Barnardo’s NI response to the OFMDFM consultation - Towards a childcare strategy

Introduction

Barnardo’s NI is the largest children’s charity in Northern Ireland. We work with almost 11,000 children, young people and families in more than 40 different services and programmes, and in over 150 schools. Our services range from work with looked after children and BME children and families to early intervention programmes and family support.

Through our broad service base Barnardo’s NI also engages with children, young people and families to help inform policy development. Inadequate childcare provision is consistently raised as a concern by parents when we talk to them about key issues which impact on their lives. Many of their views and experiences form the basis of this consultation response.

Towards a childcare strategy – overview

With rising prices and a weak job market, many families in Northern Ireland, both in and out of work, are experiencing financial hardship and finding it increasingly difficult to make ends meet. High childcare costs place additional pressures on already stretched budgets and a lack of affordable, local provision is also a significant barrier to employment, especially for lone parents.

Barnardo’s NI is therefore disappointed that the long anticipated Childcare Strategy needed to help tackle some of these problems has not been progressed further than this consultation/discussion document about a future consultation. This is particularly frustrating given that Northern Ireland’s fundamentally flawed childcare
infrastructure, and the resulting lack of good quality, accessible and affordable childcare, is already well documented.

The consultation paper itself acknowledges many of the challenges and on page 6 outlines a number of the key actions required. OFMDFM has indicated it is undertaking research to identify the cost of childcare, the levels of provision in NI, the types of providers and the challenges parents face. We have therefore addressed only those areas where we think we can bring added value at this stage, given that many of the issues outlined in the document will be addressed in that research. We would also refer you to the recently published NI Childcare Cost Survey 2012 conducted by Employers for Childcare¹ which provides a comprehensive analysis of the experiences of using and paying for childcare services in Northern Ireland. Furthermore, the Early Years Strategic Alliance Manifesto² provides a useful roadmap for the development of a fully integrated approach to early years, childcare and family support services which includes a clear workforce strategy.

Barnardo’s NI would welcome clarification on how the £12 million ring fenced specifically for childcare services by the NI Executive is being spent. It is our understanding there is no selection criteria attached to the funding and in our view a more strategic approach to the allocation of funds is required. We would also welcome discussion on the need to elevate the provision of childcare services in Northern Ireland onto a statutory footing, similar to that introduced under the Children Act 2006 in England and Wales. That legislation places a statutory duty on Local Authorities to ensure there is ample childcare provision in their area to meet the needs of local working parents.

Finally, Barnardo’s NI is concerned that the lack of agreement among government departments about who should have overall responsibility for childcare is continuing to delay delivery of the Childcare Strategy. In our view there should be integrated working between departments to ensure childcare is suitably addressed, with one department taking the lead.

**Barnardo’s NI urges the Northern Ireland Executive to move swiftly to draft and implement an effective Childcare Strategy and associated action plan as a priority matter.**

² Early Years Strategic Alliance (2011) ‘Early Years Alliance Strategic Manifesto’. Children in Northern Ireland and Women’s Support Network.
**Key points**

**What parents say**

When we speak to parents about employment and how they are managing financially in the economic downturn, they regularly raise the following points about childcare which Barnardo’s NI recommend should be tackled in a Childcare Strategy for NI:

- There is a lack of flexible, affordable and local childcare provision in NI – the availability of *local* jobs and *local* childcare is critically important to parents.
- Choice is currently limited and parents would like greater access to a range of childcare options in their *local* area.
- There is a significant lack of childcare availability for parents seeking to work anything other than a nine-to-five job; this particularly impacts on ethnic minority families.
- It is unrealistic to pay childcare costs and have a decent wage left over, even with available support through the benefit system to help parents cover the cost of childcare. Many parents think it does not pay to work, not on low wages with the remaining 30% of (high) childcare costs to find on top of rent and transport costs.
- Childcare is more focused on the childminder’s needs and not the parents – i.e. parents are charged for a full day even if they don’t use/need all the hours in order to ensure childminders don’t lose out financially.
- There is a common (and incorrect) assumption that the majority of parents must have family members/grandparents available to look after their children/do the school runs for them while they work but that is not the case (e.g. many have parents who themselves work, don’t live locally, aren’t willing to do it).
- Equally, not all parents want non-family members looking after their children but there is no financial support available to parents with childcare costs if it is informal; for parents reliant on using family members this would work better for them if they could get flexible working hours around school hours.
- Parents would welcome more childcare provision in schools acting as local community hubs, particularly before and after typical school hours and during the extensive school holiday periods.
- Parents often need to drive a considerable distance to access childcare, especially those living in rural areas. For families that do not have access to a car the childcare options are extremely limited.
“...you’ve to pay for a day, like I mean if you were dropping them in at ten o clock and picking them up at three o clock you’re losing that childminder out on money because she cant take anybody else on so you have to pay for a full day...” (Parent)

“...not all jobs are gonna work round those hours sure they’re not, like I don’t have a childminder, my mum and dad work full-time...as long as I can get a job that starts at half nine and finishes at half one, if there’s jobs that does that I’ll do it.” (Parent)

**Welfare reform**

Implementation of the Welfare Reform Bill will impact on many families in Northern Ireland. In its current form however the Bill is insufficiently tailored to reflect the particular circumstances of NI, for example, the childcare infrastructure required to support people moving into work is not in place here and lags well behind provision in Britain. It is estimated that 30,000 extra childcare places would have to be provided in NI to have 70% of lone parents in employment (as targeted in the Welfare Reform Act)\(^3\). The consultation document itself acknowledges there is a lack of accessible and affordable childcare to meet the needs of working parents. It is difficult to see therefore how Universal Credit, a key element of the welfare reform agenda, can be successfully implemented in NI without the requisite childcare provision in place.

A group of lone parents told us recently they are worried about the proposed reforms and what will be required of them. They are unclear if they will have to look for a job when their children are still very young and concerned about sanctions imposed on them if they are unable to find suitable hours and childcare. Barnardo’s NI believes that until this is effectively tackled then welfare reform should be delivered in a way that better reflects NI circumstances, for example, there should be retention of the current exemptions for lone parents here.

Although its analysis is based on childcare costs in England and Wales, we recommend to OFMDFM for consideration a recently published report by Barnardo’s, *Paying to work: childcare and child poverty*\(^4\)

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\(^3\) Welfare Reform Group, Briefing for Social Development Committee, December 2011

\(^4\) Barnardo’s (2013) ‘Paying to work: childcare and child poverty’, Barnardo’s Strategy Unit
which also has relevance for Northern Ireland. This research highlights how the high cost of childcare will cause substantial difficulties for many parents seeking to enter work, or work longer hours, once the Government's new Universal Credit system is introduced. It demonstrates how high childcare costs interact with the tax and benefit system, potentially causing parents to lose a substantial proportion of any extra money they earn. The report recommends that the Government increase childcare support through Universal Credit to support parents who want to work themselves out of poverty.

Gender

Maternal employment is a key factor in reducing child poverty; it is important to note that more mothers tend to be working in those countries where childcare costs account for a relatively small proportion of disposable income\textsuperscript{5}. The consultation document however is gender neutral and fails to make the clear link between women, childcare and employment.

The majority of lone parents for example are women so this is particularly important in the context of welfare reform and the conditionality for lone parents to be actively seeking work. The effects of raising children are very much gendered in terms of gender pay gaps, delayed career prospects while caring for babies and young children, reduced pension rights and loss of earnings. Barnardo’s NI therefore recommends that the Childcare Strategy adopts a gendered approach and recognises the specific needs of women to be supported in accessing further education, training and employment.

Ethnic minority families

The OFMDFM (2010) ‘Policy and Economic Appraisal of the Options for the NI Childcare Strategy’, to which Barnardo’s NI also gave evidence, reported that childcare provision for children from ethnic minority families is poor. It is therefore disappointing that the current consultation document does not give due consideration to the childcare needs of ethnic minority families. This is increasingly important given the growing ethnic minority population working in NI and choosing to raise their families here.

\textsuperscript{5} See OECD Family Database at [www.oecd.org](http://www.oecd.org)
In our experience ethnic minority parents are often socially isolated and find it especially difficult to access childcare due to low wages and lack of extended family support. These parents are also less informed about navigating the jobs and benefits system and how to find suitable childcare which meets their employment needs. They are more likely to work irregular hours and onerous shift patterns, and have insecure jobs with zero hour contracts.

Barnardo’s NI recommends that the research OFMDFM is conducting to inform the Childcare Strategy includes the challenges faced by ethnic minority families, and the childcare needs of different ethnic minority groups. It should also consider the specific needs of ethnic minority families living in rural areas and those with disabled children, including asylum seekers who have a disabled child and may require respite childcare.

Disability

The OFMDFM Policy and Economic Appraisal also reported inadequate childcare provision for families with disabled children, but again this is not suitably considered in the current consultation. This is critical given that research shows that disabled children and their families experience particularly high levels of economic and social disadvantage.

Incomes in households with disabled children are likely to be low because these families experience considerable additional costs, face multiple barriers to employment, and problems accessing disability benefits. Inaccessible services and poor service provision, including childcare, for families affected by disability compounds problems on a daily basis, and generates high levels of stress and ill-health. The situation is often particularly serious in families affected by disability if it is also a lone parent household and/or there are three or more children.

Barnardo’s NI believe it is essential that parents who so often act as full-time carers for their disabled children receive appropriate support that enables them to access well-paid, sustainable employment and suitable childcare provision. We would again recommend that the research OFMDFM is conducting to inform the Childcare Strategy includes the challenges faced by these families. In doing so, we also recommend that a needs assessment is undertaken of the number and needs of children with disability and/or special needs.
Cost of childcare

Childcare costs in the UK are disproportionately high compared to other countries where childcare is highly subsidised. It is estimated for example that in the UK parents spend 33% of their income on childcare compared to an average of 13% in the OECD\textsuperscript{6}. In NI the average cost of a full-time childcare place is £156 per week; and it has been estimated that some parents here are spending 44% of their weekly income on childcare for one child which is a considerable amount\textsuperscript{7}.

Furthermore, childcare support for working families here has gradually been reduced through a 10% decrease in the childcare element of working tax credit. As previously highlighted, under Universal Credit, once childcare costs are factored in, lone parents with more than one pre-school child will face significant disincentives to working enough hours to lift themselves out of poverty. Lone parents with only one pre-school child could also face losing a significant proportion of any extra money they earn\textsuperscript{8}.

Barnardo’s NI believes that increasing the proportion of childcare costs covered under Universal Credit to 80% is essential. This would support the Government’s commitment on making work pay, and help give families a viable way to tackle disadvantage and financial hardship. We also recommend that models of childcare provision and subsidies in other countries are explored.

It would also be helpful to look at examples of practice across the UK in supporting families to better take up the financial help available to them. This includes the role of Family Information Services in Scotland, England and Wales\textsuperscript{9}, and also the Scottish Government’s promotion of childcare vouchers among Scottish employers in the public, private and voluntary sectors\textsuperscript{10}.

\textsuperscript{6} [http://www.guardian.co.uk/commentisfree/2012/feb/28/high-costs-of-childcare](http://www.guardian.co.uk/commentisfree/2012/feb/28/high-costs-of-childcare)
\textsuperscript{7} [Dennison, R and Smith, N (2012) ‘Northern Ireland Childcare Cost Survey 2012: The third annual childcare cost survey to be carried out in Northern Ireland, analysing the experiences of using and paying for childcare services’. Employers for Childcare Charitable Group.](http://www.guardian.co.uk/commentisfree/2012/feb/28/high-costs-of-childcare)
\textsuperscript{8} [Barnardo’s (2013) ‘Paying to work: childcare and child poverty’, Barnardo’s Strategy Unit](http://www.guardian.co.uk/commentisfree/2012/feb/28/high-costs-of-childcare)
\textsuperscript{9} [FIS are a vital resource for parents, ensuring that they have reliable information about childcare in their local area, someone they can speak to about their childcare needs and access to extra support to find and take up the right childcare through brokerage services.](http://www.guardian.co.uk/commentisfree/2012/feb/28/high-costs-of-childcare)
\textsuperscript{10} [http://www.scotland.gov.uk/Topics/People/Young-People/Early-Years-and-Family/Childcare](http://www.scotland.gov.uk/Topics/People/Young-People/Early-Years-and-Family/Childcare)
“Childcare’s mad, the prices are mad, like if I had to pay my childminder across the road, if I had to pay her out of my own pocket it’s a hundred and five pound a day, a hundred and five pound a day for the three kids....” (Parent)

Conclusion

The success of Universal Credit in Northern Ireland in meeting the Government’s aim to make work pay will depend on the level of childcare available. However, without a childcare strategy, a statutory duty and comprehensive childcare provision in NI, it is difficult to see how the new system can be effectively implemented here. Access to affordable, good quality childcare is also a key element in a parent’s decision to remain in, or take up, employment. Barnardo’s NI therefore recommends the Northern Ireland Executive publishes a draft Childcare Strategy and associated action plan as a matter of urgency.

Summary of Recommendations:

- Consider existing evidence and recommendations already made in a range of key policy and research reports.
- Adopt a more strategic approach to the allocation of funding for childcare.
- Introduce a legislative basis for the provision of childcare services.
- Adopt an integrated approach which ensures high quality, affordable and local childcare provision; and also flexibility of provision to facilitate employment outside traditional 9-5 hours.
- Mitigate the impacts of welfare reform and lack of requisite childcare provision by retaining current exemptions for lone parents.
- Adopt a gendered approach to childcare provision which recognises the specific need to support women in accessing further education, training and employment.
- Conduct research which includes the childcare needs of different ethnic minority groups and families with disabled children; and also undertake relevant needs assessments.
- Increase the proportion of childcare costs covered under Universal Credit to 80%.
- Consider models of childcare provision and subsidies in other countries; and examples of practice across the UK in supporting families to better take up available financial help.
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