

employers

For Childcare

charitable group

Northern Ireland Childcare Cost Survey 2010

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



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Our ethos:

***"To make it easier for parents
with dependent children to get into
work and to stay in work"***

Foreword

The economic and political context which forms the backdrop to this first ever report on the cost of childcare in Northern Ireland is significant for all of us, irrespective of our individual role or place in society.



In the wake of the Chancellor's Comprehensive Spending Review local Government Ministers face critical decisions in relation to cutting departmental budgets, which will inevitably have an impact on working parents. The Welfare Reform Act aims to bring about sweeping changes to our complex welfare system and improve work incentives for ordinary families.

The extended right to request flexible working and the additional paternity leave provision due to become law in 2011, places even greater responsibility upon employers to consider the needs of working parents, both male and female. In order to compete in a global market Northern Ireland PLC needs to be able to attract and retain talented individuals and this will not be possible if parents are driven from the labour market because work simply does not pay. For many families, after paying childcare costs their household has only fractionally more income than if they chose to stay at home.

It is an accepted fact that paid employment is the surest route out of poverty, but the fact also remains that the lack of affordable, quality childcare provision in Northern Ireland is still a barrier to employment for many. Until childcare is taken seriously as an economic and as a labour market issue, this situation will not change, and all of us will suffer the consequences.

I am hopeful, however, that with a genuine effort our local representatives can work in partnership to produce a long awaited and overdue childcare strategy, which takes into account the needs of all stakeholders. This report plays an important part in helping to shape the future in Northern Ireland, presenting as it does a comprehensive analysis of the current reality for those among us who depend upon childcare on a daily basis.

Employers For Childcare Charitable Group comprises a campaigning charity addressing childcare and work related issues, an established social enterprise administering childcare vouchers throughout the UK, and a new emerging social enterprise dedicated to improving choice and childcare options for parents across Northern Ireland.

I am very proud of the fact that since May 2008 we have been entirely self financing, and have not been a burden on the public purse. We have developed a successful business model which generates profit and we have used that profit for social good. We provide personalised financial advice for parents, and as a result, have helped many to get back into work. Producing ground breaking research which benefits all of us is a key element of our organisational strategy.

I am delighted to commend this report to you.

Marie Marin



Chief Executive Officer
Employers For Childcare Charitable Group

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Glossary of terms

Atypical childcare: Atypical childcare provision is defined as childcare offered outside of Monday to Friday 7.30am – 6.00pm.

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

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

Childcare voucher schemes: Childcare vouchers are a Government scheme operating through employers. The scheme allows parents to pay for childcare from their pre-tax salary.

Community based/voluntary childcare: Community Childcare Providers offer community-based childcare services. Such provision is usually subsidised by Government funding to enable provision to be offered at a lower rate. Examples would be Sure Start and women's centres which offer childcare services.

Daycare Trust: The Daycare Trust is the national childcare charity in England, Scotland and Wales. Established in November 1986, its remit is to promote high quality affordable childcare for all through an information service, policy and research.

Family Information Service: The Family Information Service (FIS) acts as a central information point which supports parents and carers who need childcare in England, Wales and Scotland. FISs are provided through Local Authorities. As of April 2008, the FIS provides a range of information on all services available to parents to help them support their children up to their 20th birthday, or 25th if the child has a disability.

Informal childcare: Informal childcare is generally defined as care arranged by the child's parent either in the child's home or elsewhere, provided by relatives, friends, neighbours or babysitters and is unregulated. It is referred to as informal care because the arrangements are not formalised with contracts or employment rights (OECD Family database, 2010).

Private settings: Private childcare settings operate as a business, making a profit from providing their services. They are inspected by Health and Social Care Trusts in Northern Ireland to ensure they meet the standards set out in the Children (NI) Order 1995.

Registered/formal childcare: The definition of registered formal childcare provision as state in the Children (NI) Order 1995 is:

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

- Childminders who look after children aged under twelve for more than two hours a day in a private house for reward (Children (NI) Order 1995).

Childcare is regulated and inspected in Northern Ireland by the Health and Social Care Trusts.

The Childcare Act 2006: The Childcare Act, which passed into law on 11 July 2006, is applicable in England and Wales. It is the first piece of legislation exclusively concerned with early years and childcare. Measures in the Act formalise the important strategic role Local Authorities play through a set of duties. These include:

- Securing sufficient childcare for working parents
- Providing a family information service (FIS).

Working Tax Credit: Working Tax Credit is designed to help people on lower incomes who meet certain conditions and who are employed or self employed. The amount received depends on various factors, including hours worked and annual income. Working Tax Credit may also include support for eligible childcare. The childcare element enables parents to claim up to 80% of the cost of eligible childcare (reducing to 70% in 2011/2012). The current maximum amounts for the childcare element are £175 per week for one child and £300 per week for two or more children.

Executive summary

The aim of Employers For Childcare Charitable Group is to make it easier for parents with dependent children to get into work and to stay in work. We recognise childcare as a economic and labour market issue. Accessing affordable, flexible, appropriate, quality childcare services remains extremely difficult for parents in Northern Ireland. This, in turn, has an impact on parents' ability to access and stay in work. Northern Ireland has invested the least in its childcare services compared to any other region in the United Kingdom (UK) (EFC, 2010). Every other region has an up-to-date childcare strategy with statutory powers to ensure that parents have access to appropriate childcare services.

This is the first annual childcare costs survey to be undertaken in Northern Ireland and going forward Employers For Childcare Charitable Group has committed to carrying out a yearly childcare costs survey. This will enable us to draw comparisons and measure progress in this important area. The report presents the costs relating to different types of provision across the six counties. In addition it illustrates the particular challenges faced by families in accessing childcare services. Key findings include the following:

Average full time childcare costs

- A day nursery place costs £157 per week, irrespective of the age of the child.
- Childminder costs differ slightly for children over and under two years of age, at £153 and £152 respectively.
- Breakfast clubs cost £44 per week, after-school clubs £78 per week and holiday schemes £117 per week.

Costs across counties

- Costs vary across the different counties. Childcare in counties Antrim and Down is more expensive than in the other four counties. This is particularly evident in day nurseries.
- The average cost of a day nursery per week in County Down is £152 irrespective of age. In County Antrim, nursery costs rise to £168 for children under two years of age. This is the most expensive cost across the six counties. County Tyrone has the lowest day nursery costs, at £130 a week for children over two.
- 54% of parents have stated that they struggle to meet their day nursery childcare costs.
- 45% of parents using registered childminders struggled to meet their childcare costs.
- Childminder costs also vary by county. The lowest costs are in Counties Fermanagh and Tyrone at £137 and £138 respectively. Again County Antrim has the highest costs, reaching £159 per week for children under two. This is closely followed by County Down (£158).
- Community setting costs are typically lower than private setting costs. In particular, community day nursery costs are, on average, £58 less per week than private settings (community settings are mainly subsidised through Government funding).

Comparison with other UK region costs

- In terms of day nursery provision, average costs in Northern Ireland are similar to those in Scotland and Wales. The average cost of a day nursery place in Northern Ireland is £157 per week. In Wales, nursery provision for a child under two is £156 per week, rising slightly to £158 per week for children over two. In Scotland, the cost for a child over two years old is £156 per week.

Day nursery costs are higher in England at £176 per week for a child under two.

- Childminding costs in Northern Ireland are lower than in the rest of the UK (£152 - 153 per week). Childminder costs in Northern Ireland are similar to Wales (for children under two) and Scotland (for a child over two) at £158 per week.
- Typical day nursery costs in Northern Ireland for children under two are more expensive than the costs reported by a third of the English regions. For children over two, five out of the nine English regions had costs close to or lower than the Northern Ireland average cost of £157.
- Childminder costs in both England and Northern Ireland only differ slightly with the age of the child.
- Average childminder costs for County Antrim (£158 - 9) are almost equal to or greater than those recorded for four of the nine English regions.

Additional costs

- Day nurseries are more likely to charge fees in advance and retainer fees than childminders or after-school clubs.
- After-school clubs are least likely to charge any fees in advance when compared to day nurseries and childminders.
- Day nurseries are more likely to offer multi-child family discount than other types of providers.

Impact of childcare costs

- Many parents struggle to meet their childcare costs and often have to compromise their work patterns to try and reduce the overall costs.

- 45% of the average weekly net salary of a parent in Northern Ireland is spent on childcare for one child.
- Many parents rely on a mix of formal and informal childcare to manage costs.

Information services

- The majority of respondents stated that information on accessing affordable childcare and finding flexible childcare was difficult or very difficult.
- The majority of respondents also stated that it was difficult or very difficult to find information on the financial help available with childcare costs and family benefits or entitlements.
- These results are reflective of the lack of a Family Information Service in Northern Ireland.

Lack of childcare

- The lack of affordable childcare has become an increasing problem for parents over previous years; statistics show that year on year childcare provision decreased in Northern Ireland between 2003 and 2009. In the rest of the UK childcare provision increased over the same period.
- The three main types of childcare used by respondents of the survey were day nurseries, childminders and after-school clubs.
- Day nurseries, childminders and after-school clubs were also cited as the three types of childcare provision that parents wanted improved access to.
- Childcare is most difficult to access in rural areas. The lack of access in rural counties is demonstrated through the geographical area covered by the Belfast Health and Social Care Trust (HSCT).

It contains more than double the number of private day nurseries than the entire Western Trust area (DHSSPS, 2010: 40), which covers the majority of counties Fermanagh, Tyrone and Derry/Londonderry. In 2008 only 26% of day nurseries were located in rural areas (Rural Childcare Stakeholder Group, 2008, 33).

- The interface between childcare, welfare reform, family support and child poverty strategies within Northern Ireland is highly evident and relevant. Recognition of the importance of accessible, affordable, quality and appropriate childcare services is therefore an essential element to assist economic recovery. Northern Ireland is the only region within the UK that does not have an up-to-date relevant childcare strategy.

1. Introduction

Childcare is recognised as a significant barrier to parental employment and training, yet a lack of accessible and affordable childcare is apparent across the UK. Each year the Daycare Trust carries out childcare costs surveys in England, Scotland and Wales in order to compare the costs of childcare services across the three regions. However, to date, no such survey has been undertaken in Northern Ireland. The childcare costs surveys carried out in the other regions of the UK provide an essential measurement tool, calculating the current childcare costs for families, and allowing for a detailed yearly comparison. Importantly, these surveys also bring this imperative issue to the political forefront for discussion and analysis.

The absence of a survey for Northern Ireland has made it difficult to highlight the specific challenges parents face in affording and accessing childcare. This survey is the first of its kind to be carried out in Northern Ireland. It aims not only to discover the average costs of childcare across the region, but also to explore parents' use of childcare in terms of accessibility, affordability and availability of information.

1.1 Context: Childcare in Northern Ireland

The attention and emphasis paid to childcare and childcare policy in Northern Ireland differs largely from the other three regions of the UK. In England, in particular, Local Authorities have a statutory obligation to ensure that there is adequate childcare provision for parents in their local area (HM Government, 2006). Furthermore, there is a fully functioning Ten Year Childcare Strategy to ensure that childcare is addressed in terms of choice, quality, availability and affordability (HM Treasury *et al*, 2004).

The Department for Education takes responsibility for childcare. Similar structures are in place in Wales and Scotland, including a network of Family Information Services in each Local Authority area.

In Northern Ireland the picture is very different. The absence of an integrated childcare strategy, dedicated resources for childcare and the lack of one Government department to take sole responsibility for childcare, means that this area is neglected in Northern Ireland. The picture of childcare statistics in the region clearly illustrates this disregard. For example, in Northern Ireland there is only one childcare place for every 6.4 children under four years of age (Garnham, 2010). Furthermore, the number of childcare places in the region has decreased year on year since 2003 (Employers For Childcare, 2010). In rural areas there is even less provision than in urban areas (Rural Childcare Stakeholder Group, 2008). The lack of a childcare infrastructure in the region means that many parents are unable to access childcare. In Northern Ireland only 20% of those who seek affordable childcare can access it, while in England accessibility is up to 80% (NI Assembly, 2010).

The picture of childcare services in Northern Ireland is bleak. Furthermore, little attention is paid to the problems parents face in accessing and paying for childcare. This report aims to identify the particular challenges parents face and to address the issue of childcare costs in the region for the first time.

2. Methodology

This is the first childcare costs survey to be conducted in Northern Ireland. As there is no network of Family Information Services in the region, a different approach from the Daycare Trust had to be taken in order to discover the true cost of childcare. The existence of a Family Information Service in the other three regions means that information on childcare is readily available to parents. Furthermore, the role of Local Authorities in carrying out childcare sufficiency assessments in their local area means that information on childcare provision and costs is readily available in England, Scotland and Wales.

The research was carried out in two stages. The first stage involved conducting a childcare provider survey in July 2010. 3,300 childcare providers were contacted to complete the survey. 622 surveys were returned, representing a response rate of 19%. Consideration was given to the location and childcare type in order to achieve a representative sample.

The second stage involved a parent survey which was launched in September 2010. We generated 1,047 responses from parents across Northern Ireland, through on-line forums, Childcare Partnerships, Health and Social Care Trusts, a range of media, women's and childcare sector organisations and parents who use our childcare voucher scheme. This approach was taken in order to ensure that the data collected from respondents considered the breadth of family circumstances within Northern Ireland in order to achieve a representative profile. Factors considered included marital status, family size, household income, employment status, geographical location and working patterns.

The childcare provider costs survey provides precise information relating to specific childcare costs and was therefore used as the measure of childcare costs for Northern Ireland. The parent survey supplements the Childcare Provider information, providing a mix of both quantitative and qualitative data. We start with an analysis of the Childcare Provider results.

2.1 Limitations

We sought to gain a representative sample in both surveys and this was largely obtained. However, given the nature of surveys it was not possible to gain a sample that precisely represented the population from which it comes.

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

The majority of parents that completed the survey were in employment. This is explained by the fact that most parents who access childcare services are mainly in employment.

Childcare for children with disabilities or special needs is not considered within this report. Employers For Childcare Charitable Group is currently conducting a separate study into this area, which will be published in early 2011.

3. Childcare costs in Northern Ireland – childcare provider results

3.1 Information on respondents

Of the respondents, 48% were registered childminders, 30% were out of school clubs (comprising breakfast clubs, after-school clubs and holiday schemes) and the final 22% were day nurseries. The findings correspond with the level of childcare provision in terms of the number of settings; childminders are the most common form of childcare, followed by out of school clubs and then day nurseries.

We received responses from across Northern Ireland. The largest response rate came from County Antrim (34%), followed by County Down (28%). The response rate for counties Derry/Londonderry, Tyrone and Armagh were all similar at 11%, 11% and 10% respectively. The lowest response rate was from County Fermanagh (6%). These figures are consistent with the level of childcare provision across Northern Ireland. Therefore, a representative sample was obtained.

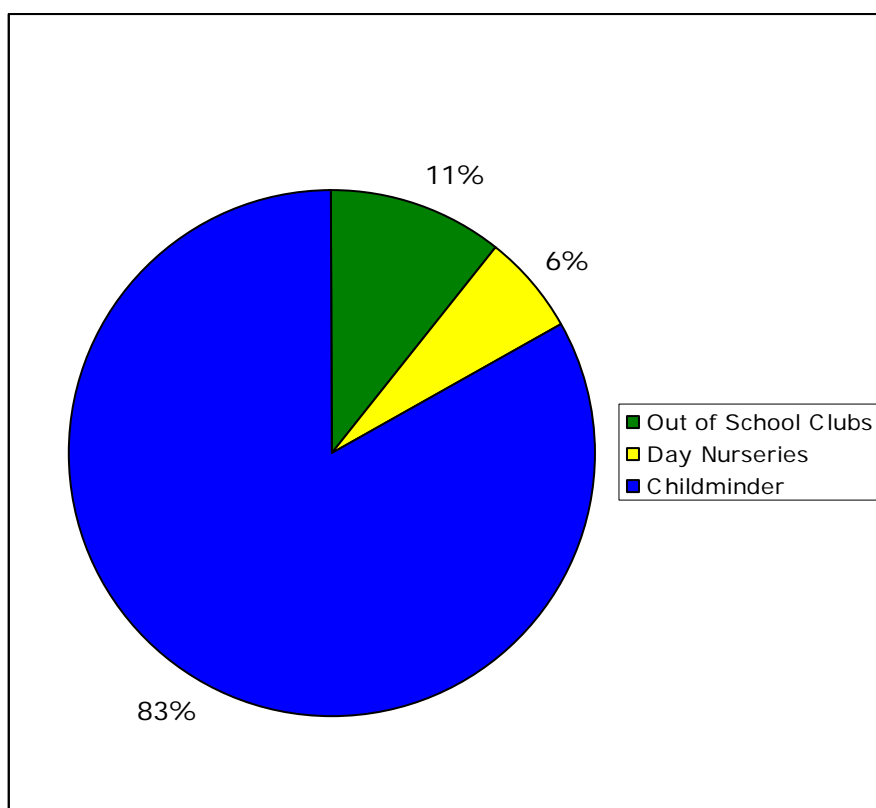
There are a total of 4,541 childminders, out of school clubs and day nursery settings in Northern Ireland (DHSSPS, 2009). The distribution of these settings is not recorded by county, but rather by the volume in each of the five Health and Social Care Trust (HSCT) areas. The Northern HSCT area has the highest level of provision. It covers the majority of County Antrim and contains 36% of all childcare settings¹. The South Eastern HSCT, which covers County Down, has 24% of providers. The Belfast HSCT covers parts of both County Antrim and Down and contains 14% of providers. Taken together, these three Trust areas represent

¹ Includes childminders, day nurseries and out of school clubs (comprising breakfast clubs, after-school clubs and holiday schemes).

74% of Northern Ireland childcare providers. The Southern HSCT and Western HSCT areas contain 12% and 14% of provision respectively.

These Trust areas cover the majority of counties Armagh, Fermanagh, Tyrone and Derry/Londonderry. The response rate for the childcare costs survey across each county is similar to the percentage level of provision in each HSCT (and therefore corresponding counties) area. This illustrates that the response rates are proportional to the level of childcare provision across counties in Northern Ireland.

Figure 1: Childcare Provider Settings in Northern Ireland.



Source: Data from DHSSPS (2009) Children Order Statistical Tables 2008/2009.

3.2 Childcare costs

As of 2010, the Daycare Trust surveys report childcare costs for 25 hours of childcare a week, as it states that this is a reflection of typical childcare usage (Daycare Trust, 2010: 2). However, in our survey over 60% of the respondents stated that they use over 25 hours of childcare in an average week. Therefore this survey reports costs for 50 hours a week to represent an accurate picture of childcare usage and cost in Northern Ireland.

3.2.1 Private Childcare: Day nursery and childminding costs

Figure 2 shows private childcare costs across Northern Ireland per week in 2010.

Figure 2: Private childcare costs in Northern Ireland

County	Nursery (under 2)	Nursery (Over 2)	Childminder (Under 2)	Childminder (Over 2)	Breakfast club	After-school club	Holiday Scheme
L/Derry	136	137	148	147	23	56	90
Fermanagh	138	136	137	137	15	73	115
Down	152	152	158	154	60	86	129
Antrim	168	167	158	159	43	84	123
Tyrone	131	130	138	139	25	72	106
Armagh	138	138	150	150	36	65	66
Total Average*	£157	£157	£153	£152	£44	£78	£117

*Total averages based on average of each detailed cost per facility type.

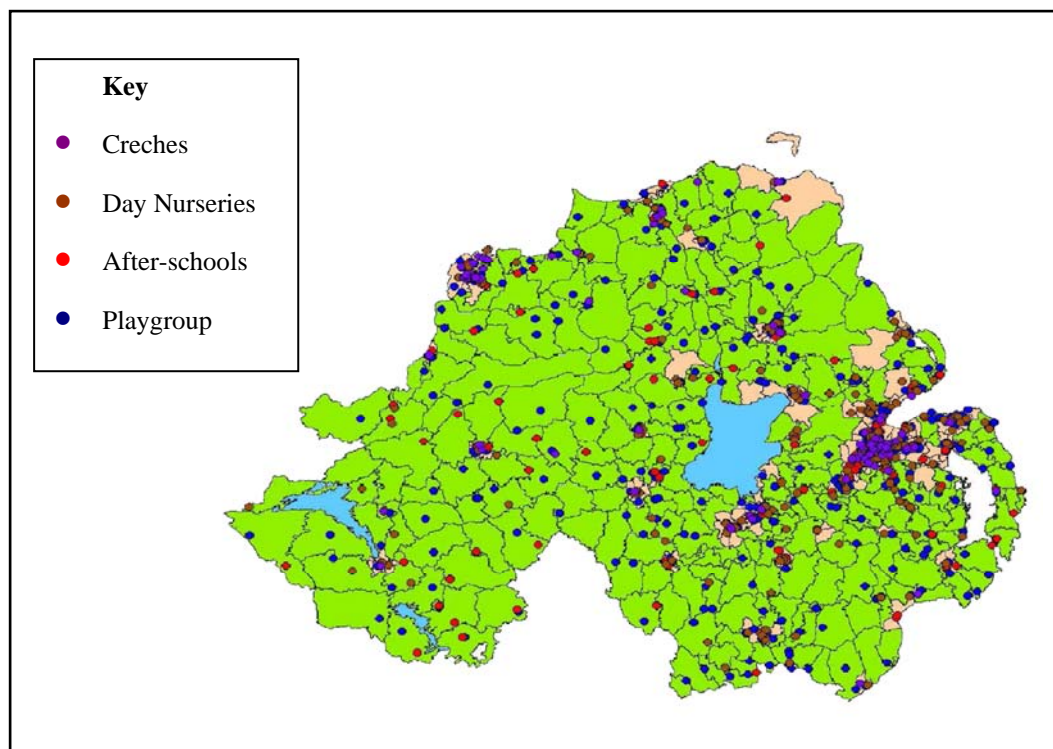
In total, the average cost for a full time place in a private day nursery is £157 per week, regardless of the age of the child. Childminder costs do vary slightly for provision for children over and under the age of two. In total, childminder costs for a child under two are £153 per week, whereas costs for children over two sit at £152 per week. Costs vary across the

different counties. Childcare in counties Antrim and Down is more expensive than in the other four counties. This is particularly evident in day nurseries. The average cost of a day nursery per week in Down is £152 irrespective of age. In Antrim, nursery costs rise to £168 for children under two years of age. This is the most expensive cost across the six counties. County Tyrone has the lowest day nursery costs. For example, a day nursery place is as low as £130 a week for children over two.

Childminder costs also vary by county. The lowest costs are in Fermanagh and Tyrone at £137 and £138 respectively. Again County Antrim has the highest costs, reaching £159 per week for children under two.

The link between population density and childcare costs is evident. Costs are highest in the most populated and largely urban counties, namely Down and Antrim, rising to £168 per week for a day nursery place in County Antrim. In the mostly rural counties, Tyrone and Fermanagh, childcare costs do not reach above £139 per week for a day nursery or childminder. The less rural and more populated counties Derry/Londonderry and Armagh have slightly higher costs, reaching £150 a week for childminders. Although there is a recognised lack of childcare in Northern Ireland as a whole, rural areas are particularly problematic. Figure 3 shows the geographical spread of providers in Northern Ireland. It is clear that there is a correlation between the number of childcare providers and type of area.

Figure 3: Geographical spread of childcare providers in Northern Ireland.



Source: Rural Childcare Stakeholder Group, 2008; 33.

The majority of childcare settings are in urban areas which are largely in counties Antrim and Down. The lack of access in rural counties is demonstrated through the geographical area covered by the Belfast HSCT. It contains more than double the number of private day nurseries than the entire Western Trust area (DHSSPS, 2010, 40), which covers the majority of counties Fermanagh, Tyrone and Derry/Londonderry. In 2008, only 26% of day nurseries were located in rural areas (Rural Childcare Stakeholder Group, 2008: 33).

The Northern HSCT (which covers the majority of County Antrim) has the largest amount of registered childminders in Northern Ireland (DHSSPS, 2010: 41). Antrim also has the most expensive childminder costs, reaching £159 per week. This is closely followed by the South Eastern Trust (covering county Down), which has the second most expensive

childminder costs. In saying this, excluding Antrim and Down, childminders are the most popular form of available childcare in the other counties. To place this level of childminder provision into context, as mentioned above, the Belfast HSCT has more than double the number of day nurseries than the Western Trust. However, both Trust areas have a similar number of registered childminder places (DHSSPS, 2010, 41). This shows the saturation of childminder provision in comparison to other forms of childcare in counties Fermanagh and Tyrone. The weekly cost for a childminder in these counties is almost level with or exceeds the cost of a day nursery place. In Fermanagh, for example, on average a childminder place costs £137 per week, yet a day nursery place is on average £136 for a child over two and £138 for a child under two. This difference is marginal.

3.2.2 Out of school care

The Daycare Trust costs surveys in England, Scotland and Wales discuss out of school care collectively, however in Northern Ireland out of school care is broken down into breakfast clubs, after-school clubs and holiday schemes. The costs are therefore discussed individually in this report.

The Northern Ireland average for a private breakfast club is £44 per week. On average, after-school clubs cost £78 per week and Holiday Schemes £117 per week. Private breakfast club costs range from £15 per week in Fermanagh to £60 per week in Down. After-school clubs range from £56 per week in Derry/Londonderry to £86 per week in Down. Holiday Schemes range from £66 in Armagh to £129 in Down.

As with day nursery and childminding costs, out of school clubs tend to be more expensive in counties Antrim and Down. This is interesting, given that the level of provision is higher in these areas and competition is therefore greater. Again there are more out of school clubs in counties

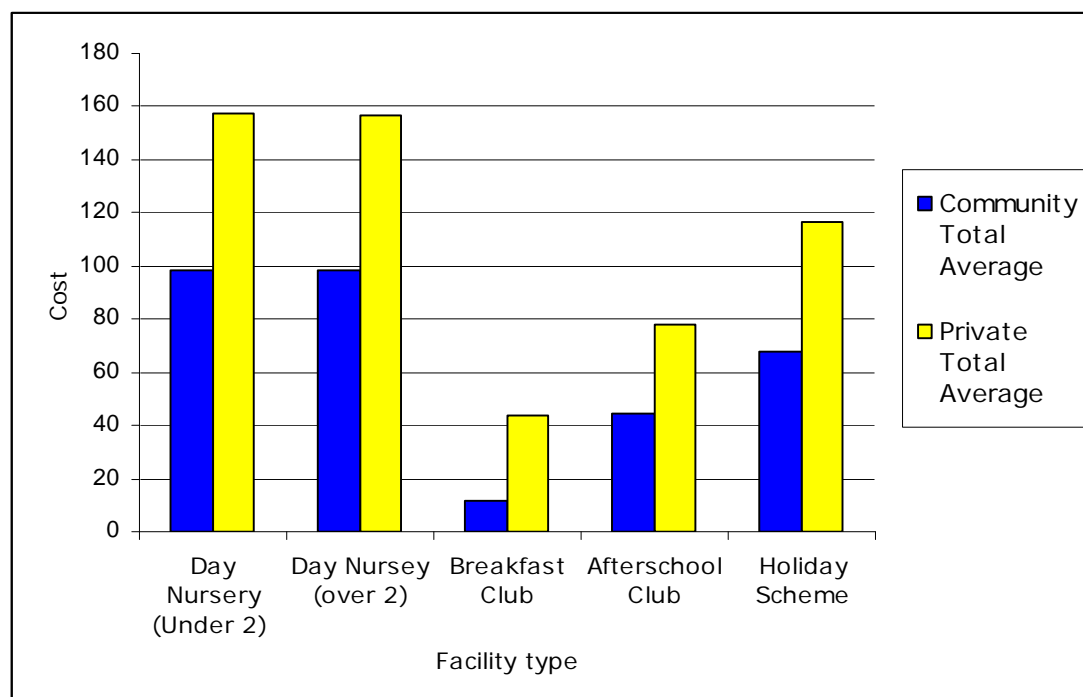
Antrim and Down. For example, Figure 3 shows the geographical spread of after-school clubs in Northern Ireland. The majority of clubs are located in the east of the region, while very few exist in the west. According to DHSSPS, in total there are 331 out of school clubs in the Northern HSCT area compared to only 37 in the Western HSCT (DHSSPS, 2009).

3.2.3 Community childcare settings

The majority of childcare settings are privately managed; however some community organisations manage childcare settings, for example Women's Centres. Only 24% of respondents to the childcare provider survey were community settings. Community setting costs are typically lower than private setting costs. Community organisations that provide childcare settings are usually in receipt of Government funding. Therefore the subsidies offered permit community settings to offer their childcare services at a lower financial cost, with some settings providing free childcare places. Figure 4 shows community and private average childcare costs in Northern Ireland.

In comparison to the private costs detailed earlier, community settings are much less expensive. In particular, community day nursery costs are, on average, £58 less per week than private settings. Interestingly, the majority of community settings are situated in county Fermanagh. Almost 60% of respondents in Fermanagh were community organised facilities as opposed to private settings. This was followed by Tyrone (33%).

Figure 4: Private and Community Childcare Costs in Northern Ireland



In total, the Western HSCT area contains four times the number of community day nurseries than the Belfast HSCT and the South Eastern HSCT areas. According to DHSSPS, there is only a difference of 98 childcare places between private and community day nurseries in the Western HSCT area², whereas in the Northern HSCT area there is a difference of 2,830 places³ (DHSSPS, 2010, 40). Due to this competition for places the cost of a private day nursery in Fermanagh and Tyrone is less than in other counties where there is not a high presence of community settings.

² 698 private childcare places in day nurseries compared to 600 places in voluntary nursery services (DHSSPS, 2010, 40).

³ 2,061 private childcare places in day nurseries compared to 76 places in voluntary nursery services (DHSSPS, 2010, 40).

3.2.4 Conclusions

Three trends are apparent. Firstly, there is a clear urban-rural divide in costs. Secondly, there is a connection between the level of childcare provision in each county and the cost of childcare which is obviously linked to the rural-urban divide. Thirdly, the level of provision of each form of childcare, including both different facility types (day nursery, childminder, out of school club) and organisation type (private and community) in each area is linked to the costs in that area.

3.3 Childcare in Northern Ireland within the context of the UK

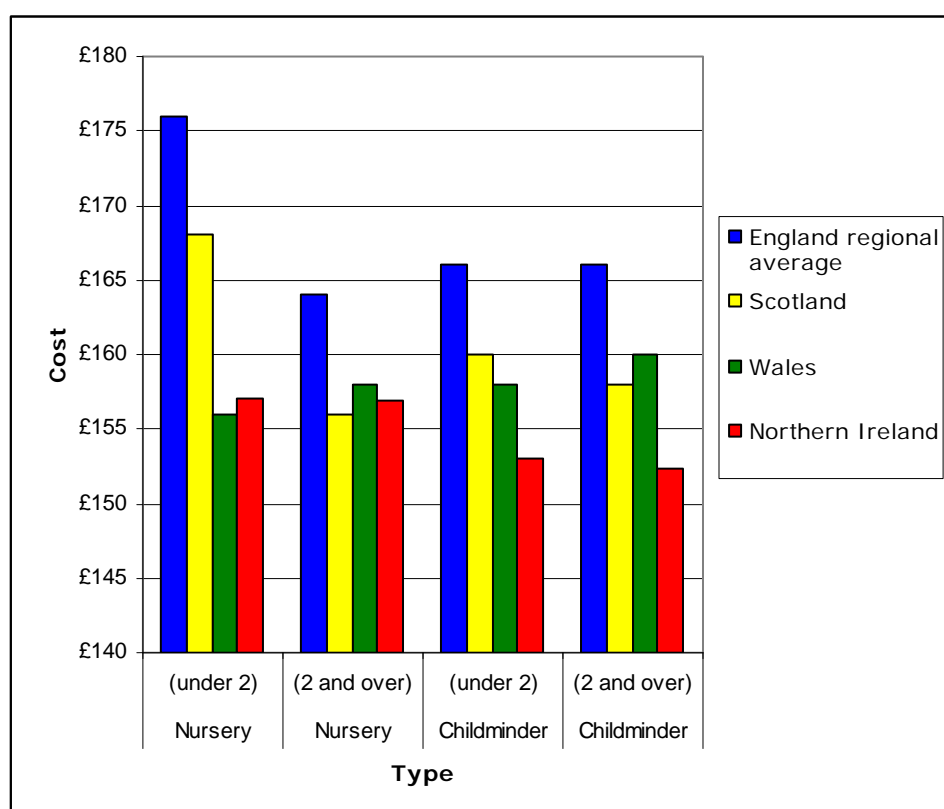
Given this is the first survey of childcare costs to be carried out in Northern Ireland, costs cannot yet be compared to previous years. However, we can compare Northern Ireland childcare costs with those identified across the other three regions of the UK.

3.3.1 Average costs in the UK

As stated earlier, the Daycare Trust carries out childcare costs surveys in England, Scotland and Wales each year. This information is collected through a survey of Family Information Services. To date, a comparison between childcare costs in Northern Ireland and the rest of the UK has not been possible. Figure 5 shows a comparison between average childcare costs for day nursery and childminder provision across the UK. As out of school care is considered collectively within the Daycare Trust surveys, it is not possible to compare its figures with Northern Ireland. This is because out of school care is broken down into breakfast clubs, after-school clubs and summer schemes in Northern Ireland. In terms of day nursery provision, average costs in Northern Ireland are similar to those in Scotland and Wales. The average cost of a day nursery place in Northern Ireland is £157 per week. This amount is similar to a nursery

place in Wales, which for a child under two is £156 per week, rising slightly to £158 per week for children over two. In Scotland, the cost for a child over two years old is £156 per week. Childminding costs in Northern Ireland are lower than in the rest of the UK, yet are similar to Wales (for children under two) and Scotland (for a child over two) at £158 per week.

Figure 5: Average childcare costs across the UK



Source: Compiled from using Daycare Trust data, 2010.

It is noticeable that in Northern Ireland the difference in cost for children over and under two is very slight, if different at all. In the other three regions, day nursery costs for children over two are generally lower than for those under two. Childminding costs do not differ as much for children of different ages.

3.3.2 Northern Ireland counties and English Regions

A breakdown of average costs per region in Scotland and Wales is not available. However, the costs for each region in England are detailed by the Daycare Trust (see Figure 6).

Figure 6: Childcare costs in Britain 2010 (50 hours a week)

Region	Nursery (under 2)	Nursery (2 and over)	Childminder (under 2)	Childminder (2 and over)
London	£218	£194	£208	£206
South East*	£212	£194	£190	£190
South West*	£174	£160	£172	£174
East of England*	£180	£176	£168	£168
West	£154	£146	£142	£138
East	£172	£168	£156	£152
Yorks & Humber	£168	£158	£160	£160
North	£152	£134	£138	£138
North	£150	£140	£164	£164
England regional average	£176	£164	£166	£166
Scotland	£168	£156	£160	£158
Wales	£156	£158	£158	£160
Northern Ireland	£157	£157	£153	£152

As mentioned above, childminder costs in both England and Northern Ireland only differ slightly with the age of the child. In Northern Ireland there is a difference of only £1 per week (if any difference at all) in most counties. In England this pattern is also evident across the regions. In Northern Ireland the total average childminder cost is £152 - £153 per week. Only the East and West Midlands in England record costs less than this amount.

When the breakdown of Northern Ireland counties is compared to the costs for the English regions, it is interesting to note that average childminder costs for County Antrim are similar to or greater than those

recorded for four of the nine English regions (West and East Midlands, Yorkshire and The Humber and North West).

The research reveals that childminder costs in Northern Ireland often exceed day nursery costs in rural, less populated areas where childminder provision is the most prominent and accessible form of care. This is also evident in England, where in the North East (the most northern region and furthest away from London) childminding costs are more expensive than day nursery costs.

The North East has the lowest childcare costs in England and is also the region with the lowest level of childcare provision with only 4,500 childcare providers. This is a trend evident in the Western HSCT area in Northern Ireland, particularly County Fermanagh. Childcare is generally less expensive in areas where childcare provision is lacking.

Correspondingly, Antrim and South East England, which have the highest number of childcare places in Northern Ireland and England, also have the highest childcare costs.

3.3.3 Conclusions

Similar trends apply to the patterns of childcare costs in Northern Ireland and England. In England, childcare is more expensive in urban and more populated areas as expected. The further away from the main cities, and in particular London, the less expensive the childcare becomes. London has the highest childcare costs in England, similarly County Antrim, where Belfast is situated, has the highest costs in Northern Ireland.

Also, there is a correlation between the level of childcare provision in an area and an increase in childcare costs. The South East region has the highest number of childcare places in England and the highest level of cost after London. Costs of a day nursery for a child under two are £212 per

week. In Northern Ireland, County Antrim has the highest level of childcare provision and also the most expensive costs. Correspondingly, the North East region of England has the lowest level of childcare providers and a day nursery cost for under twos is £150 per week, the lowest in England. Similarly, counties Fermanagh and Tyrone have low levels of childcare provision and the lowest costs.

A wider analysis could be completed if childcare costs across the various regions in Scotland and Wales were available. Nonetheless, the average costs detailed for each country as well as the costs detailed across the English regions and Northern Ireland counties paint an interesting picture of childcare costs throughout the UK.

The next section of this report explores Northern Ireland parents' experiences of childcare usage and costs. It will also highlight the challenges that parents in Northern Ireland face in finding affordable and appropriate childcare services.

4. Listening to parents in Northern Ireland about childcare

The parents' survey was designed to collect information on parents' experiences of paying for and accessing childcare across Northern Ireland. As well as collecting information relating to childcare costs, we sought information on employment status, household income and family type in order to build a picture of the various experiences of households relating to their childcare costs and needs. A total of 1,047 parents responded to the survey.

4.1 Personal circumstances of respondents

4.1.1 Marital status and family size

The majority of respondents were female (75%) and came from two parent families (95%), with 3% having sole responsibility for their children and 2% sharing responsibility with a partner that they did not live with.

Typically, two parent households had two children (46%), while 41% had one child. Only 10% had three children and the remaining 3% had four or more children.

5% of the respondents were lone parents, all of which were female. Typically one parent families had one child (64%). 33% of lone parents had two children and the remaining 3% were made up of three children.

Figure 7: Family size of all respondents

Family Size (number of children)						
Age	1	2	3	4	5	6
Under 2	191	211	43	5	0	0
2 – 5	211	404	95	12	2	1
6 -11	41	166	82	19	2	0
12+	3	29	22	17	3	0
Total	446	810	242	53	7	1

4.1.2 Location of respondents

The largest number of respondents lived in County Antrim (39%). This was closely followed by 31% from County Down. Counties Armagh and Derry/Londonderry had a similar number of respondents accounting for 11 and 10% of respondents respectively. 7% of respondents were from County Tyrone and only 2% were from County Fermanagh.

4.1.3 Employment status and working patterns

The majority of respondents in two parent households were in full time employment (79%), 10% worked part time and 8% were self employed. 2% of respondents were not in employment, with 1% studying. The majority of lone parents were also in full time employment (76%). 9% worked part time and 3% were not in employment. 12% stated that they were studying.

The working patterns of households revealed that the majority worked Monday to Friday 9am – 5pm. Those working atypical hours represented 34% of the total respondents. However, within lone parent households 52% of respondents worked atypical hours.

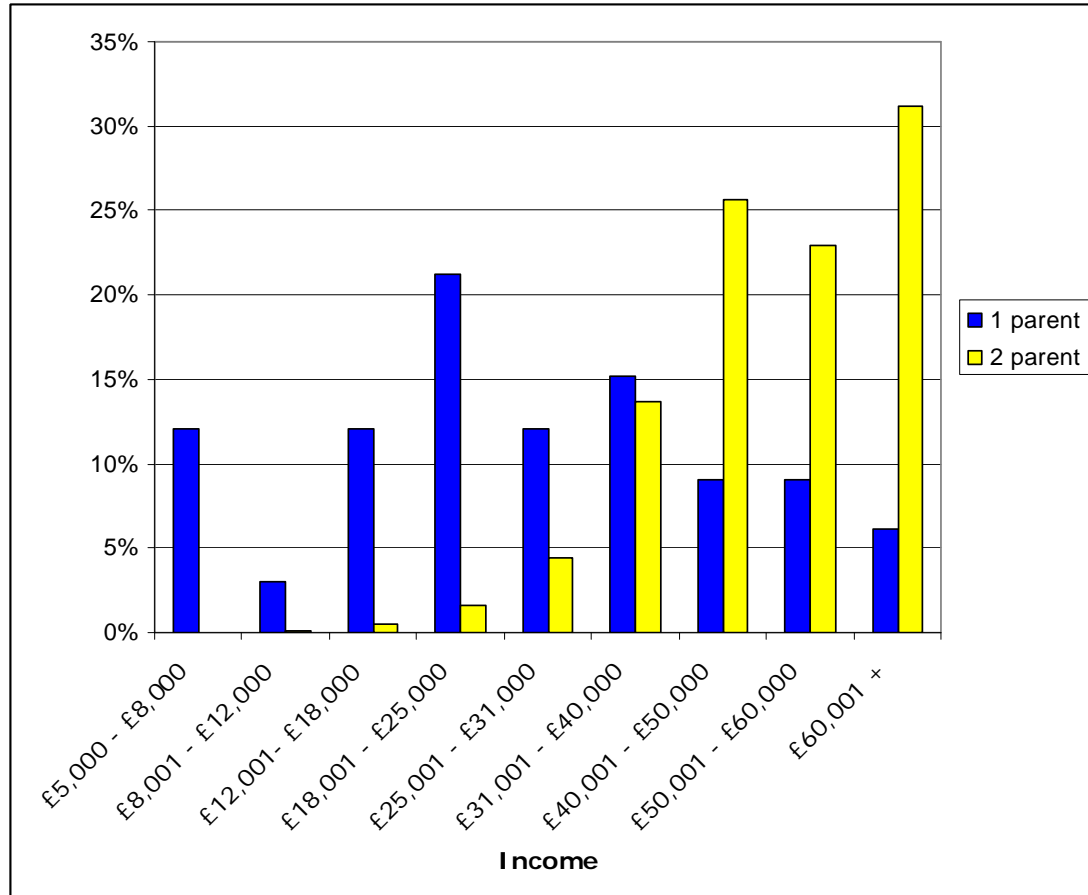
4.1.4 Household income

Household income includes salaries, benefits and other sources of income. The largest percentage of respondents had household incomes in the range of £60,001+, accounting for 31% of the total. Figure 8 breaks down the household income levels of one parent and two parent households.

Household incomes of £40,001+ account for 78% of two parent families' total household income. 22% ranged from £8,001 and £40,000, with almost two thirds of those in the £31,001 to £40,000 income range.

The household income for lone parent households portrays a different picture, with 12% of respondents stating that they had a total household income ranging from £5,000 to £8,000. Nearly half (49% of lone parent households) had incomes of less than £25,000. Only 6% had a total income of over £60,001+. Given that 76% stated that they work full time, their household income levels are considerably lower than two parent households.

Figure 8: Household annual income by family type



4.2 Childcare usage

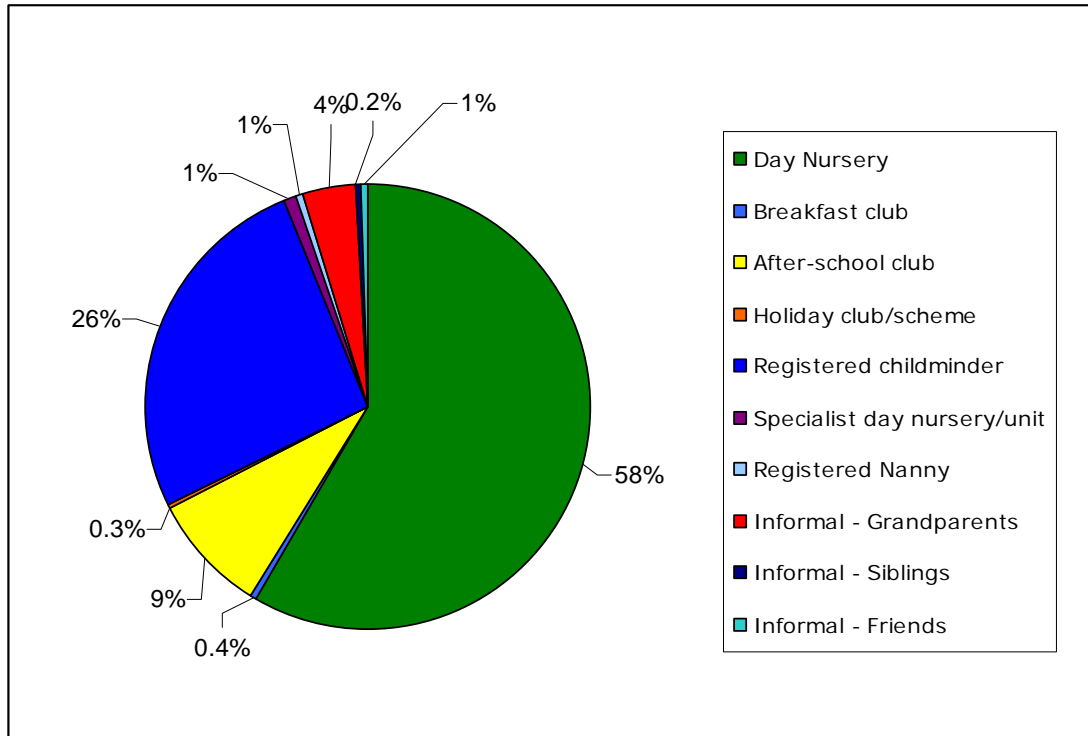
This section discusses the respondents' use and experiences of using childcare.

4.2.1 Main form of childcare chosen by parents

The main form of childcare used by two parent households in the survey was day nurseries (58%). 26% used registered childminders. These two childcare types accounted for 84% of childcare usage. Other settings, such as after-school clubs, were used by fewer parents (9%). Day nurseries, registered childminders and after-school clubs were the main three forms of childcare used. 5% of respondents used informal childcare

as their main form of childcare, mainly grandparents, 1% used a registered nanny, with the remaining 1% a breakfast club, holiday scheme.

Figure 9: Main form of childcare used by two parent households



Day nurseries are also the main form of childcare used by lone parents, with 45% availing of this setting. 26% used registered childminders and 19% used an after-school club. The remainder used informal childcare, with 7% using grandparents and 3% using a registered nanny.

4.2.2 Parents' use of childcare (both formal and informal)

As well as asking parents what their main form of childcare was, we also recognised that parents tend to use a variety of childcare settings throughout the course of a year to supplement their main childcare type. All of the respondents used a range of both informal and formal childcare settings in addition to their main childcare type over the past 12 months. We therefore wanted to capture this information. For all respondents that use additional support through formal care, day nurseries account for 65% of their supplementary childcare choices, followed by childminders (30%). 21% used after-school clubs and 9% used a breakfast club. Grandparents were the most popular form of informal childcare used (69%), followed by siblings (21%) and friends (16%).

For two parent families, 60% used grandparents as their main form of additional informal childcare, followed by siblings (22%) and friends (15%). 3% used unregistered childminders and 26% did not use any informal childcare.

Similarly, for lone parent households, family members represent a high percentage of informal childcare usage over the past 12 months. Grandparents represent 62% and siblings 35% of childcare used, whilst 10% have used unregistered childminders. 24% stated that they have not availed of any informal childcare over the past 12 months. Lone parent families used more informal childcare provided by family members than two parent households to support their additional childcare needs.

It is clear that the majority of families use a mix of formal and informal childcare. In particular, the majority of informal childcare is provided by family members. For many parents additional support from family members, mainly grandparents, is vital, as illustrated through the experiences shared by parents in the survey:

"Paid childcare is extremely expensive and would just be unaffordable for us full time. We manage with a lot of help from family members but have no idea how we could work and drop our daughter to school and collect her again".

"I have great support from grandparents who have enabled me to remain at work".

"Family have provided the additional childcare at no cost".

"I needed help from grandparents initially as I could only get a part time place".

"I couldn't manage without the help of grandparents....Juggling childcare with work is a constant battle and stresses me out sometimes".

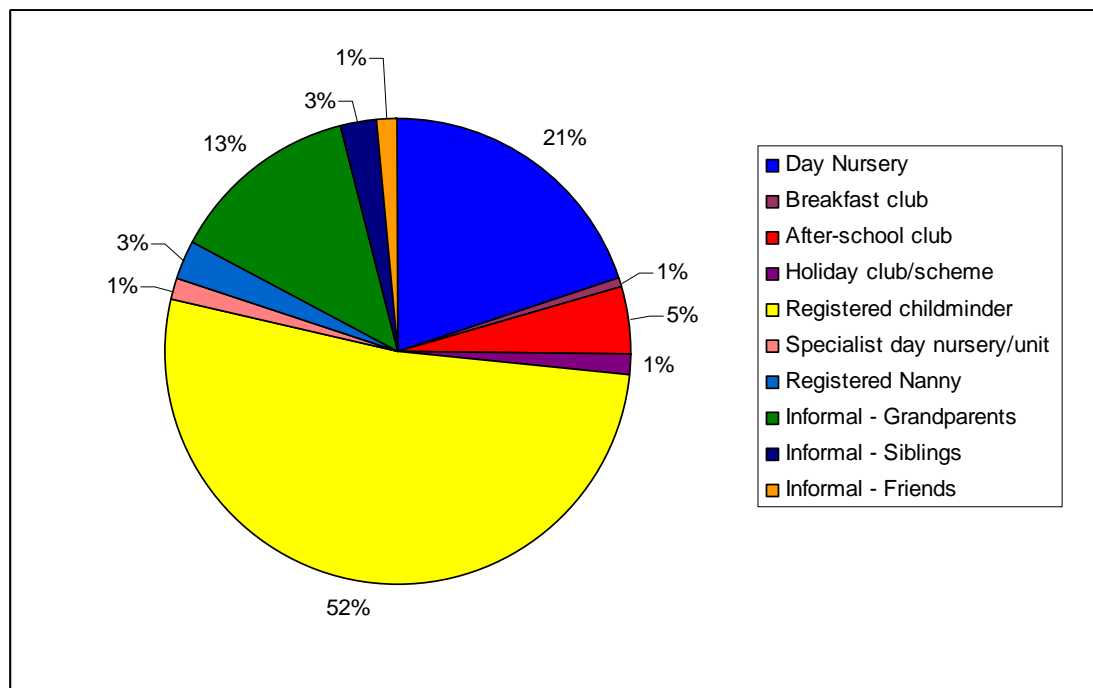
It is clear from these responses that the reason why parents rely on a mix of both formal and informal childcare arrangements is due to both the cost of childcare and the lack of flexibility of formal childcare settings. Cost is clearly an issue for many parents. Family members can supplement extra hours of childcare at little or no cost when compared to the cost of formal childcare. Lone parents rely more on family members than two parent families. As the majority of these respondents have a household income of up to £25,000 a year compared to the £40,000+ incomes for the majority of two parent families in the survey, it is perhaps unsurprising that they rely more heavily on informal childcare from family and friends. Cost will be explored in more detail later in the report.

Family members can provide parents with more flexibility than most formal childcare settings. The perceived inflexibility of childcare was of particular concern to many parents. This will now be explored.

4.3 Flexible childcare arrangements

Most childcare settings do not offer flexible childcare (outside of Monday to Friday 7.30am – 6pm). The survey of parents showed that 34% worked atypical hours, outside the 9am - 5pm, Monday to Friday, working pattern. Yet, parents stated that only 14% of settings provided atypical childcare cover. The results from the survey of childcare providers confirms this result, with 94% of childcare providers stating that they do not open during evenings and weekends. The most flexible type of childcare provider offering atypical childcare is registered childminders, with 52% of parents availing of atypical childcare provision. Day nurseries also offer some flexibility with 21% of parents availing of this service.

Figure 10: Atypical childcare provision



A higher percentage of childcare providers in County Antrim were open during evenings and weekends than in any other county. County Fermanagh had the lowest percentage of providers opening during atypical hours. Over 80% of respondents to the parents' survey in each of the counties stated that their childcare provider did not open during evenings and weekends.

52% of lone parents worked atypical hours. They were also the group that relied most heavily on informal childcare through family members. The lack of atypical childcare perhaps increases the need for informal childcare to supplement additional hours.

The perceived inflexibility of childcare services caused concern for many parents. In addition to this, the way childcare providers divide the childcare day resulted in problems for parents. For example, many childcare providers split the day into part time and full time places. Often parents whose hours marginally exceed that of a part time place, are charged for a full day even if the difference is one or two hours. This places an additional cost burden on parents.

"We continue to have to pay full time care for our child even though he has now commenced Nursery School. He is under 5 years old, therefore we are being asked to pay for full time placement even though he only attends a childminder from 12.45pm - 5.15pm Monday to Friday with school pickup".

"The part time rate is for a set time in the day - 9am - 1pm - which are the hours I would have to be at work. This means that I end up paying a full day rate".

Nonetheless, although many parents were unhappy with the flexibility of their childcare provider, the majority of respondents were happy with the quality of care offered by their provider (96%). The result was consistently high for respondents in each county and family type.

Atypical childcare remains limited, however many providers considering extending their operational hours face considerable barriers to extending provision. Further research is required into atypical provision, both on the supply and demand side and on the obstacles that childcare providers who want to extend provision may face.

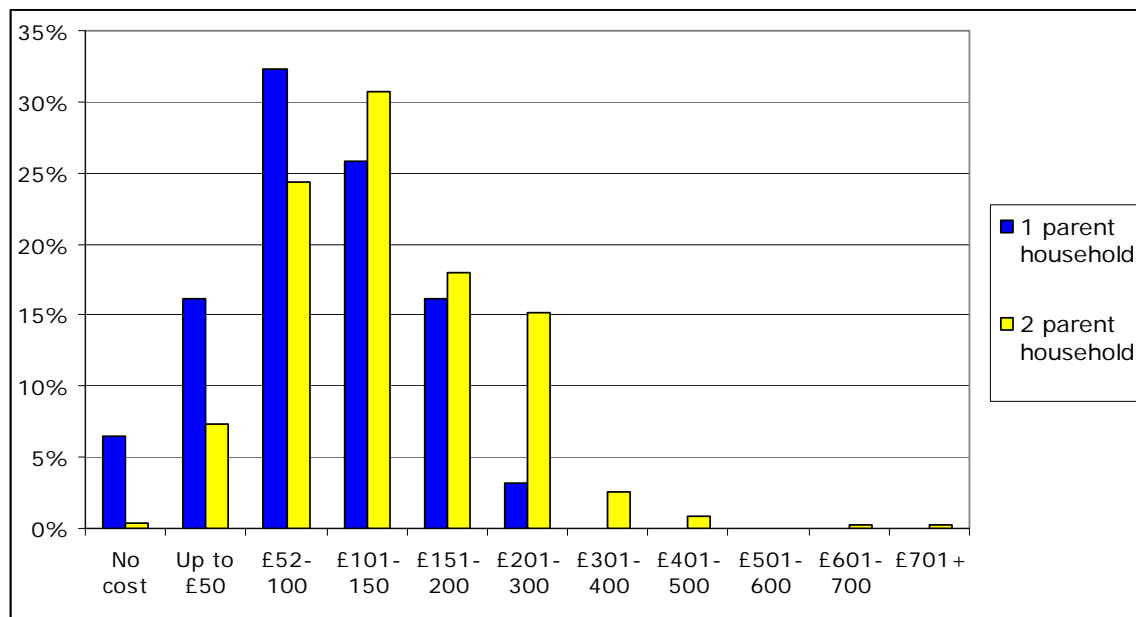
4.4 Childcare costs

This section illustrates how much families in our survey pay for childcare in an average week, giving a breakdown of childcare costs within a number of scenarios. Firstly, costs for different family types are explored. Secondly, costs are compared across childcare types. Thirdly, the average costs are compared, where possible, to the average costs detailed by childcare providers.

4.4.1 Childcare costs by family type

Figure 11 presents a breakdown of costs for one parent and two parent households.

Figure 11: Weekly average childcare costs by household type



The majority of one parent households pay £52 - £100 per week in childcare costs. Of two parent families, the majority pay between £101 and £150 per week. It is interesting to note that while costs for one parent families stop at the £201 – £300 price bracket, costs continue to rise for two parent families, up to £701+. At the other end of the scale, a greater number of lone parents than two parent families incurred no costs for all their childcare provision. Therefore, overall one parent families had lower childcare costs than two parent families. This trend could be explained by the use of informal childcare by the lone parent respondents. More lone parents than two parent families used informal childcare.

96% of lone parents availed of additional childcare care provided by grandparents, siblings and friends, compared to 82% of two parent families. Childcare provided by family and friends tends to come at little or no expense.

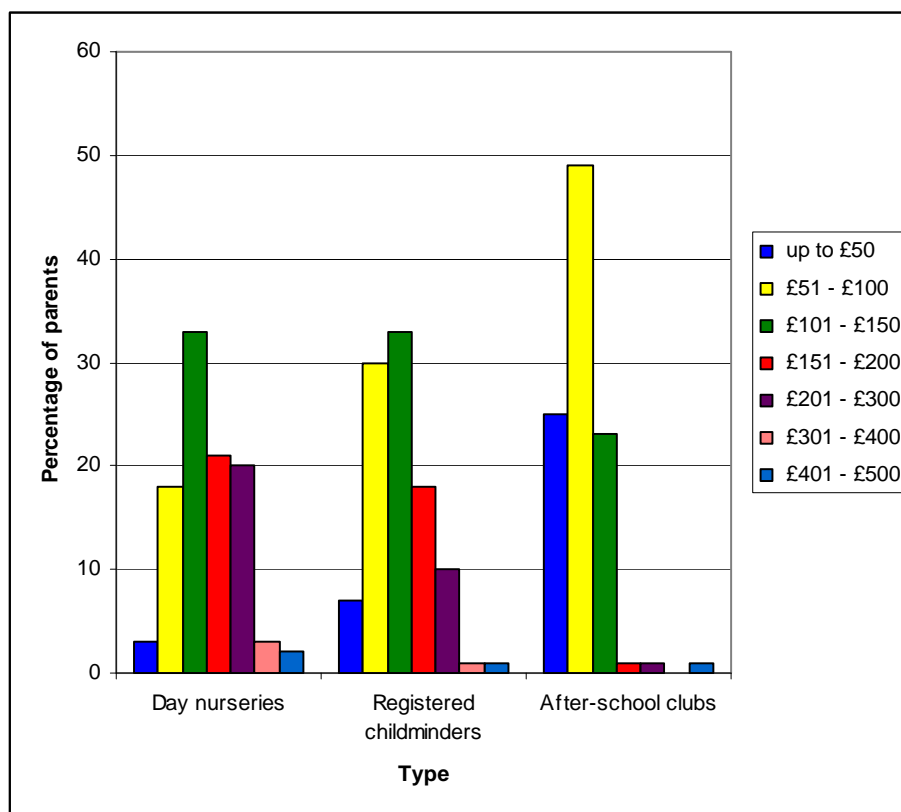
4.4.2 Breakdown of costs across the six counties

Within counties Antrim, Armagh and Down weekly childcare costs are more expensive than in other areas, ranging from £201 - £300 a week for a household. Tyrone's average costs sit within the £151 - £200 range. Fermanagh and Derry/Londonderry have the lowest average costs within the six counties, sitting within a £101 - £150 price range.

4.4.3 Childcare costs by facility type

Figure 12 shows the breakdown of childcare costs by facility type for the three main forms of childcare used by parents in the survey.

Figure 12: Childcare costs by facility type



The majority of parents using day nurseries (33%) and childminders (33%) paid £101 - £150 per week. Parents using day nurseries were more likely to incur higher costs, with 21% paying £151- £200 and a further 20% paying £151 - £200 per week. Parents using childminders had lower costs than those using day nurseries - for example, 30% of parents using childminders paid £51 - £100, compared to only 18% of those using day nurseries. Only 28% of parents using a childminder paid between £151 and £400 per week, compared to 41% of those using day nurseries. More parents using day nurseries (54%), than those using childminders (45%), struggled to meet their childcare.

After-school club costs were much less expensive, with the majority of parents paying between £51 - £100 per week. This is to be expected as parents use fewer hours of childcare in this particular setting.

Additional fees

The majority of parents using day nurseries paid up-front costs in comparison to other facility types. 45% of parents were required to pay fees in advance and were also more likely to pay a retainer fee (37%). In the context of childminders, 34% of parents using childminders were charged up-front fees, closely followed by 32% for after-school clubs. Only 28% of childminders and 20% of after-school clubs charged a retainer fee. Parents using after-school clubs were less likely to pay up-front costs (52%). Although day nurseries were more inclined to charge up front fees and retainer fees, the majority offered discount for multi-child families (58%), compared to 30% of childminders and 48% of afterschool clubs.

Fluctuation of childcare costs

For the majority of parents using day nurseries, childcare costs did not fluctuate during the year (71%). Of those whose costs did fluctuate (29%), this was mainly during school holidays, with 74% fluctuating during the summer holiday period. For parents using childminders as their main form of childcare, 58% of respondents' costs fluctuated during the year; this was mainly during the school holidays, with the summer break being the main period for incurring higher childcare costs. The majority of parents using an after-school club as their main source of childcare did not experience a rise in their costs (81%); this was mainly during school holidays (80%).

4.4.4 Comparing and contrasting childcare providers' data with parents' data

There are limitations to comparing and contrasting the parent and childcare provider surveys. The childcare provider results reflect exact

costings for particular settings, whereas the parents' survey considers a spectrum of families' circumstances. The parent analysis allows us to gauge the average range of childcare costs within different family types and circumstances. A comparison can therefore be drawn between the costs of different family types and forms of provision, providing a picture of what families in Northern Ireland pay for childcare. However, due to the number of variables including family size, household type, employment status and location, a direct comparison between the costs detailed by parents and those detailed by childcare providers is not possible.

However, that said when comparing the two sets of data some similar trends were revealed. Firstly, childcare costs across all settings for parents are more expensive in the more urban counties, namely County Antrim and County Down. This trend was also revealed in the childcare provider survey. However, within the county analysis of the parent survey, County Armagh also sits within the higher price bracket of childcare costs at £201 - £300 per week. Childcare costs are lower within County Fermanagh and County Derry/Londonderry, with average weekly childcare costs sitting at £101 - £150 per week. This is also consistent with the childcare provider survey, where costs in rural areas are less expensive than urban areas.

Secondly, on average, day nursery costs tend to be more expensive than both childminders and after-school clubs. Within different types of childcare, the parents' survey reported that day nursery costs are more expensive than childminder or after-school club costs. This is also comparable with the childcare provider survey results.

4.5 Proportion of salaries on childcare costs

Parents, on average, allocate 45% of their net median weekly earnings towards childcare costs in Northern Ireland. Northern Ireland and Wales pay proportionally a higher percentage of their salaries on childcare than England and Scotland (45% and 46% respectively).

Based on these calculations, childcare costs are one of the largest outgoings for many families. Figure 13 shows the proportions of childcare costs for one child, therefore parents with two or more children in childcare are under additional financial strain. The majority of families in the survey had two children. This is also reflective of the average family size in Northern Ireland. Furthermore, for one parent families, which are dependent on one salary, the proportion spent on childcare costs is much more than for two parent families with two salaries. In the survey 67% of lone parents stated that they struggled to meet their childcare costs.

Figure 13: Proportion of net weekly earning spent on childcare costs within the UK by childcare type.

Region	Media net* weekly earnings	Nursery (Under 2)	Proportion of salary childcare costs	Nursery (2 and over)	Proportion of salary on childcare costs	Childminder (under 2)	Proportion of salary childcare costs	Childminder (2 and over)	Proportion of salary on childcare costs
England	380.29	£176	46%	£164	43%	£166	44%	£166	44%
Scotland	369.18	£168	46%	£156	42%	£160	43%	£158	43%
Wales	342.75	£156	46%	£158	46%	£158	46%	£160	47%
NI	341.58	£157	46%	£157	46%	£153	45%	£152	44%

**net weekly earnings are calculated using gross weekly earnings DETI 2009 minus basic rate tax and NIC.*

The cost of childcare in relation to the proportion of family income is one of the main reasons why childcare is a major barrier to work and training. Many of the respondents commented on the strain between working to earn and working to pay for childcare. This issue is illustrated in the following quotes from parents:

“The biggest difficulty with childcare is the cost. Last year 46% of my take-home pay went on childcare. This makes it hard to justify working”.

“After paying childcare costs, our household has fractionally more income than we would if I chose not to work and stay at home”.

I am working to pay my childcare fees but I fear that if I leave work I won't be able to find a post when it will be financially viable to work. It is soul destroying”.

“As my husband and I both work, we find that the majority of my salary is spent on childcare costs”.

4.6 Information services for parents

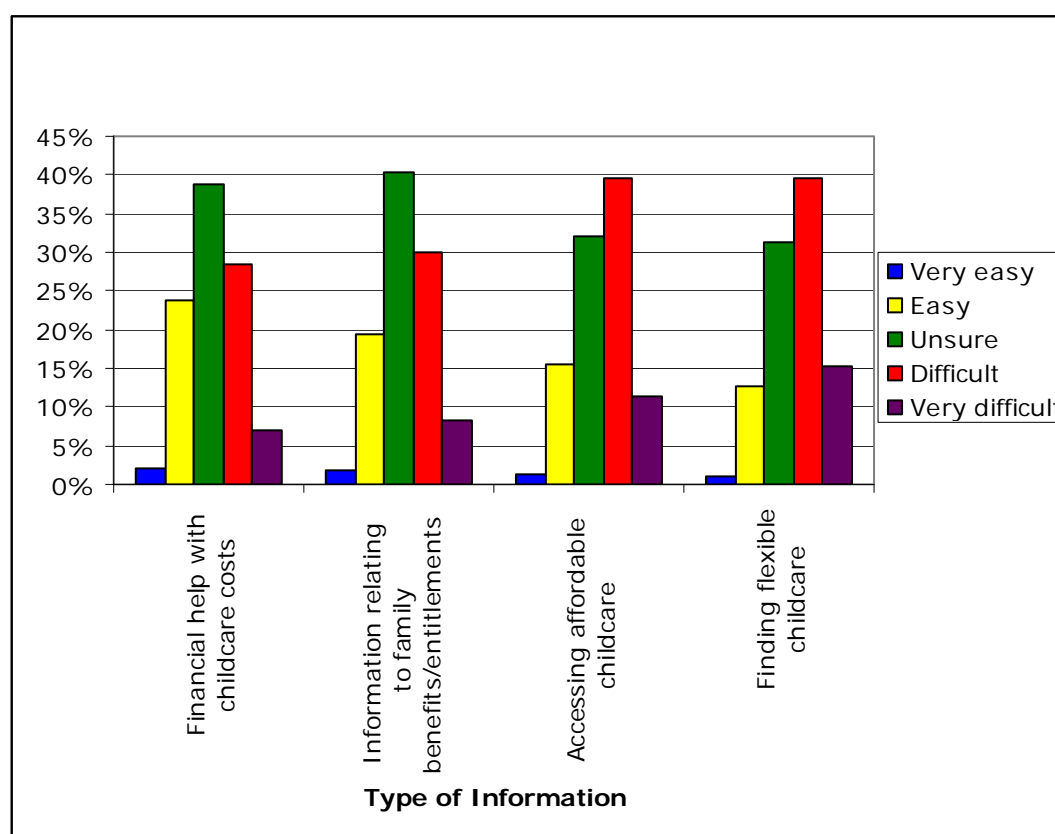
The Family Information Service which exists across England, Scotland and Wales does not exist in Northern Ireland. This makes it difficult for parents to access information on childcare provision, financial help available and possible benefit entitlements.

We asked parents to rate how they found accessing information services in Northern Ireland. The questions related to four areas of information:

- financial help with childcare costs
- relating to family benefits and entitlements
- accessing affordable childcare
- finding flexible childcare.

Respondents were asked to state whether they thought information was very easy, easy, difficult or very difficult to find.

Figure 14: Accessing information services in Northern Ireland



It is clear that in each of the areas relating to different types of information, the majority of parents found it difficult to access information. This was particularly evident for information relating directly to childcare services. When asked how easy it was to find information on accessing affordable childcare and finding flexible childcare, the majority of respondents stated that this was difficult or very difficult (50% and

55% respectively). In response to the same questions, under 2% of respondents stated that it was very easy to access information on childcare services.

Although the results for the questions relating to information on financial help with childcare and information on family benefits and entitlements are slightly better, with more parents stating that this form of information was easy to find (24% and 19% respectively), the majority of parents still stated that they found it difficult (28% and 30% respectively).

Irrespective of county or family type, the response rates for each of the four questions are consistent.

When each of the four questions relating to accessing information are considered together, results show that only 20% of respondents stated that finding information in the region was easy or very easy, while over double (44%) found it difficult or very difficult. This is reflective of the lack of a Family Information Service in Northern Ireland. Investment into the service would be required to bring Northern Ireland to the level of that which exists in the rest of UK.

4.7 Accessible childcare

The results above confirm that a high proportion of parents find it difficult to access information on childcare services in Northern Ireland. In addition to this, it is unsurprising that many parents stated that there was a lack of childcare in their area. 53% stated that after-school provision was the most lacking. This was closely followed by day nurseries (48%) and childminders (38%).

One parent's comment sums up the issue of childcare provision in Northern Ireland: "demand outstrips supply in all [childcare] types".

The lack of affordable childcare has become an increasing problem for parents over previous years; statistics show that year on year childcare provision decreased in Northern Ireland between 2003 and 2009. In the rest of the UK childcare provision increased over the same period.

The lack of childcare services is a major barrier for parents in accessing work and education. Access to childcare services for rural families is a particular challenge. Interestingly, childcare costs tend to be cheaper in rural areas. However, many respondents were left with no option but to use unregistered childcare services due to insufficient formal provision.

"I would prefer to use registered childcare but living in a rural area, there are no nursery facilities that can pick up from the rural school and the few registered childminders are always fully booked. My current unregistered childminder is fabulous with the children (I am now with her 4 years and the children are really happy) but adamant that she does not want to go through registration. This is extremely frustrating. Her charges are the same as the few local registered childminders".

"I can only return to work because I use an unregistered childminder. We moved to this rural area 4 years ago and the lack of childcare is really disabling. I feel lucky to have found such a good childminder, albeit that she is unregistered".

"We live in a rural area and the nearest town with a population of 7000 had only 5 registered childminders. We were very lucky to get our son in with one of them. When we had our daughter and my partner went back to work we had to place her with a different registered childminder as the couple who looked after our son were full up. This has meant extra driving and more expense as we don't get a second child discount".

5. Conclusion

5.1 The economic and policy context

At the time of writing this report one of the most significant political events had just taken place. The Chancellor of the Exchequer announced the Comprehensive Spending Review (CSR) 2010. The CSR 2010 focuses on reducing the Government's deficit through an approach of mainly cutting Government departmental expenditure. The CSR has had a significant impact on benefits and tax credits, with £18 billion being withdrawn from this financial pot over the next four years. Given there is a greater reliance upon the welfare system in Northern Ireland (benefits represent 10% of household incomes, compared to a UK average of 7%), this will have a significant impact on family households in Northern Ireland (NI Assembly, 2010). The Government has very much taken the view that the best approach is to incentivise people back into employment by reducing financial support through the benefit system.

Getting people into employment has also been a key focus to achieving the Government's goal to eliminate child poverty by 2020. The Child Poverty Act 2010 enshrines in law a commitment to end child poverty in the UK. In order to meet this goal each region has to produce a Child Poverty Strategy by March 2011. A key element to achieving its objectives will be parents' access to appropriate, affordable childcare to enable them to gain employment. The statutory nature of this goal will ensure that child poverty remains on the political agenda for the next decade.

The Welfare Reform Act is of significance with its strong emphasis on compulsion and sanctions. There are a number of key changes, namely:

- the phased complete migration of Income Support claimants to Job Seekers Allowance (JSA) and Employment and Support Allowance (ESA),
- the introduction of "Work for your benefit" schemes,
- the requirement for certain lone parents and partners of benefit recipients to undertake action planning and work-related activity as a condition for the continued receipt of benefits,
- the requirement for certain Employment and Support Allowance claimants to undertake specific work-related activity.

The lack of accessible, affordable childcare for parents, particularly lone parents, will place families in a challenging predicament.

The interface between childcare, welfare reform, family support and child poverty strategies within Northern Ireland is highly evident and relevant. Recognition of the importance of accessible, affordable, quality and appropriate childcare services is therefore an essential element in assisting economic recovery. Northern Ireland is the only region within the UK that does not have an up-to-date relevant childcare strategy (Employers For Childcare, 2010). To help address the challenges and concerns presented in this report, it is essential to have this strategic framework in place. The statutory obligations that accompany the childcare strategies within the other regions of the UK ensure that childcare policy is high on the political agenda.

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

This report has revealed that on average childcare in Northern Ireland costs around £157 per week for nursery care (for both children over and under two). Childminder costs differ slightly for children over and under two years of age, at £153 and £152 respectively. The total average for a breakfast club is £44 per week, followed by after-school clubs (£78 per week) and holiday schemes (£117 per week).

Three trends are evident in Northern Ireland's childcare costs. Firstly, there is a clear correlation between childcare costs and urban-rural areas. Secondly, there is a relationship between the level of childcare provision in each county and the cost of childcare. Thirdly, the level of provision of each form of childcare, including both different facility types (day nursery, childminder, out of school club) and organisation type (private and community) in each area is linked to the costs in that area.

Similar trends are evident across the other regions of the UK. In general, Northern Ireland's costs are similar to those found in Scotland and Wales. However, once a breakdown of the English regions is considered, it is clear that the trends which appear in Northern Ireland's costs are evident across England. For example, the urban-rural divide in costs is apparent. There is also a correlation between the level of childcare provision in an area and an increase in childcare costs.

Building on these trends, parents in counties Down and Antrim are more likely to pay higher childcare costs than the other four counties. Costs for a day nursery rise to £168 per week in Antrim, the highest cost recorded in the research for Northern Ireland. Costs in counties Fermanagh and Tyrone are the least expensive.

When a breakdown of costs across facility types is considered, parents using day nurseries as their main form of childcare are more likely to struggle to meet their childcare costs than parents who use other facility types. Over half (54%) of respondents using day nurseries struggled to meet their costs. Furthermore, day nurseries are more likely than childminders and after-school clubs to charge fees in advance and retainer fees. However, day nurseries are also more likely to offer multi-child family discount than other types of childcare.

The majority of respondents stated that in Northern Ireland it is difficult to access information on childcare, financial help with childcare costs and family benefits/entitlements. This is consistent across all six counties. In particular, information on accessing childcare and flexible childcare was more difficult to find than other forms of information. These results are reflective of the lack of a family information service in Northern Ireland.

The three main types of childcare used by respondents of the survey were day nurseries, childminders and after-school clubs. These three types of childcare provision were also reported to be the most lacking according to parents. Childcare is the most difficult to access in rural areas. As a whole there is a lack of childcare provision in Northern Ireland. This issue will continue to grow as childcare provision has decreased year on year since 2003.

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

This report has shown the amount parents in Northern Ireland pay, on average, for childcare across the six counties and also by facility type. The cost of one childcare place equates to 45% of the average weekly wage. It also provides us with a glimpse of the challenges that childcare costs pose to parents in the region.

Childcare is essential for working parents, however it presents many challenges. Childcare should enable parents to work. However the challenges parents face in establishing whether work pays given the cost of childcare and indeed whether work can accommodate their childcare needs, is an ongoing struggle for many parents.

"I am working to pay my childcare fees but I fear that if I leave work I won't be able to find a post when it will be financially viable to work. It is soul destroying".

"All of my wife's wages go to childcare and all she has left is the tax credits. We would probably be better off if she didn't work".

"Everyone wants parents to work but by the time you pay childcare you have no money left. You just work to pay for childcare".

The statistic that childcare can be as much as over 45% of a parent's net monthly median wage reflects the financial conflicts of parents. Essentially it has to pay to work. This has a particularly damaging impact on lone parent families. Childcare is essential, yet it has a substantial effect on families' household incomes. Many parents also state that their working patterns have to be fitted around childcare due to the cost:

"Costs prevent me from working more hours".

"Due to cost I was unable to return full time".

The cost of formal childcare has also led many parents to balance both formal and informal childcare arrangements in order to manage costs. Relying on family members for extra hours of care ensures that costs are minimised. The inflexibility of childcare settings and the lack of childcare in some areas has left parents dependent on informal childcare

arrangements. This is particularly evident in rural areas. Parents struggle to find atypical childcare. Further research is required into the demand and supply of such provision. Consideration needs to be given to the particular challenges that childcare providers face in providing such provision.

The lack of information on the many aspects of childcare leaves parents with a lack of awareness of the financial help and benefits that are available to assist with childcare costs. Furthermore, the lack of information on accessing childcare coupled with the lack of childcare provision across the region makes it difficult for working parents. The lack of a family information service and the decrease in childcare places over the last few years means that this situation is not likely to improve in the near future unless there is strong leadership from Government.

Childcare is a necessity for working families, yet childcare costs have a crippling effect on families in Northern Ireland. Childcare services should support working parents, enabling parents to work and balance family life. Yet childcare has the capacity to limit families' working options, shape care arrangements and eat up household incomes. Although childcare costs are an issue for parents across the UK, in Northern Ireland the situation is heightened by the lack of childcare provision and available information on childcare services. This can only be addressed by an integrated childcare strategy along with the statutory duties that exist in other regions of the UK to ensure parents in Northern Ireland receive an equitable level of childcare services.

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