020 average of 42 hours.

Lone parent households report using fewer hours of childcare on average – 32 hours per week. One reason for this could be that lone parents are more likely to be working reduced or part-time hours in order to reduce the proportion of household income that is spent on childcare.

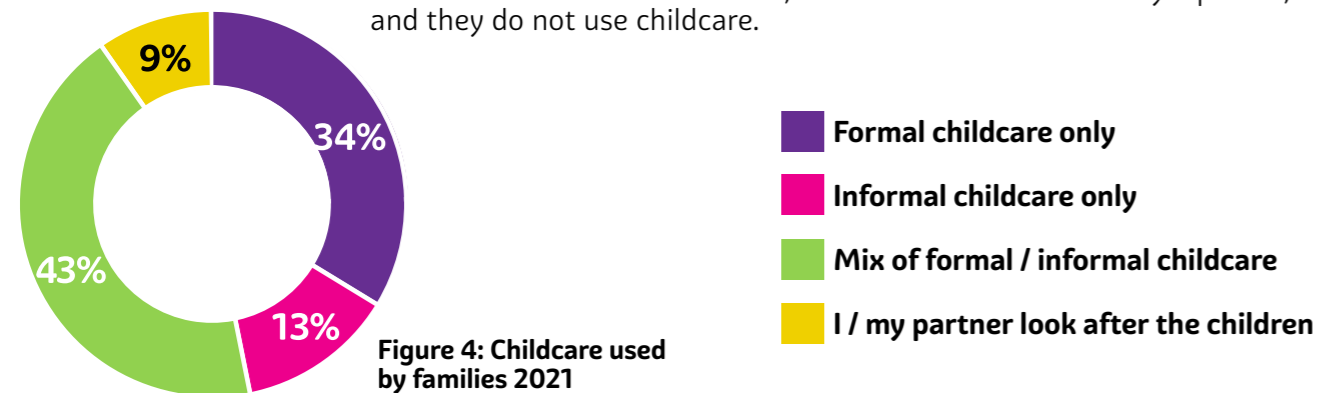
Families use an average of 39 hours per week



2.2 Type of childcare used

This year has seen a decrease in the percentage of families who are using a mix of formal and informal childcare in an average week, from 57% in 2020 to 43% in 2021. This may reflect that, due to Covid-19, families have had to limit their number of household interactions and are choosing – or able – to use one type of childcare only.

As a result, a higher proportion of families are using formal childcare only this year, 34% compared to 27% last year. Similarly, the proportion of families using informal childcare only has increased from 9% to 13%. In 9% of households, the children are cared for by a parent, and they do not use childcare.



Where a family has a child with a disability, they are more likely to report that they do not use childcare, and that the children are cared for by a parent – this applies to 15% of families who have a child with a disability. From our work with families we know that parents in this situation can find it more difficult to access the childcare they need to go to work. This figure has increased from 4% in 2020, which may also indicate a concern amongst families whose children were more vulnerable to Covid-19.

Similarly, lone parents are more likely to report that they are accessing informal childcare only (16%) or are looking after their children themselves and not using any form of childcare (12%).

For the first time, we have analysed families' use of childcare according to their household income. Families with a higher household income were more likely to be using formal childcare only, or to be using a mix of formal and informal childcare. Families with the lowest household income were much more likely to be using no childcare, with a parent instead looking after the children. More than a quarter (26%) of families with a household income of £15,000 or less do not use childcare, compared to 4% of families with a household income of £50,000 or more. There is a correlation between hours of work and household income. Enabling parents on lower incomes to access the childcare they need in order to work is likely to contribute to an increase in household income.

Use of childcare	Household income				
	£0 - £15k	£15k - £30k	£30k - £40k	£40k - £50k	£50k+
Formal childcare only	27%	29%	27%	34%	38%
Informal childcare only	19%	16%	20%	14%	10%
Mix of formal / informal childcare	29%	38%	43%	42%	48%
No childcare, I or my partner look after the children	26%	17%	9%	10%	4%

Table 5: Childcare used by families depending on household income 2021

2.3 Specific forms of provision used by families

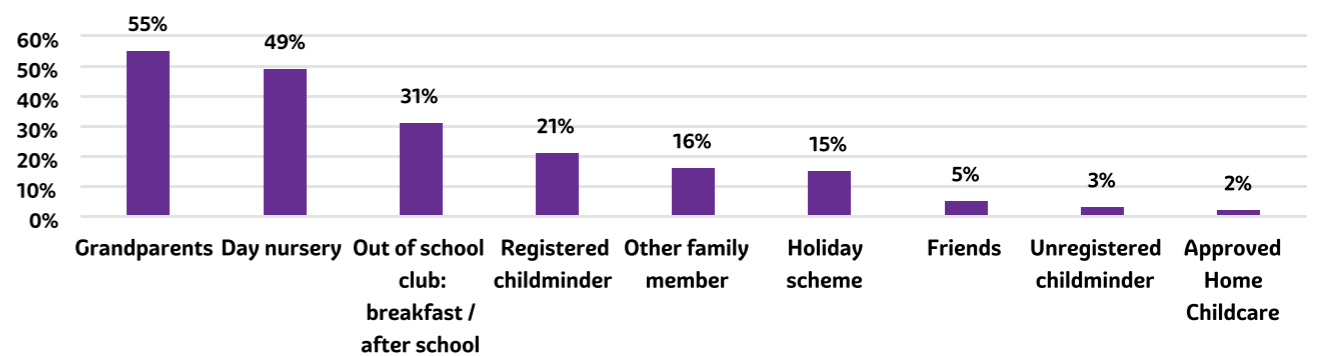


Figure 5: Breakdown of childcare usage

55% of families use grandparents to provide some or all of their childcare. This has decreased from 64% in 2020. While still the most popular form of childcare, this is related to the impact of Covid-19. While household bubbles for informal childcare purposes were permitted from the summer of 2020, many families remained cautious about using older, potentially vulnerable, family members.

There has also been a decrease in the use of out of school clubs. In 2020, 39% of families used an out of school club. This has fallen to 31% of families in 2021, and could reflect that where parents are working from home it is easier to accommodate older children who are at school for part of the day, without requiring breakfast or afterschool care. At the same time, this remains an important source of childcare for almost a third of families.

2.4 What influences a family's choice of childcare?

When we asked parents what influences their choice of childcare, the most commonly identified reason remains a need to manage the cost of childcare. This is followed by the need to accommodate work, and then benefits for children. Anecdotally, parents also referred to the impact the pandemic has had in influencing their choice of childcare arrangements, for example, where they have sought to reduce the number of contacts they or their children interact with to reduce the risk of Covid-19.

The key influences vary according to type of childcare that parents have chosen. Many parents attribute their decision to combine formal and informal childcare, or to use informal childcare exclusively, to a need to reduce their overall childcare bill. In particular, where families reported using informal childcare only, 77% said that this was to manage the cost of childcare.

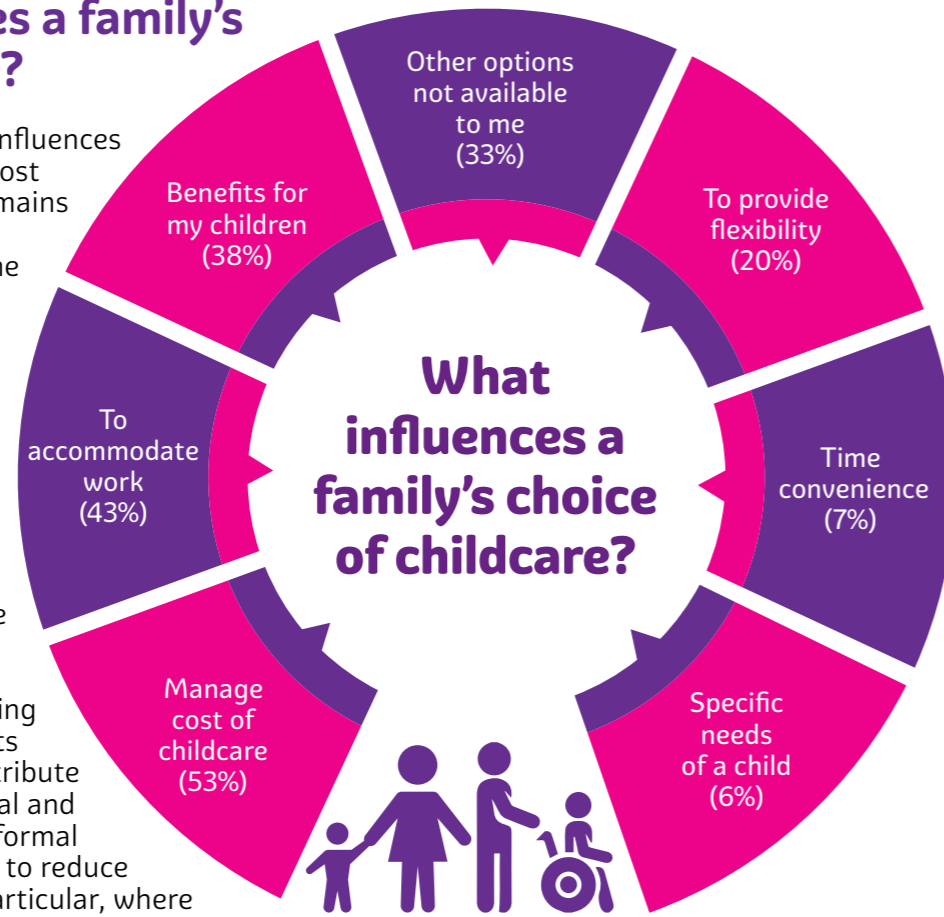


Figure 6: What influences a family's choice of childcare 2021

"Childcare costs are incredibly expensive for babies and pre-school children. We used to pay £400 a week, £20,000 per year for 2 pre-school age children. We decided to move to be closer to family support but those grandparents are getting older and are concerned about Covid. Family support should not be something parents have to rely on as it puts those family members health at risk."

For families who use formal childcare only, the most common factor – for 56% – was not having any other options available to them, which may suggest some families are not using their preferred choice of childcare, with the second most common factor being to accommodate work (52%). For some families, the specific needs of a child have a significant influence on the form of childcare they use, including for 40% of families who have a child with a disability. More than a third of parents who have a child with a disability said they had chosen their childcare arrangements because no other options are available to them (39%). These parents also reported difficulties in accessing suitable childcare both in terms of finding the best support for them and in affording it.

"We have never used formal childcare, despite this being my preferred choice as I feel that the social and educational benefits for children are fantastic. We simply could not afford it, and rely on informal childcare from family. While this does not cost us financially, the burden of guilt and worry about passing on COVID to older and immunocompromised family members is significant."

3. What are families spending on childcare?

3.1 Household spend on childcare

How much families report spending on their childcare largely depends on the nature of the family – such as the number and ages of children – and the type of childcare they use. Overall, on average families are spending £140 per week on childcare, an increase of £5 from 2020.

Families who use a mixture of formal and informal childcare spend an average of £139 per week. Comparatively, families who use formal childcare only report spending, on average, £178 per week compared to those using informal childcare who report spending an average of £37 per week.

Overall, families spend on average £140 per week on childcare



These average figures capture a wide range of family circumstances and some will be using and paying more than the 'average' and others less. Some families who responded to the survey reported that they were not currently spending anything on childcare, while others were spending over £600 a week.

In 2021, the average spend for a family who has a child with a disability was £126 per week, lower than the overall average, reflecting that, as a proportion, families who have a child with a disability are more likely to be caring for children themselves, and less likely to be using formal childcare.

The average spend by lone parent households, at £116 per week, is less than the average spend in two parent households (£144 per week), similarly reflecting the finding that lone parent households report using fewer hours of childcare on average.

Families where all children are under the age of five report the highest average spend per week, at £146, and also the highest average spend on formal childcare only, at £184 per week.

These are important findings in the context of the development of a new Childcare Strategy when considering the targeting of funding and financial support.

3.2 Accessing support for childcare costs

For some parents, the ability to access the childcare they need depends on their ability to access financial support. 69% of parents who are using childcare report being able to access some form of support with their childcare costs. This means almost a third of families using childcare are claiming no financial support toward the cost. This is in part due to a proportion of families using informal childcare only, but still reflects the importance of a widespread information campaign to encourage all parents in Northern Ireland to find out what support they are entitled to. Parents may rule themselves out, assuming that they won't be entitled to anything. However, a majority of parents who are working will be eligible for some support with the cost of registered childcare.²

Almost a third of families are not claiming financial support towards cost of childcare

From 2020, there has been an increase in the proportion of households who report using Tax-Free Childcare, from 15% up to 23%.

There are several different options available to help with childcare costs and each option has its own different eligibility criteria which can make it difficult for parents to compare options and identify the most appropriate form of financial support for their family. While the support that is available is welcomed by many parents, the system is so complicated that some parents may miss out on support they are entitled to.

21% of parents have little or no confidence they are accessing all the financial support they are entitled to

More than one in five parents (21%) reported they have little or no confidence they are accessing all the support that they are entitled to with the cost of childcare.

Greater awareness of financial support that is available to parents for their childcare costs can enable them to make informed decisions about childcare that best suits the needs of their family. In turn, this will support parents to work, improve the financial circumstances of their family, and benefit the economy overall.

3.3 How does the childcare bill compare to overall household income?

For many families, the childcare bill is a regular monthly payment and can be a significant proportion of their household income.

According to the Department for Communities Poverty Bulletin, the median weekly household income in Northern Ireland in 2019/2020 was £506 per week.³ This year, the average cost of a full-time childcare place equates to 34% of the median household income. This is amongst the highest in the OECD countries. Looking at data from a range of OECD countries, net childcare costs represent an average of 10% of household income for a couple on the average wage, rising to 21% in Ireland and 28% in the UK. Comparatively, the figure is 16% in Finland, 6% in Norway and 4% in Sweden.⁴

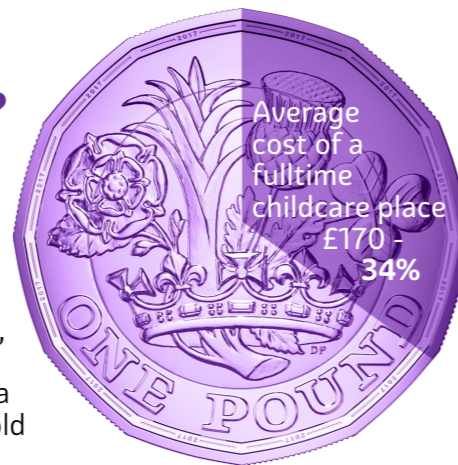


Figure 7: Average cost of a full time childcare place as a proportion of median household income per week

² Employers For Childcare's Family Benefits Advice Service provides free, confidential and independent advice for families, identifying what financial support they are entitled to. This service is available Monday to Friday 9am to 5pm by calling 0800 028 3008 or emailing hello@employersforchildcare.org
³ <https://www.communities-ni.gov.uk/system/files/publications/communities/ni-poverty-bulletin-201920.pdf>
⁴ OECD (2020), Net childcare costs (indicator). <https://data.oecd.org/benwage/net-childcare-costs.htm>

Similar to previous years, almost half of families (45%) report spending more than 20% of their overall household income on childcare. This rises to 54% of lone parent households, who are therefore paying a greater proportion of their income for childcare.

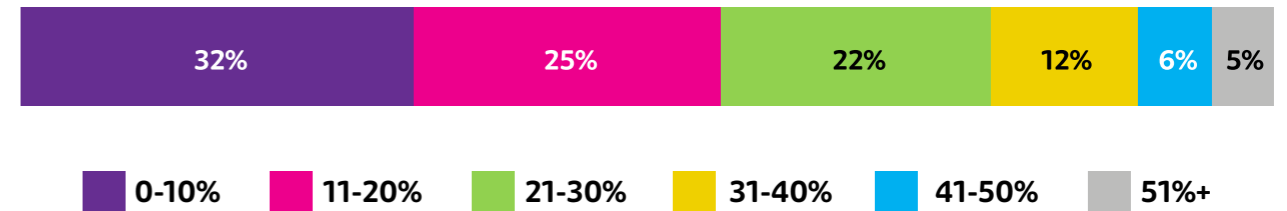


Figure 8: Percentage of overall household income parents report spending on childcare in an average month

3.4 How does the childcare bill compare to other household bills?

To understand how the childcare bill compares to other household bills, we asked parents to rank their household bills in order of highest to lowest. Just over half of respondents (52%) said their mortgage or rent payments were their largest monthly outgoing. However, for the fifth year in a row, one third of respondents reported childcare as their largest monthly outgoing, exceeding their mortgage or rent payment. For 57% of parents, their childcare bill is their largest or second largest monthly outgoing.

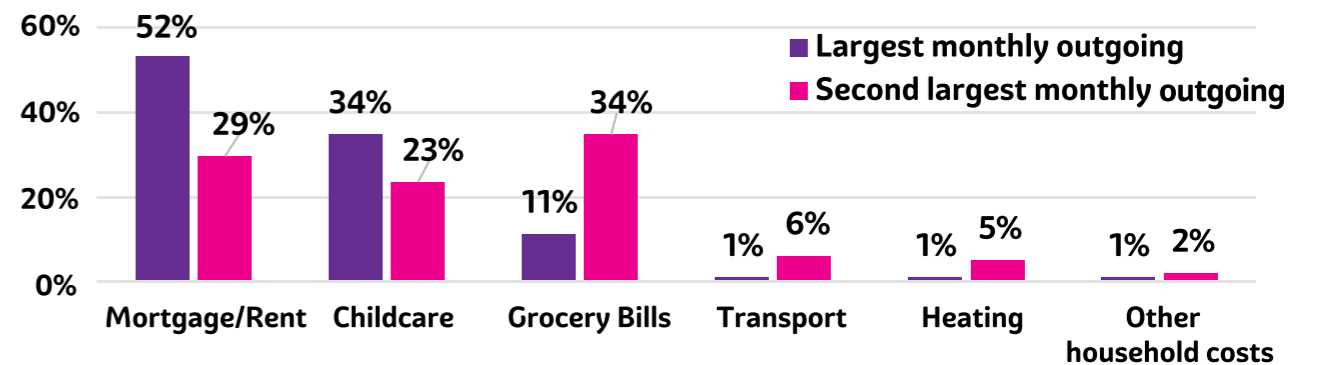


Figure 9: Parents' largest and second largest monthly outgoings

Compared to previous years, there has been an increase in the proportion of families for whom the grocery bill is the largest or second largest monthly outgoing, reflecting the rising cost of living. This is something that will likely continue to impact on families. Many parents voiced their frustration that their childcare bill exceeds their mortgage or rent payment, and some families may experience this for several years, particularly in the early years before they start school.

3.5 Using means other than income to pay the childcare bill

41% of parents reported using means other than their income to pay for childcare, rising to 55% of lone parent households.

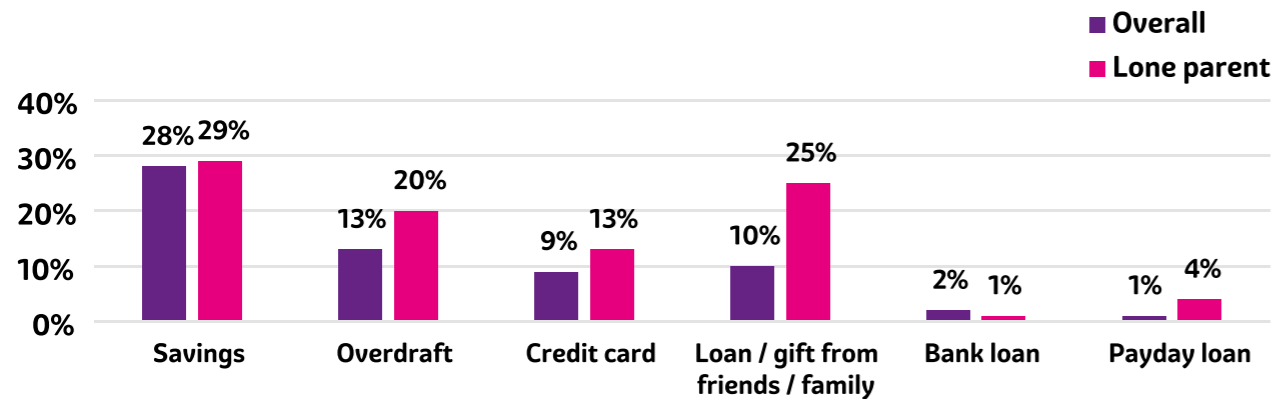



Figure 10: Means used other than income to pay the childcare bill



Louise is a lone parent, with 3 children, working full time

£ Spends £255 per week on childcare

up to 50% of monthly income on childcare

"Universal Credit is so bad I've got myself into so much debt because I had to take out payday loans to pay childcare up front. Financially I feel like I work for nothing, and I struggle at the end of every month to make ends meet. My mental health has declined. This is due to working, childcare and trying to ensure my childcare have the best life possible."

"A quarter of our monthly salary goes out for childcare to enable us to work. That means we can put aside very little for if anyone was off sick for a period of time, savings or pensions."

Looking at lone parent households, they are more likely to turn to family and friends for a loan and to use an overdraft or credit card in order to pay their childcare bill. They are also more likely to have taken out a payday loan to meet their costs.

This can store up further financial difficulties into the future, for example, some parents reported being unable to save or put money aside because of their monthly costs.

4. Are families able to access the childcare they need?

4.1 Provision of childcare across Northern Ireland

69% of parents feel there is insufficient provision of one or more types of childcare where they live. This is higher than the previous year's figure of 61%. The figure rises to 73% of lone parents and 87% of parents who have a child with a disability. This was also reflected in the comments from parents, with many references to a need for more accessible childcare and options for children with additional needs, particularly when the children are older.

Similar to previous years, parents living in counties Tyrone (75%), Derry/Londonderry (75%) and Fermanagh (74%) are more likely to report insufficient childcare provision in their area, although there has been a decrease in the percentage in County Fermanagh from a high of 90% last year.

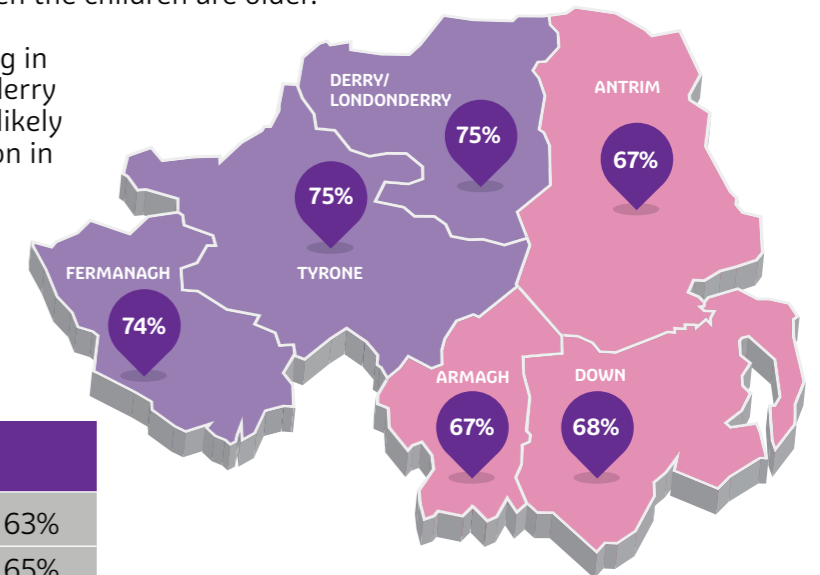


Figure 11: Percentage of parents who believe there is a lack of childcare provision in their area

We have also broken this down by Council area, highlighting that particularly in Mid Ulster and in Derry City and Strabane Council areas, parents are more likely to report that there is insufficient childcare provision.

Council area	Percentage
Mid and East Antrim	63%
Causeway Coast and Glens	65%
Lisburn and Castlereagh	66%
Belfast City Council	67%
Armagh City, Banbridge, Craigavon	68%
Fermanagh and Omagh	68%
Newry, Mourne and Down	69%
Antrim and Newtownabbey	70%
Ards and North Down	70%
Derry City and Strabane	78%
Mid Ulster	89%

Table 6: Percentage of parents who believe there is a lack of childcare provision in their area

Parents predominately identified issues with access to out of school care, particularly afterschool clubs, holiday schemes and breakfast clubs. These forms of wraparound childcare are vital for families and parents, particularly those with school age children.

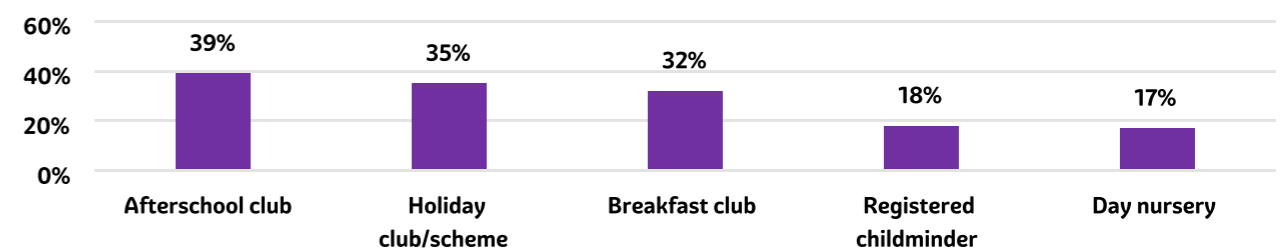


Figure 12: Specific types of childcare where parents report provision is insufficient

"I am having difficulty finding appropriate options for post-primary child with special needs, and summer scheme options are also very limited."

"Finding after school care in my area was almost impossible, extremely infuriated at the lack of options and beyond stressful."

While Covid has resulted in the closure, or reduced availability of some forms of childcare, there was also recognition that, for some families, the impact of the pandemic has been to make it easier to access the childcare that they needed.

For some parents, the difficulty in accessing the childcare they need is more pronounced at particular times, particularly for parents who work anti-social hours or shift patterns:

- 35% of parents find it difficult to access childcare during school holidays
- 28% of parents find it difficult to access childcare first thing in the morning
- 27% of parents find it difficult to access childcare in the evening.

"Holiday schemes don't cater for working parents eg most are 10 to 3."

"Need better schemes for parents who work unsocial hours, or who are shift workers."

"Afterschool is only until 5pm, doesn't allow for commute home. There's a lack of flexible day care nurseries that are open before 8 or remain open after 6pm."

"Living in a rural area, there isn't one creche / day care facility established in the area, and summer schemes are limited to a few hours. This does not cover the working day. Rural locations are disadvantaged with more limited options."

4.2 What challenges do families face in accessing formal childcare?

More than half of families (54%) report challenges in terms of accessing the formal childcare that they need, with key factors including the cost, flexibility and availability of registered childcare.

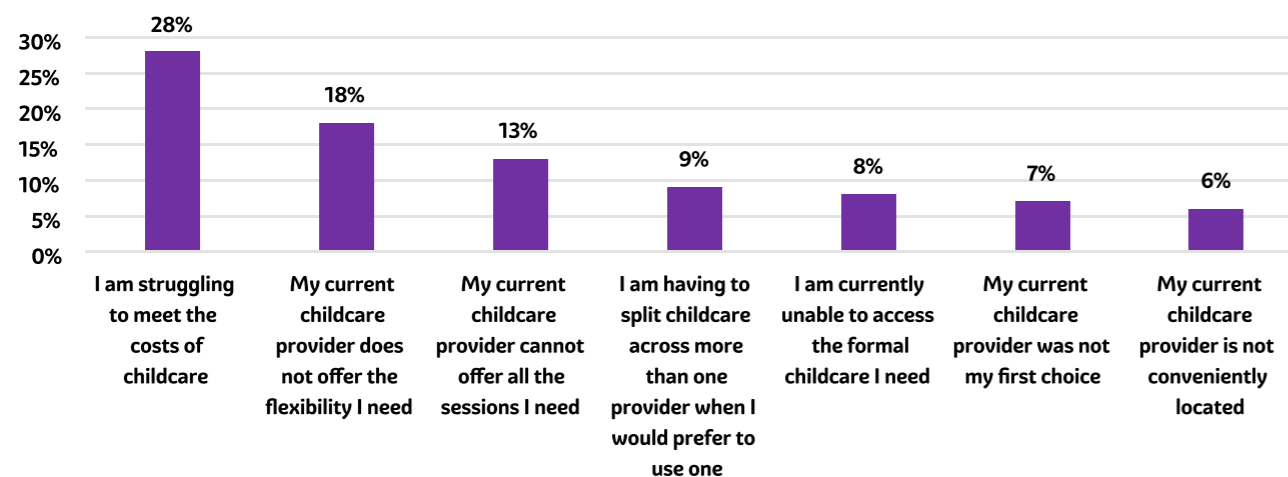


Figure 13: Challenges parents face in accessing formal childcare

5. Impact on work and career progression

5.1 Have difficulties in accessing or affording childcare impacted on a parent's ability to work?

Access to affordable childcare is essential for parents to take up or remain in work, training or education. Difficulties accessing or affording childcare therefore impact on a parent's ability to work.

Overall, this has affected 44% of the parents reflected in this year's research (including the respondent's partner, if applicable, in a two parent household). This rises to 58% of mothers, compared to 27% of fathers. This has impacted on those parents in a range of ways, with many having had to reduce their hours of work, others experiencing limited career prospects or progression, and some having had to stop working altogether.

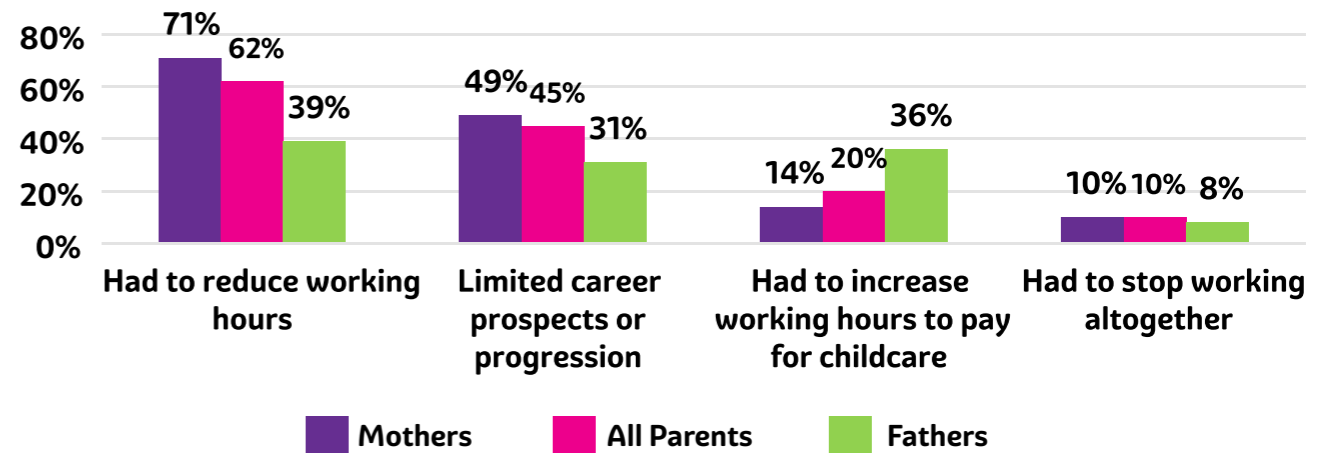


Figure 14: Impact on parents for whom difficulties in accessing or affording childcare has affected their ability to work

Across households, mothers were more likely to have had to reduce their working hours, or to experience limited career prospects or progression, while fathers are more likely to have had to increase their working hours in order to pay for childcare.

"When the cost is a substantial part of your salary you do question whether work is worthwhile. It feels like a constant juggling act and at times like there is every possible barrier in place to prevent mothers feeling like they can and should return to work."

"I am working for basically zero wage whilst my kids are in nursery. Very demoralising but if I take time out to look after them where does that leave me for my future career?"

"Due to childcare costs, my partner has had to take on extra work, meaning he is out of the home more and not getting the time he should with our daughter."

Samantha is a lone parent, with 2 children, working part time

Spends £150 per week on childcare

uses formal and informal childcare

"I had to reduce my working hours by half so I could afford childcare. Working full time isn't an option because childcare is too expensive. I've had to use food banks to cover us at times. I'm a professional and this shouldn't be the case."

The relationship between childcare and employment cannot be understated. Our research highlights that it is often mothers who feel penalised in the workplace, face barriers to access the labour market and are less able to progress as a result. We need a childcare system that can promote economic participation and support families to get into and stay in work.

Investment in childcare to support parents to work has wider economic benefits, not just for parents but for the economy as a whole. It was recently reported by the Centre for Progressive Policy that investment in childcare could increase the total annual income of working mothers in the UK by up to £10 billion, generating up to £28 billion in economic output per annum.⁵ The Women's Budget Group has estimated that investment in care – including in childcare – would produce 2.7 times as many jobs as an equivalent investment in construction, highlighting that this is an excellent way to stimulate employment.⁶ At a time when many employers, across a wide range of sectors, are struggling to recruit and retain staff, a key part of the solution is to ensure that parents are able to access and afford the childcare they need in order to work.

5.2 Times when it is more or less difficult to afford the childcare needed in order to work

For many parents, there are particular times as their children are growing up when it has been more difficult to afford the childcare they need in order to work. This included when they were returning to work from parental leave (69%) and when their child was aged 0-2 years (68%). As children age into and progress through the school system, parents tend to find it less difficult to afford the childcare they need in order to work.

	More difficult	Less difficult
Returning to work from parental leave	69%	3%
Child aged 0-2	68%	2%
Child aged 3-4	48%	9%
Child in primary school	25%	43%
Child in post primary school	18%	43%

Table 7: When has it been more or less difficult to afford childcare needed in order to work

⁵ <https://www.progressive-policy.net/publications/women-in-the-labour-market-2>
⁶ <https://wbg.org.uk/wp-content/uploads/2020/06/Care-led-recovery-final.pdf>

We know that parents may struggle to access the childcare they need for older children, and this research highlights that wraparound school age provision is an area where more parents report insufficient provision. However, it is also clear that the time when a parent is most likely to struggle to afford the childcare they need is when they are seeking to return to work from parental leave, and for the first two years of their child's life. This is when typically full time childcare will be required. If we are to support parents to enter into, or stay in the workforce, and help to give children the best start during their formative first 1,000 days, addressing this needs to be a priority for the Department of Education as they work on the development of a new Childcare Strategy for Northern Ireland.

5.3 How can employers support parents with childcare?

Over recent years there has been a greater recognition that employers have a key role to play in providing a flexible, family friendly working environment to support their staff, and facilitate recruitment and retention. There is a clear direction of travel, with the UK Government currently consulting on 'Making Flexible Working the Default' in England, Scotland and Wales.⁷ In Northern Ireland, the Department for the Economy recently consulted on a new Skills Strategy⁸ which included a commitment to introduce a business pledge to recognise and promote employers who actively engage with key principles, including in relation to employee well-being – a key part of which should be access to flexible working and support with childcare.

The Covid-19 pandemic has been an accelerant for this, with working from home becoming a 'new norm' for many. While not possible for all, and not without its challenges, many working parents have embraced the opportunity to secure a better work-life balance when not having to commute as often, and better able to manage childcare or school drop offs and pick ups.

Responding to this research, parents proactively shared a range of perspectives on the role of employers in supporting parents with childcare.

Financial support and practical availability of childcare

Some parents felt that employers could do a lot more to support their staff including through the provision of childcare facilities on site, or through offering financial assistance.

"For parents who have young children employers could have contracts with local day cares / childminders close to the place of work which provide employees with childcare at reduced rates that the employer could subsidise."

"Childcare support schemes (financial), crèche facilities for when small children are ill/short notice childcare issues; parental leave for emergency childcare/child sickness issues."

"Can offer on-site childcare where possible or incorporate paid or heavily subsidised childcare as part of the employment package."

"No companies here provide childcare. This is very common in the likes of Canada and America. Employees would be so much more productive & committed to personal development if employers supported families by providing subsidised childcare on site."

⁷ <https://www.gov.uk/government/consultations/making-flexible-working-the-default>
⁸ <https://www.economy-ni.gov.uk/consultations/skills-strategy-northern-ireland-skills-10x-economy>

Flexible and family friendly working

Many parents called for more flexibility from employers in terms of where and how they work, arguing that this would enable them to better balance their work alongside family responsibilities. They highlighted how the Covid-19 pandemic has demonstrated that many employers can do things differently, and be more accommodating of flexible or home working. Parents referred specifically to:

- Having opportunities to work from home or adopt a 'hybrid' approach
- Being able to work more flexible hours, for example, to accommodate childcare/school pick up and drop off times or school holidays, compressing hours, giving shift workers more predictable or consistent working patterns
- A supportive culture that recognises individuals, not just parents, may have caring responsibilities outside of work both ongoing and in emergency or one-off situations
- Facilitating advice and guidance for staff.

Several parents referred to developments and working cultures elsewhere in the world, including initiatives such as the trial of a four day working week.

“Clearer guidance on support, more support on managing pay during maternity leave, clearer guidance on shared paternity leave, greater flexibility in working hours to support childcare arrangements.”

“Flexibility and understanding - happy parents are better employees.”

“Be more flexible and understanding of young families and the daily struggles of balancing work and home and being a parent. Keep up conversations with parents about childcare and difficulties they may be having.”

Responsibility on Government rather than the employer

On the other hand, some parents felt that the responsibility to ensure a childcare infrastructure that supports parents to work lies with the Government, rather than with individual employers. They called for childcare subsidies, better financial support from the Government and also referred to the importance of statutory frameworks and policy development, for example improvements to how Shared Parental Leave is implemented.

“I’m honestly not sure what employers can do. I think it is the overall cost of childcare that needs to be looked at, making it free for working parents. I can’t afford to have any more children solely due to the cost of childcare. It’s preventing me from having the family I want. It’s not what employers can do but more what can the Government do.”

“They could introduce flexible working arrangements to allow people to juggle work and childcare with no financial impact however I believe the government need to do more to make childcare affordable and accessible for all.”

6. Impact of Covid-19 on work and childcare

More than 18 months on from the start of the pandemic, Covid-19 continues to impact on the working and childcare arrangements of families. This research explores those changes in more detail, seeking to better understand what changes are likely to carry on into the longer term, as well as areas where we can expect a return to 'pre-Covid' patterns.

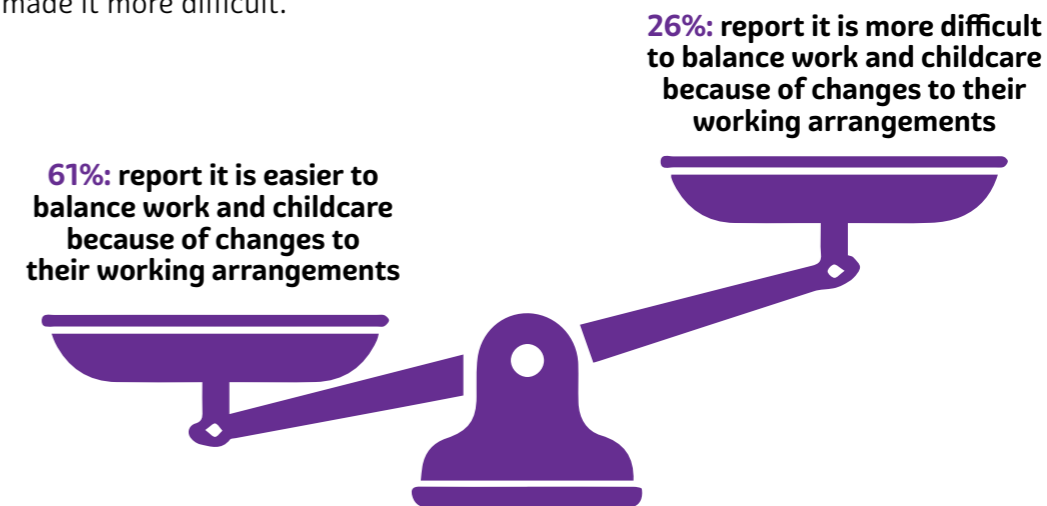
6.1 Impact of Covid-19 on working arrangements

Overall, more than two thirds - 68% - of respondents report that Covid-19 is continuing to impact on their working arrangements.

- 27% are working exclusively from home
- 33% are blending working from home and at a place of work
- 19% are working more flexibly than they did prior to Covid-19.

Where there has been a change in their working arrangements, 70% of parents expect that this change will continue longer-term. Thinking about any changes to their working arrangements, 61% of parents reported that these made it easier to balance their work and childcare, compared to 26% who found that the changes made it more difficult.

70% of parents expect changes to their working arrangements to continue in the longer-term



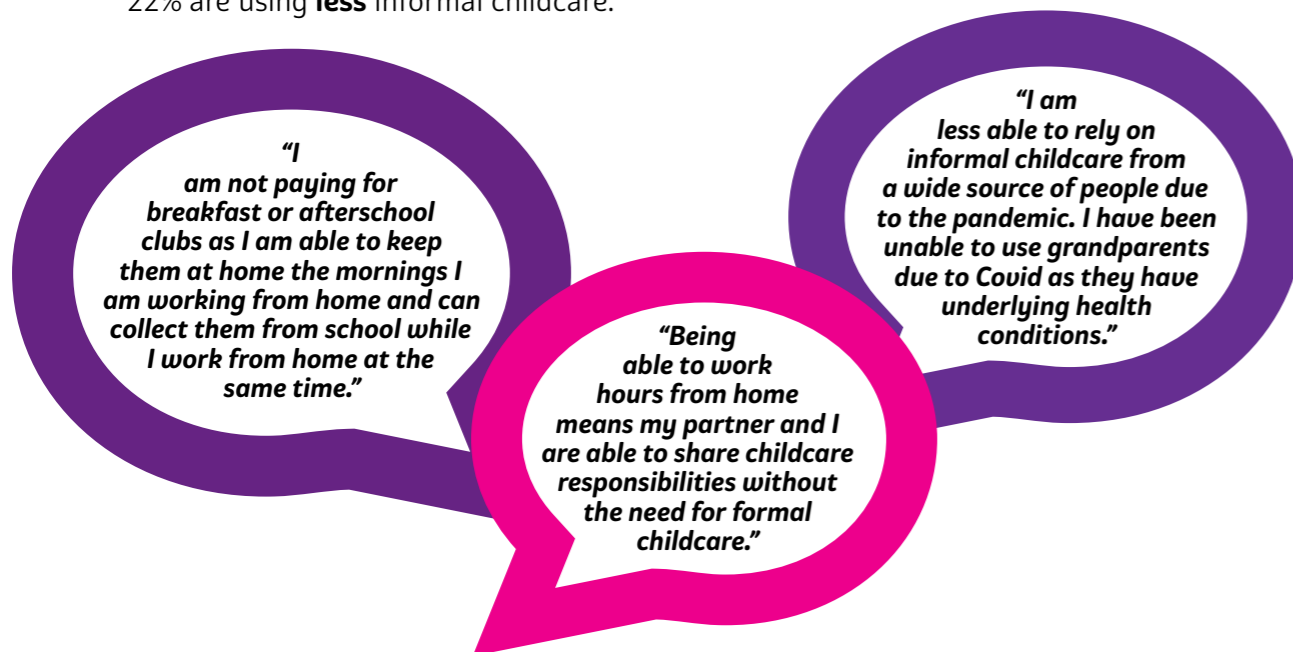
So while for many parents this has been a positive experience, that they have embraced, others report having struggled to balance competing demands or to carve out the space needed to work without interruption, or to switch off at the end of the working day. And for others, working from home was simply never an option.

6.2 Impact of Covid-19 on childcare arrangements

Just over half of parents, 51%, report that their childcare arrangements now have changed compared to what they were prior to the pandemic.

Where there has been a change:

- 27% are using **more** formal childcare (eg day nursery, registered childminder or out of school provider), compared to 34% who are now using **less** formal childcare. This means that more families are reporting using less formal childcare, a finding also reflected in the decrease in the hours of use compared to last year's report. However, it is important to note that a proportion of families are now using more childcare and this situation will evolve both as we progress further out of the pandemic, and as household circumstances change.
- 22% are using **more** informal childcare (eg grandparents or another family member), while 22% are using **less** informal childcare.



When asked to explain why their childcare arrangements have changed, the most commonly stated reason was that a parent is now working more from home, following by informal childcare providers (such as grandparents) being potentially vulnerable to Covid-19.

Working more from home	51%
Informal childcare (eg grandparents) vulnerable to Covid-19	26%
Changing needs of child eg aging out of childcare or moving into school	25%
Working more flexibly	24%
Pattern of work has changed	23%
To reduce what we are paying for childcare	23%
Concern about risk of Covid-19 transmission	23%
Usual form of childcare no longer available	18%

Table 8: Reasons for a change in childcare arrangements

This has also impacted on what some parents are paying for their childcare.



Looking ahead, there is a sense from parents that some changes are likely to remain longer-term, beyond the impact of the Covid-19 pandemic. 57% think that changes in their childcare arrangements are likely to continue longer term. Almost a third, 29%, are uncertain while 14% expect that any changes in their arrangements will stop, and that they will revert to the childcare arrangements they used pre-Covid-19.

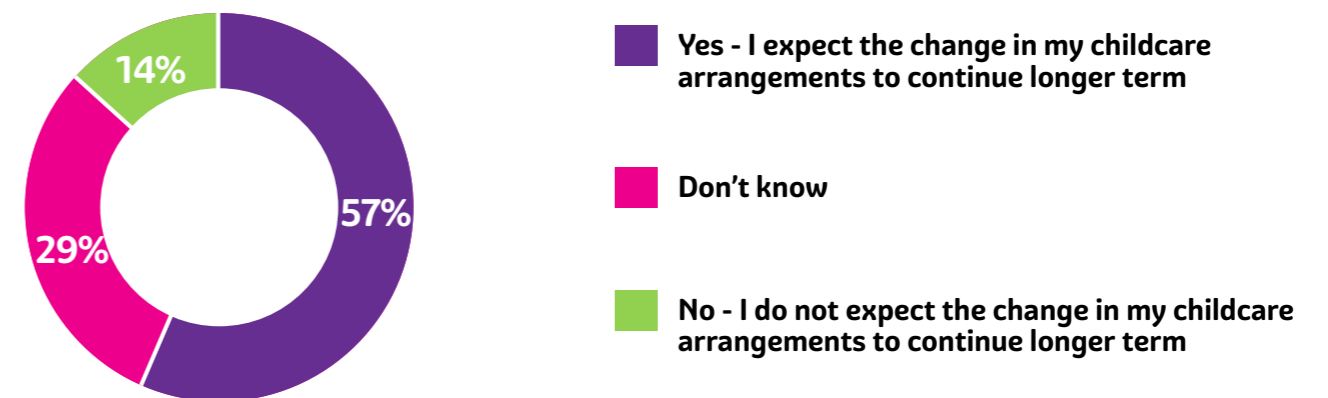


Figure 15: Percentage of parents who expect changes in childcare arrangements to continue longer term

7. Overall parental attitudes towards childcare

7.1 Experience of accessing childcare

Overall, parents report high levels of satisfaction with the quality of childcare provision in Northern Ireland, with 84% rating it as very good or good. Parents are least satisfied with the affordability of childcare, with 52% rating this as poor or very poor.

	Very good	Good	Neither good nor poor	Poor	Very poor
Quality of provision	48%	84%	10%	4%	6%
Affordability	7%	27%	22%	30%	52%
Accessibility for children with additional needs	18%	39%	26%	19%	36%
Flexibility	14%	47%	22%	21%	31%
Suitability of opening / closing times	21%	61%	17%	15%	21%
Availability of information on childcare options	11%	38%	26%	23%	36%

Table 9: Parents' experiences of aspects of childcare provision

Parents shared positive experiences of good facilities, and of caring, nurturing, child-centred staff who work within the sector. Many also referred to their reassurance that the sector is well-regulated with regular inspections in line with Minimum Standards.

"Good quality of childcare where you feel your children are receiving the best care for their development. All formal childcare is registered and inspected by social services and insured, this gives parents peace of mind."

"My childminder is excellent, loves the kids like they are her own and really does provide the home from home environment. Childminders are wonderful, nurturing folks!"

"Excellent facilities with genuinely brilliant staff who care about the developmental needs of the children. Those I have used are staffed by excellent people who are enthused, excited and wanting to help develop my child. I have recommended them for high quality and calibre of staff, facilities in the buildings, outside space, continual learning for the children and educating staff to the next level too."

However, parents also raised negative issues in terms of their experience, particularly with the affordability of childcare. While several referred to how they benefit from financial support, such as through Childcare Vouchers or Tax-Free Childcare, they can still struggle to balance the cost of childcare overall – together with their other outgoings – and their income.

"As a parent I am leaving the most important people in my life, my children, in their care and I am prepared to pay for really good childcare, but I really struggle because it is not very affordable. I think childcare should be subsidised."

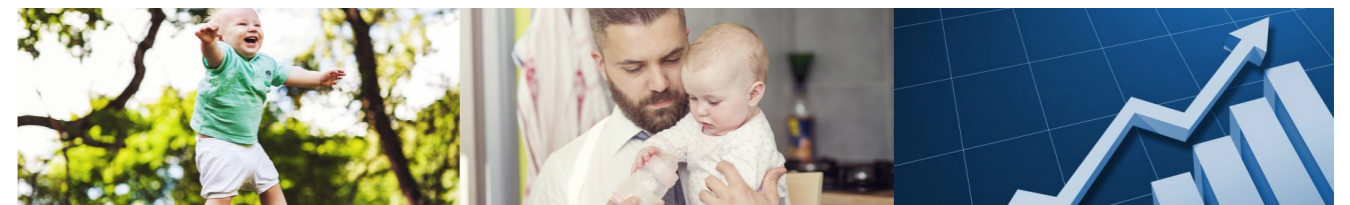
"Our provider is incredible and is so committed to the children. However childcare is so expensive and in families without informal options, it makes dreams of having a larger family quite inaccessible."

"Not enough people qualified to look after children with additional needs meant I had to leave work in 2019 to look after my son. When he was in childcare he moved a lot due to a) his needs b) unqualified staff. They tried but they need more resources and financial support from government."

Families who have a child with a disability raised specific issues that they have experienced in seeking to access the childcare that they need.

7.2 Attitudes towards childcare

Parents reported a very strong appreciation of the critical role of childcare for children, parents and for the economy and society as a whole.



Good for children

98% of parents say quality childcare has a positive impact on the learning, social and emotional development of children

"A chance for children to develop social skills, helps prepare them well for school, eating together and sitting on mat for stories as a group activity, improves literacy, numeracy skills etc. Children are stimulated with lots of learning through play and outside time."

Good for parents

98% of parents say accessible and affordable childcare is key to enabling parents to work

"Before having the option to put my children into nursery my mental health was impacted significantly and returning to work has been crucial in finding myself again and becoming a better parent and raising my children in a healthy environment. Happy mummy happy kids."

Good for economy and society

94% of parents agree childcare is essential to the economic and societal recovery from Covid-19

"Looking at other European models of childcare would definitely be beneficial. Quality, affordable childcare is a keystone of a motivated workforce and buoyant economy and if one is not provided then the recovery from the pandemic and future growth may well be stunted."

Parents referred to their conviction that high quality childcare benefits children, helping to close educational gaps before school, as well as families as a whole. Flexible, affordable childcare is recognised as a key to support parents to get into, stay in and progress in work, helping to address poverty levels and provide more financial stability for families. This aligns strongly with our call for childcare to be recognised as a key economic, social and educational infrastructure.

However, parents report that they can struggle to realise these benefits where the cost is unaffordable, or where they cannot access the flexible hours of provision that they need. In these cases, what should be a key instead becomes a barrier.

73% believe that current financial support for parents with the cost of childcare is insufficient

7.3 Recommendations looking ahead

Several key themes and recommendations emerge from the research with parents to inform the development of a new Childcare Strategy for Northern Ireland.

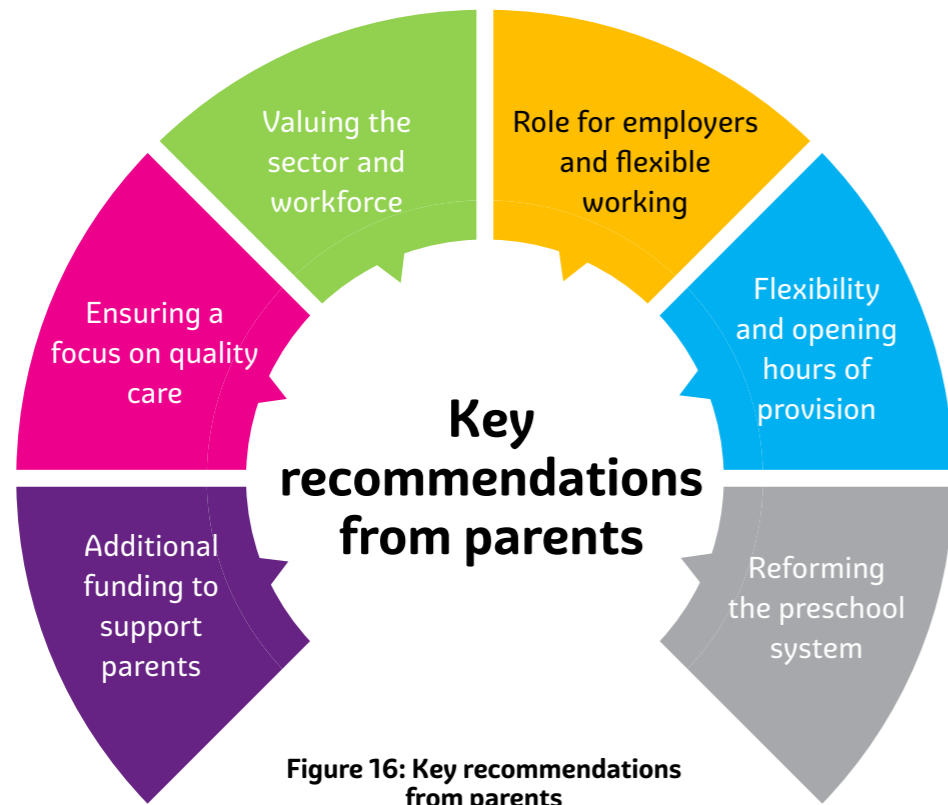


Figure 16: Key recommendations from parents

Additional funding to support parents

The majority of recommendations made by parents related to ensuring childcare is affordable to access. Suggestions ranged from universal, free childcare for all, through increasing financial support paid directly to parents, to subsidising childcare providers to offer places with a 'cap' on costs.

Many referred specifically to support for working parents, with a perception that the cost of childcare can mean that, for some, it is not worthwhile to work. There is also a misconception that parents who are not working are entitled to more support with their registered childcare costs, whereas support through the main schemes – Childcare Vouchers, Tax-Free Childcare, Universal Credit and Tax Credits – are in fact linked to parents being in work.

Parents clearly look to developments elsewhere in the UK, Ireland and further afield, and are frustrated at being unable to access similar support. For example, there are a lot of references to the 30 hours 'free' childcare scheme elsewhere in the UK.

Some parents made specific recommendations to provide additional financial support to families in circumstances when they are likely to have higher costs, for example, when the children are younger and require full time childcare, or when families have a multiple birth.



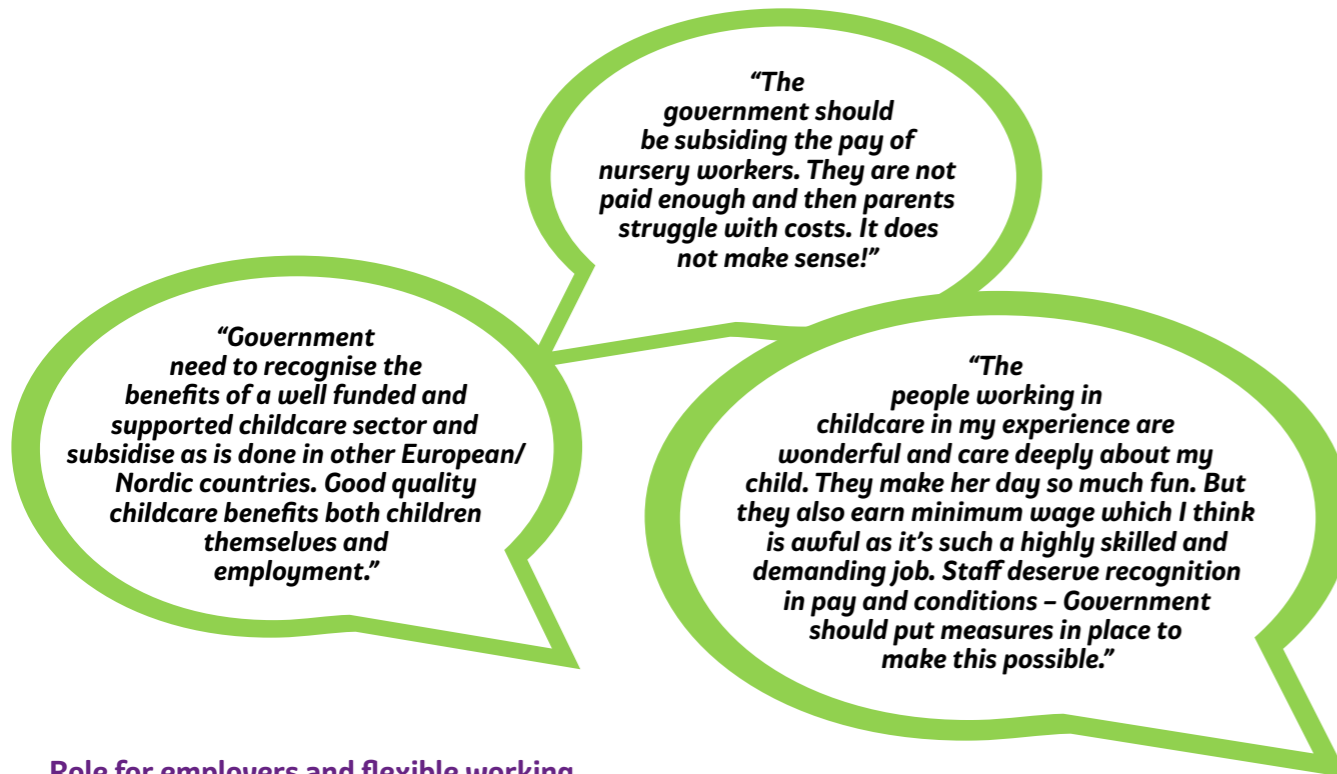
Ensuring a focus on quality care

While affordability, and the cost of childcare, was a key focus for parents, many also referred to the importance of quality and were keen that this should not be 'sacrificed'. There was recognition that quality childcare is costly to deliver, and parents made the connection to Government investment in the sector enabling childcare providers to deliver quality childcare without making it less affordable for families. This was also linked to reducing the likelihood that parents will instead consider using unregistered childcare providers, where quality and safety may be compromised.



Valuing the sector and workforce

Linked to the focus on quality care, many parents expressed their view that the childcare sector, and those who work within it, are not sufficiently recognised and valued for the vital role they play. There was a strong call for Government investment and funding to enable workers in the sector to receive a higher salary, and for the sector to re-invest in quality facilities and provision.



Role for employers and flexible working

As well as a role for the Government in investing in the childcare infrastructure, parents also pointed to a role for employers both in providing assistance with childcare and in offering a flexible working environment that is responsive to the needs of working parents, for example, enabling parents to work in such a way that facilitates childcare drop off and pick up times.



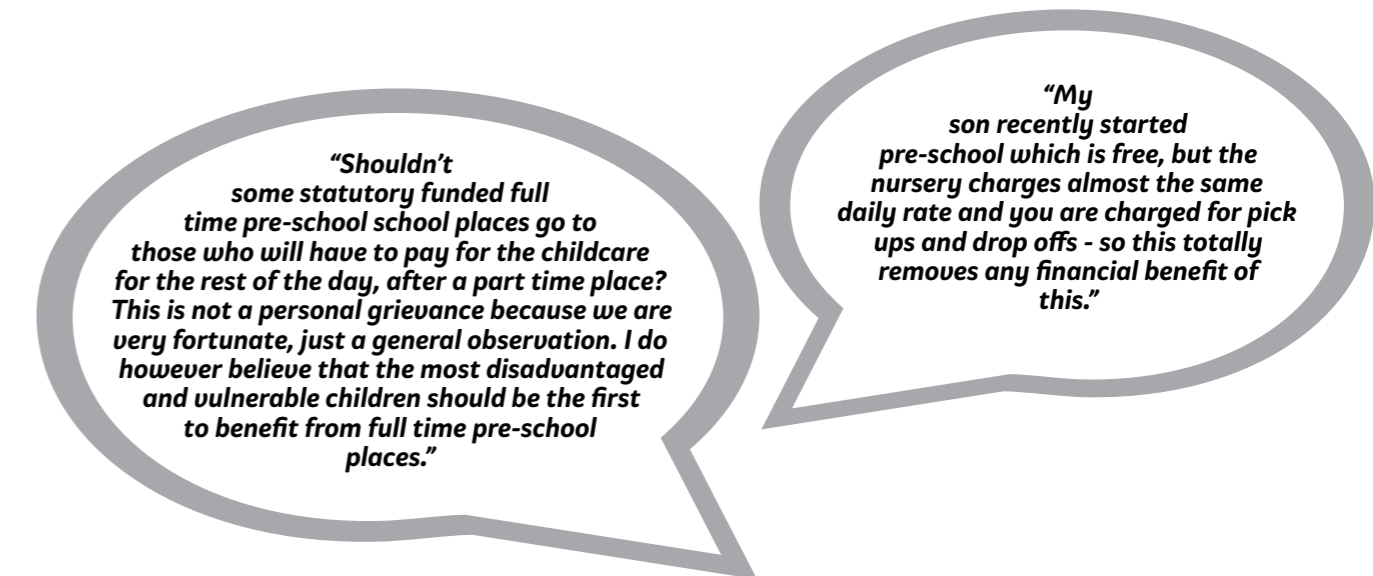
Flexibility and opening hours of provision

Flexibility was a theme raised by parents not just for employers, but also for childcare providers. They urged providers to offer more flexible arrangements that could assist both with the affordability of childcare and in accommodating working patterns, including through earlier opening and later closing times. Specifically, parents who are shift workers also referred to the challenge of organising childcare when they may work different hours or shift patterns week to week.



Reforming the pre-school system

Parents of pre-school age children highlighted that accessing a 'free' pre-school place for their child does not necessarily reduce their overall childcare bill, and can in fact add to their costs. There was a call for the provision of pre-school education to be reviewed, with longer hours available for all families, and support for wraparound childcare. Following a recent consultation on the statutory criteria for pre-school education admissions, which also sought views on pre-school session times, this is currently being analysed to inform policy development and a further substantive consultation.⁹



⁹ <https://consultations.nidirect.gov.uk/de-early-years-group/pre-school-education-review-of-the-statutory-admis/>

8. Experiences of childcare providers

8.1 Changes to income and expenditure

In the last 12 months, 84% of providers reported an increase in their overall expenditure, up from 71% last year, compared to just 7% who reported an increase in overall income. 73% of providers reported a decrease in their income, up from just 32% last year. What this means is, a majority of providers are reporting an increase in their outgoings, coupled with a decrease in their income. This is not sustainable.

Last 12 months	Income	Expenditure
Increased	7%	84%
Stayed the same	20%	9%
Decreased	73%	7%

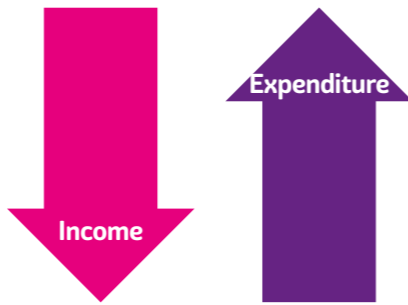


Table 10: Income and expenditure over the last 12 months

This picture is reflected across all providers, including childminders, day nurseries and out of school providers.

Looking forward, there is further cause for concern. While 64% of providers anticipate their expenditure – their outgoings – will continue to increase in the coming year, this compares to just 19% who think their income will increase. 22% anticipate a decrease in their income. This imbalance must be addressed to support the future and going financial viability of the sector.

Next 12 months	Income	Expenditure
Increase	19%	64%
Stay the same	59%	33%
Decrease	22%	3%

Table 11: Income and expenditure outlook for the next 12 months

8.2 Overall financial position

The role of quality childcare is vital both in supporting parents to access and progress in work, and in nurturing child development. However, childcare providers can only deliver childcare where it is financially sustainable for them to do so.

We asked providers whether, considering their overall income and expenditure in the last 12 months, they were breaking even, making a loss, or making a profit. Fewer than half (43%) said they were breaking even, while more than a quarter (28%) reported making a loss. This means that fewer than a third of childcare providers report having made a profit in the last year (29%) that they can invest in their staff and facilities. Day nurseries were least likely to report making a profit.

71% of providers either just breaking even or making a loss

Nature of provider	Making a loss	Breaking even	Making a profit
Overall	28%	43%	29%
Childminder	27%	39%	34%
Day nursery	31%	59%	10%

Table 12: Profit and loss by nature of provider in the last year

When asked to describe their current financial position, two thirds of providers report that it is 'Stable' – that they are getting by, but with no plans to expand. However, almost a third of providers report that they are 'Struggling' – focused on survival over the next 12 months, or 'Distressed' – at immediate risk of closure.

Almost a third of providers report their current financial position is 'distressed' or 'struggling'

Nature of provider	Distressed – at immediate risk of closure	Struggling – focused on survival over the next 12 months	Stable - getting by but no plans to expand	Growing - plans to expand
Overall	3%	28%	66%	3%
Childminder	3%	30%	66%	1%
Day nursery	2%	18%	74%	6%
Out of school	5%	32%	50%	14%

Table 13: Current financial position as described by childcare providers

This suggests that the next 12 months are key to supporting providers who are financially distressed, or struggling, to move towards a more stable financial position. Otherwise, there is a risk that we will see the closure or contraction of provision, in turn impacting on the availability and affordability of childcare for parents.

"I have found it hard to fill my spaces. Most people are only working part time. Have thought about quitting childminding."

"My business is really struggling. I've lost families and can't seem to get built up again. I'm fearing having to close permanently."

"We had to close our setting, furloughed staff for 5 months and then had to pay out redundancy."

8.3 What are the main challenges for providers?

Childcare providers were asked to identify the main challenges facing their setting in the next 12 months from a range of options. The range of responses reflect the different experiences of providers across Northern Ireland, but also the changed landscape within which providers have been operating over the last year.

While not an issue in previous years, unsurprisingly a challenge for all settings this year has been ensuring the safety of children and staff in light of the pandemic, reducing the risk of Covid-19 transmission.

For group settings – day nurseries and out of school providers – a key issue has been dealing with staff absence and meeting ratios – a core challenge for almost 9 in 10 day nurseries - along with the recruitment and retention of staff.

Across all settings, financial sustainability – securing sufficient income to cover expenditure – was identified as a challenge. This is not surprising, given that providers reported an increase in their expenditure, while their income has decreased.

	Main challenges for childminders	Percentage
1.	Ensuring the safety of children and staff (i.e. reducing the risk of Covid-19 transmission)	73%
2.	Keeping up to date with the latest Government guidance	70%
3.	Competition from unregistered childminders	67%
4.	Financial sustainability – securing sufficient income to cover expenditure	54%
5.	Maintaining occupancy of places – securing sufficient numbers of children	52%

Table 14: Main challenges identified by childminders

“Being a registered childminder is a huge responsibility. To then add another aspect to our busy day in having to regularly extra clean & deep clean at the end of each day is exhausting. Childminders usually work alone so deep cleaning has to come after often a 9/10 hour day. There is no extra charge for this or payment. It has just made a busy job harder, simply trying to keep all the mindees and my family as safe as possible.”

“Every one of the families I had before Covid 19 I lost over the course of 3/4 months...I have spent months and months trying to build up my business again under the extreme stress and pressure of restrictions made due to the pandemic. Thankfully my husband has been able to keep up with mortgage payments and household bills otherwise I would have had to give up not only my business but my home of over 16 years.”

	Main challenges for day nurseries	Percentage
1.	Dealing with own or staff absence / meeting ratios	87%
2.	Financial sustainability – securing sufficient income to cover expenditure	76%
3.	Ensuring the safety of children and staff (i.e. reducing the risk of Covid-19 transmission)	74%
4.	Recruitment of staff	69%
5. =	Retention of staff	44%
5. =	Maintaining occupancy of places – securing sufficient numbers of children	44%

Table 15: Main challenges identified by day nurseries

“Childcare settings are on their knees. We are unable to meet rising demand due to staff shortages and problems recruiting new staff. Childcare is no longer a desirable career option given the responsibility of the post and the low salary with very little reward. Trust checks are a huge problem with lengthy turnaround time which is off putting to new staff. Childcare providers are feeling under valued and unsupported. I fear for the future. In 25 years as a Daycare Manager I have never seen it as bad, constantly juggling ratios, staff shortages, staff leaving. The daily stress is overwhelming and everyone is feeling it. I have spoken with other managers and they feel the same as me.”

“Our staffing costs have greatly increased with the requirement of pods with staff working extra hours. Isolation of staff has made staffing and ratios extremely difficult especially with working in pods, and unable to move staff between rooms. The price of PPE has been horrendous. Has created great insecurity in the sector and highlighted that it can be hard to retain and recruit staff due to low wages and a workforce that is undervalued.”

	Main challenges for out of school providers	Percentage
1.	Recruitment of staff	59%
2.	Dealing with own or staff absence / meeting ratios	55%
3.	Financial sustainability - securing sufficient income to cover expenditure	55%
4.	Keeping up to date with the latest Government guidance	50%
5. =	Ensuring the safety of children and staff (i.e. reducing the risk of Covid-19 transmission)	45%
5. =	Maintaining occupancy of places – securing sufficient numbers of children	45%
5. =	Upkeep of building / facilities	45%

Table 16: Main challenges identified by out of school providers

8.4 Capacity

Maintaining occupancy of places was identified as a challenge across all childcare providers. It was also flagged as a key factor where providers have increased their fees over the last year, or anticipate doing so. Across the sector, 69% of providers reported that they have spare capacity. This is highest within day nurseries (80%) and out of school providers (83%).

Provider	Have spare capacity
Overall	69%
Childminder	68%
Day nursery	80%
Out of school	83%

Table 17: Spare capacity

For a majority of providers – 79% - they have more spare capacity than they did prior to Covid-19. Childminders are more likely to have seen their spare capacity increase (81%), compared to 71% of day nurseries and 68% of out of school settings.

“Because parents have the flexibility to work from home there is less demand for childcare and I am having to seriously think about leaving the sector despite loving the work that I do.”

“Demand for places has dropped. We no longer have a waiting list. Many of our parents are working from home and are able to collect their children from school. They are then able to continue working after the school run as school age children do not need constant supervision. Those attending have reduced their hours with us, reducing our income as we charge by the hour. Staff hours/costs are not reduced due to extra hours required for cleaning at the end of each day.”

8.5 Impact of Covid-19 on childcare providers

Covid-19 has had a significant impact on providers right across the sector. Directly, it has resulted in the temporary closure of many, whether in full or in part.

72% of day nurseries had to manage temporary closures, as did 48% of out of school providers and 35% of registered childminders. Providers did have access to financial support, depending on their eligibility for various schemes, and these provided a real lifeline for many.

Provider	Covid-19 related Childcare Support Funds (Department of Education)	Furlough scheme payments for staff	Self-Employment Income Support Scheme	Any other Covid-19 specific grants or loans provided by the Government
Childminder	93%	N/A	65%	13%
Day nursery	97%	74%	N/A	40%
Out of school	87%	86%	N/A	18%

Table 18: Uptake of Covid-19 related financial support

Uptake of the Covid-19 related childcare support schemes, administered by Early Years – the organisation for young children, on behalf of the Department of Education, was particularly high. Specifically in relation to the Covid-19 Childcare Support Funds:

- 88% of providers reported that they had **helped their business / setting to re-open and recover** during Covid-19.
- 91% reported that they had **helped the financial sustainability** of their business / setting.

Covid-19 related childcare support helped with reopening, recovery & sustainability

“If it wasn’t for funding and financial support it would have made a very difficult situation even more difficult.”

“50% of the children that I look after, their parents were on furlough meaning they didn’t need childcare. This had a huge impact on my income and my family life. I am truly grateful for the financial support that I received from the Childcare Support Fund.”

At the same time, several providers reported that the funding did not cover the full additional costs of staffing, PPE and temporary closures. Some providers – particularly childminders – reflected that, due to being a newly established business, they were not eligible for the UK wide support.

With this funding, as well as Government support through the furlough and self-employment income support schemes, having come to an end, providers may be less resilient to ongoing financial pressures, both as a result of Covid-19 and more generally. Additionally, some settings may have taken out loans that will need to be repaid in time and will add further to their overall expenditure.

Importantly, the impact of Covid-19 was not felt in purely financial terms. As across other essential frontline services, and key workers, providers reported an impact on health and wellbeing:

- 74% of providers reported that the pandemic has had a negative impact on them / their staff in terms of mental health and well-being
- 57% said it has had a negative impact on the physical health and well-being of them / their staff.

Mental and physical health and well-being impacted by the pandemic



“A lot of pressure on the staff team. We had no cleaners like schools had, we did it ourselves. I felt as the Leader of the setting so alone at times as I was totally responsible for the children, staff and parents. I have voiced this to other practitioners and they felt the same. It has been a tough road.”

“Added stress comes with the responsibility of trying to keep everyone in your setting safe. Your own family, children in your care and other parents. Lack of meeting other childminders in buddy groups or toddler groups affects your mental health and also struggled when I came across any issues as there was no one to talk it over with.”

“The stress and pressures put upon the management and staff have definitely increased in the constant changing Covid guidance world we have been existing in. Keeping up with and on top of changes has been exhausting and quite confusing at times. Increased working hours and responsibilities could take its toll on staff morale and health.”

On a practical level, the rules impacted on the ability of providers to maintain close contact with parents, to invite them into their setting or their home to discuss their children's progress. It also resulted in children missing out on interactions with other children, such as at toddler groups, in the park or at soft play, and even within a setting – limiting use of toys that could not be easily cleaned and stopping indoor singing.

Some providers also reported that they had experienced negative interactions with parents who were frustrated at how Covid-19 guidance for childcare settings had to be implemented.

Looking to the future, providers agreed that, as a result of the pandemic, there should be much greater recognition that childcare is a critical part of our economic infrastructure.

- 94% reported that Covid-19 has highlighted the **vital role of childcare to the economy in enabling parents to work.**

It is essential therefore that this recognition translates into tangible value, with the sector supported through longer term investment and funding to continue delivering high quality childcare, helping to give children the best start in life, as well as enabling their parents to work.

- 89% of providers agreed that, excluding Covid-19 related support, **the childcare sector is underfunded to deliver affordable, high-quality childcare that is financially sustainable.**

“Difficulty getting children tested as parents totally frustrated with guidance. Parents trying to send children into nursery without following guidance. Parents trying to send children who are symptomatic to nursery when only carrying out a lateral flow test. Difficulty explaining to parents a PCR test is needed. As nursery manager I’ve borne the brunt of parental frustrations. Have been shouted at by parents in the nursery yard and had numerous aggressive phone calls.”

“It has shown the importance of good childcare and how we educate children from an early age, we aren’t just babysitters. Parents have been able to work thanks to childminders staying open through lockdown.”

9 out of 10 providers agree the childcare sector is underfunded

8.6 Recommendations looking ahead

Several key themes and recommendations emerge from the research with childcare providers to inform the development of a new Childcare Strategy for Northern Ireland.

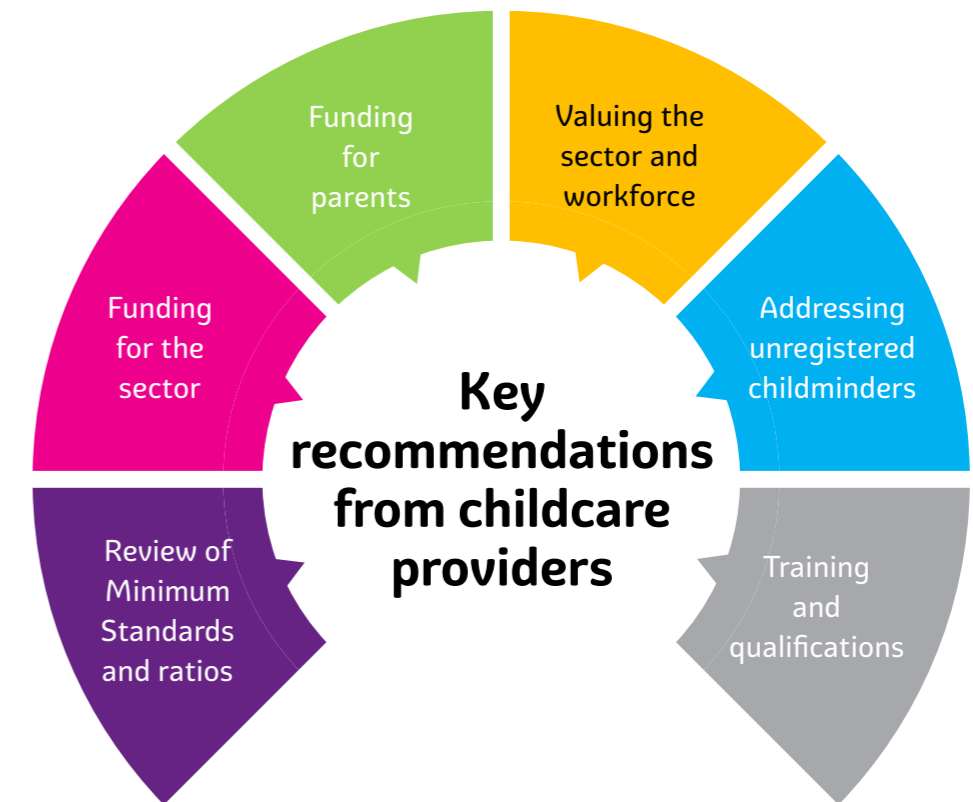


Figure 17: Key recommendations from childcare providers

In sharing their views and recommendations, childcare providers reflected on the importance of ensuring that their voices are heard in the development of the new Childcare Strategy, requiring inclusive and meaningful consultation and engagement across the sector.

Review of Minimum Standards and ratios

Many childcare providers called for a review of the Minimum Standards, in particular the staff to child ratios, to be conducted in close consultation with childcare providers themselves and individuals who are involved in the day to day delivery of childcare. Providers referred to the value and importance of having standards that can assist in promoting quality care, but that this must be balanced to support the viability of the sector and to mitigate against what can be perceived as too much bureaucracy, paperwork and inconsistency across Health and Social Care Trusts.

“I have had to turn parents away. Upping our ratios would increase the number of childcare spaces available, I could increase my income without having to increase fees and this would help secure the long-term sustainability of my business.”

“The ratios are important and I support their use, but a bit of flexibility could still ensure high standards while recognising the realities of running a nursery and trying to meet high costs.”


Childminders referred to the stress associated with the inspection process, and perceived that the process can vary in terms of what is expected both across Health and Social Care Trusts, and from social worker to social worker, adding unnecessary worry and anxiety. Several childminders noted that the inspection process during the pandemic – involving filling in paperwork in advance followed by a phone call or visit – was preferable to the previous arrangements, where an inspector came ‘onsite’ to do the paperwork which added stress while the childminder was also trying to supervise children.

Funding for the sector

Childcare providers made a strong call for proper Government funding of the sector in order to ensure that it can remain sustainable, delivering a vital service to children, families and to the economy. They articulated the challenges for providers in delivering quality childcare, at a price that families can afford. While there is regularly a focus on the cost of childcare to parents, there is insufficient focus on what it costs to deliver a high quality place including:

Heating
Insurance
Equipment
national insurance payments
Food wages
Staff pensions
Rates Rent
Transport Electricity
mortgage

There is a strong call for the Government to recognise the role of childcare as part of our societal, educational and economic infrastructure and to invest in it accordingly. Otherwise, a balance will not be achievable that enables the sector to deliver quality, educationally enriching care, where staff receive a professional salary, that is affordable for parents to access. This could also result in providers leaving the sector, impacting on the overall availability and affordability of childcare, and contributing to a recruitment and retention crisis that is currently impacting on the sector.



“Childcare should be recognised as a vital part of the rebuilding of the economy. Funding should be made available to ensure settings can remain open to offer flexible, affordable childcare to enable all walks of community to work going forward.”

“Highly qualified and experienced staff are on minimum wage, yet carried on during Covid-19 caring for key workers’ children. They do an excellent job and nurseries do not make a sufficient profit to enable higher wages. If there was a Government subsidy it would be much appreciated.”

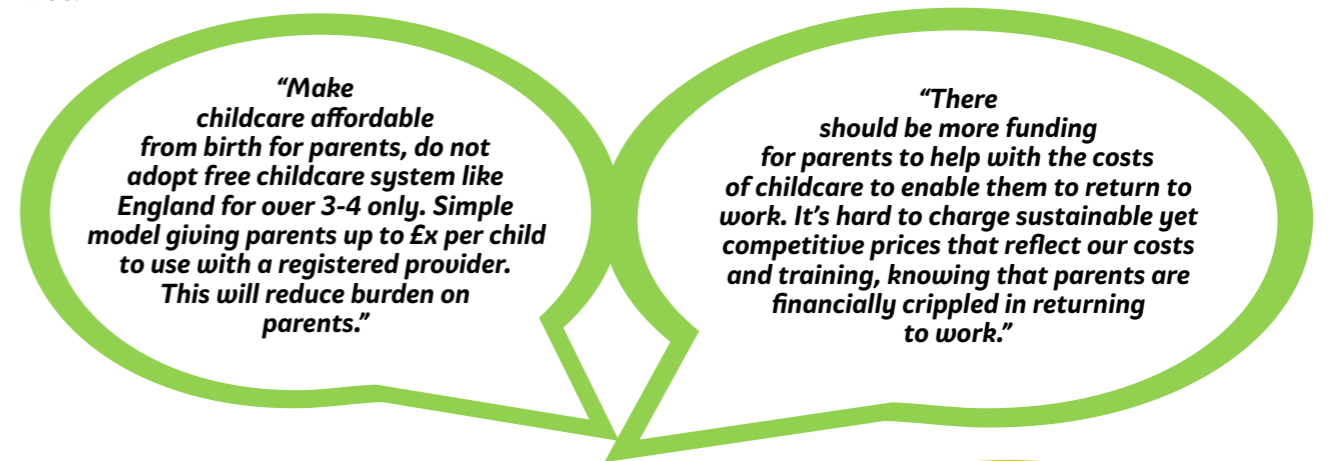
“Funding badly needed. I’m considering either taking on a second job or leaving childminding as the pay does not reflect the workload and with less children due to covid I am earning almost half my normal wage.”

Many providers referenced the on-going impact of Covid-19 pressures on them or their setting, and called for the continuation of Covid-19 related funding particularly to assist during periods of temporary closure and to reflect that many are still using enhanced cleaning, sanitising and PPE equipment to ensure the safety of children and staff, while continuing to try to re-build their occupancy levels.

Funding to assist providers to be more accessible and to support the delivery of services for children with additional needs was also a key recommendation.

Funding for parents

Many providers referenced the need for funding to also be targeted to support parents, making the cost of childcare more affordable for them. It was suggested that this funding could be in the form of subsidies paid directly to providers, enabling them to offer places at a reduced rate or for free.



“Make childcare affordable from birth for parents, do not adopt free childcare system like England for over 3-4 only. Simple model giving parents up to £x per child to use with a registered provider. This will reduce burden on parents.”

“There should be more funding for parents to help with the costs of childcare to enable them to return to work. It’s hard to charge sustainable yet competitive prices that reflect our costs and training, knowing that parents are financially crippled in returning to work.”

Valuing the sector and its workforce

The childcare sector has remained open throughout much of the pandemic, providing a vital service for children, parents and the economy as a whole. And yet, many respondents flagged that they felt the sector, and those who work within it, remain undervalued.



“Sometimes I wonder do the Government and Trusts really know just how hard our job is at times. It is very rewarding with the love we get from all the kids but it’s tough going trying to keep every child safe with regards to Covid.”

“This pandemic opened my eyes to how little respect and appreciation there is for the important and vital role childminders play in our society and communities. Childminders were/are the backbone from the beginning of this pandemic and I feel hurt and deflated by NI government.”

“Our staff have been expected to work through all lockdowns since our first closure, they have done so with no hesitation. The cost of running the nursery means they are mostly in minimum wage, so at times they feel undervalued by society. They felt their health was not being considered by being asked to carry on working with children without being able to socially distance in any way.”

Providers called for those working in the sector to be recognised as dedicated professionals, who are not 'babysitters' as they are sometimes perceived.

Similarly, there was a strong call for a shift from a focus on childcare from an exclusively 'safeguarding' perspective to a model where there is a great focus on the early years as an integral part of a child's education and social development, particularly in their first 1,000 days.

Registered childminders highlighted that, during the pandemic when people were being told to stay home to keep safe, they were a sector that opened their homes to support children and enable their parents to work. This added stress to what was already a very challenging time, and anxiety about the prospect of bringing Covid-19 into their home, where potentially other family members were vulnerable.

"Campaign to shift perception of childminder from 'babysitter/nanny' to 'Micro-nursery' as we are held to same standards and inspections as nursery."

Across the responses from childcare providers there is a call for the vital role of those who work in the sector, from registered childminders through to staff in group settings, to receive a good salary that is commensurate with the levels of professionalism, dedication and commitment they deliver. Making this possible is closely linked to ensuring that the sector is invested in and receives proper funding from the Government. It was suggested that this could also help in promoting the sector as a career of choice for a more diverse workforce, including bringing more men into the sector.

"I did not close due to having key worker children. I feel I put myself and my family at huge risk of infection through having the children of healthcare staff in my home. No other sector was asked to put their families at risk by bringing people into their homes.... feel totally undervalued and fed up!!!"

"Staff need to be paid & recognised as professionals, fees would need to increase by 50% to do this and parents could not afford this. The sector is broken and that is due to it being broken at the top, lack of strategy, poor public sector leadership."

"Staff feel undervalued and worry about wages and hours. All childcare staff should have a recognised pay scale and settings should be allocated a set amount that does not fluctuate."

It is important to note that while many providers expressed the view that they had felt undervalued during the pandemic, others felt that a focus on childcare during the Covid-19 pandemic, and the successive financial support funds, had made them feel valued.

"I very much appreciated all information supplied and financial assistance provided during the pandemic. It made me feel as a childminder appreciated for the service I provide."

"I feel that staff in this sector are undervalued and under paid for the work they do. And thus we are struggling to get good, long term staff into the childcare sector. Staff do long hours and are first educators for young people within the early years sector in Northern Ireland. Staff should be paid similarly to other education professionals."

Addressing the issue of unregistered childminders

Many providers, particularly childminders, called for more to be done to address the numbers of individuals who are operating, illegally, as 'unregistered childminders'. These are individuals who are not working to the Minimum Standards, operate without insurance and are charging for services that parents cannot access financial support to assist with.

"PLEASE may there be fixed fines for non registered childminders if reported, It is getting ridiculous."

"Unregistered childcare is rife and nothing is being doing is being done about. There is a perception that registered childcare is more expensive. This is a myth."

Training and qualifications

Providers highlighted the importance of training and qualifications for those working in the sector, and advocated for more funding and support to enable staff to access courses. There was also some support for continuing access to online training, where appropriate, as this can be more accessible.

9. Conclusion



As work gets under way on progress towards a new Childcare Strategy for Northern Ireland the Executive has a real opportunity to demonstrate its recognition of the vital role of childcare as fundamental economic, societal and educational infrastructure. This will require ambition, vision, investment and engagement with those directly impacted – children, parents, childcare providers and employers.

This research provides a strong evidence base, sharing the experiences of parents and childcare providers in accessing and delivering childcare. This includes the changes and developments that have emerged as a result of the Covid-19 pandemic, impacting on how parents access childcare and how providers deliver it. It also provides their recommendations for a new Childcare Strategy that:

- Values the childcare sector by providing certainty of income to providers and the ability to invest in their settings and their staff
- Values the contribution of parents to the economy by ensuring childcare is affordable and allows them to work and be better off
- Values the role of childcare in delivering vital learning and development opportunities to young children.

It is important to acknowledge that the Government has provided welcome – and much needed – financial support through the Department of Education to assist the childcare sector in Northern Ireland during the height of the pandemic. We have also increasingly heard from Ministers recognising the varied and vital role of childcare.

But it shouldn't have taken a global pandemic for this to be the case. In responding to the evidence in this report, based on the experiences of thousands of parents and childcare providers, the Government must build on the support and recognition they have provided, to agree and publish a fully costed, comprehensive Childcare Strategy. Already long overdue, the challenges to the sector, families and the economy – which were building in its absence – have been exposed and magnified by Covid-19. Without a robust strategy, the risks are clear:

- A collapse in the supply of quality childcare and increase in costs for parents and providers
- Parents having to reduce their hours at work or leave work altogether
- Employers unable to recruit and retain the staff that they need
- Our overall economic and societal recovery from Covid-19 will be held back
- Increase in levels of household and child poverty
- Prolonged negative impact on the social and educational development of our children.

Given the time that has passed since a draft Childcare Strategy was last consulted on, there is a high level of expectation across parents and the childcare sector for a Strategy that delivers what they need. Failure to do so would let down the tens of thousands of parents and childcare providers who have given their time and expertise to share their views over the years, as well as this and future generations of children who we should be investing in. This would mark a truly missed opportunity for the Government to build back better from the Covid-19 pandemic.

There is real scope for Northern Ireland to secure a world class Childcare Strategy. Given the guaranteed return on such an investment, and the benefits it will bring in both the short and long term, neither we – nor the parents or childcare providers who we work with – believe this is too much to ask.

Appendix 1: Methodology and profile of respondents

Data collection took place in during August and September 2021. Overall, from the two surveys we received 2,294 responses from parents and childcare providers. Participants were invited to take part in an online survey questionnaire. The online survey was widely circulated across a range of networks and shared on social media. Participation in the survey was voluntary, and all individual responses were anonymised. All data collected was analysed using Microsoft Excel.

Childcare providers:

In total, we received 714 completed responses from childcare providers.

Nature of provider	Percentage of respondents	Sectoral breakdown (Department of Health figures) ¹⁰
Day nursery	10%	8%
Out of school club	9%	6%
Registered childminder	77%	66%
Other	9%	20%

The breakdown of responses in terms of nature of provider is broadly reflective of the population of day care providers in Northern Ireland, but with a higher proportion of registered childminders. We have a lower proportion of 'other' types of childcare provider given that the survey is targeted at day nurseries, out of school providers and registered childminders.

Parents:

In total, we received 1,580 responses from families, representing 2,950 parents. Projections from NISRA suggest there are approximately 215,800 households with children in Northern Ireland¹¹. This gives a margin of error of 2% at a 95% confidence level, indicating a robust sample. The location of respondents from across Northern Ireland is broadly reflective of the overall population.

Family profiles:

- In 5% of households, one or more parent belongs to an ethnic minority group
- In 7% of households, one or more parent has a disability
- 13% of respondents reflect lone parent households, and 87% two parent households
- 85% of respondents are female and 15% male. Respondents were asked for information on both parents in a two parent household.

Antrim	47%
Armagh	8%
Derry/Londonderry	13%
Down	19%
Fermanagh	4%
Tyrone	9%

¹⁰ <https://www.health-ni.gov.uk/sites/default/files/publications/health/child-social-care-19-20.pdf> (accessed 13/10/21)
¹¹ <https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/HP16-bulletin.pdf> (published December 2018)

Appendix 2: Key terms

Formal childcare: As defined in the Children (NI) Order 1995, formal childcare refers to people running day care services, used by children aged under 12 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 crèches, childminders who look after children aged under 12 for more than two hours a day in a private house. Formal childcare can be provided either in private settings or in community / voluntary based settings.

Informal childcare: This 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 and are not registered with the appropriate authority.

Childminder: Registered childminders are self-employed carers based in their own home. They must be registered with their local Health and Social Care Trust (HSCT). Once registered, annual inspections are carried out by the HSCT. For new applicants references and health checks are required, as are police checks on all individuals in the household over the age of 10. Registered childminders can be registered to care for up to 6 children between 0-12 years of age (this number includes their own children).

Day nursery: Day nurseries may be privately owned businesses, or run as charities or in community settings, and offer a structured approach to childcare. They must be registered with the HSCT and once registered are inspected annually. Day nurseries must follow staff to child ratios as set out by the HSCT and can accept children as young as 6 weeks old.

Out of school club: This refers to a range of childcare provided before and after school and during school holidays. Clubs can be run by schools, private businesses or community groups. There are three main types:

- Breakfast club – open in the morning before school.
- Afterschool club – open after school until around 6pm.
- Holiday scheme – open during the holidays with varying opening hours.

Employers For Childcare

Employers For Childcare

Blaris Industrial Estate
11 Altona Road
Lisburn
BT27 5QB

028 9267 8200
Freephone 0800 028 3008
hello@employersforchildcare.org