

Election FACT SHEET



Childcare in Northern Ireland

Childcare is a central part of family life and critical to the economy. Early education is a crucial stage of a child's education, with the potential to improve outcomes, particularly for the most disadvantaged children. Both parents in the majority of families now work which means that both the individual parents and the economy as a whole require access to affordable, flexible childcare.

Despite the importance of childcare, the childcare system in Northern Ireland is not working:

1. Families pay more for childcare than in any other country in Europe except for Switzerland. Part-time childcare for 2 children under 5 costs more than the average mortgage. For many parents on low and middle incomes this means choosing between paying high childcare costs, reducing their hours at work or giving up their job altogether.
2. Northern Ireland lags behind the rest of the UK in the amount of formal childcare on offer, and in planning to ensure there is enough provision for working parents. There is no legislation to ensure there is sufficient childcare in Northern Ireland, compared with elsewhere in the UK.
3. Three year olds are entitled to 475 hours of free early education every year, usually in 2.5 hour slots over 5 days per week for at least 38 weeks of the school year. The inflexibility of free early education in Northern Ireland means that many working parents have to use informal childcare or other formal provision to cover a whole working day.

Who uses childcare?

- ▶ About 70% of parents use childcare in Northern Ireland, similar to the rest of the UK. However, more families use informal care in Northern Ireland, and fewer parents pay for formal childcare.
- ▶ Families are more likely to use childminders in Northern Ireland, compared with elsewhere in the UK.
- ▶ All 3 year olds receive part-time free early education as well as some disadvantaged 2 year olds through the Sure Start programme which they get alongside other help such as enhanced health visiting and parenting classes.

- ▶ When children start compulsory education at 4 years, parents may use out-of-school and holiday childcare clubs. Other families use childminders to pick up their children after school.
- ▶ As children get older they are more likely to access 'de facto' childcare such as out-of-school and holiday activities including hobby and sports clubs.

Who provides childcare?

- ▶ There are 56,000 childcare places in Northern Ireland delivered by 334 day nurseries, 180 pre-schools and sessional creches, 3,900 active childminders and 240 out-of-school and holiday childcare providers.
- ▶ Unlike in England, childminder numbers are not falling in Northern Ireland, as parents use them alongside other forms of childcare.
- ▶ Bright Start childcare strategy aims to create 3,000 new affordable and integrated childcare places through social enterprises and 2,000 new out-of-school places.

Is there enough childcare in Northern Ireland?

- ▶ Some 61% of a sample of 4,243 parents stated that there was insufficient childcare in their local areas. The biggest concern of these parents was a lack of after-school and holiday childcare.
- ▶ Shortages of childcare are usually greater in deprived urban neighbourhoods where it can be difficult for private and not-for-profit providers to break even.

Continued overleaf ▶



- ▶ There is no legislation to ensure there is enough childcare in Northern Ireland. This contrasts with England and Wales, where the Childcare Act 2006 obliges local authorities to ensure sufficient childcare for working parents and those undertaking work-related training.

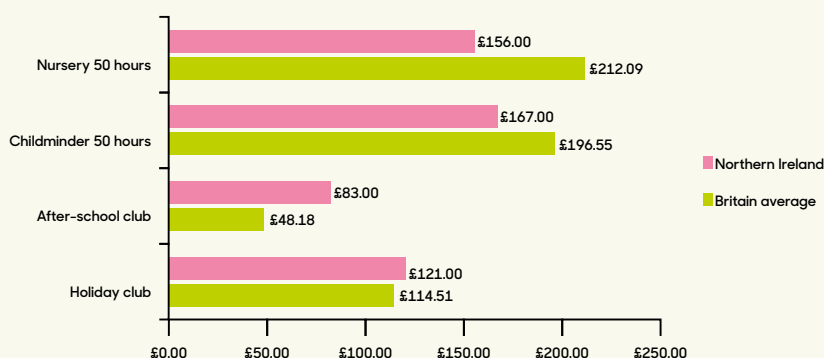
How much do parents pay for childcare?

- ▶ The amount each family will pay towards childcare varies widely depending on the age of their child, their family income and the amount of formal childcare they use.

- ▶ Under-fives childcare prices are highest in the most densely populated urban areas such as Belfast.

- ▶ While under-5s childcare is cheaper in Northern Ireland than elsewhere in the UK, after-school clubs are 72% more expensive, which may reflect a lack of supply and lower subsidies.
- ▶ Over the last five years, Northern Ireland has not seen the big increases in childcare prices experienced in other parts of the UK, with childminder prices rising by just 10% over this period.

Average weekly childcare prices Northern Ireland and Britain, 2015



What support is there for parents with the costs of childcare?

- ▶ All 3 year olds are entitled to 475 hours of free early education in the year before they start primary school at 4 years. There are now almost 24,000 children in this provision, which equates to 91% of all 3 year olds in Northern Ireland.
- ▶ Tax credits cover up to 70% of the cost of childcare. Under Universal Credit, this support will be increased to 85% in April 2016.
- ▶ From autumn 2015, childcare vouchers will be superseded by the tax-free childcare scheme, in which the government tops up 20% of the cost of childcare for parents, up to £2,000 each year per child.

How much does the government spend on childcare?

The UK government spends approximately £6 billion a year on childcare on:

- ▶ Tax credits and Universal Credit (£1.7 billion)
- ▶ Employer supported childcare voucher (£800 million)
- ▶ Tax-free childcare scheme (£1 billion)
- ▶ Free early education, including £100 million Barnett Formula transfers to Northern Ireland, some of which is spent in schools.

How could the childcare system be improved?

All parties have put forward childcare proposals, but none of these will fully answer the problems that families are facing. The Family and Childcare Trust has called for an independent review of childcare funding so that all parts of the UK can have a childcare system that delivers for children, for parents, for providers and for our economy.

Sources:

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