

A previous version of this report stated that early years workers with lower qualification levels report limited opportunities for career progression. It also stated levels of wellbeing are lower among higher qualified early years staff. Additional analysis conducted after the publication of this report suggested this may not be supported by data. Caution is therefore advised when reading pages 8, 15 and 18-24 of the report. A new report featuring fresh analysis is due for publication towards the end of February 2026.

2025



The Early Years Workforce in England 2025

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Some of this work was undertaken in the Office for National Statistics Secure Research Service using data from ONS and other owners and does not imply the endorsement of the ONS or other data owners.



Introduction

Early childhood education and care has become an increasingly prominent focus for the Government (both currently under Labour and previously under the Conservatives) and the public in recent years. The Government has promised increases in the quantity and quality of early years provision available to parents. However, providers have expressed significant concerns about the feasibility of staffing any increase in provision. Nonetheless, the latest data indicates that the Government and providers are succeeding in growing the size of the workforce to meet the additional demand, but the attractiveness of the sector remains a challenge, as does recruitment and retention of higher qualified staff.

The aim of this National Foundation for Educational Research (NFER) report is to provide an overview of the early years workforce in England and identify risks and challenges for recruitment and retention. This report summarises the key trends in recruitment, retention, pay, working conditions and wellbeing within the early years workforce, and points towards actions that are likely to have the greatest impact on addressing the workforce challenges identified.

We use publicly available data from the Department for Education's (DfE) Survey of Childcare and Early Years Providers (SCEYP) to examine overall trends in workforce numbers and characteristics. As there is limited practitioner-level data available, we have also analysed data from nationally representative labour market surveys – the Annual Survey of Hours and Earnings (ASHE) and the Annual Population Survey (APS) – to better understand factors relating to pay and working conditions that may be influencing the recruitment and retention trends and challenges. In these datasets we identify the early years workforce according to occupation and industry codes – see the separate methodology appendix for details. Note that we do not include reception teachers within the definition of the early years workforce.

As part of this analysis, we have compared the early years workforce to workers in other jobs who are otherwise similar according to their age, sex, region, highest qualification level and contracted working hours. Some of the most common occupations in this group include care workers, retail assistants, administrators, cleaners and accounting clerks.

Where relevant we have examined the data by provider type and/or qualification level. Given the diversity of settings and roles in early years and scarcity of relevant data, it has not been possible to distinguish between different roles (such as nursery managers). The latest SCEYP and ASHE data was collected in 2024. However, the latest APS data available is from 2022/23, so it is possible that different trends have emerged since that time. Further information about the data sources used and variable definitions can be found in a separate methodology appendix.

Policy context

The availability and quality of early years provision is an area of key policy focus for the Government's Opportunity Mission, part of its Plan for Change (Prime Minister's Office, 2024). Central to this mission is the ambition that 75 per cent of 5-year-olds in England have a good level of development (as measured by the Early Year Foundation Stage Profile) by 2028 (HM Government, 2024).

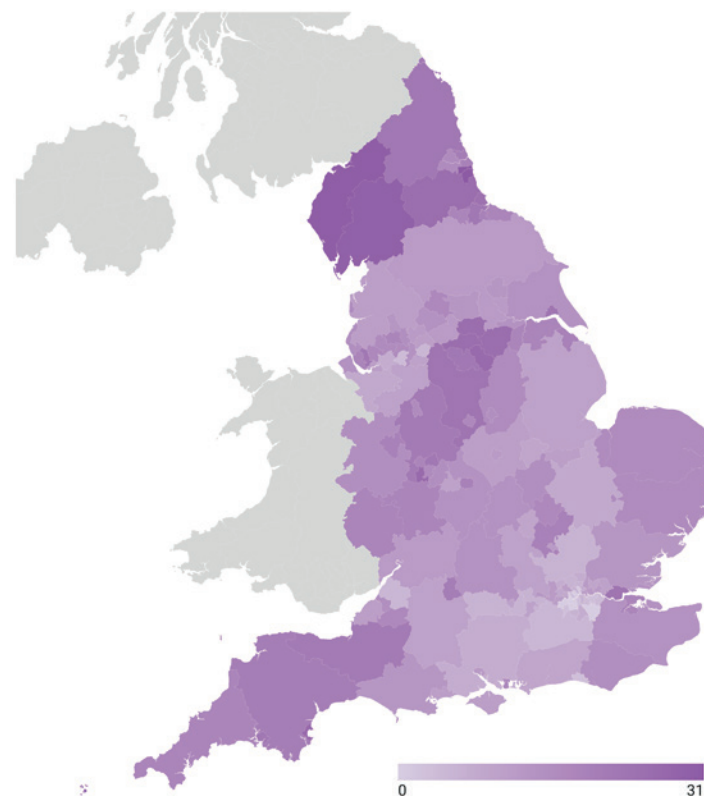
The Government is also continuing with the previous Government's plan to expand the early years entitlement from September 2025 to enable working parents to access up to 30 hours of free childcare per week (for 38 weeks per year) for children from 9 months old (DfE, 2024c).

The quality and quantity of the early years workforce is central to these policy objectives. The DfE has estimated that the early years workforce would have to increase by 35,000 staff between December 2023 and September 2025 to meet the needs of the expanded entitlement (DfE, 2024a). In nearly two thirds of local areas, this means expanding local capacity by more than 10 per cent, with nearly one in seven local areas requiring an increase in capacity of more than 20 per cent (DfE, 2024a). As shown in the map opposite, while capacity in London may not require much change, large increases in capacity are anticipated in areas such as the North East, North West, South West and South Yorkshire.

To meet the increased demand for places from the entitlement expansion, the Government has committed to opening 3,000 new and expanded school-based nurseries (Prime Minister's Office, 2024). The Government has also introduced measures including a recruitment campaign, new joiner bonus, increased funding rates and greater flexibility for staffing models in relation to staff-child ratios (NAO, 2024).

The required capacity increases to deliver the expanded childcare entitlement vary substantially across the country

Percentage growth in expected early years place capacity, above the 31 December 2023 baseline, required by September 2025 (%)



In addition to increased capacity, the Government has emphasised the importance of *high-quality* early education and childcare for all children as part of providing ‘the best start in life’ (Prime Minister’s Office, 2024). There is strong evidence linking higher qualification levels of early years staff with high-quality provision and children’s outcomes (Mathers and Smees, 2014; Melhuish and Gardner, 2021).

In 2021, the Government launched the Early Years Education Recovery Programme to ‘build a stronger, more expert’ workforce equipped to support children hit hardest by the pandemic through fully-funded professional development opportunities (Parkes, 2023).

In July 2025, the Government published its strategy for improving child development and meeting the ambition that 75 per cent of 5-year-olds in England have a good level of development by 2028 (DfE and Phillipson, 2025a). This followed calls for the Government to develop a comprehensive and updated strategy for the early years workforce, building on the 2017 early years workforce strategy, focused on recruitment and progression (DfE, 2017; Social Mobility Commission, 2020; LGA, 2023; Trades Union Congress, 2023).

The strategy identifies key issues in the early years workforce including a lack of proper recognition and access to high-quality training, lack of progression opportunities, challenges with attracting and keeping early years teachers in nurseries serving the most disadvantaged communities and that ‘early years staff feel overworked, overlooked and undervalued’.

The strategy outlines policy measures that will be implemented to improve the recruitment, retention and quality of the early years workforce, including:

- increasing the number of funded training places on Early Years Initial Teacher Training (EYITT) courses
- rolling out a new degree apprenticeship route to enable more people to become early years teachers
- creating a clear pathway and training routes for early years educators to progress their careers and achieve higher level qualifications
- introducing high-quality training routes for early years teachers, based on a ‘golden thread’ of evidence-informed early years teaching practice and thereby move towards greater parity with other teachers
- offering financial incentives to attract and keep early years educators and teachers in nurseries serving the most disadvantaged communities
- piloting new digital services to support entry into early years careers
- introducing a new professional register for early years educators
- investing in funding rates to enable providers to recruit and retain staff
- introducing a faster assessment only route for experienced staff to achieve level 3 recognition.

The findings of our report echo the importance of reward and recognition, high-quality training and development opportunities linked to career progression and competitive pay and working conditions for early years staff. However, the Government’s ability to improve these factors will depend crucially on effective design and implementation of policy measures. Implementation will need to be swift and timely to support the Government’s ambition of significantly influencing child development outcomes by 2028.



Key findings and recommendations

The early years workforce has grown significantly in recent years, but providers still face significant staffing, recruitment and retention challenges.

The Government has estimated that an additional 35,000 early years staff, above the December 2023 baseline, will be required to deliver the expanded free childcare entitlement from September 2025. If the current rates of growth and acceleration in staff numbers continue, then the workforce size is on track to meet the Government's estimate of need. However, given that providers have reported challenges with achieving the growth so far and further growth may be even more challenging, the trends may not necessarily continue. The required growth in staff numbers is highly variable across the country, but there is limited information available about staff numbers

Staff retention is a significant challenge, particularly for staff in group-based providers, putting the stability of the expanding workforce at risk

In 2024, the turnover rate among staff in group-based providers (GBPs) was twice that in school-based providers (SBPs): 16 per cent compared to 8 per cent. The rate of staff turnover in GBPs has improved slightly since 2023, when it was 19 per cent. Turnover rates in SBPs have remained constant this year. Lower-qualified staff tend to have a higher turnover rate compared to higher-qualified staff.

Pay levels in the early years are much lower compared to both the general workforce and similar workers, but have risen in relative terms recently

Early years workers earned 36 per cent less on average in 2022/23 than other workers who have similar characteristics and working patterns. Pay for early years staff has consistently been identified as a key driver of staffing challenges. However, the median early years hourly wage has increased relative to the minimum wage, rising from £1 more than the minimum wage in 2020/21 to £2 per hour more in 2023/24. While early years providers are responsible for setting pay levels for their staff, levels of Government funding – including funding rates for free entitlement hours – have a strong influence over what is feasible for a provider to pay

Recommendation 1: The Government should continue increasing funding rates so that early years providers can offer competitive wages to recruit and retain staff, with a pay structure that rewards higher qualification levels and career progression.

Early years workers with lower qualification levels report limited opportunities for career progression

Only 49 per cent of early years workers agree that there are opportunities for career progression at their work, compared to 57 per cent among similar workers. Early years workers qualified to level 2 or below are even less likely to agree. A lack of career progression within early years is an important factor in recruitment and retention challenges.

Recommendation 2: The Government should implement its policy proposals on the early years professional development offer and career pathway swiftly to upskill and retain the current workforce.

Levels of wellbeing among early years staff are generally high, although lower among higher qualified staff

In 2022/23, early years workers reported being significantly happier on average than similar workers and had a particularly high sense of feeling that the things they do in their life are worthwhile. Early years staff had comparable levels of life satisfaction and anxiety to similar workers. However, higher qualified early years workers (level 4 or 5) reported significantly higher levels of anxiety and their sense of things they do in life being worthwhile was significantly lower. More research is needed to understand the drivers behind these differences.

Recommendation 3: The Government and providers should emphasise the high sense of worthwhileness, fulfilment and positive working environments in early years in recruitment.

A lack of research insights and high-quality data on the early years workforce may restrict effective policymaking

The DfE's SCEYP data collection provides basic information about the early years workforce and our analysis in this report provides new insights on pay and working conditions from labour market survey datasets. However, despite this, there is a severe lack of detailed data and insights on the challenges facing the early years workforce. High-quality data and research that is specific to the experiences of early years staff can inform the development of policy responses that are appropriate, effective and well-targeted.

Recommendation 4: The Government should upgrade the sources of early years workforce data and research, including commissioning a large-scale survey of early years staff, analysing data on staff numbers at a regional level and undertaking research to understand the pressures on higher-qualified staff and how to address them.





Workforce characteristics vary significantly by provider type, but most early years workers are in group-based providers

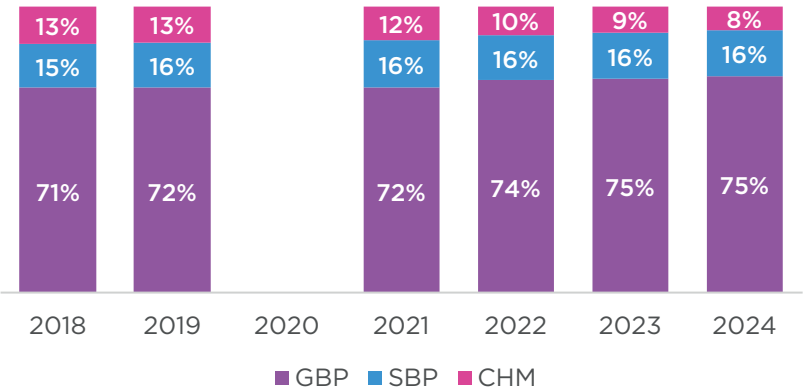
The early years workforce (EYWF) constituted 368,100 individuals in 2024. The majority (75 per cent) are based in group-based providers (GBPs – non-domestic nurseries and pre-schools), with only 16 per cent in school-based providers (SBPs) and 8 per cent childminders. While the proportion in SBPs has remained constant since 2018, there have been significant reductions in the number of childminders (down from 13 per cent) and a commensurate increase in the proportion working within GBPs.

The age of the workforce varies greatly by setting type. GBPs are staffed by an increasingly young workforce, with over two-thirds (68 per cent) aged under 40 years. Nearly a quarter (23 per cent) are under age 25 in 2024, up from 19 per cent in 2022. The childminder workforce is older, with nearly half (47 per cent) aged 50 or older. The majority of staff (74 per cent) in SBPs are aged between 25 and 49.

Staff qualification levels vary significantly by provider type. While there are no qualification restrictions for working in an early years setting, a level 3 early years qualification (the equivalent of an A level) is a minimum requirement for being a nursery manager. Most GBP staff (80 per cent) and childminders (75 per cent) have at least a level 3 qualification in early years or education, but lower-qualified staff make up 20-25 per cent of the GBP and childminder workforce. Only 11 per cent of GBP staff and childminders have a relevant degree-level qualification. Qualification levels in SBPs are different, with 42 per cent having a degree-level qualification, slightly more than the proportion with level 3 (37 per cent).

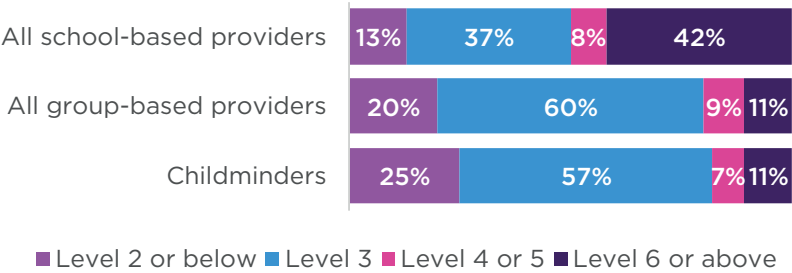
Where the early years is consistent across provider types is in relation to gender and ethnicity. Early years has a predominantly (98 per cent) female workforce. The workforce is also predominantly of white ethnicity (86-89 per cent depending on provider type), indicating an overrepresentation compared to the general population, of which 81 per cent were of white ethnicity as of 2021 (ONS, 2022a).

Early years workforce distribution by provider type



Source: SCEYP (2018-2024). Note that SCEYP data is not available for 2020.

Highest early years or education qualification level by provider type



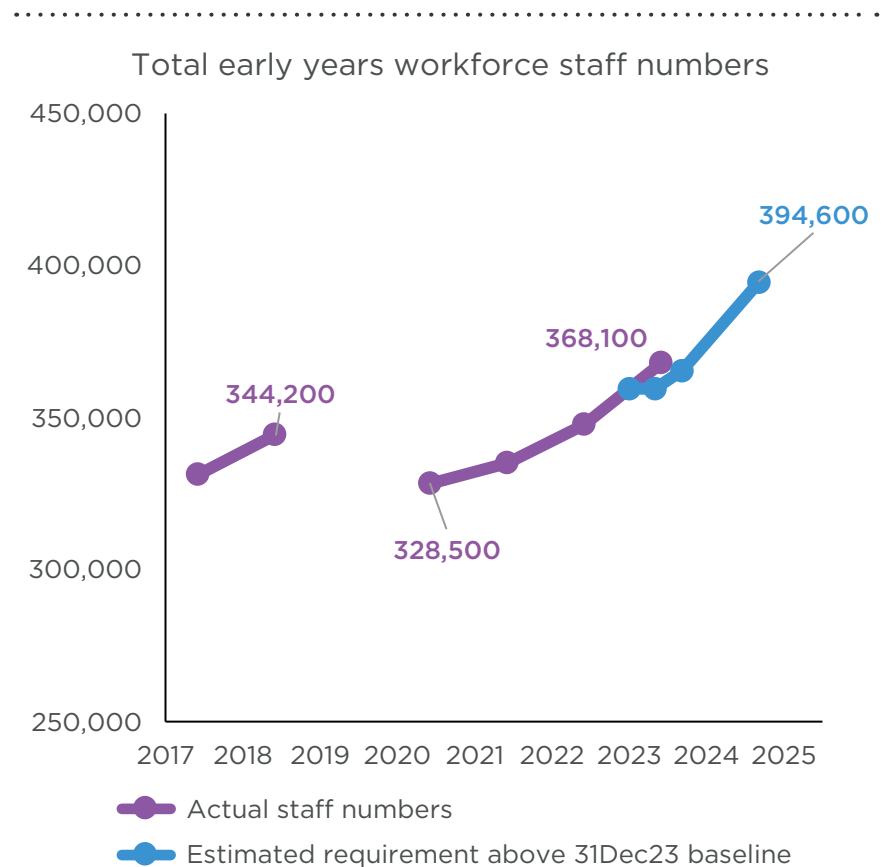
Source: SCEYP (2024).

The early years workforce has grown significantly in recent years, but providers still face significant staffing, recruitment and retention challenges

After a drop between 2019 and 2021 of 5 per cent (linked to the pandemic), the size of the early years workforce increased by 12 per cent between 2021 and 2024. The growth rate has also been steadily accelerating each year since 2021, increasing from 2 per cent in 2022 to 3.8 per cent in 2023 and 5.8 per cent in 2024.

The Government has estimated that an additional 35,000 early years staff, above the December 2023 baseline, will be required to deliver the expanded entitlement from September 2025 (DfE, 2024a). The Government's estimates do not assume a particular target number of staff, but we have estimated that, based on SCEYP data, the 31 December 2023 baseline is around 360,000 staff. If the current rates of growth and acceleration continue, then the workforce size is on track to meet the Government's estimate of need. However, this analysis is based on data and estimates for staff numbers at a national level, while the workforce requirements vary considerably by region. Regional data on staff numbers, which may paint a more nuanced picture on the challenges, is not currently available but would add considerable value.

Further, the trends may not necessarily continue given that previous growth has been challenging for some providers to achieve and further growth may be even more challenging. In a July 2024 DfE survey of providers, 'not enough staff to cover new places' was the most-cited challenge (59 per cent) by providers who stated that they were facing challenges in delivering the 15 hours of funded childcare per week introduced in April 2024 (DfE, 2024b). Sector surveys echo this: half (51 per cent) of providers surveyed by the Early Years Alliance reported that staffing shortages had had a negative impact on the quality of their provision, and three-quarters (78 per cent) reported finding it difficult to recruit suitable new early years staff (Early Years Alliance, 2024). The sector is reporting an increasingly challenging environment for recruiting and retaining staff – particularly qualified staff and particularly in GBPs (Haux *at al.*, 2022; Hardy *at al.*, 2023).



Source: NFER analysis of SCEYP (2018-2024) and Department for Education (2024b). Note that no SCEYP data was collected in 2020.

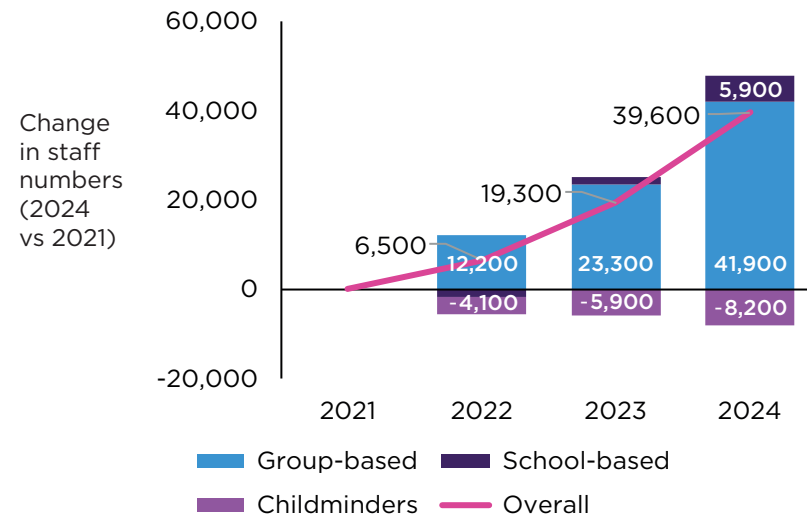
Growth in the early years workforce is predominantly driven by GBPs and qualification levels have remain broadly unchanged

The 40,000 (12 per cent) growth in staff numbers between 2021 and 2024 has been driven almost exclusively by increases in staff in GBPs. Breaking down the growth by provider types shows that staff numbers in GBPs have more than accounted for the overall growth and been offset by falling numbers of childminders. Childminder numbers have fallen by 8,000 over the period. Staff numbers in school-based providers have increased by a modest-seeming 5,900 over the period, although this is in line with its share of the sector overall.

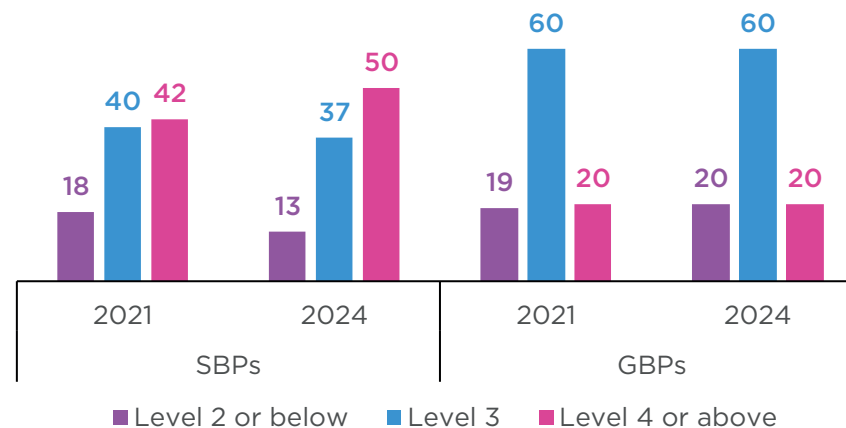
The additional staff in GBPs added since 2021 have mostly had the same qualification profile as existing staff, meaning the balance of qualifications has been unchanged. This reflects the trend observed during previous expansions of childcare entitlements (in 2014 and 2017) where an overall increase in the size of the workforce was not accompanied by an improvement in qualification levels (Bonetti, 2020).

However, in contrast, the growth in staff numbers in SBPs has been disproportionately concentrated among staff with level 4 qualifications or higher, with the proportion rising from 42 per cent in 2021 to 50 per cent in 2024. In SBPs there has also been a reduction in the proportion of staff without a level 3 qualification, from 18 to 13 per cent.

The Government has not set an explicit target for how much of the additional staffing required to deliver the September 2025 expanded childcare entitlement will come from different provider types and has noted that all provider types 'have an important role to play'. However, the Government has targeted funding at creating additional SBP places, perhaps indicating that the Government would like to see more growth in staff based in SBPs than has been the case in recent years (DfE and Phillipson, 2025b).



Proportion of staff by qualification level (%)



Staff retention is a significant challenge for the sector, particularly among GBPs, putting the stability of the expanding workforce at risk

The early years sector has a high turnover rate (i.e. leaving the provider, whether to leave the sector entirely or move to a different provider), particularly among GBPs. In 2024, the turnover rate in GBPs was twice that in SBPs: 16 per cent compared to 8 per cent. Nevertheless, a turnover rate of 16 per cent is similar to that of primary school teachers (Scott, 2025).

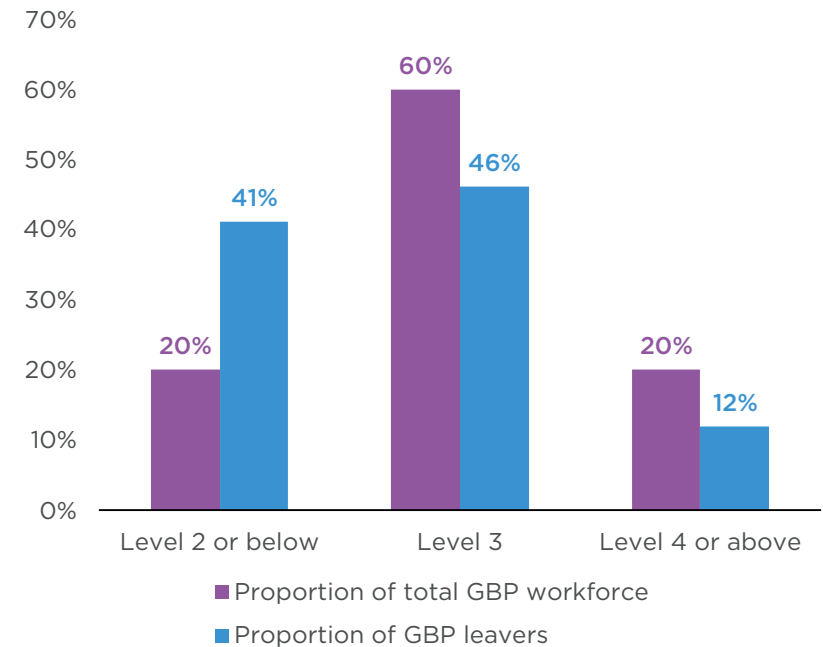
The rate of staff turnover in GBPs has improved slightly since 2023, when it was 19 per cent. In comparison, turnover rates in SBPs have remained constant during this period.

Lower-qualified staff tend to have higher turnover and are over-represented among those leaving. Staff without a level 3 qualification make up 20 per cent of the GBP workforce but represent 41 per cent of leavers. In contrast, higher-qualified staff in the GBP workforce have a lower turnover rate and are under-represented among leavers.

A similar proportion of staff who leave a GBP move into working outside education and childcare (37 per cent) as those who move into another childcare provider (30 per cent). A small proportion (14 per cent) move into a school setting to work with school-aged children. There are similar patterns among the SBP workforce.

These findings align with recent research literature where retention has been identified as an acute issue alongside recruitment (Hardy *et al.*, 2023). High turnover weakens relationships between children and staff, which in turn has a negative impact on the quality of provision (Owston, Jones and Stanley, 2024). This impact is likely to be felt most strongly by children with Special Education Needs (SEN) (Owston, Jones and Stanley, 2024).

Highest early years or education qualification level among the group-based provider workforce and among GBP leavers (2024)



Source: SCEYP (2024).

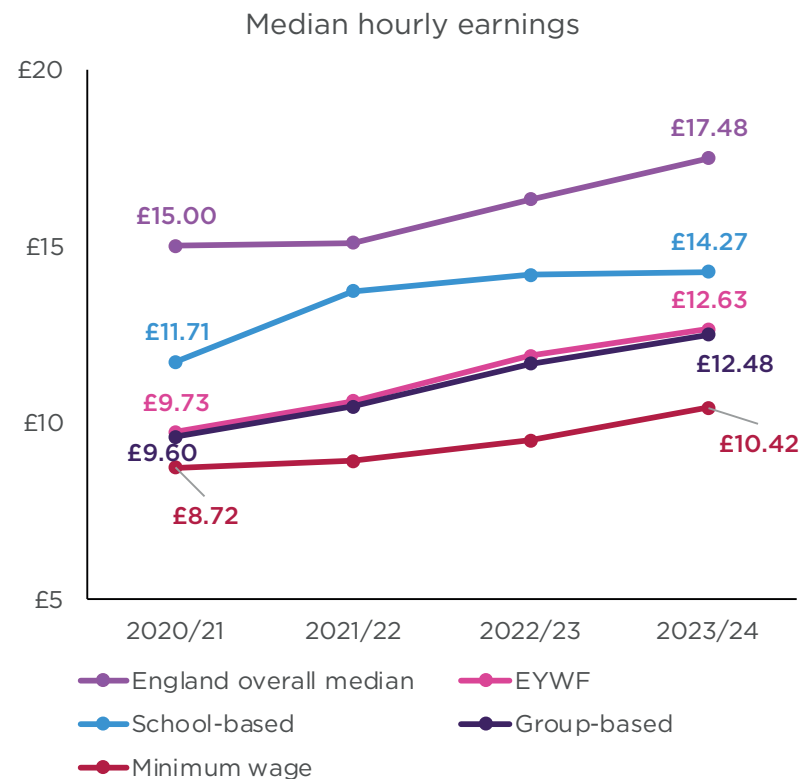
Pay levels in the early years are much lower compared to both the general workforce and similar workers, but have risen in relative terms recently

Pay for early years staff has consistently been identified as a key driver of staffing challenges. While early years providers are responsible for setting pay levels for their staff, levels of Government funding – including funding rates for free entitlement hours – have a strong influence over what is feasible for a provider to pay (Haux *at al.*, 2022).

Our analysis demonstrates that the median hourly pay of early years workers is significantly lower than the overall median in England: by £5 in 2023/24, which is 29 per cent lower. From an income distribution perspective, the average early years worker earns less per hour than 80 per cent of England's working population. While early years workers in SBPs earn 14 per cent more than those in GBPs, SBP workers still earn less per hour on average than two-thirds (67 per cent) of England's working population.

Inflation, rising wages generally and especially rapid rises in the minimum wage have put upward pressure on early years wages over time. However, despite this, the median early years hourly wage has increased, rising from £1 more than the minimum wage in 2020/21 to £2 per hour more in 2023/24. In July 2024, 46 per cent of surveyed providers said they had 'increased the pay of existing staff to improve retention rates' to meet staffing requirements (DfE, 2024b).

Pay in the early years workforce is considerably lower than among otherwise similar workers. Early years workers earned £349 per week on average in 2022/23, while similar workers earned £546. This is a difference of nearly £200, meaning early years workers earned 36 per cent less than other workers who have similar characteristics and working patterns. These findings support reports from early years managers that staff often leave for roles in other sectors and industries that pay more favourably (Haux *at al.*, 2022).



Source: NFER analysis of ASHE (2020/21-2023/24).

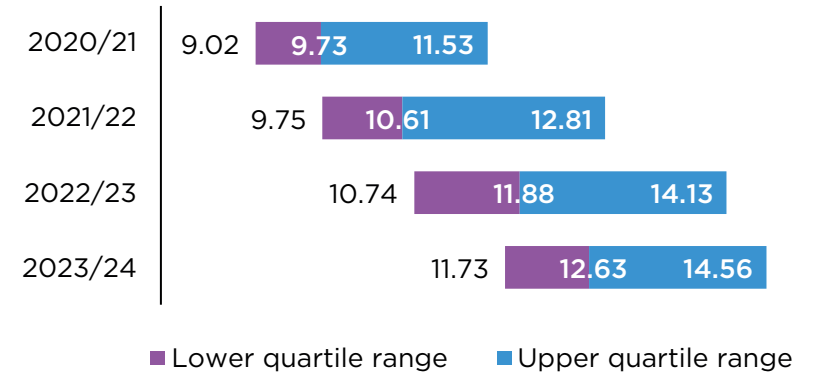
There is limited opportunity for pay progression within the early years workforce, which means staff with different levels of experience and/or qualifications can receive relatively similar pay.

Pay differs within the early years sector according to qualification levels and experience. The level of variation in pay is therefore an indicator of how much scope there is for pay progression and differentials that reflect qualification and experience levels.

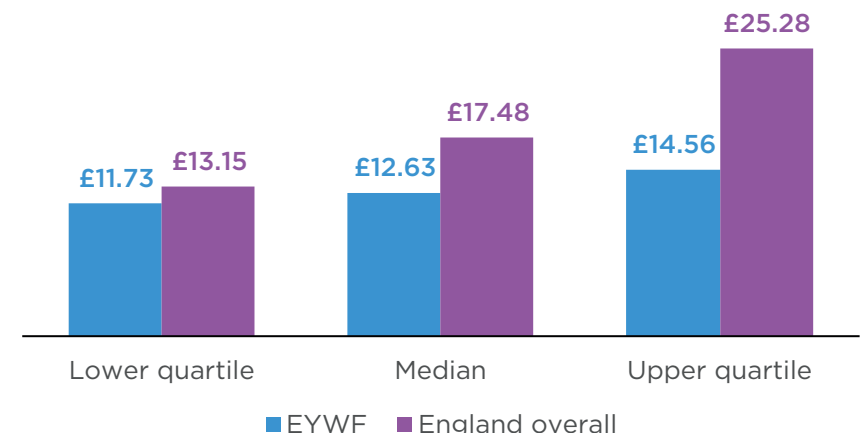
In 2023/24, the lowest-paid quarter of the EYWF (lower quartile) earned £11.73 per hour or less, while the highest-paid quarter (upper quartile) earned £14.56 per hour or more. This means the upper quartile is 24 per cent higher than the lower quartile. The level of variation is smaller than it has been in recent years, as the gap has fallen from 28 per cent in 2020/21 and 32 per cent in 2022/23. This suggests that the 9.7 per cent rise in the minimum wage in 2023/24 may have led to some wage compression in the early years sector.

Moreover, our analysis shows that the overall level of variation in pay is low compared to the wider labour market. In the wider labour force, the upper quartile of hourly earnings is 92 per cent higher than the lower quartile, meaning there is much greater pay dispersion in the wider labour market. This echoes concerns from the sector around pay compression, which has been identified as a key driver of poor retention, particularly among younger staff who may perceive that their pay progression prospects could be better in other jobs (Hardy *et al.*, 2023). This in turn may blunt the incentives for career progression and be a driver for perceptions, particularly among lower qualified staff, that early years does not offer good opportunities for career progression (see below). Low pay dispersion may therefore be a significant barrier to achieving a higher qualified workforce.

Interquartile range of hourly earnings in EYWF (£)



Distribution of hourly pay, 2023/24



Source: NFER analysis of ASHE (2020/21-2023/24).

Early years workers work similar hours to otherwise similar workers but both groups are similarly dissatisfied with their working hours

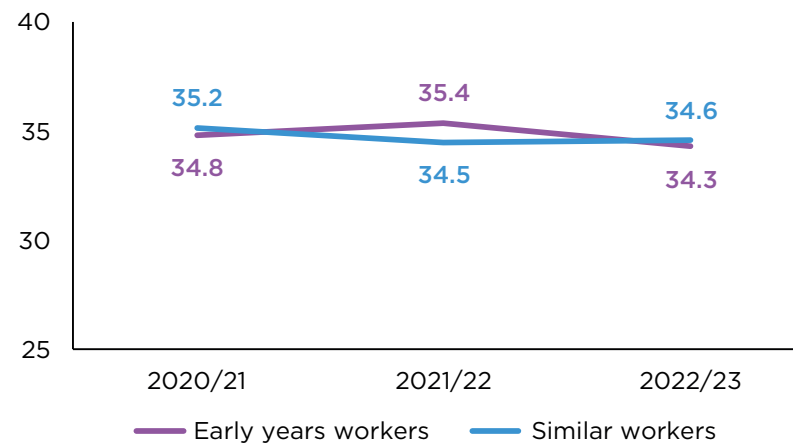
Our analysis shows that in 2022/23 early years workers had, on average, a 34-hour working week. This includes the hours of full-time workers and the 43 per cent of workers who work part-time. We exclude individuals who reported being off sick during the previous week. Average working hours among early years workers are no different from the average working hours among otherwise similar workers, who also have similar working patterns (see separate methodology appendix for how we account for differences in working pattern).

Around a quarter (23 per cent) of early years workers worked more than 40 hours in the week before they were surveyed, while only 7 per cent worked more than 50 hours. This was comparable to the figures for similar workers (22 and 9 per cent, respectively). This suggests that excessive working hours are not widespread in the early years workforce or likely to be a particular factor affecting the relative attractiveness of the sector.

However, around three quarters (74 per cent) of early years workers say they would prefer to work shorter hours in 2022/23. While this is also similar to the level of dissatisfaction with working hours among otherwise similar workers in 2022/23, it represents a high level of dissatisfaction. The proportion of early years workers saying they would prefer to work shorter hours has also risen significantly from 54 per cent in 2020/21, although note this data is likely to have been heavily influenced by disrupted working patterns during the Covid-19 pandemic.

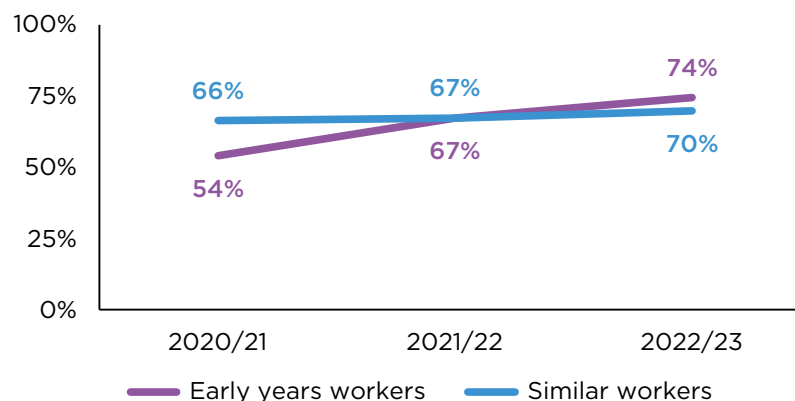
These findings align with reports from the sector that the nature of early years work is becoming more challenging. Several factors have been seen to contribute to this, including the increasing proportion of children with SEND (Hardy *et al.*, 2023), higher administrative responsibilities and regulatory changes to reduce the staff-child ratio, resulting in staff members now caring for more children at once (Social Mobility Commission, 2020).

Average weekly working hours



Source: NFER analysis of Annual Population Survey, 2020/21-2022/23.

Proportion who would prefer to work shorter hours



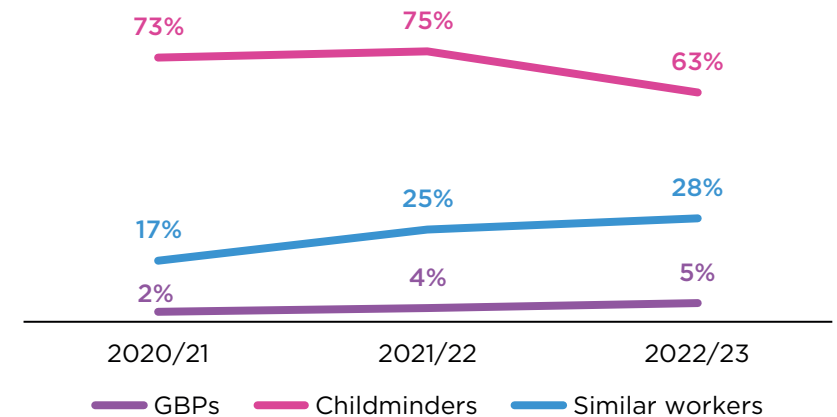
Source: NFER analysis of Annual Population Survey, 2020/21-2022/23.

Early years workers have limited options for flexible working compared to similar workers in other jobs

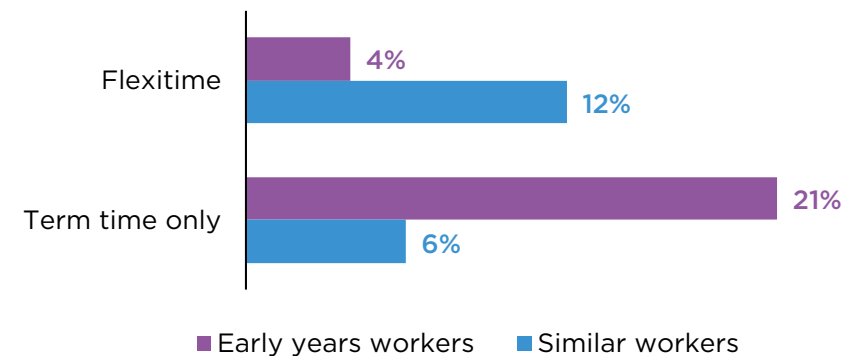
Limited options for flexible working is likely to be a factor that contributes to early years worker dissatisfaction, particularly given the greater emphasis on flexible working options in the wider labour market that followed the pandemic (Hardy *et al.*, 2023). A very low proportion of GBP staff (5 per cent) report working mainly from home in 2022/23, compared to 28 per cent of similar workers. While the proportion of childminders who reported working mainly from home is high (63 per cent), this reflects the fact that childminder provision takes place within the domestic space. However, the same benefits typically associated with working from home among other workers, such as flexibility over working time, are unlikely to apply in the same way to childminders.

Early years workers have more access to some forms of flexible working, but less access to others. Perhaps unsurprisingly, early years workers are significantly less likely to work flexitime compared to otherwise similar workers (4 per cent compared to 12 per cent). However, half of SBP workers (49 per cent) and 19 per cent of GBP workers have a term-time only working arrangement, which is a significantly higher proportion than similar workers (6 per cent). While this may be considered beneficial for work-life balance (Haux *et al.*, 2022), it may also pose some of the constraints other staff in the education workforce also face including higher holiday costs and limited flexibility for annual leave.

Proportion who mainly work from home



Proportion who work with different types of flexibility



Source: NFER analysis of Annual Population Survey, 2020/21-2022/23.

Early years workers have similar levels of job stability compared to similar workers in other sectors

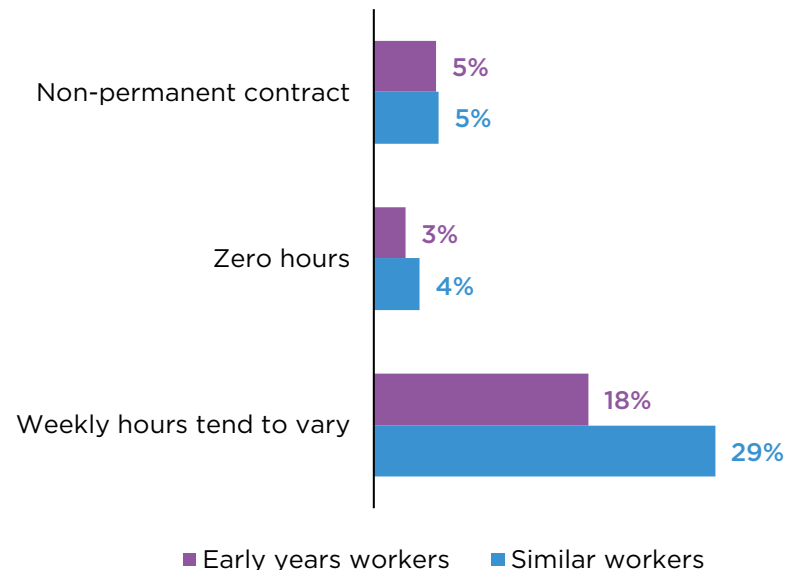
In 2022/23, 95 per cent of early years workers were on permanent contracts, which is the same as for similar workers. The proportion of early years workers on zero-hours contracts more than halved between 2020/21 (6 per cent) and 2022/23 (3 per cent), bringing it in line with the proportion of zero-hour contracts among similar workers.

While previous research has found high levels of concern around job security among early years workers, this was suggested to stem from setting-level vulnerability from demand and funding volatility, rather than contractual terms (Hardy *et al.*, 2023).

The proportion of early years workers whose hours vary from week to week dropped from 24 per cent in 2020/21 to 18 per cent in 2022/23, consistent with an increase in job stability. This was consistently a significantly lower proportion compared to similar workers, which stayed unchanged at 29 per cent in 2022/23.

The proportions of early years staff whose hours vary from week to week is similar across provider types in 2022/23, although the fall in proportion since 2020/21 has been driven by changes in GBPs and is not mirrored in SBPs. Higher-qualified early years workers are significantly less likely than those with lower qualifications to have variable weekly hours (6 per cent compared to 21 per cent).

Proportion who work with different types of contract



Source: NFER analysis of Annual Population Survey, 2020/21-2022/23.

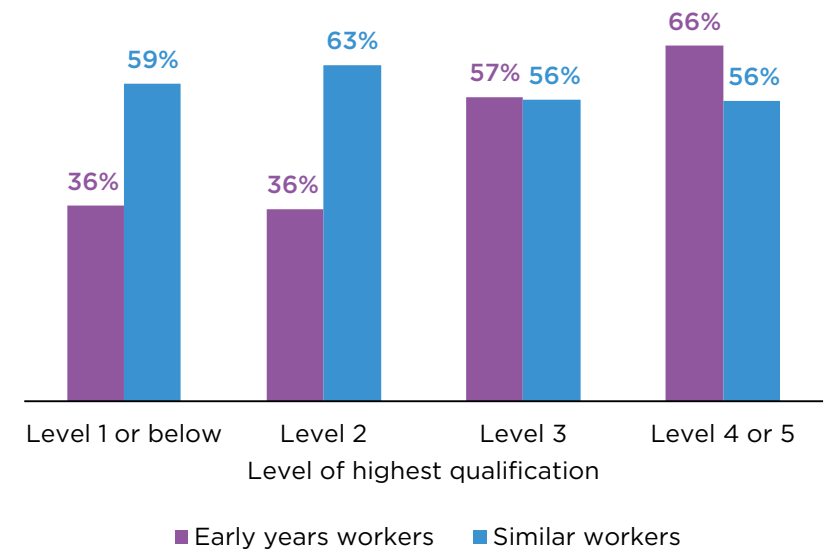
Early years workers with lower qualification levels report limited opportunities for career progression

Our analysis shows that early years workers are significantly less likely than similar workers to agree that there are opportunities for career progression at their work (49 per cent compared to 57 per cent). These findings align with existing literature on the important role a lack of career progression within early years plays in recruitment and retention challenges (House of Commons Education Committee, 2023). The importance of this factor has been consistently highlighted in recommendations from public bodies and the sector (Social Mobility Commission, 2020; Haux *at al.*, 2022; Hardy *at al.*, 2023; LGA, 2023; Trades Union Congress, 2023).

Our analysis further reveals that early years workers qualified to level 2 or below are significantly less likely than those with higher qualifications to agree that they have opportunities for career progression (36 per cent compared to 59 per cent for those qualified to level 3 and 66 per cent for those qualified to level 4 or 5). This means that higher-qualified staff are just as likely as similar workers to agree that their job offers opportunities for career progression, while for lower-qualified staff, the proportion of similar workers is significantly higher (59 per cent for similar workers qualified to level 1 or below and 63 per cent of those qualified to level 2).

These findings suggest that qualification levels may act as a significant barrier to progression in the early years sector. While the UK has relatively low qualification requirements for the early years sector compared to similar economies (House of Commons Education Committee, 2023), the level of responsibility that can be acquired at each qualification level is strictly regulated. For example, a level 3 qualification is required to become a nursery manager. The combination of specific qualification requirements for increased responsibility with limited commensurate increase in pay is likely to create a perception among lower-qualified staff that there are few meaningful opportunities to progress. It is positive to note, however, that staff qualified to Level 3 or above are at least as likely as similar workers to perceive opportunities for progression in their profession.

Proportion who agree that they have opportunities for career progression, 2022/23



Source: NFER analysis of Annual Population Survey, 2022/23.

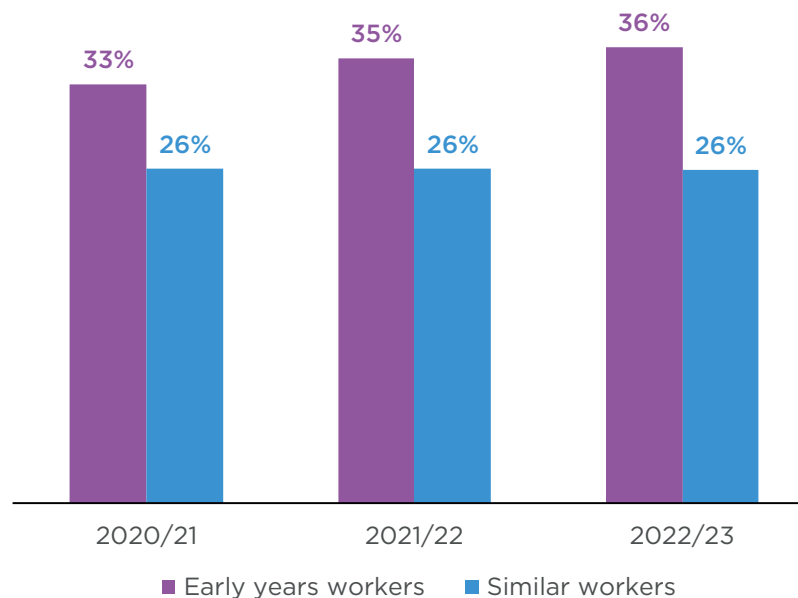
Early years workers are more likely than similar workers to have received training recently

Despite early years workers being less likely to report having opportunities for career progression than similar workers, they are more likely to experience job-related training. In 2022/23, 36 per cent reported having received job-related training or education in the last three months, compared to 26 per cent of similar workers. Both figures have been broadly stable since at least 2020/21. The Annual Population Survey does not ask further questions about the quality of the training or suitability for supporting career progression. Given that career progression opportunities are perceived to be low, this may indicate that little of the training early years workers receive is geared towards supporting career progression.

The Government's early years strategy acknowledges that the quality of the professional development offer for the early years workforce and its link to career progression can be improved. The strategy states that the Government wants "all early years educators to have access to high-quality training at each stage of their career, built on a 'golden thread' of evidence-informed early years teaching practice", aiming to "support career progression at all levels, linked to a simpler qualification offer" (DfE and Phillipson, 2025a).

The Government strategy also has a particular focus on increasing the proportion of staff with level 3 qualifications, aiming to "introduce a faster assessment only route for experienced staff to achieve Level 3 recognition" alongside a reformed apprenticeship offer giving "more flexible training options". A career framework that supports progression could increase the sense among lower-qualified early years staff that there are opportunities for progression, thereby supporting retention, as well as boosting provision quality.

Proportion doing job-related training or education in the last 3 months



Source: NFER analysis of Annual Population Survey, 2020/21-2022/23.

Levels of wellbeing, life satisfaction and sense of worth among early years staff are generally high, although lower among higher qualified staff

In 2022/23, early years workers reported being significantly happier on average than similar workers (average score of 7.8 out of 10 compared to 7.4). Happiness levels were particularly high among SBP staff (8.5), having risen significantly from 2021/22. Moreover, early years workers across all types of provision had a particularly high sense of feeling that the things they do in their life are worthwhile (8.2 out of 10), compared both to the national average (7.7) and similar workers specifically (7.9) (ONS, 2023). These findings align with sector reports of high job satisfaction in relation to having a sense of achievement (Hardy *et al.*, 2023). However, it is important to note that the four measures we explore are of general well-being and are not job-specific.

Similarly, early years workers rated highly on life satisfaction (7.6 out of 10) and low on anxiety levels (3.2 out of 10), in line with similar workers and the national average (ONS, 2023). There was little variation based on provider type on these well-being measures, although childminders reported significantly higher levels of life satisfaction compared to GBP staff and other similar workers.

However, higher qualified early years workers (level 4 or 5) reported significantly higher levels of anxiety (4.1 out of 10) compared both to similar workers with the same qualification levels (3 – not shown in figure) and to their colleagues qualified to level 3 (2.8). Similarly, their sense of things they do in life being worthwhile was significantly lower (7.6 out of 10) compared to lower qualified colleagues (between 8.2 and 9) and similar workers (8). Similar findings emerged from all the wellbeing indicators analysed here, all of which have also saw a significant drop between 2021/22 and 2022/23.

Higher qualified staff are likely to be in positions of management and make up among the most experienced within the workforce. These staff were under-represented among those leaving the sector in 2024, but if lower levels of wellbeing persist this may start to change. Lower levels of wellbeing among higher qualified workers could place ambitions for a higher qualified workforce at risk. More research is needed to understand the drivers behind these differences.

Average wellbeing measures (out of 10)



Source: NFER analysis of Annual Population Survey, 2022/23.

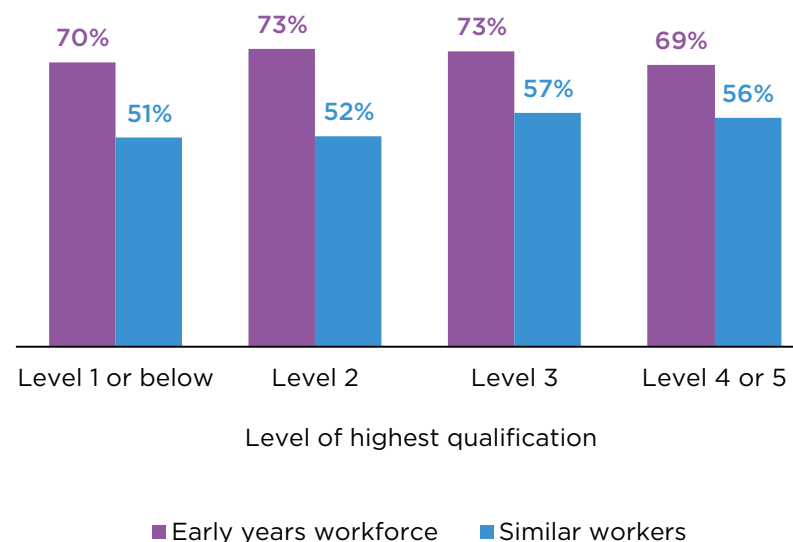
Early years settings appear to offer high levels of employee representation and a more horizontal organisational structure

Reports from the sector highlight worker agency as a key area of job satisfaction for early years workers (Hardy *at al.*, 2023). This is echoed by our findings, with nearly three-quarters (71 per cent) of early years workers agreeing that their managers are good at involving employees and their representatives in workplace decision making. This is significantly higher than both the proportion of similar workers reporting this (54 per cent) and the national average (50-56 per cent depending on region) (ONS, 2022b).

These reported feelings among early years staff are consistent across all provision types and all qualification levels. While the level of agreement among similar workers qualified to level 4 or 5 is significantly higher than among those qualified to level 1 or below (56 per cent compared to 51 per cent), this is not the case for the early years sector. This may be fostered by a more horizontal and less hierarchical organisational structure than in other workplaces, which in turn may be supported by the fact that early years settings tend to have smaller staff bodies. SCEYP data indicates that in 2024, SBPs have an average of 6.2 childcare staff per setting and GBPs have an average of 13.1.

Involvement in workplace decision making has a firm link with levels of relational trust within an organisation, increased job satisfaction and high retention (Sims and Jerrim, 2020; Nguyen *at al.*, 2023). It is therefore a positive factor for workforce stability that the early years sector appears to demonstrate this strongly.

Proportion rating managers as 'good' or 'very good' at involving employees and their representatives in workplace decision making



Source: NFER analysis of Annual Population Survey, 2022/23.



Conclusions

Conclusions and policy recommendations

The early years workforce faces both quantity and quality challenges that require it to be both attractive enough to recruit and retain the staff numbers required to deliver the expanded childcare entitlement and highly-skilled to improve children's outcomes.

The recent trajectory in national staff number growth suggests that the sector may be on track to ensure the staffing required to deliver the entitlement is in place. However, providers will need to continue to work hard to recruit and retain the staff needed to match local need, as some areas will need more additional capacity than others.

Pay and financial reward is a key lever for ensuring workforce stability and sufficiency but pay in the early years workforce is low compared to similar workers. However, pay in the early years sector appears to have improved slightly over time compared to the wider labour market, supporting staff number growth. Additional financial incentives aimed at increasing recruitment are currently relatively small scale.

Recommendation 1: The Government should continue increasing funding rates so that early years providers can offer competitive wages to recruit and retain staff, with a pay structure that rewards higher qualification levels and career progression.

The Government's early years strategy outlines a set of policy actions designed to improve the skills and qualifications of the early years workforce, which would be positive developments. Simplifying the professional development and qualification offer and linking it to a clear career pathway could help raise the status and improve retention, as well as increase the skill level of the workforce. Our research finds that significant numbers of early years staff lack a level 3 qualification and lower-qualified staff are particularly likely to leave and report limited opportunities for career progression.

Recommendation 2: The Government should implement its policy proposals on the early years professional development offer and career pathway swiftly to upskill and retain the current workforce.

Our research highlights a number of positive features about working conditions and wellbeing in the early years workforce. Early years staff are more positive about participation in workplace decision-making, have generally higher well-being and similar working hours to otherwise similar workers in other jobs.

Recommendation 3: The Government and providers should emphasise the high sense of worthwhileness, fulfilment and positive working environments in early years in recruitment.

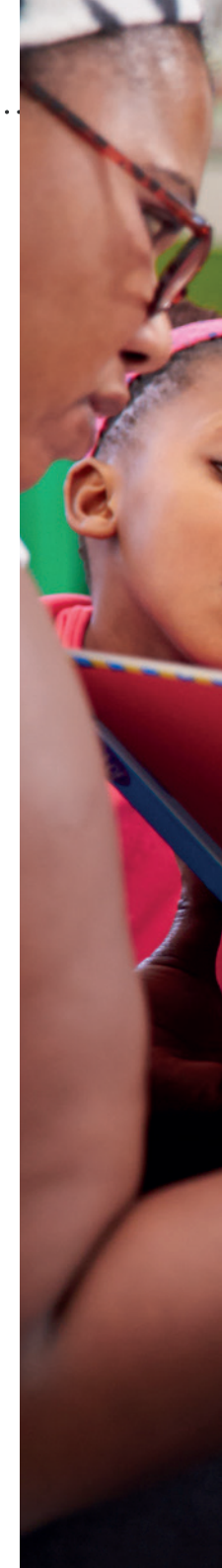
Research and data recommendations

The DfE's SCEYP data collection provides basic information about the early years workforce, drawing on provider-level survey responses from a representative sample. Our analysis in this report contributes new insights on pay and working conditions from other survey datasets, although they are not specifically designed as surveys of workers in early years.

Generally, there is a severe lack of detailed data and insights on the challenges facing the early years workforce. High-quality data and research that is specific to the experiences of early years staff can inform the development of policy responses that are appropriate, effective and well-targeted. The policy focus on early years education should prompt the Government to upgrade the sources of early years workforce information available. There are also a number of outstanding key research questions from our and other researchers' evidence.

We recommend that:

- The Government should commission a large-scale nationally representative survey of early years staff to understand more about their job satisfaction, working conditions and career perceptions. The Government should also consider the value and feasibility of establishing it as a longitudinal staff survey for the early years, similar to the Working Likes of Teachers and Leaders.
- The Government should consider establishing an individual-level early years staff census, capturing their characteristics and employment information, similar to the School Workforce Census or Further Education Workforce Data Collection. This could enable better information on the geographical distribution of staff and the extent and drivers of retention.
- The Government should conduct and publish further analysis of SCEYP and Early Years Census data on staff numbers to provide regional estimates of staff numbers. This would enable assessment of the area-specific challenges of delivering the workforce required for the expanded childcare entitlement.
- More research should be undertaken to understand the pressures on higher-qualified staff in early years and how to address them, as our research indicates that their well-being is lower than others in the workforce and compared to similar workers.
- Further research should be undertaken to understand the complex nature of work and workload in the early years sector and its impact on retention. Our analysis indicates working hours are comparable to similar workers, but other research has highlighted specific issues of long and intensive working hours impacting on retention.





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