

# Raising the bar

What next for the early childhood education and care workforce?



## Childcare futures: policy insight paper 1

This is the first briefing paper in a new series by Daycare Trust looking at a range of policy issues related to childcare and early years education. This paper focuses on the early childhood education and care (ECEC) workforce and has been funded and supported by the TUC. We are grateful for the valuable input of the unions representing workers in the sector which helped in the development of this report.

# Raising the bar

## What next for the early childhood education and care workforce?

### Key findings

- Pay and conditions in the ECEC sector are extremely low in comparison with similar positions in other parts of the children's sector.
- Government has made substantial progress in improving the qualification levels of staff in the ECEC sector, and also in extending the range of routes to achieving qualifications.
- Raising pay and conditions for staff has a key role to play in improving skills, and thus quality, within the ECEC sector. If this is not addressed it may jeopardise other initiatives to improve qualifications of staff and raise quality in settings.
- The Early Years Foundation Stage (EYFS) has expanded the role of ECEC workers by merging the concepts of education and care. There is now little justification for those in ECEC services to have much poorer pay and conditions than other professionals in the sector.
- ECEC work must be seen as a viable career option for all people in order to recruit the most talented and committed staff. There needs to be a range of routes to entering work in the ECEC sector to ensure the best chance of obtaining quality staff.
- It seems unlikely that pay and conditions for ECEC staff, especially those working in the private, voluntary and independent (PVI) sector, can be raised without direct intervention.
- The report makes a series of recommendations designed to encourage greater attention to be applied to addressing issues around pay and conditions in the ECEC workforce, including that the Government should establish a high-level social partnership group with a clear remit to address the detrimental impact of poor pay and conditions in the sector.

### Acknowledgements

Daycare Trust and TUC would like to thank all those who gave their time and expertise to us whilst writing this report. In particular –

**Sophie Lowles** and **Laurence Kavanagh** at Children's Workforce Development Council

**Jane Armstrong** at Pre-school Learning Alliance

**Anna Upson** at DCSF

and the contribution of various unions at a consultative meeting.

# 1. Introduction

In ten years, since the publication of the 1998 National Childcare Strategy, early childhood education and care (ECEC) has become an increasingly important area of policy at national level. The Government has introduced a series of initiatives designed to expand the amount of ECEC provision and its availability, and raise the quality of the services offered. However, despite significantly increased state expenditure on ECEC and an emphasis on workforce development, the ECEC workforce remains among the most poorly qualified, lowest paid and least valued of all professions in the UK.

There is a longstanding Government commitment to tackling this. For example, as far back as 2004 the then Minister for Children, Margaret Hodge MP, stated:

*“I’m absolutely determined that we’re not going to allow childcare to expand with another low-paid workforce. Our children deserve much better.”<sup>1</sup>*

The following year the Children’s Workforce Strategy consultation paper recognised the need:

*“to ensure that providers across the [ECEC] sector have incentives to employ professional staff, including the means to pay the higher salaries that such workers command.”*

and also that:

*“...a better qualified workforce will mean rising levels of pay...”<sup>2</sup>*

Yet despite a wealth of research and analysis on the topic there have been few concrete moves to increase the pay

and conditions of ECEC workers – particularly those working in the private, voluntary and independent (PVI) sectors – towards a level commensurate with professionals working in other children’s services.

On 1 September 2008 a new integrated care and education framework for providers, the Early Years Foundation Stage (EYFS), was introduced. This is a first attempt to eradicate the distinction between what constitutes ‘education’ and what constitutes ‘childcare’ for the under-five age group. Traditional views identifying ‘educator’ as a more specialised role than ‘carer’ have contributed greatly to ECEC workers often feeling that they are the poorer cousins of the wider children’s sector and that their work is undervalued. This view has been reinforced by inferior rates of pay and working conditions in comparison to other children’s workforce professionals and the gendered nature of the workforce. However, with the introduction of the EYFS, it is hard to see how these traditional boundaries governing pay and status can continue to be justified.

This paper takes stock of the present state of the ECEC workforce and considers current Government measures aimed at improving the quality of ECEC staff on the ground. It then argues that in light of the increasing importance of the ECEC sector in improving quality and delivering positive outcomes for children, and the progress being made through initial steps to professionalise the ECEC workforce, more needs to be done to tackle the persistent problem of poor pay and working conditions for ECEC employees. This needs to be considered alongside the other rapid developments taking place in the sector, or the Government may find itself unable to deliver the best outcomes for children.

## 2. The ECEC workforce and the links to quality

Before going on to look at Government strategy and the specific problems relating to pay and conditions, this section briefly outlines why the ECEC workforce is now perceived as having such a crucial impact on improving quality in ECEC services.

### Quality in ECEC settings – links to workforce qualifications<sup>3</sup>

A factor that has increasingly directed Government policy on the ECEC workforce, and in particular the focus on raising the level of qualifications held by ECEC staff, is the research evidence that has emerged showing the direct impact of staff on the quality of care offered by ECEC settings.

A briefing paper by Professor Edward Melhuish published by Daycare Trust in 2004 distinguished between the ‘process’ and the ‘structural’ aspects of quality in ECEC service delivery.<sup>4</sup> Melhuish argued that the ‘process’ elements – mainly covering the more intangible factors governing the relationships and interactions between ECEC staff and children – are the most important in determining a quality experience for children and indicating positive outcomes. In short, the quality of care given by staff is the most important determinant of a quality experience for a child in ECEC services.

The Effective Provision of Pre-school Education (EPPE) project has guided much recent UK thinking and policy-

making around improving quality in ECEC services.<sup>5</sup> A major longitudinal study, the EPPE project found that:

*“Children made more progress in pre-school centres where staff had higher qualifications, particularly if the manager was highly qualified. Having trained teachers working with children in pre-school settings (for a substantial proportion of the time, and most importantly as curriculum leader) had the greatest impact on quality...”*

It particularly highlighted the importance of quality ECEC services in helping to prevent the most disadvantaged children falling behind in terms of development and achievement.

Similar findings have been reported in other research. For example the Neighbourhood Nurseries evaluation highlighted the importance of a well-qualified workforce in providing high quality provision and positive child outcomes.<sup>6</sup> More recently the Millennium Cohort Study (MCS) has supported many of EPPE’s findings around the impact of ECEC provision on children’s development and life chances – particularly the importance of a qualified teacher in improving educational quality.

In this context, it is easy to see why the impetus for up-skilling the ECEC workforce has grown over the decade since the National Childcare Strategy was published. The next section will go on to look at how government policy has developed during this time.

## 3. Policy context and Government initiatives

This section explores the various initiatives that have been put in place by the Government since 1998 to develop the ECEC workforce.

### National Childcare Strategy

The focus on improving workforce skills has evolved gradually under the present government. The National Childcare Strategy published in 1998 set a target to improve the quality of childcare. But although statements in this paper such as, *“All those looking after children will be able to get the help they need to do a good job”*<sup>8</sup> indicated some future direction in relation to up-skilling the workforce, the strategy did not predict how far improving quality would, in time, be directly linked to reshaping the workforce.

### Inter-departmental Childcare Review

This document from 2002 identified the need to expand the ECEC workforce in line with the expansion in provision, although this was still not directly related to raising levels of qualifications or improving quality in settings. It did, however, note that:

*“childcare wages are low relative to other occupations – including domestic cleaners and checkout operators.”*<sup>9</sup>

### Ten Year Strategy for Childcare

The Ten Year Strategy for Childcare, published in 2004, first set out clearly the Government’s plans to improve the quality in ECEC settings and, drawing on the EPPE research discussed earlier, saw improving skills in the ECEC workforce as a key means to achieving this. Measures around workforce development – which have subsequently been introduced – included:

- a commitment to a graduate-led workforce
- a single integrated qualifications framework
- the introduction of a specific early years professional qualification
- a commitment to promoting diversity in the workforce.

These measures were elaborated upon in a workforce reform strategy for the wider children’s sector (the Children’s

Workforce Strategy). Additionally the ten year strategy also first mooted the idea for what is now the EYFS.

Although the strategy did announce *“a financial package that will create incentives for providers from all sectors to increase the quality of their provision, without compromising the affordability for parents”*<sup>10</sup> there is no explicit reference to addressing imbalances in pay levels within the ECEC workforce. Such packages have been made available through various funds passed to local authorities to distribute (such as the Transformation Fund discussed later), but in most cases these have not yet directly linked improved quality to improved pay and conditions for the ECEC workforce as a whole.

### Children’s Workforce Strategy

In 2005 the Government consulted on the Children’s Workforce Strategy which mapped out objectives to achieve its goal of improving outcomes for children and young people. The strategy is predicated around four central areas:

- recruiting more high quality staff
- retaining staff through better development and career progression
- strengthening inter-agency working
- promoting stronger leadership and management.

The strategy encompasses all professions working with children, but recognises there are *“particular challenges”* for the ECEC sector, especially in the context that the workforce represents *“the single biggest factor determining the quality of childcare”*.<sup>11</sup>

In practice government strategy has so far helped to improve access to training and raise the level of qualifications of ECEC staff, but has been less effective in addressing the issue of salaries and the status of the ECEC workforce as a whole, as this paper will show.

*Building Brighter Futures: Next steps for the Children’s Workforce*, published in 2008 recognised the progress of the Children’s Workforce Strategy and heralded the establishment of a new Expert Group on the workforce,

which is developing a new long-term “action plan” for the children’s workforce due to be published shortly after this paper.<sup>12</sup> Specifically relating to the ECEC workforce, though, *Building Brighter Futures* mainly strengthens the existing objectives of the Children’s Workforce Strategy – principally the development of a graduate-led workforce in ECEC. It also states that:

*“Our focus will primarily be on the private, voluntary and independent (PVI) sector because that is where the workforce is least well qualified and standards are most variable.”*<sup>13</sup>

## Children’s Plan

Published by the DCSF in 2007, the Children’s Plan provides a holistic vision for the ongoing development and improvement of initiatives and services for children, young people and their families. The Children’s Plan reiterates elements of the Children’s Workforce Strategy – embraced within the wider Early Years Quality Improvement Programme – with a broad focus on training and development as well as stressing the importance of leadership. It makes a specific commitment to increasing spending on the Graduate Leader Fund (discussed below). The Early Years Quality Improvement Programme sets out the clear ambition for all settings to be graduate-led by 2015 and also an aspiration for all ECEC staff in group settings to achieve a minimum level 3 qualification and all childminders to achieve a minimum level 2 qualification “over time”.<sup>14</sup> There is no explicit mention of addressing pay and conditions in the ECEC workforce, although it does state that “public funding and demand from parents need to create a higher quality early years workforce” recognising the importance of government resources in helping to achieve this.<sup>15</sup>

## Early Years Foundation Stage (EYFS)

Whilst not specifically focused on workforce development, the introduction of the EYFS in September 2008 has helped to reinforce national standards for workforce qualifications in legislative terms. But most importantly, as this paper discusses elsewhere, it has

significantly altered perceptions of the role of workers in ECEC services by recognising care and education as concepts indistinguishable from one another with regard to the under-five age group.

## Children’s Workforce Development Council

In order to help deliver part of the Children’s Workforce Strategy the government established the Children’s Workforce Development Council (CWDC) in 2005. The CWDC’s initial brief in relation to ECEC is concerned with trying to raise the minimum bar for qualifications, as well as attempting to bring about some equivalence in status with other children’s sector professions.

CWDC’s primary work around ECEC so far has been to develop and promote new qualifications (discussed below) and provide support to those completing them. But whilst it has recognised the problems relating to low pay and poor conditions in the workforce, it has been unable to do much practically to address them. One reason for this is that CWDC’s remit is largely concerned with facilitating the supply of a qualified workforce, but does not at present have the scope to affect the demand for this workforce by ECEC providers. Indeed this is a matter which perhaps currently sits best within the ‘market management’ role given to local authorities in the Childcare Act 2006.

CWDC is also beginning to take on a role in relation to sustainability – particularly to ensure settings can afford to release staff members for training. This will be picking up former strands of the Transformation Fund (discussed below) that have been left open after it ended earlier this year.

## Foundation Degrees and Early Years Professional Status

In 2001 Early Years Sector Endorsed Foundation Degrees (EYSEFD) were introduced. This was the first higher level qualification for workers in ECEC, designed particularly to encourage people with relevant work experience and vocational qualifications to achieve a degree level qualification.<sup>16</sup>

EYSEFDs have largely been overtaken by the introduction of the Early Years Professional (EYP) status – which takes holders to level 6, equivalent to qualified teacher status (QTS). EYP status provides a clear professional standard at graduate level for practitioners working with children from birth until 6 years old (when the EYFS ends). There are four different pathways to achieving EYP status taking between four months part-time to 15 months full-time depending on a candidate's existing qualifications and experience.<sup>17</sup> The pathways also allow flexibility for different levels of work-based and teaching-based routes to achieving this status.

### Transformation Fund and Graduate Leader Fund

Given the target to achieve a graduate-led workforce by 2015, government has recognised that financial support needs to be put in place to ensure staff can afford to access training and PVI settings can afford to pay appropriate salaries to new graduates entering the sector. Consequently as part of the workforce strategy the Government introduced the Transformation Fund, worth £125 million a year over the two years to 2008. The fund was allocated to local authorities and agencies such as CWDC to support quality improvement and the recruitment, training and development of staff working in the ECEC sector, and was organised into a number of broad strands (see Figure 1). The fund allowed settings to draw up to £8,000 to supplement the salary of a graduate employee.

However, despite potential demand being high, the fund was underspent in most areas. Partly this was because the fund, being ringfenced, did not allow local authorities to use money to administer it in the way they would have liked. But with regard to graduate salaries, many settings

*Figure 1*

#### Transformation Fund strands

- Quality improvements
- Additional cost of employment
- Wages of staff (existing)
- Mentor payment (for setting)
- Cover costs (for setting)
- Books, travel or childcare costs for individual
- Bursary payment for individual
- Course/tuition fees

were discouraged from using the funding stream because of its short term nature and a fear that they would have to let the staff member go when the fund ended in 2008.<sup>18</sup>

In response the Government has replaced the Transformation Fund with the Graduate Leader Fund (GLF), introduced in early 2008. The fund is worth £305 million over the next three years and is specifically focused on securing graduate early years professionals for the PVI sector. Under the GLF the figure that can be allocated for funding graduate salaries is unlimited. In order to prevent similar problems of short-termism, Government has taken the unusual, but very welcome, step of making an 'in-principle' commitment to funding it until 2015, which highlights the importance with which this target is viewed. Other strands of the Transformation Fund have now been added to streams within the wider General Sure Start Grant (GSSG), and within funding for new initiatives such as Every Child A Talker, part of which can involve funding language-related training for ECEC staff.

## 4. The present ECEC workforce<sup>19</sup> – issues to be addressed

Having explored the policy context, this section draws on data (in related boxes) from the most recent *Childcare and Early Years Providers Survey*, and is centred around five key aspects:

- Demographics
- Pay and conditions
- Recruitment and retention
- Qualifications
- Status.

Each aspect is then discussed further to analyse how governmental strategy is impacting on efforts to raise quality in ECEC services through up-skilling the workforce.

### Box 1: Demographics

There are 336,300 paid staff positions employed in the ECEC workforce in the UK – an increase of 16% since 2003.<sup>20</sup> This represents overall filled employment places – however it is known that many ECEC staff hold more than one job in the sector, therefore caution is advised in using this figure as an overall number for individuals working in the sector. The sector also has high levels of part-time employment places, particularly situated in sessional care settings.

The ECEC workforce is overwhelmingly female with less than 2% of employees being male.<sup>21</sup>

The age of the ECEC workforce varies considerably between types of setting. For example childminders and staff in sessional providers were much more likely to be older (with around three-fifths aged over 40 and well over 90% older than 25 years of age). However, staff in full day care providers were often younger, with over a third aged below 25 years.<sup>22</sup>

Statistics on the ethnicity of the ECEC workforce are patchy – in the *Childcare and Early Year Providers Survey 2007* definitive data was only collected from childminders and early years provision in maintained schools.<sup>23</sup> In maintained settings the number of employees from a black or minority ethnic (BME) background ranged from 2–12% depending on the type of provider. 7% of childminders were from a BME group.<sup>24</sup> These figures compare with 9% of the working population as a whole being drawn from BME communities.

### Demographics

The broad demographic of the ECEC workforce contains some factors in common with the workforce in many other low-paid occupations – for example it contains more part-time workers, and more women. The overwhelming proportion of women working in the sector is crucial as it reflects wider issues in UK society around women receiving lower pay than men. As of April 2007 the gender pay gap stood at 12.6% for full time work and 39.1% for part-time work.<sup>25</sup> A report by IPPR containing voices from the ECEC workforce suggests that one of the principal reasons that work in ECEC services is so poorly paid is that it is seen as ‘women’s work’, stating that:

*“On a number of occasions low pay and the perceived low status of the early years sector was explicitly linked to gender and the very high proportion of women working in it.”<sup>26</sup>*

Conversely, the number of males reported to be working in the sector remains low<sup>27</sup> and this may partly be a reflection of the poor pay and conditions for ECEC workers. For instance in Norway, where pay and status for ECEC workers are closer to parity with other children’s sector workers such as teachers, the percentage of men working in ECEC services stands at 8.8% – at least four times the figure in England and Wales.<sup>28</sup> A previous target by government to raise the number of males working in ECEC services from 2% in 1998 to 6% by 2004 was not achieved.<sup>29</sup> This is one of the few aspects of the ECEC sector to remain unchanged during the last decade – it is likely that to increase the proportion of men working in ECEC one of the issues the Government must consider is the problem of low pay in the sector.

Similarly more work needs to be done to encourage BME groups into the ECEC workforce. This was highlighted in a Daycare Trust study into the views of BME workers in ECEC services earlier this year, which recommended that *“recruitment campaigns [and] information should be disseminated through local ‘ambassadors’ or ‘workforce champions’”* and also that *“information and training must also be made available in a range of languages”*.<sup>30</sup> Better pay and conditions may also help to encourage more workers from BME groups into the sector.



**Box 2: Pay and conditions***Figure 2. Average (mean) hourly pay<sup>31</sup>*

	Full day care	Full day care in children's centres	Sessional care
All staff	£6.90	£9.30	£7.00
Senior managers	£9.80	£14.30	£8.70
Supervisory	£7.10	£9.50	£7.10
Other paid staff	£5.90	£7.10	£6.10

	Nursery schools	Primary schools with nursery & reception classes
All staff	£22.10	£17.90
EY Teachers (EYTs)	£19.60	£17.70
Nursery Nurses	£10.40	£10.40
Other paid staff	£8.70	£8.30

Figure 2 – drawn from data published in the *Childcare and Early Years Providers Survey 2007* – shows how average (mean) pay for ECEC workers varies quite substantially across the sector, depending on factors such as level of qualification and in particular the type of setting employed in. The most striking disparities are between the state-led settings (mainly full day care in children's centres, nursery schools, and primary schools with nursery and reception classes) and the PVI settings (mainly full day care and sessional care). Staff working in full day care in children's centres – where provision is more usually (but not exclusively) provided by local authorities – earned £9.30 per hour compared with staff in PVI sessional and full day care who earned just £7.00 and £6.90 per hour respectively. Although these figures represented a general increase across all types of staff, in comparison with other professionals in the children's sector they are still very low. The table also shows that in the maintained sector qualified early years teachers earned £19.60 per hour, nursery nurses £10.40 per hour, and even 'other paid early years support staff' received £8.70 per hour.<sup>32</sup>

This is besides the enhanced terms and conditions (such as pension contributions, holidays, maternity pay and sick pay allocation) that are generally felt to be better in the maintained sector than in PVI settings. Unfortunately this report was not able to find extensive research information about working conditions in the ECEC sector. However, informal interviews with providers and staff suggest that additional benefits such as sick leave or redundancy pay are most often set at the statutory minimum levels in the PVI sector but are higher for employees in state-led ECEC provision.

Figure 3. Average hourly rates for Labour Force Survey children's occupation groups<sup>33</sup>

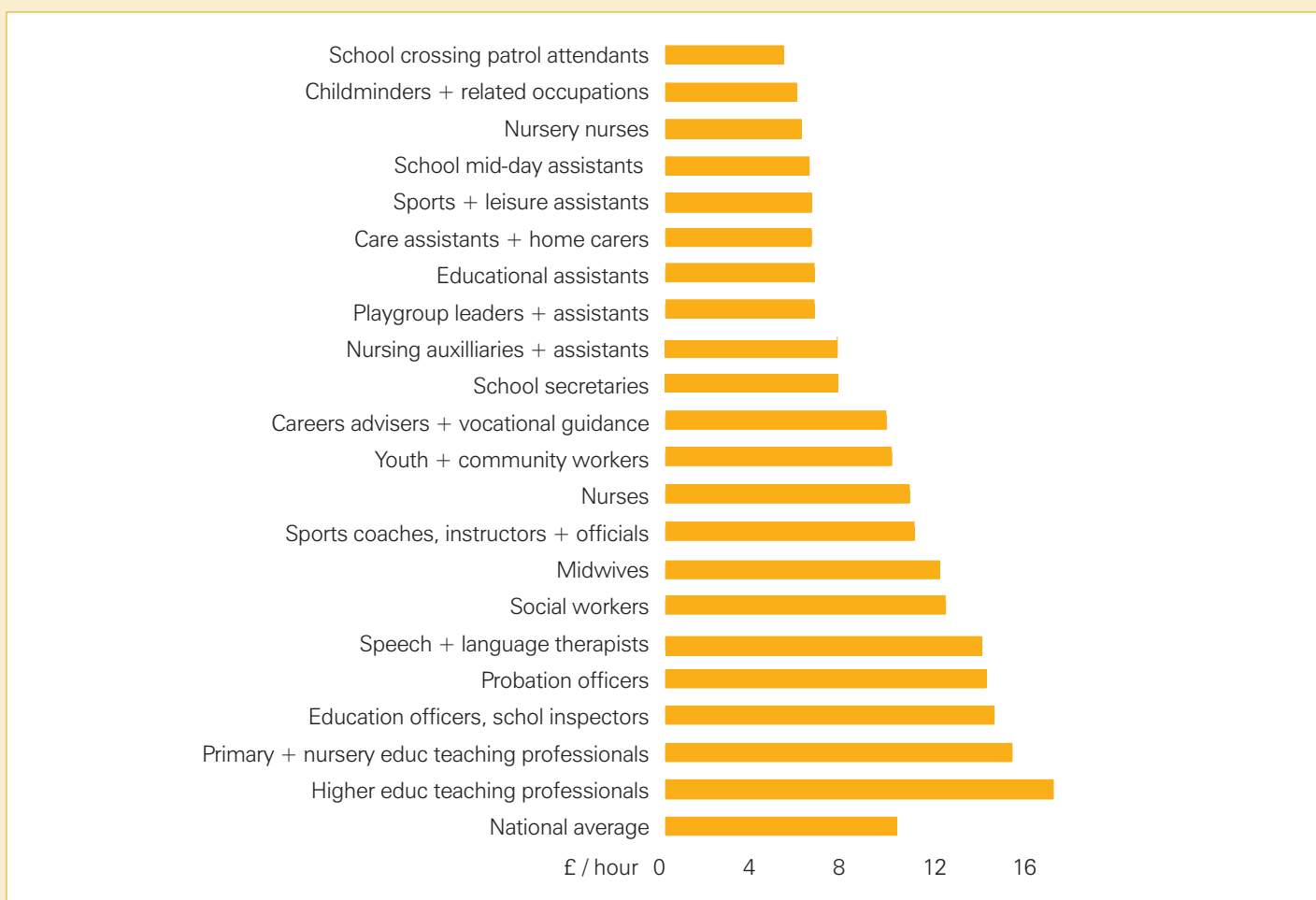


Figure 3 shows the average salaries of a range of children's professionals to demonstrate how low the pay for ECEC staff is in comparison with others.

Pay is recognised to be extremely low for the majority of ECEC workers at the bottom end of the pay-scale for the sector. A report by the Low Pay Commission in 2007 highlighted that in the childcare sector "over 10% of jobs were paid at the level of the adult National Minimum Wage (NMW), and nearly 20% were paid below this level".<sup>34</sup> Again the problem is primarily situated in the PVI sector with a subsequent study finding that:

*"In April 2007, 7.6 per cent of childcare jobs in the voluntary sector paid at the minimum wage, as did 7.1 per cent of jobs in the private sector. While for public sector childcare organisations, only 1.7 per cent of jobs were paid at the minimum wage."*<sup>35</sup>

A survey of PVI providers conducted for the same report showed that just under two-thirds of respondents reported increasing pay rates to comply with National Minimum Wage rises.

Childminders are self-employed and therefore their incomes fluctuate vastly. However, a recent survey by the National Childminding Association (NCMA) showed that 53% of childminders earned less than £7,000 per annum, with more than half of those surveyed working more than 40 hours per week.<sup>36</sup>

## Pay and conditions

### ***The EYFS and the changing role of ECEC workers***

The fact that many ECEC workers are paid so poorly in relation to other colleagues in closely linked professions – particularly early years teachers in schools – is not revelatory. What is new, however, is the disintegration of one of the central reasons that has been used to ‘justify’ such disparities. In the past the UK has held to the common concept of ‘childcare’ being a practice in many ways unrelated and inferior to the ‘education’ of children. This has led to an interpretation – largely unchallenged – that those ‘caring’ for children should not be rewarded as highly as those ‘educating’ children.

This paper argues that this partial justification has now disappeared entirely with the introduction of the EYFS in September 2008. Not only does the EYFS merge the concepts of childcare and education as to be indistinguishable for the under-5 age group, it also requires all formal providers of ECEC to work to this framework in order to meet basic registration requirements. Now that all of our ‘childcarers’ are also seen to be ‘educators’ (and also that conversely our ‘educators’ must embrace the role of ‘childcarer’) it can surely no longer be justifiable, practical or ethical to maintain a situation where some professionals working with our youngest and most vulnerable children are paid so substantially less than others.

### ***Qualifications without incentives?***

Providing training to up-skill the workforce in line with the implications of the EYFS is vitally important. This paper has already drawn attention to the considerable progress the Government has made in this area in a short space of time. However, the present strategy argues that facilitating a general rise in pay before the ECEC workforce is up-skilled might be considered illogical as it may reduce incentives for staff to gain additional qualifications, but, in theory, a better qualified workforce will in time begin to make demands that will force up their pay and conditions. This latter argument has applied to similar up-skilling exercises conducted in the teaching and social work

sectors in the past. However, taking into consideration the current structure of the ECEC sector it is unclear whether the current mixed market – where over 80% of provision is offered by PVI settings working to very tight profit-margins<sup>37</sup> – will make it possible to raise pay and conditions across all settings without further intervention.

Thus the present strategy runs contrary to the laws of market economics – it may be possible to recruit higher grade staff into the sector, but it will prove extremely difficult to retain them without a clearer career path and a reasonable wage to aim for. In all likelihood the strategy will fail to make any significant impact unless more is done to reward and value the ECEC workforce. If we wish the UK to deliver internationally-admired standards in ECEC we must not only attract high calibre individuals into the workforce but retain them too. This cannot be done on wage levels that often scarcely raise many recipients above the National Minimum Wage (NMW), if at all.

### ***The National Minimum Wage***

The Transformation Fund and The Graduate Leader Fund are clear steps in the right direction to address these problems, and should be applauded. But even with the full subsidy on offer there are many providers who would currently still be hard-pushed to pay a salary that can compete with what a graduate could reasonably expect to earn in other areas of the children’s workforce. It also needs to be remembered that it will take some time to establish a graduate-led workforce and more attention should be given to the pay and conditions of staff below graduate level – at least during the present transitional period. Qualifications are also improving at lower levels across the ECEC workforce and these people need to be better rewarded too if we are to attract the best quality staff to look after our youngest citizens. Unfortunately, though, this does not appear to be happening yet, given the high proportions of workers still being paid the NMW or just marginally above. Beyond this, the statistics outlined above suggest that many childminders<sup>38</sup> are probably paying themselves well below the NMW – especially once their business costs are taken into account. This is despite the vast improvement in their qualification levels over recent years.

However, it is fair to say that the NMW has helped greatly to ensure a modest increase in pay for many ECEC workers over the last decade – including those aged under-21, despite them receiving lower rates of NMW. The problem is that there has been little progress in raising remuneration further towards what might be better representative of a ‘living wage’. Also worrying are the number of cases that continue to be exposed where ECEC employers are flouting regulations in exploitative fashion. Strikingly, the very first prosecution for non-compliance with the NMW was against an ECEC proprietor and only recently a NMW enforcement project which targeted the ECEC sector during 2006/7 had a 17% ‘strike rate’, with 404 cases registered for investigation by HMRC compliance teams.<sup>39</sup> Where the NMW is being breached it may be likely that other regulations governing staff working conditions and benefits are also being ignored.

More needs to be done to ensure employers comply with regulations around the NMW and working conditions. This paper recommends that settings should be required to provide details of staff pay and conditions as part of their Ofsted Inspection. If Ofsted inspected this data with appropriate input from officials in departments such as BERR, HMRC and the Low Pay Commission, it would enable more frequent checks for illegal employment practice by ECEC settings. This could provide both a deterrent to settings abusing NMW stipulations and help to more easily catch those that persist in breaking the rules.

### ***The difficulties of working on low pay***

As the research outlined in section two shows, the quality a child experiences in ECEC provision is heavily dependent on their interactions with members of staff. Therefore it is vital that staff are able to concentrate fully on providing the highest quality education and care without distraction. However, current pay and conditions may be affecting this. Evidence that this might be the case is put forward in a report published by IPPR in 2008. The report contains interviews with ECEC workers and highlights the difficulties they experienced in balancing doing their best for the children they care for at work with the pressures of living in often breadline circumstances.<sup>40</sup> Interviewees commented on the stress they felt living close to the poverty line and

how this inevitably affected their concentration at work at times. Low pay also led to those interviewed reporting low esteem, de-motivation at work, and a high number of staff leaving the ECEC sector (often against their ideal wishes) to pursue higher wages in areas such as retail or secretarial roles. It is understandable that many ECEC workers in this position are unlikely to be able to fully focus on the young children in their care if they are worried about being able to care for themselves or their family.

Unfortunately, though, there appear to be few initiatives (beyond the Graduate Leader Fund) to raise overall pay levels in the childcare sector. For example a pan-London report on improving the quality of the childcare workforce in this region contains extensive recommendations on strategies for improving the training, profile and image of childcare workers as well as advising on where funding might be available to resource this. However the report sidesteps the issue of pay entirely. Instead it recommends that local authorities:

*“Encourage childcare providers to offer non-financial rewards such as flexibility, annual leave and professional development opportunities.”<sup>41</sup>*

Whilst these would all be welcome improvements in conditions, many of the present problems of profile and status are linked to pay levels. If the Government’s strategy for improving quality in ECEC services is to fully embrace its potential, then these issues cannot continue to be avoided.

## Recruitment and retention<sup>42</sup>

A professional workforce must aim to hire professional-calibre staff. It is time for ECEC to be considered as a realistic and desirable career option – not a route that young women with few academic qualifications are pushed into, regardless of whether they are suited to a role in the sector. Despite the improvement in available qualifications; routes into training; and aspirations for a graduate-led workforce, working in ECEC services is still often seen as a career path for those who have ‘failed’ in other areas. In part this is likely to relate to the poor pay and limited opportunities for career progression. This attitude not only devalues the quality of care provided to children, it also does a disservice to the vast numbers of talented people who choose ECEC work as a vocation.

The CWDC’s response to the Children’s Workforce Strategy (2006) concluded that as a general rule there was not necessarily a direct link between levels of pay and reward, and recruitment and retention across the children’s workforce. However it also stated that in some ECEC occupations it did find lower pay to be a significant factor in the high turnover of staff. This is important – as it can have an effect on the quality of care. Melhuish, summarising research on quality, concludes that:

*“Staff retention is important. Every time a familiar caregiver leaves children suffer a loss. Where this happens over and over the possibilities for establishing sustained relationships and complex communication necessary for maximising developmental potential are greatly reduced.”<sup>44</sup>*

It is bewildering for a young child – maybe just a few months old – to experience a continual change in their caregiver, and it may have adverse effects on their development. This can be particularly important when considering the needs of looked after children. But the IPPR research highlights that too often the low pay and conditions for ECEC staff force people to reluctantly leave the sector in search of greater financial stability.<sup>45</sup> The present situation does not benefit either staff or children.

It seems that recruitment rates vary between types of

provider too. The *Childcare and Early Years Providers Survey 2007* states that:

*“Recruitment rates among early years providers have been relatively stable over the years compared with recruitment rates for childcare providers.”<sup>46</sup>*

“Early years providers” are predominantly maintained settings delivering ‘education’, while “childcare providers” comprises mainly PVI settings delivering ‘care’. Given the disparities in pay and status between ‘carers’ and ‘educators’ discussed in this paper, it might be reasonable to infer that the fluctuating recruitment rates for “childcare providers” may be partly related to the poor pay and conditions in the sector?

### Box 3: Recruitment and retention

The length of service of staff varies by type of setting. Staff working in sessional care and in maintained settings are substantially more likely to stay at a setting longer than those in full day care, where three quarters of staff had stayed less than five years compared to roughly half of staff in the other types of setting. This is reflected in the high turnover rates of full day care settings:

Figure 4

Type of provider	Staff turnover rate
Full day care	15%
Sessional care	11%
Primary schools with nursery and reception classes	6%
Nursery schools	5%

Similarly, substantially more full day care providers reported that at least one staff member had left in the previous 12 months (62%) compared to sessional care (40%), nursery schools (33%) and primary schools with nursery and reception classes (28%).

The recruitment rates across the various types of ECEC settings in 2007 varied from 20% in nursery schools to 38% in full day care settings. Sessional care recorded a rate of 27% and primary schools with nursery and reception classes 25%.

## Qualifications

This is the area where most progress has been made in developing the ECEC workforce. Successive Government initiatives outlined above have begun to raise standards across the whole ECEC workforce which in turn is beginning to raise quality in settings. A recent report from Ofsted, reviewing the latest inspection cycle, noted that although quality still varied across the country, overall:

*“the quality of childcare and early education in day-care settings inspected has risen year on year. Providers have made a wide range of improvements for children in response to issues raised at their previous inspection.”<sup>52</sup>*

Daycare Trust has consistently called for half of all ECEC staff to be qualified to level 3 by 2011 and applauds the Government for statistics in the *Childcare and Early Years Providers Survey 2007* showing this to have been achieved already (with the exception of childminders).

It is important, though, that a clear focus is kept on addressing issues that may arise as the new structure for training the ECEC workforce is constructed. For instance current routes into the ECEC workforce allow people to easily enter at a later age. Typically this includes parents with school-aged children who are looking to return to the employment market and to whom the working hours of many ECEC settings are attractive as they allow them to collect their own children from school. Such potential employees may not have the requisite qualifications initially – and may find it more difficult to afford the necessary time and money to gain them, given they are likely to have a young family. Nevertheless, people from this demographic group represent a valuable source of potential employees who might bring additional skills from previous roles to the sector.

EYP status has the potential to help address this, given it both represents a gold standard to attract young and talented graduates into the sector but at the same time allows existing workers to easily build on qualifications they already hold. It is hoped that the different pathways to achieving the status will help to attract a wider range of potential people into the workforce. But it is important

that EYP status does not become the poor relation in comparison to the Early Years Teacher (EYT) status. Whilst the GLF will help to boost salaries for qualified EYPs, care must be taken to ensure that both remuneration and opportunities for progression are broadly commensurate with those available to EYTs to prevent it becoming a second-class status. This is likely to be challenging given large numbers of EYPs will be situated in the PVI sector where pay and conditions are not set. It is vital that some form of national evaluation of the EYP role is undertaken to set a benchmark for how much EYPs should be paid.

Such major structural changes to any sector will always take time to come to fruition and the present initiatives pursued by the Government are admirable. However, although the target for ECEC settings to be graduate-led by 2015 appears to be on course, there must be no room for complacency. This report has already identified the potential for low pay and poor conditions to threaten progress as the deadline for this target approaches. The Government must move to address this issue in tandem with improving qualifications.

It may be advisable too for the Government to monitor the experience of New Zealand which is currently working towards establishing an all-graduate workforce within its ECEC sector.<sup>53</sup> This may be a useful model for the future development of UK services, although it should also be recognised that there must still be work-based routes to obtaining qualifications and room for support staff roles in settings too. In an ideal workforce a role akin to that of classroom assistant in schools might help to avoid losing valuable experience, knowledge and skills in the existing workforce, as well as provide alternative routes into working in ECEC. However, the ultimate aim should be for non-graduate workers to be supported at all times by a graduate member of staff.

**Box 4: Qualifications**

Registration requirements for group childcare under the EYFS state that *“all supervisors and managers must hold a full and relevant level 3 qualification and half of all other staff must hold a full and relevant level 2 qualification.”*

A full list of NVQ levels and their equivalence to other qualifications is shown in Figure 5.

Figure 5

NVQ Level	Equivalent qualifications
1	GCSE (grade D-G); Foundation level GNVQ
2	GCSEs (grade A*-C); Intermediate level GNVQ
3	A-level, Vocational A-level (Advanced GNVQ)
4	Higher level qualifications, BTEC Higher nationals
5	Higher level qualifications, BTEC Higher nationals
6	Honours degree
7	Masters degree, PGCE, NPQ/ICL
8	Doctorate

There has been steady progress in recent years in raising the qualification levels of staff working in ECEC. For instance in 2003 as the sector was expanding and taking on more junior staff just 52% of ECEC staff working in full day care held a level 3 qualification but in 2007 it had reached 61%.<sup>48</sup> Similarly in 2003 only 16% of childminders held a level 3 qualification but by 2007 it had increased to 41%.

However, it is still possible for someone to be working within ECEC without any qualifications at all. Most recent figures indicate that 15% of the ECEC workforce have no qualifications, and a further 18% are qualified to below level 3 standard.<sup>49</sup> The basic minimum requirements for childminders are that they *“must have attended a training course within six months of registration and must hold a current paediatric first aid certificate at the point of registration”*.<sup>50</sup>

The proportion of settings reporting they had a member of staff responsible for early years professional leadership who had achieved or was working towards achieving Early Years Professional (EYP) status (discussed in Section 3) was highest among full day care settings in children’s centres (14%), followed by full day care settings (11%) and sessional settings (9%).<sup>51</sup> The Government’s target is for an EYP or equivalent level qualified member of staff to lead every ECEC setting by 2015, and every children’s centre by 2010.

**Status**

Until the last decade most ECEC services were situated in the PVI sector, with little formalised protocol for contact with other children’s services such as schools, social services and health services. Although the majority of ECEC provision still remains outside the state sector, recent mechanisms provided for local authorities to direct local childcare markets for public benefit (such as those contained in the Childcare Act 2006), and a general increase in the state’s support to the ECEC sector, have helped to embed ECEC in the wider framework of local services more than ever before.

Similarly, recent structural changes to children’s services made in the Children’s Act 2004 have meant ECEC settings are now more likely to have contact with other children’s professionals (eg teachers, health workers, social workers) as part of an integrated working environment under the auspices of the local children’s trust – and in some cases within a children’s centre or as part of an extended school.

Thus the status of ECEC workers has risen during the last decade, but not necessarily to the level enjoyed by other professions in the children’s sector. The increase in amount of integrated services for the under-5 age group is helping to professionalise ECEC staff and strengthen working relationships between the ECEC workforce and staff in other children’s services.

Nevertheless, despite the status of ECEC services rising as part of the present Government strategy to help improve child outcomes, the persistent perception of a lack of equal status in relation to some other professions felt by many ECEC workers – as well as how this is defined in their pay and conditions – could threaten to destabilise efforts to grow and improve the quality of the workforce. It is also important to remember again that the introduction of the EYFS has now significantly dissolved previous conceptual boundaries between the roles of carer and educator in relation to the child, which serves to exacerbate such feelings.

This can cause problems in how ECEC workers relate to other staff – particularly teachers – as well as difficulties in

reconciling the gaping pay gaps between ECEC workers and most other professions in the children's sector. For instance in a Foundation Stage Unit partnership with a PVI provider it is possible that a reception class teacher could be paid around double the salary of a pre-school leader even though they are ostensibly working alongside each other in extremely similar roles.

This problem is likely to be exacerbated by the commissioning culture which has made local authorities the ECEC 'provider of last resort' and encourages ECEC services – including those within children's centres – to be provided by PVI providers wherever possible.<sup>54</sup> This will mean that in future more staff are likely to be working in the PVI sector than at present, with less protection over their pay and status than those in the state sector.

### ***The union role***

Where there is union representation in the sector, ECEC workers benefit from better pay and conditions and there is also a perceptible difference in the status attributed to them. It is no coincidence that the ECEC workforce in the state sector (eg schools, local authority nurseries and children's centres) is much more highly unionised and, as the data in this paper graphically highlights, this is the part of the sector where workers have the best pay and conditions. As well as negotiating better terms of employment, unions provide a strong collective voice that supports a professional identity and status for the profession within the sector and across wider society.

These positive outcomes mean that a unionised workforce is also in the interests of employers as well as helping to provide young children with a higher quality of care and education. Employers benefit from good employment relations and having a trained, experienced and motivated workforce that can be directly consulted with on the challenges facing the sector in expanding and improving provision.

The increasingly important role of unions in supporting learning and training at work, especially through the rise of the union learning representative (ULR) over recent

years, means that unions have huge potential for supporting further professionalisation of the workforce. In particular, the widely recognised expertise of ULRs in supporting employees lacking confidence to engage in learning, often for the first time since leaving formal education, could be a key means of supporting more career progression opportunities for low-paid staff with minimal qualifications in the sector.

Unions also support career progression and skills development in a number of other ways by supporting continuing professional development of staff. This may be as a result of direct negotiations with individual employers, wider agreements (especially in the public sector) or through the union voice on bodies such as CWDC.

However, as proposed in the key recommendations in this report, there is also an urgent need to bring unions, employers and Government together at a higher level to develop a coordinated strategy to tackle some of the key challenges facing the ECEC workforce and the associated outcomes affecting service delivery. Whilst unions already do this through the relevant structures in the sector and through direct contact with Government, there is a need to take a more strategic approach by establishing a social partnership body with a clear remit, especially with the aim of improving pay and conditions.

Whilst it would be in the interests of many ECEC employees in the PVI sector to enjoy the collective negotiating strength of their counterparts in the public sector, there are significant barriers facing unions in organising in this area. The inherent structure of the PVI sector, with large numbers of small employers, high turnover rates and a large degree of casualisation makes it very challenging and resource-intensive for unions to make headway.

Nevertheless, unions are engaged in a range of recruitment strategies in the PVI sector and many national employer organisations also recognise that increased union coverage would be a positive step in addressing the challenges of low pay and poor conditions and the associated impact on the quality of education and care.



## 5. Conclusion

The Government has made significant progress in putting in place the structures to grow the quality of staff working in ECEC services. There is a much clearer framework for ECEC qualifications; there are greater opportunities available for training and development; ECEC workers are increasingly working in conjunction with other children's professionals helping to both broaden their capabilities and raise the status of the ECEC sector. All these factors are vitally important in creating the environment to entice better qualified staff into the workforce, as well as up-skilling those existing ECEC workers.

However, this paper has shown that there are still fundamental problems likely to surface in the future relating to pay, conditions and the status of workers in the sector. The ECEC workforce will not consistently attract or retain the calibre of person that present aspirations demand unless they are able to earn a wage comparable to the other professionals they are expected to work alongside in the wider integrated approach to children's services that is developing.

**“no other country has achieved a well-qualified early childhood workforce without adopting a tax-based supply subsidy”**

It is not that this issue is not recognised by all major stakeholders. There is common agreement across the ECEC sector (including from most ECEC employers themselves) and within Government that pay and conditions of the workforce are too low and this is a threat to universally-held ambitions to improve quality. What this paper has sought to highlight is the need to start examining this problem more closely now that the qualifications and aspirations of ECEC workers are beginning to rise, alongside increasing, and justifiable, expectations of commensurate reward.

But we also recognise that there is no simple solution to this problem. At present many ECEC providers in the PVI sector – the sector where pay and conditions are recognised to be poorest – are working to extremely tight profit-margins, and a great many are making a loss.<sup>55</sup> Organisations such as the Pre-school Learning Alliance and National Day Nurseries Association report that many of their members express a desire to improve the amount they are able to pay their staff, but higher pay would mean higher fees and they also recognise that many parents would simply be priced out by further increases. Especially as any increase would come on top of sharp rises in the price of childcare already – Daycare Trust's Annual Childcare Costs Survey has recorded above-inflation increases in costs in every year since it was first conducted in 2001.<sup>56</sup> With staffing representing roughly 80% of a PVI provider's present costs,<sup>57</sup> it is hard to envisage where such settings could find savings elsewhere in their budgets to direct towards improving the pay of their staff?

With this in mind it is difficult to see where else a wholesale improvement in pay and conditions for ECEC workers could come from without government intervention. A Daycare Trust report highlighted this in 2005 stating that *“no other country has achieved a well-qualified early childhood workforce without adopting a tax-based supply subsidy”*.<sup>58</sup> That the Government has recognised this already and begun to address issues around the upper tiers of the workforce, via the graduate leader strand of the Transformation Fund and now the GLF, is to be applauded. However, below the level of leadership the majority of the ECEC workforce

continues to experience extremely poor pay and conditions with no prospect of improvement in sight. If prospective workers do not see incentives to achieving better qualifications to work in the ECEC sector then the best of them will be attracted elsewhere, possibly even before entering the sector in the first place. The danger that the present strategy in relation to the workforce might fail to revolutionise quality and standards within the ECEC sector is real. But intervention now to provide such incentives in the form of better pay, status and working conditions for all levels of qualified staff could still minimise these risks. Given the significant investment that has already been made in improving training and qualifications for

the ECEC workforce, this paper questions whether the Government is really willing to jeopardise these gains simply by ignoring issues relating to remuneration?

Many members of the ECEC workforce are being asked to demonstrate a new diversity of professional skills as 'educators' by the introduction of the EYFS. In return they should receive equivalent professional rewards more in line with other areas of the children's workforce. This paper concludes by making a series of recommendations designed to encourage the Government to direct greater attention and resources towards increasing pay within the mixed-market economy, and to improve the quality of the ECEC workforce generally.

## Recommendations

- Government should establish a high-level social partnership group involving Government, employers and trade unions and give it a clear remit to look at the detrimental impact of the poor pay and conditions that affect a high proportion of the ECEC workforce. This would assess the longer-term impact this will have on quality improvement targets, and make recommendations for steps to bring about a significant improvement in the pay and conditions of all ECEC workers over time.
- Government should set new standards for pay and conditions to improve in line with the aspirations to improve qualification levels.
- More information should be collected about working conditions and benefits for staff working in ECEC settings, especially in the PVI sector. This could potentially be included in future Early Years and Childcare Providers Surveys.
- More needs to be done to ensure that the status – including pay and conditions – of Early Years Professionals is commensurate with those of Early Years Teachers. This should encompass a national evaluation of the EYP role and a pay benchmark set in line with other relevant professionals.
- Measures should be put in place to enable all staff to have the opportunity to acquire a relevant qualification equivalent to NVQ Level 3 by 2015.
- Half of all childminders should hold a relevant qualification equivalent to NVQ Level 3 by 2011.
- ECEC providers should be required to provide details of staff pay and conditions as part of Ofsted Inspections to ensure they are complying with minimum wage regulations.
- Government should withdraw the pressure for local authorities always to focus on commissioning and consequently be a provider of 'last resort' for childcare services.

## References

1. *Schools are the key to childcare expansion*, Nursery Management Today, Jan/Feb 2004
2. DfES (2005) *Children's Workforce Strategy (Consultation)*
3. Defining what constitutes 'quality' in ECEC services is not easy and Daycare Trust will be exploring this topic more fully in a separate report to be published shortly. However, for the purposes of this paper 'quality' is defined as constituting a meaningful and enjoyable experience for the child as service user, and one that impacts positively on the child's outcomes in the future for the rest of their life.
4. Melhuish E (2004) *Child benefits: the importance of investing in quality childcare* (Daycare Trust)
5. Sylva K, Melhuish E, Sammons P, Siraj-Blatchford I, Taggart B (2004) *The Effective Provision of Pre-school Education Project: final report* (DfES)
6. Mathers S, Sylva K (2007) – *National Evaluation of the Neighbourhood Nurseries Initiative: The Relationship between Quality and Children's Behavioural Development* (DfES)
7. Mathers S, Sylva K, Joshi H (2007) *Quality of Childcare Settings in the Millennium Cohort Study* (DfES)
8. DfEE (1998) *Meeting the childcare challenge – a summary*
9. Strategy Unit (2002) *Delivering for children and families: Inter-departmental childcare review*
10. DfES (2004) *Choice for parents, the best start for children: a ten year strategy for childcare*
11. DfES (2005) *Children's Workforce Strategy (Consultation)*
12. DCSF (2008) *Building Brighter Futures: Next steps for the children's workforce*
13. *ibid.*
14. Information about the Early Years Quality Improvement Programme can be accessed at [www.standards.dfes.gov.uk/primary/features/foundation\\_stage/ey\\_qip/](http://www.standards.dfes.gov.uk/primary/features/foundation_stage/ey_qip/) along with a powerpoint presentation.
15. DCSF (2007) *The Children's Plan: Building Brighter Futures*
16. However, it should be noted that EYSEFD is not an honours degree (Level 6) and only equivalent to Level 5 (see fig.1)
17. Existing EYSEFD holders in most cases must take the full 15-month EYP pathway – further information about the various pathways can be accessed at [www.cwdcouncil.org.uk/eyps/how-to-become-an-eyp](http://www.cwdcouncil.org.uk/eyps/how-to-become-an-eyp)
18. A more in-depth discussion of the Transformation Fund is contained in a forthcoming evaluation paper by NCVCCO and Daycare Trust
19. This paper is focused specifically on staff working in provision for children of below statutory school-age. However, data on these employees is collected within the annual Childcare and Early Years Providers Survey as part of a slightly wider ECEC workforce definition. Wherever possible data relating to staff working in primary schools with reception but no nursery class, after school clubs, and holiday clubs has been excluded from analysis as these settings almost always only cater for school-age children and not the under-five age group. It is accepted that data relating to staff working in primary schools with reception and nursery classes will unavoidably include some information on reception class teachers as well as ECEC staff, but it is assumed that this has only minimally skewed the results outlined here.
20. Nicholson et al (2008) *Childcare and Early Years Providers Survey 2007*. This total has been calculated by adding together the following quoted figures for paid workers in different types of setting: 154,600 staff working in full daycare; 54,200 in sessional care; 5,000 in nursery schools; 52,300 in primary schools with nursery and reception classes; and 70,200 registered childminders. In addition the report also identifies 41,700 unpaid workers across the various types of provision.
21. Nicholson et al (2008) *Op cit*
22. *ibid*
23. Lack of complete information in this area was identified in a recent report by Daycare Trust, *Local approaches to ensuring take up of childcare by black and minority ethnic families* (2008) which found that many local authorities are only just putting in place the methods to effectively capture data on ethnicity in the workforce from all local providers. It is expected that availability of data on ethnicity in all parts of the ECEC workforce will improve in the near future.
24. Nicholson et al (2008) *Op cit*
25. Information obtained from the Government Equalities Office website [www.equalities.gov.uk/women\\_work/pay.htm](http://www.equalities.gov.uk/women_work/pay.htm). It should be noted that these figures are based on median earnings. The gender pay gap for mean earnings becomes 17.2% (full-time) and 35.1% (part-time).
26. Cooke, G & Lawton, K (2008) *For Love or Money: Pay, progression and professionalism in the "early years" workforce* (IPPR)
27. For example, a recent report – General Teaching Council for England (2008) *Annual Digest of Statistics 2007-8*, (GTCE) – identified there being just 56 male nursery teachers in employment during 2007/8.
28. Information provided by the organisation Gender In Norway ([www.gender.no](http://www.gender.no))
29. Skelton C, Hall E (2001) *The development of gender roles in young children* (EOC)
30. Daycare Trust (2008) *Ensuring Equality – The black and minority ethnic childcare workforce*
31. Nicholson et al (2008) *Op cit*. Please note that this table combines information contained in two separate tables published in the survey.
32. Nicholson et al (2008) *Op cit*
33. Taken from CWDC (2006) *Recruitment, retention and rewards in the children's workforce*
34. Low Pay Commission (2007) *National Minimum Wage: Low Pay Commission Report 2007* (Stationary Office). The report suggests that the 20% of staff paid under the adult minimum wage reflects the high use of youth development rates and apprenticeship exemptions by childcare businesses.

35. Low Pay Commission (2008) *National Minimum Wage: Low Pay Commission Report 2008* (TSO)
36. NCMA (2008) – *NCMA Membership Survey 2008*
37. DCSF (2008) *Graduate Leader Fund – Further information on purpose and implementation*
38. And, anecdotally, many ECEC setting proprietors
39. BERR (2007) *National Minimum Wage: Government Evidence to the Low Pay Commission 2007* (BERR)
40. Cooke, G & Lawton, K (2008) *For Love or Money: Pay, progression and professionalism in the “early years” workforce* (IPPR)
41. LDA/LSC/CWDC/London Councils (2007) – *Solving the quality/cost conundrum for London’s childcare workforce* (LDA)
42. Data drawn from Nicholson et al (2008) *Childcare and Early Years Providers Survey 2007*. NB – these figures exclude specific breakdowns for ‘full day care in children’s centre settings’, as data for this category is likely to be slightly skewed due to the large number of new children’s centres only being established so recently.
43. Low Pay Commission (2007) *National Minimum Wage: Low Pay Commission Report 2007* (Stationary Office)
44. Melhuish E (2004) *Child benefits: the importance of investing in quality childcare* (Daycare Trust)
45. Cooke, G & Lawton, K (2008) *For Love or Money: Pay, progression and professionalism in the “early years” workforce* (IPPR)
46. Nicholson et al (2008) *Op cit*
47. DCSF (2008) *Statutory Framework for the Early Years Foundation Stage*
48. Please note due to differences between the 2002/3 *Childcare Workforce Survey* and the *Childcare and Early Years Providers Survey 2007* it is not possible to directly compare figures for qualifications above level 3.
49. Nicholson et al (2008) *Op cit*. Please note that these figures unavoidably include information on some staff working in out of school clubs, holiday clubs, and schools with reception but no nursery class.
50. DCSF (2008) *Statutory Framework for the Early Years Foundation Stage*
51. Nicholson et al (2008) *Op cit*
52. Ofsted (2008) *Leading to Excellence: a review of childcare and early education provision 2005-8*
53. The New Zealand government are aiming for an all-graduate workforce in their ECEC sector by 2012.
54. This is outlined in DfES (2007) *Securing Sufficient Childcare: Guidance for local authorities*. This stipulation, though, does not apply to schools, which are still entitled to establish or close ECEC provision themselves as they see fit.
55. *Nursery World* supplement ‘*Nursery Management*’ (Autumn 2008 – supplied with 16 October 2008 issue) records that “fewer than a third of full daycare providers are making a surplus (down from 43 per cent in 2003)”
56. Daycare Trust publishes the findings of its Annual Childcare Costs Survey every January. The surveys can be accessed at [www.daycaretrust.org.uk](http://www.daycaretrust.org.uk).
57. Low Pay Commission (2007) *National Minimum Wage: Low Pay Commission Report 2007* (Stationary Office). The report notes that staffing as a proportion of total costs increased following the introduction of the NMW.
58. Cameron C (2005) *Building an integrated workforce for a long-term vision of universal early education and care* (Daycare Trust)

020

**Raising the bar**

What next for the  
early childhood education  
and care workforce?

Daycare Trust, the national childcare charity, is campaigning for quality, accessible, affordable childcare for all and raising the voices of children, parents and carers. We lead the national childcare campaign by producing high quality research, developing credible policy recommendations through publications and the media, and by working with others. Our advice and information on childcare issues assists parents and carers, providers, employers, trade unions and policymakers.

Established in 1986, Daycare Trust has seen its campaigning translate into policy change, including the establishment of the national childcare strategy. However, access to quality childcare services is still dependent on where families live and on their income. Daycare Trust is uniquely qualified to give a voice to parents facing a multiple range of challenges. Please support our campaign for universal quality affordable childcare.

Daycare Trust offers a range of services, including an information line, publications, consultancy, training and membership. Contact us for details of our services or visit our website.

**Daycare Trust**  
21 St George's Road  
London  
SE1 6ES

**Tel: 020 7840 3350**  
**Fax: 020 7840 3355**

**Information line on 0845 8726251**

**Email: [info@daycaretrust.org.uk](mailto:info@daycaretrust.org.uk)**  
**Website: [www.daycaretrust.org.uk](http://www.daycaretrust.org.uk)**

**November 2008**  
**ISBN: 978-0-9558819-47**  
**Price: £10.00**

Daycare Trust is a registered charity: 327279  
and a company limited by guarantee: 02063604,  
registered in England and Wales.  
VAT registered: 830 9847 06.

**All rights reserved. © Daycare Trust 2008**