

## **Childcare Survey 2017 – addendum on nursery prices for three and four year olds**

We did not publish information on childcare prices for three and four year olds in our Childcare Survey 2017, as the data was of a lower quality than for other ages. Since publication, we have further analysed the data and found that the average costs of a nursery place for three and four year olds in England, in weeks that they are using the 15h free entitlement, are:

- £45.67 for 25 hours a week (paying for 10 hours of care)
- £154.77 for 50 hours a week (paying for 35 hours of care)

Due to the small sample size for this dataset we have not produced regional averages. It is difficult to produce similar data for Wales and Scotland as parents here are generally not able to purchase further hours from their free early education provider.

In 2017, we changed the longstanding childcare survey question on nursery prices for two to four year olds. This was based on feedback from local authorities that it was difficult for them to provide a single average price across the age range. We therefore asked one question for two year olds, and one for three and four year olds. The question on three and four year olds asked respondents to take into account the universal free childcare offer – in England, this is fifteen hours per week for 38 weeks per year.

In our survey returns, local authorities responded to this question in a variety of different ways. This made it difficult for us to analyse the data for inclusion in our main Childcare Survey as it required further analysis.

### *Issues with this data*

There are a number of specific issues when working with data on childcare prices for three and four year olds:

- Free entitlements are only available for 38 weeks per year – although some providers operate a ‘stretched’ offer of fewer hours over more weeks of the year
- Some providers only offer places for children over the age of three. Changes between two year old prices and three year old prices may reflect different patterns of provision, rather than changes to costs for parents who keep a child in the same setting
- Some providers, usually maintained or school nurseries, only offer 15 hours per week of provision. Parents may therefore have to use mixed models of care – for example, a maintained nursery from 9am to 12pm with a childminder before and after

These issues are likely to become more complex with the introduction of the 30 hour extended offer for working parents in 2017: this will be discussed in the 2018 Childcare Survey.

#### *How we calculated these figures*

As in the Childcare Survey, these figures are averages weighted against the population of under-fives in each local authority. There is a full methodology and response rate report in the main document.

Of 152 local authorities in England:

- 144 (95%) returned a survey
- 130 (86%) gave a usable figure for 2 year old nursery places
- 94 (62%) gave a usable figure for 3-4 year old nursery places
  - o 61 of these took the free offer into account, as requested
  - o 33 did not take the free offer into account – we recalculated results for this group
  - o A further 8 provided ambiguous figures, which were not used because it was hard to tell whether the data took into account the free offer or not
  - o 28 provided 2 year old figures but not 3-4 year old figures

Where we had two year old figures but not three and four year old figures, we imputed data by multiplying the average ratio of 2 year old prices to 3 year old prices when both were available, for both 10h/25h and 35h/50h. The weighted averages including this imputed data are within 1% of the averages based only on directly provided data – suggesting that although there is a fairly significant amount of missing information, it is not having a major impact on findings.