



Policy and Politics

UK and Ireland top European table of for-profit care providers

Catherine Gaunt, 01 November 2011, 12:00am

The UK and Ireland have more for-profit early years provision than anywhere else in Europe, new research has found.

Speaking at the International Centre for the Study of the Mixed Economy of Childcare seminar at the University of East London, Professor Helen Penn presented research she had carried out for the European Commission, comparing regulatory frameworks for childcare and the role played by the private sector in 21 European countries. Fifteen countries were chosen for more in-depth study.



The cost of childcare to working parents in the UK and Ireland is higher than elsewhere in Europe and is a 'key limiter of access', Professor Penn said.

Almost all care for children aged under three in the UK is non-state provision.

Childcare and education for under-fives varies widely throughout Europe, but the UK, and England in particular, is unique in the extent to which private sector provision has been promoted by the Government to meet childcare targets.

Professor Penn said there was growing concern in the European Union over the privatisation of a range of social services, partly because this might breach competition rules, but also because it could undermine social equity.

The project aimed to map four areas: childcare, care for the elderly, unemployment benefits and social housing across the EU.

Experts from each country were asked to provide a brief description of the legal framework for services in their country, give an account of non-state and private provision and explain how provision was defined for regulation. They were also asked to describe their regulatory, monitoring and finance procedures.

Professor Penn explained that because there are no definitions for childcare and education that are universally understood, the survey aimed to use the definition 'centre-based early education and care for children from birth to school starting age', or ECEC.

For example, childcare could be seen as care for the children of working parents, as a social welfare service for the most vulnerable children, and in some countries includes education, as well as or instead of care.

Private provision may be profit or non-profit. The distinction is not always clear, and in some cases data is not available or comparable, she said.

In Norway there are 46 categories of provider, including different kinds of co-operatives, while in Germany there are eight categories, three of which are religious.

Countries in the survey could be roughly divided into four groups. Those with almost universal provision include France and Belgium and the former Eastern bloc countries. The others are countries that allow private funding to non-state providers but under strict conditions; those that actively encourage private providers - the UK, Ireland and the Netherlands; and those with no policy and regulation, mainly southern and some eastern European countries.

Professor Penn gave examples of the range of regulatory frameworks for non-state provision. In England, she said, we have a 'dominant national framework', with no discretion for regional or local frameworks.

This compares with some countries whose regulations include policies such as fee-capping, so that no private provider can charge more than 15 to 20 per cent of average income.

In Finland, all children must spend two hours a day outside every day, whatever the weather.

PERCENTAGE OF PUBLIC-PRIVATE PROVISION

Under-threes

Belgium:	50-65 per cent state 35-50 per cent private; part subsidised by supply-side funding
Netherlands:	Over 95 per cent private
Ireland:	98 per cent private
UK:	97 per cent private
Czech Republic:	Preference for extended maternity leave Over 95 per cent state No data available on private provision

Three- to five-year-olds

Belgium:	98 per cent state, free
Netherlands:	98 per cent state
Ireland:	Unclear, some children in school at four; small businesses and voluntary sector
UK:	40 per cent private
Czech Republic	100 per cent state, free

Birth to five-year-olds

Norway:	Over 54 per cent private publicly subsidised non-profit; 46 per cent state
Sweden:	82 per cent state; 18 per cent private publicly subsidised non-profit provision