

Election FACT SHEET



Childcare in Northern Ireland

Childcare provision is a crucial part of a modern state's infrastructure: it enables parents to work, improves children's outcomes and helps narrow the gap between disadvantaged children and their peers. Without affordable childcare provision, the skills of working parents are lost and families are forced to rely on benefits, rather than contribute to the economy as tax-payers.

Despite its importance to families and the wider economy, the childcare system in Northern Ireland is not working:

1. Although parents get help with the cost of childcare, many families are still left with a substantial bill.
2. There are fewer providers and places per 100 children in Northern Ireland compared with England, Scotland and Wales.
3. While three year olds are entitled to free part-time early education, this provision is often inflexible and places are sometimes allocated far from the child's home.

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 proportionately fewer parents pay for formal childcare.
- ▶ Families are more likely to use childminders in Northern Ireland, compared with elsewhere in the UK.
- ▶ When children start compulsory education at four, 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, arts, sports and leisure activities function as *de facto* childcare.
- ▶ An estimated 53% of families in Northern Ireland use informal childcare provided by relatives and friends. The use of informal childcare in Northern Ireland is much higher than in England, reflecting gaps in formal childcare provision.

Who provides childcare?

Childcare in Northern Ireland is a mixed economy, with services provided by the public, private and not-for-profit sectors. At the end of 2015 there were:

- ▶ 3,427 registered childminders. Childminder numbers are not falling in Northern Ireland and more places are provided by them than in day nurseries.
- ▶ 336 day nurseries run by the private and not-for-profit sectors. Northern Ireland has 3% of the UK's children, but only 1% of the UK's day nurseries.
- ▶ 95 state nurseries.
- ▶ 463 pre-schools and creches providing childcare for part of the day.
- ▶ 191 after-school and holiday clubs.

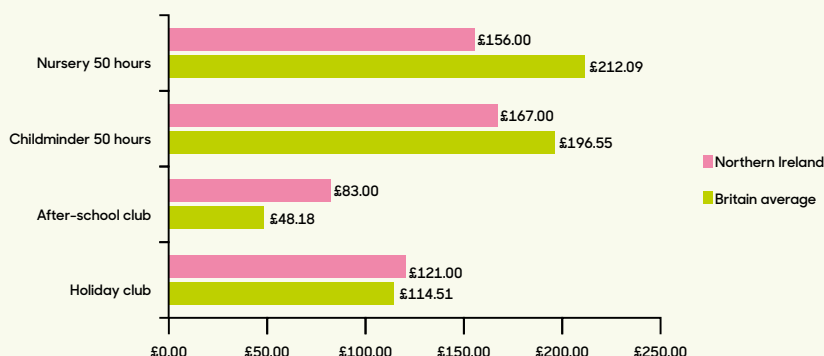
Is there enough childcare in Northern Ireland?

- ▶ 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 make sure there is sufficient childcare for working parents and those undertaking work-related training.
- ▶ Some 61% of parents in a 2013 government survey stated that there was insufficient childcare in their local area.
- ▶ Shortages of childcare are usually greater in deprived urban neighbourhoods and in sparsely populated rural areas where it can be difficult for private and not-for-profit providers to break even.
- ▶ The Government has recognised that more childcare places are needed. Bright Start, the 2013 childcare strategy, aims to create 3,000 new affordable and integrated child care places through social enterprises, as well as 2,000 new out-of-school places.

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.
- ▶ A family with two children aged two and five, using a part-time nursery place and an after-school club would pay £7,210 every year for childcare. This is more than the average mortgage.
- ▶ Under-fives childcare prices are highest in the most densely populated urban areas such as Belfast.

Average weekly childcare prices Northern Ireland and Britain



Free early education

- ▶ All three year olds are entitled to 475 hours of free early education in the year before they start primary school at four. There are now 24,200 children in this provision, which equates to more than 90% three year olds in Northern Ireland.
- ▶ Most three and four year olds receive their early education in nurseries classes attached to primary schools, usually 2.5 hour slots, over five days every week during term-time. The inflexibility of free early education in Northern Ireland means that many working parents have to use informal childcare or childminders to cover the working day. Additionally, some children are allocated their free early places in nurseries far from the family home
- ▶ There is a limited amount of early education available for the most disadvantaged two year olds through the Sure Start programme.
- ▶ Unlike England and Scotland, there are no government plans in Northern Ireland to increase the hours of free early education for three and four year olds.

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

- ▶ Free early education
- ▶ Childcare vouchers, worth up to £55 per week for basic rate tax payers. Vouchers will be phased out from 2017 and replaced by the Tax Free Childcare Scheme, paying up to 20% of childcare costs, up to a maximum of £2,000 per year, or £4,000 for disabled children.
- ▶ Schemes for teenage parents in education, and for parents on further or higher education courses and employment related training.
- ▶ The childcare element of Working Tax Credit. This help is targeted at low income working families. The childcare element of Working Tax Credit covers up to 70% of the cost of childcare up to a maximum cap of £175 per week for one child

(meaning a parent gets 70% of this = £122.50) or £300 per week for two or more children.

- ▶ Families receiving Working Tax Credit are now being moved into the Universal Credit system. Under Universal Credit help will be increased to cover 85% of childcare costs, although the same £175/£300 cap will remain.

How could the childcare system be improved?

At present, the childcare infrastructure in Northern Ireland lags behind the rest of the UK. This has contributed to low levels of female employment in Northern Ireland. In January 2016 just 63.1% of working age women were employed, compared with a UK average of 69.1%. More positively, the Northern Ireland Executive published a childcare strategy in 2013 and has pledged to increase the number of places. This year, some political parties have called free early education to be extended to cover 30 hours per week, so that parents living in Northern Ireland have the same entitlement as those in England. But further action is needed if families in Northern Ireland are not to lose out. The Northern Ireland Assembly election offers parents the opportunity to put childcare on the political agenda.

Sources:

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