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Insight 13

**Parents' Demand
for and Access to
Childcare in Scotland**

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Parents' Demand for and Access to Childcare in Scotland

Kirsty Henthorne and Judith Harkins (TNS)

Introduction

The Childcare Strategy¹ identifies the aim of providing good quality, affordable childcare for children throughout Scotland. The focus of the national strategy is on the formal (or regulated) childcare sector, provided by local authorities, private sector and voluntary sector services and regulated by the Scottish Commission for the Regulation of Care. Childcare is believed to have both social and economic benefits for parents and children: parents are able to participate in work and/or training, while children are offered play, social and educational opportunities. Employers also benefit through having access to a wider workforce and increased levels of staff retention.

However, a survey undertaken in 2000 on Parents' Demand for and Access to Childcare² highlighted the importance of *informal* childcare and, indeed, the apparent preference of many parents for "informal" (i.e. unregulated) childcare.

Aims of the Study

In 2003, the Scottish Executive commissioned NFO Social Research and DTZ Pieda to undertake a second study of a similar nature, but which would explore more fully the usage of and demand for both formal and informal childcare, as well as the relationship between childcare and parents' participation in the labour market. A number of detailed research objectives were set out at the start of the study, namely:

- What are the current levels of use of childcare by parents of children aged 0-14 years in terms of the types and quantities of provision that are used and why?
- What gaps can be identified in the current provision of childcare in terms of parents' unmet requirements?
- What types and levels of childcare would parents ideally prefer to utilise?
- What influences parents' decisions about childcare, and what are their opinions regarding their current childcare arrangements?
- How much do parents know about local childcare services?
- To what extent do current childcare arrangements enable parents to take up paid work, education and training?
- Does the type of childcare provision available match parents' needs?
- Do the 'hard to reach groups' experience any important differences in their access and demand for childcare?

¹ 'Meeting the Childcare Challenge: A Childcare Strategy for Scotland' (May 1998) Scottish Office

² National Centre for Social Research (2000) Parents' Demand for and Access to Childcare in Scotland. www.scotland.gov.uk/hmis/Pdf/ers/parents_demand.pdf

Study Methods

One of the key aims was to compare and contrast results with the 2000 survey; therefore the methodology was replicated as far as possible (see below).

The study comprised three parts:

- Part 1 main-stage survey of 1,003 parents of children aged 0-14 years, exploring current usage of childcare, unmet demand and ideal arrangements.
- Part 2 follow-up survey of 500 interviews with parents, exploring in more detail the affordability of childcare and the relationship between childcare and parental labour-market participation. This included a 'Parental Priorities' model, which forced parents to make theoretical choices about their childcare based on limited resources.
- Qualitative research: depth interviews with 40 parents, representing each of 10 target groups.
 - ethnic minority parents
 - single parents
 - student parents
 - parents and families living in deprived areas
 - parents and families living on low incomes
 - parents and families living in rural areas
 - young parents
 - parents of older children
 - parents of disabled children or children with special needs
 - parents of children with educational needs (SEN).

Clearly, there is overlap between some of these groups – for example, between parents and families living in deprived areas and those living on low incomes – and this was taken into consideration when undertaking the analysis.

The research also included economic evaluation, which was built into each of the three stages outlined above.

Findings

What are the patterns of childcare usage?

Parents use a mix of formal and informal childcare to fulfil different needs at different times and to fit in with their working schedules, as well as the developmental and educational needs of their child/ren. All parents arranged both their working and social lives around available childcare provision, and relied on grandparents or other friends or relatives to transport their children from the childcare provider to home and vice versa.

Over the last year, childcare use was higher during term times than in school holidays, regardless of children's ages, although working parents used more childcare at all times than those who do not work. Childcare usage was higher on weekdays than at weekends and for the majority (83%) of parents, arrangements were the same on each day.

Informal providers, and particularly grandparents, were the most commonly used main provider overall. Two thirds of parents (64%) said their child/ren's grandparents had been the main childcare provider in the previous year.

Among those whose main provider was a formal type, childminders had been the most frequently used provider over the previous year (13%).

0-4 Year Olds

Informal childcare – particularly grandparents – was most frequently used for children in the 0-4 age group. However, usage was not as high for these age groups as it was in 2000 (32% of 0-2 year olds were looked after by grandparents in the current survey, compared with 55% in 2000).

However, there is evidence to suggest that parents use a mix of formal and informal providers according to their needs at different times. Older pre-school children (aged 3-4 years) had used a wider range of childcare providers than had their younger counterparts. However, there was still a greater emphasis on playgroups and pre-schools, with 16% of children using them (compared with 25% of children in 2000).

5-11 Year Olds

For school-age children in the 5-11 age group, grandparents were still an important provider of childcare, although they did not provide care for as many children as was the case in 2000. This may be because parents were using a wider range of childcare providers to fulfil different needs at different times and to fit in with their working schedules, as well as the age of their child/ren. One of the reasons parents gave in this study for not using grandparents as a childcare provider was because they did not want to place too much of a burden on them.

The most popular form of formal childcare for children aged 5-11 years was a babysitter, which indicates that parents use this type of childcare during evenings (since children in this age group are at school during the day). However, 12% of children in this age group had also used a crèche or nursery, which may suggest that they were cared for along with a younger child from the same family.

12-14 Year Olds

The patterns of provision were different for 12-14 year olds, as this age group may be expected to require less supervision than younger children, and thus need childcare less often. Grandparents were still the most important provider, caring for 32% of children aged 12-14 years. Babysitters were used by 6%, and this type of childcare is likely to have taken place during the evenings, as was the case for 5-11 year olds.

Choice of Childcare Provider

By far the most common reason behind parents' choice of using childcare was to enable them to go out to work, and this was mentioned by over half of parents (54%). A third (35%) said that they had chosen their main provider of childcare to enable them to go out socially, and a fifth said it was so that they could have some time on their own, away from their children. A fifth also chose their main provider so that they could shop or deal with other family and personal matters.

What influences parents' choice of childcare provider?

Overall, the issue of trust in the childcare provider was paramount, with nearly two thirds of parents (64%) giving this as a reason for choosing their main provider. Over a quarter of parents (28%) said that in choosing their childcare provider, they had wanted someone who would show their child/ren affection.

A fifth (21%) cited ease of getting to the provider as one of their reasons, and the fact that the childcare was free was an important consideration for a fifth (20%) of parents.

Informal Childcare

Those parents choosing informal providers such as grandparents, a former spouse or partner or other relatives as their main childcare provider put their choice down to having trust in the provider, the fact that they knew this provider would show their child affection and the knowledge that the provider would bring their child up in the same way as they would. A high majority (85%) of parents who used their child/ren's grandparents as their main childcare provider said that their trust in them was one of the reasons behind this choice.

A further important reason behind parents' choosing informal providers was affordability. Between a quarter and a third of parents whose main provider was a grandparent, ex-spouse or partner or another relative said that the fact childcare was free or low cost was a reason for choosing this type of provision.

Formal Childcare

In terms of formal providers, the desire for their child to mix with other children was an important reason behind parents choosing a local authority or private nursery or crèche. This was also the case for parents using a local authority or private playgroup, a community playgroup or a nursery attached to a primary school. In each of these cases, between 50% and 70% of parents said that wanting their child to mix with others was a reason for choosing their main provider.

Parents choosing a private nursery or crèche were also more likely than those using local authority provisions to cite ease of access as a reason for choosing this type of provision (40%, compared with 30%).

Three quarters of parents thought that it was within the role of a childcare provider to provide educational opportunities, with the expectation of this being higher for formal provision and for younger children.

Unmet Demand

How often do parents experience a breakdown in childcare arrangements or unmet demand for childcare and how do they resolve it?

For the majority of parents (72%), childcare arrangements had never broken down at short notice during the last year. However, parents accept that occasional disruption to their childcare is inevitable. The comments made do not seem to reflect a structural problem with the way that childcare is delivered; more that when breakdowns do occur, they are due to external factors which cannot be changed.

Aside from those times when childcare arrangements had broken down, parents were asked whether there had been any occasions during the last year when they had wanted or needed childcare, but had been unable to get it. It was suggested that 'unmet demand' might include times when parents had not been able to find anyone suitable to look after their child/ren, their child/ren had been ill or the parents had not been able to afford childcare.

The majority of parents (79%) said that they had not experienced any unmet demand for childcare during the past year. Four in 10 parents who had experienced unmet demand for childcare said that this was because their usual arrangements had become unavailable, which is a similar proportion to the 2000 survey.

Almost a quarter of parents (23%) who had experienced unmet demand, experienced it when their child/ren had been ill. Some parents interviewed in depth explained that in this situation, they would prefer to be at home with their child when he or she was unwell. Additionally, parents using formal childcare providers also commented that the provider was sometimes not willing to look after an ill child.

In these circumstances, some parents mentioned having to take time off work, whether by taking holidays or by reporting in as sick. The flexibility of employers when parents were taking time off work during school holidays or when their children were ill varied quite considerably. Some parents had experienced problems with their employer, and felt they were not given the appropriate support and adaptability when they had childcare problems. However, others had more flexibility regarding their working hours, which they found to be of real benefit.

In both years, only a small percentage of parents put down unmet demand to there simply not being enough childcare providers, or enough of the right type of providers (13% this year; 12% in 2000 of parents who had experienced unmet demand). However, while the percentage overall was small, it was a major issue for particular groups of parents, especially those with children who have special needs, those with older children and those living in rural areas, as well as single parents.

Work and Childcare

The main driver behind parents' decision to work was financial, although career reasons were also important, as were social reasons – needing to mix with people, having intellectual stimulation and maintaining self-esteem. Parents were generally positive about their employment situations, agreeing that their job offered good prospects, an opportunity to use their skills, knowledge and experience and enough freedom to do the job as they wished.

Do parents' working patterns affect childcare use?

The most important aspects of childcare arrangements that helped parents to go to work were reliability of the provider and the quality of childcare. Parents felt reassured if they knew their children were being cared for by a trustworthy person who provided the appropriate level and quality of care. Flexible working arrangements also helped parents organise their childcare.

Four in ten parents felt that they did have a choice over whether to work or not. Those choosing to work said that they had wanted to, while those choosing not to work said that this was because they could afford not to. Of those parents who felt that they did not have a choice over whether to work or not, the most commonly given was that they needed the income.

Three quarters of non-working parents were happy with their decision not to work. Lone parent households were less likely to be happy – they may not have decided that they don't want to work, but may have concluded that working was not financially viable when weighed against the costs of childcare.

Half of non-working parents planned to look for a paid job or undertake learning or training over the next year. Salary expectations were high among this group, but they did include previously working mothers who may have taken maternity leave from a well-paid job.

What are the costs of childcare?

Price of Childcare

Two thirds (65%) of parents responding to the Part 1 survey did not pay for their childcare. As stated earlier, there was a preference for, and reliance upon, informal providers, particularly close family members. Rather than monetary payment, it was more common for parents using informal providers to buy gifts or take their parents/friends out for a meal to repay them in kind. Some parents who did not use formal childcare felt that they should be receiving some form of financial help to pay their informal providers, as childcare element of tax credit only applies to registered childcare.

Just under 40% of parents pay under £20 a week for childcare, while 18% pay between £20 and £39, and a further 18% pay between £40 and £70. Almost three quarters found it easy to meet the costs of childcare, but a quarter found it difficult.

Parents of pre-school children were more likely to pay for childcare than those with children at school (49% compared with 29%). This supports the general patterns of childcare usage described earlier, which showed that parents with pre-school children use more childcare overall, more frequently and for more hours than those with children of school-age.

Parents on low incomes felt that the cost of many formal childcare options was prohibitive, and thus they have to rely on informal providers. Importantly for policy, some childcare options were disregarded because of perceptions that the costs would be high; however, many parents did not have the correct information about all types of provision.

Student parents felt that they should be receiving more help towards their childcare costs, as they were unable to work full-time and yet in many cases still required childcare full-time.

Areas for Policy Consideration

What are the key drivers of demand for childcare and how can these be met?

Patterns of childcare are complex because choices are made in the context of parents' circumstances – their household structure, working status, age of their child/ren, the types of childcare available to them in their local area and the ease of access to and costs of different types of provision. Underlying all of these factors are personal preferences such as whether to use formal or informal childcare providers.

A number of key factors drive the type and volume of childcare that parents wish for their children, including the preferred attributes of childcare provision, the availability of preferred childcare and parental employment status.

In an ideal situation, parents would prefer to look after their own children, organising their work to allow for this. Where this is not possible, then grandparents, followed by other close family members, are seen as the ideal providers of childcare. Childcare is only used if it meets parents' minimum standards of safety and trust, quality of care, cost and convenience. If a provider cannot be found to meet these minimum thresholds, parents may then reassess their lifestyles and working patterns.

The ideal option raised by parents throughout the depth interviews was to work part-time, giving them independence and the opportunity to interact with other adults while also allowing adequate time to spend with their child. An additional benefit of this arrangement perceived by some parents was that the child could attend nursery part-

time and so have the opportunity to interact with other children and develop their social awareness. However, money was one factor constraining parents from acquiring this arrangement.

When parents were asked what their *preferred but realistic* childcare arrangements would be, there were some notable differences. In ideal circumstances, childcare would be provided by the respondent's spouse or partner for 22% of children, while realistically, this was only possible for half that proportion (10%).

This is a significant finding in terms of policy: if the preference among respondents is for their spouse or partner to provide childcare but it is only a realistic choice for half of them, then in those cases where respondents are not using their spouse or partner to provide childcare, it is likely to be because both partners are working.

This issue is complex because, except in cases where people choose to work but can afford not to, the reality is that parents are working for financial reasons and using other types of childcare outside their immediate household. This points to other factors like income, cost of housing and socio-cultural reasons (such as the need to compete with others in their peer group) that are making the situation whereby one parent works and the other stays at home to rear children unrealistic.

As was the case in 2000, clear patterns between choices of ideal provider were not found in relation to respondents' working status, and this may be due to the fact that some parents might choose to change their working patterns as well as their childcare arrangements in an ideal situation. Of those not currently working, 3% of lone parents and 7% of non-working couples said that ideally, they would work during school hours or term times, and 7% of lone parents said that ideally, they would like to work from home. This suggests that non-working parents might be encouraged to work if working arrangements were more flexible. It also suggests that many parents working full-time would work less hours if they could in order to fit together work and childcare more effectively. The net effect of this flexibility would therefore be fewer hours worked.

Formal childcare is a small part of the whole childcare market and government incentives to encourage participation in formal care will only work if the care satisfies parents' minimum thresholds. Any policy to increase the volume and quality of formal childcare should thus be formulated within the context of the large usage of informal provision.

Parents' Priorities

The study shows that there is a preference for parents to either provide childcare themselves or to use family and friends. Formal childcare is a small part of the overall childcare market and tends to be used by those who cannot gain some informal provision and/or who want their child to develop through interaction in the formal childcare setting.

When parents consider using formal childcare, they must ensure that the providers meet minimum requirements on safety, quality, cost and convenience. If these minimum thresholds are met, parents will then choose a provider according to how each provider rates against their preferences on quantity, cost, convenience, child development, staff experience and staff child ratios.

What are parents' priorities when choosing childcare and how can they be better realised?

In order to assess the preferences of different groups of parents, the 2000 study utilised a priority evaluator model to assess what parents think of their current childcare provision and if, in an ideal world, it could be improved upon. In 2004, an amended priority evaluator model was utilised to reassess parents' priorities.³ This model was based on the economic concept of marginal utility and allowed an assessment of parental preferences, showing how parents rate their current provider and what they would ideally like from a childcare provider.

The results demonstrated that for parents of pre-school children and 4-7 year olds, those who choose formal childcare arrangements clearly prefer having properly trained staff to look after their children under both current and ideal arrangements. Users of informal childcare, however, prefer having a low child/carer (most likely, one-to-one) ratios. Choosing whether your child enters formal or informal childcare would therefore appear to be dependent on whether you believe in having trained or one-to-one supervision of your child(ren).

For 8-11 year olds, who will be at school, it would appear to be the close monitoring of their children at specific times of the day in which parents are most concerned, rather than the quantity or quality of provision. For parents of 12-14 year olds, the convenience of the childcare provider would appear to be the main concern.

The quantity of childcare is clearly an important issue for lone parents and those who use formal childcare in particular would prefer to use more hours.

As expected, it is high income households that purchase the highest amount of formal childcare, but it is noteworthy that they would be willing to trade off some of this quantity for convenience of provider. Low income households are the ones that appear to need additional hours of childcare.

The government can influence the volume and (more importantly) the quality of formal childcare to increase participation rates, but this will only have a minor impact on the market as many parents will continue using informal childcare provision. This is not to say that increasing the volume and quality of formal childcare establishments should not be a policy objective, as it is clear that lone parent households and low income households in particular have a demand for greater amounts of childcare.

The full report relating to this Insight is available as a web-only pdf file

<http://www.scotland.gov.uk/library5/education/padcs.pdf>

³ As the options in the model were changed between 2000 and 2004, direct comparisons between the two models cannot be made.



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