



**EARLY
EDUCATION AND
CHILDCARE COALITION**

For children, for parents, for the economy



**RESCUE AND
REFORM:**
A Manifesto to
Transform Early
Education and
Childcare in England

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INTRODUCTION

The next general election is an opportunity for all political parties to redefine the role that early education and childcare plays in all our lives. Too often, government investment and reform is focused on the latter stages of the educational journey, with the aim of boosting skills, grades or increasing the number of university graduates. Very rarely, if at all, do we see a government go back to the start of that educational journey and look at how we can lay the foundations of future success and contribute to the makings of a happy, empowered childhood and family life. This manifesto calls on the next government to do just that.

Our current early education and childcare system is underfunded, unequal and inaccessible to the people that need it the most. The current 'free hours' model locks out the most disadvantaged children and their parents, forces early years professionals to leave a sector they love and leaves both parents and providers struggling to keep their heads above water and their doors open.

Such a model stores up problems for our future, many of which result in a higher cost to the taxpayer: increased spending on educational interventions in later life, greater reliance on benefits, and a sluggish labour market.

We must 'rescue' our early education system from the immediate and urgent challenges facing it now, but we must also be courageous and creative in our ambition to reform it, recognising the rewards that are reaped when we properly invest in this vital infrastructure. Ahead of the next general election, we call on all political parties to put early education and childcare at the heart of their plans for equality, opportunity and growth.



“ Every child should have an equal opportunity to play, learn, grow and thrive, but we see widespread exclusion of children with SEND from early years settings, because their needs are not being recognised or resourced. There is a shockingly low level of sufficiency of childcare places for children with SEND which has declined sharply. We know that historically as universal funded childcare increases, provision for children with SEND decreases. With so few childcare places available for children with SEND, too many of them are facing further disadvantage when starting school, having missed out on vital early education.” - Katie Ghose, CEO, Kids



About the Early Education and Childcare Coalition

The Early Education and Childcare Coalition (EECC) unites the voices of all those with a stake in the future of early education and childcare – children, parents, providers, the early years workforce and the business community. Founded by more than 30 organisations, our members are parent campaign groups, child advocacy organisations, early childhood experts, anti-poverty campaigners, provider membership bodies, trade unions and business lobbying groups. As childcare is devolved, our work focuses on England, but we partner with other organisations across the UK to share our learning.

It's fair to say we're a diverse group, representing different parts of society, but we share a single vision: to build a world-class early education and childcare system that supports children, parents and our economy to thrive, rooted in the following principles:

- High quality provision for all children, especially those who benefit the most
- Sustainable provision that works for all kinds of working parents and their employers
- Good pay, terms and conditions for the professionals who deliver it
- Accessible and affordable options for all parents, in all communities
- Locally shaped options that respond to local circumstances

We've come together because we believe that early education and childcare has benefits for the whole of society, and we're not alone in that belief – 67% of UK voters think investing in childcare is good for the whole country not just parents. We think it's time that all political parties recognise that too.¹

“ Many workers are having to take second or third jobs and some are leaving work altogether because they cannot afford expensive nursery fees. There are also childcare staff who've not had a pay rise in years and who only scrape by with the help of universal credit. Increases in government funding don't go far enough to meet soaring costs, forcing many nurseries to raise fees or go under. Addressing the crisis in the childcare sector is crucial to the economy. It's also a vital investment for the future. Childcare provision must be fully funded, as well as affordable and flexible. That would enable women who want to work to do so, ensure decent pay for staff and quality care for young children.”

– Christina McAnea, General Secretary, UNISON

Case study

Research by coalition member Centre for Research in Early Childhood (CREC) funded by the UK's Froebel Trust shines a light on why consistent and trusted attachments and relationships at early years settings are so important to children.

One parent explained: *“When I asked my child what she had done at nursery recently when she got home she responded, ‘I spent the whole day laughing.’ She is notably in a more even and joyful disposition now that she is reconnecting physically with her community of friends and the setting she so loves, which is so deeply reassuring for us as parents.”*

¹ Early Education and Childcare Coalition, 2024, Pulse Check (forthcoming)

“The importance of the childcare sector can’t be underestimated. As well as providing a safe and nurturing environment to help develop the next generation, it allows parents to stay in the workforce, both as employees and business owners. We need to see the right support and policies put in place to help the sector. Along with providing fair and sustainable funding rates for “free” childcare hours, Government must show it cares about the sector and scrap childcare business rates in England in line with the crucial support already provided in Scotland and Wales.”

Tina McKenzie, Policy Chair, Federation of Small Businesses



Childcare or Early Education?

Both. We know language matters. We also know that if you want to win hearts and minds you need to meet people where they are. This manifesto is for a range of different audiences, not all of whom will understand what we mean by ‘early education’. In fact, our research found that 80% of the public could explain what ‘childcare’ meant while only 23% of people could do the same for ‘early education’.

There will be points in this manifesto where we use the term ‘childcare’ instead of ‘early education’. This doesn’t mean we don’t recognise the difference – it just means that we want the broadest cross-section of people to connect with what we are saying, so we’ll use a common term that’s more recognisable to them.

You might also notice that we’ll use terms like ‘parents’ and ‘families’ rather than ‘mums’ or ‘dads’. We know that across society it is women and mothers that shoulder the majority of caring responsibilities for both children and elderly relatives, often to the detriment of their own financial resilience and independence. This is particularly true for single parents, 90% of whom are women.

Despite mothers paying a very steep price, our unaffordable and inaccessible childcare system impacts the entire family unit including dads who care just as much about the quality of their child’s early education and high fees as mums do. We use terms like ‘parents’ and ‘families’ because more than one person in a household is impacted, because modern families come in all shapes and sizes, but also because, often, the interests of children are also the interests of the whole family.

WHY EARLY EDUCATION AND CHILDCARE MATTERS

Early education and childcare is vital social infrastructure. Just like healthcare, transport or indeed the rest of the education system, it is one of the essential services necessary for our citizens and our economy to function, delivering benefits that ripple throughout wider society beyond the immediate user.

At the centre of this essential system are our youngest citizens, discovering the world, themselves and the joy of learning. As the 'Shaping Us' campaign from the Royal Foundation has evidenced, the first five years of our lives is when our brains grow the fastest and when the foundations for lifelong learning, behaviour and health are laid. Indeed, 80% of our brain development occurs in the first 1001 days between pregnancy and when we turn two.² The quality of our environment and the experiences we have during that critical period help to shape our cognitive, physical and emotional development.

High-quality early years provision can contribute to that, giving parents ideas to support their child through play and learning at home, and giving children opportunities to build relationships with others, and to develop their creativity and curiosity. Research shows that when children access high-quality early education and childcare for a sustained period it has a significant and positive impact on their development and the rest of their educational journey. This is particularly true for children experiencing disadvantage and those with special educational needs and disabilities (SEND). Access to early education is one of the ways we level the playing field and empower all children to thrive.

Early education and childcare also supports children in other ways. When parents can access work, it reduces the likelihood of their child growing up in poverty. For most parents, work is a necessity, not a choice, particularly in a cost-of-living crisis. Childcare enables them to go to work so they can fulfil their number one priority – providing for their children.

Parents need a stable and affordable childcare system in order to be the reliable employees they want to be and that employers expect them to be. But parents also know how important these first five years are and the vital role that early education plays in that time. In order to feel comfortable with returning to work, parents need to feel reassured that their child is in an environment that supports their happiness, development and safety. When we have a quality, stable and affordable system in place, we support parents into work, boost economic productivity, and diversify the labour market.

High quality early education and childcare provides children with the foundations for lifelong success and a social infrastructure on which families, employers and the wider economy relies.

² Centre for Early Childhood, 2023, Early childhood and the developing brain <https://bit.ly/3jnMvWZ>

“ Good quality nurseries have become transformative hubs within communities, not merely spaces of care, creating sanctuaries of growth and development for our smallest children. Through best practices and unwavering dedication, Early Years professionals sculpt their future, one child at a time. However, for this to be effective, the funding and provision must be adequate to ensure poorer children from disadvantaged backgrounds can also access nurseries which provide high-quality education and care and that staff are paid fair salaries. Furthermore, their nutritional needs must also be prioritised with fully trained chefs and professional qualifications.” – June O’Sullivan OBE, CEO, London Early Years Foundation (LEYF)

The early education and childcare sector in England

There are currently over 1.5 million Ofsted registered childcare places in England available for children from birth to age four. These are provided by around 56,000 registered early years providers in England with over 347,000 staff across settings that are school-based, private and voluntary sector nurseries, social enterprises and charities, pre-schools and childminders.³

The latest data from Ofsted indicates that among providers that have had a full inspection, 96% were recently judged good or outstanding. This has remained the same since 31st March 2022.⁴ There is a strong sense of vocational dedication among early years professionals which supports the delivery of this quality of provision. In our research, we found that the majority of those that had left the sector in the last year would return under the right conditions, while 55% continue to work in education.⁵ They recall the rewarding nature of their work in early years and a deep commitment to the children they educate and care for.

While its people are the lifeblood of this sector, their work is enhanced by an evidence-based approach to teaching and learning and the highly respected Early Years Foundation Stage (EYFS), the statutory framework for early years education.

So, what’s the problem?

Despite having so much to be proud of, the early education and childcare sector is fragile. Many families find that fees are rising while provision is shrinking. Some early years providers, particularly those in disadvantaged areas, are forced to close due to rising operational costs and insufficient funding rates for the government schemes they provide. Nurseries face severe retention and recruitment challenges among staff, while childminders are leaving the profession at an alarming rate. We found that 57% of nursery staff and 38% of childminders are considering leaving the sector in the next 12 months.⁶ Many school-based nurseries have to be subsidised from the school’s core budget creating additional financial pressures on already-stretched schools.

Government-funded places – often called ‘free childcare hours’ – are tied to parental employment which means that just 20% of families in the bottom third of the earnings distribution are eligible for the existing 30-hour offer for three- and four-year-olds. Meanwhile parents in full-time education or training are not eligible for the 30-hour offer even if their course involves work placements or on-the-job training.⁷

3 DFE, 2023, Childcare and Early Years Provider Survey <https://bit.ly/3xfglu6>

4 DFE, 2023, Main Findings: Childcare providers and inspections as at 31 August 2023 <https://bit.ly/4cC0aHy>

5 Early Education and Childcare Coalition, 2023, Retention and Return <https://bit.ly/3PFgxJq>

6 Early Education and Childcare Coalition, 2023, Retention and Return <https://bit.ly/3PFgxJq>

7 Sutton Trust, 2023, A Fair Start, <https://bit.ly/3VJfde6>

Case study

Gemma and her partner both live and work in London. They have a three-year-old son and another baby on the way. Gemma told coalition member, 4 in 10, that they are struggling with the cost of childcare.

“So it’s gone up by £200 since he started, which is ridiculous. It went up in the September [after he started] then it went up in April the following year and then it went up this April. Me and my husband were like, ‘Oh, my days, if it goes up again, we might have to cut days down because we can’t afford this’. And also now that it’s gone up, it means we get less money for the tax free childcare because I didn’t realise there was terms and conditions with tax free childcare. You only get a certain allowance every three months, which we didn’t know. A lot of the time, we have to go into our savings to top up if that makes sense.”

Eligibility for government-funded schemes locks many parents out of work and their children out of early education, but so too does availability and cost. Research from the New Economics Foundation finds that 1.5 million children in England are living in a childcare desert with an average of three children for every one place.⁸ This is worse in areas of deprivation where providers are more likely to close due to financial challenges.

Children with special educational needs and disabilities (SEND) are disproportionately impacted by a lack of places despite the number of children with SEND increasing. Just 6% of local authorities have enough provision for children with SEND.⁹ Research from coalition member Dingley’s Promise indicates that one in five families of children with SEND have been turned away from services.¹⁰ Another coalition member, Early Years Alliance, found that 28% of settings have been forced to turn away children with SEND.¹¹ Lack of access to childcare impacts the financial security of all families; only 16% of mothers of disabled children work compared to 61% of their peers.¹²

When parents can find a place, they struggle to meet rising costs, making it unviable for some parents to keep working. Coalition member Coram Family and Childcare estimates the average annual cost for a full-time nursery place for a two-year-old in England was £14,501 in 2023.¹³ These rising costs conspire with poor parental leave, lack of flexible working, and gendered stereotypes about care to keep parents out of work. Data from the Young Women’s Trust indicates that one in three young mums have been forced to leave a job because they could not afford childcare¹⁴ while Pregnant Then Screwed found that 22% of parents are considering quitting their job or reducing their hours due to childcare costs despite the recent expansion of the 30-hour offer.¹⁵ The economic impact of this is far-reaching, stifling productivity and constraining the labour market.

8 New Economics Foundation, 2023, A Fair Start for All, <https://bit.ly/3WaSDt8>

9 Coram Family and Childcare, 2024, Childcare Survey, <https://bit.ly/3VFCpYS>

10 Dingley’s Promise, 2023, Manifesto for Early Years Inclusion, <https://bit.ly/3JhuKJZ>

11 Early Years Alliance, 2022, Too Little, Too Late <https://bit.ly/4auraGX>

12 Contact a Family, 2021, Forgotten Families, <https://bit.ly/3TYDlak>

13 Coram Family and Childcare, 2024, Annual Childcare Survey, <https://bit.ly/4bt43Nj>

14 YWT, 2019, Childcare – what young women want <https://bit.ly/3vvWCpk>

15 Pregnant Then Screwed, 2024, Childcare cost crisis persists despite new government funding <https://bit.ly/3xGSDae>



Parents want affordable childcare that they can rely on, but more than anything they want high-quality experiences for their children and to know their child is being educated and cared for in a consistent way. However, a growing retention crisis among the early years workforce and high turnover risks undermining this. Persistent underfunding has led to poor pay and conditions, limited opportunities for professional development, and a widespread feeling of being undervalued. The Nutbrown Review in 2012 recommended a new long-term vision and strategy for the early years workforce, with a reformed qualification system to ensure high-quality provision across all settings.¹⁶ There has not been an early years workforce strategy since 2017 despite recent significant policy changes in this sector.

Voters want change

Reform of early education and childcare is not a domestic issue for parents to figure out – it’s a doorstep issue that voters want to see action on. Our polling of UK voters in 2023 and 2024 shows consistent and increasing support for investment and reform of the current model. Voters understand that we all benefit from a well-functioning early education and childcare system.

42% of UK voters say that early education and childcare reform will help them decide who to vote for at the next election¹⁷

67% of UK voters say that investing in early education and childcare is good for the whole country not just parents – up from 59% in 2023¹⁸

67% of UK voters say increasing government funding in early education and childcare would improve the life chances of children¹⁹

79% of the public said in polling by the Fairness Foundation in 2023, that early years educators’ wages were too low, a view that is consistent across parents, grandparents, men and women, and voters across party lines²⁰

71% of UK voters say children should have a right to access early education and childcare regardless of their parent’s employment status²¹

16 DFE, 2012, Nutbrown Review: Foundations for Quality, <https://bit.ly/3VAWEa4>

17 Early Education and Childcare Coalition, 2023, Pulse Check, <https://bit.ly/4agbs2C>

18 Early Education and Childcare Coalition, 2024, Pulse Check (forthcoming)

19 Ibid.

20 Fairness Foundation. 2023, Fair Pay for Critical Days, <https://bit.ly/3VDSqP4>

21 Early Education and Childcare Coalition, 2024, Pulse Check (forthcoming)

RESCUE AND REFORM

This manifesto is a roadmap for moving beyond crisis and towards a constructive, genuine partnership between all early years' stakeholders and government. It is rooted in the collective experience, expertise, and evidence of coalition members. Here we set out the steps that are needed to develop the world-class early education and childcare system that we all deserve, rescuing what we already have and then reforming it, together.

Rescue interventions are urgently needed to stabilise the sector, plug the shortfall in funding, address staffing challenges and widen access to current government schemes. But alongside this, a new government must set out a programme for reform that creates a new model for funding and delivery, and ensure that early education and childcare achieves its full purpose for all children, families and the wider economy.

To achieve the sustainable high quality early education and childcare offer that all children, parents and the economy needs, a new government must prioritise the following areas and implement the measures set out in this manifesto.

Case study

Marie is a headteacher of a nursery school that is struggling to secure the additional support that children need.

Evesham Nursery School in Worcestershire is in a purpose built, open plan, modern building with lots of outdoor space. Many of the 87 children who attend do not speak English as their first language, have medical and health needs or need support through Early Help and Child Protection. Marie Pearse, the headteacher of the nursery, told coalition member Early Education that the nursery is focused on *"striving for the best possible outcomes for children and families"*.

The nursery school is not a specialist setting. Many prospective children arrive having been informed that other settings can't meet their needs. Marie says, *"we are frequently recommended by families and professionals for supporting inclusion"*. The nursery team play a critical role identifying children's additional needs and setting up referrals to specialist support. This helps to ensure that children are able to move up to reception class with the support that they need in place.

The nursery is facing an increasing financial deficit due to the cost of staffing to meet the children's diverse and complex needs with additional costs for training and time to complete the increased paperwork also causing additional workload and financial pressures. Despite this Marie says *"our amazing team pitch up for work every day, knowing they make an incredible difference within such a crucial stage of life. I am in awe and extremely grateful to them all."*

RESCUE – an urgent set of measures will be required to stabilise the sector

The next government must act quickly to support the sector now. Those actions must be evidence-led and delivered in collaboration with stakeholders. In order to coordinate the scale of action and ensure it creates the foundations of long-term reform, the new government must establish an independent **National Early Education and Childcare Commission** to assess, design and implement recommendations on the broad range of interconnected issues that are undermining the current system. To ensure lasting reform, this body must work cross-party and in the interests of the greater good.

The National Commission must:

- ▶ Prioritise and quantify **inclusion, equality and access** for all children, including those from low-income families and children with SEND.
- ▶ Establish **sustainable and fair funding** rates that ensure full cost recovery for providers including Maintained Nursery School Supplementary Funding.²²
- ▶ Begin work on an early years **workforce strategy** that includes action to address the rapid decline in childminder numbers.

REFORM – ensuring that early education and childcare achieves its full purpose for all children and families

Whilst rescue measures are urgently needed, they will not be enough to ensure the sector delivers to its full potential. Within two years of coming to power the new government must ensure that the National Early Education and Childcare Commission has delivered a **New Deal** on early education and childcare. This will require working in partnership with providers, the workforce, unions, families and across national and local government to produce evidence-led recommendations for long-term reform to include:

- ▶ Review policy, regulation, and practice building on the ‘Best Start for Life’²³ to ensure that our early education and childcare system recognises the importance of the first 1001 days of child development, supports family life and relationships, and promotes a broad and rich experience for all children including those growing up in disadvantage. It must also recognise that early years policy should be about both early education and childcare.
- ▶ Review the suitability of the current funding model, identifying the most effective mechanisms for allocating funding to ensure maximum social return. This should also include appropriate supply-side funding approaches that ensure maximum return on public investment.
- ▶ Establish targets for government to adhere to that sees a progressive increase in the percentage of GDP that is invested in early education and childcare.
- ▶ Commit to a plan to progressively reduce the amount families spend on childcare fees to no more than 5% of household income within ten years.
- ▶ Establish a permanent independent body to undertake transparent annual reviews of funding rates for the sector indexed to inflation and National Living Wage rates.
- ▶ Review parental leave, flexible working and benefit conditionality to ensure all families are able to make genuine choices about how they balance work and caring responsibilities in the early years.

22 Maintained nursery school (MNS) supplementary funding was introduced in 2017 as a stop gap recognition that MNS costs are higher than other providers as a consequence of more stringent staffing and access requirements. At present it is calculated only on the basis of take-up of the universal 15 hours for 3 and 4-year-olds, with the perverse result that MNS are financially penalised for offering the other government-funded entitlements

23 HM Government, 2021, The Best Start for Life, <https://bit.ly/4aaqTj>

“ The cost and availability of childcare is a critical issue for families in England. For many it is their biggest expenditure, whilst for others it forces them to give up on a career they love. Parents are forced to make devastating decisions because the system doesn’t work for them, from cutting meals to terminating wanted pregnancies. We are proud to support this manifesto and we hope the next government will prioritise this issue.” – Joeli Brearley, CEO, Pregnant Then Screwed, and member of the coalition’s steering group

PRIORITY 1: Guarantee that all children can access inclusive, high-quality provision that is affordable for their parents

An effective early education and childcare system can be key to tackling disadvantage, both by helping families to increase earnings and move out of poverty, and by improving outcomes for children experiencing disadvantage. There are alarming disparities in access to early education and childcare for children across England. These inequalities of access are a consequence of how early education and childcare is currently funded.

We must have equity and quality for all children with affordability and accessibility for all families. A comprehensive review of policy, regulation and practice is urgently required in order to guarantee that all families can access affordable, quality provision in their local area, irrespective of who they are, where they are from, or any additional needs children may have.

Within the first year:

- Bring the early years pupil premium in line with the primary pupil premium and make it easier to access.
- Widen eligibility for the 30 funded hours to include parents in education and training and those with no recourse to public funds.
- Evaluate the implications of recent ratio changes on the quality of provision for children, particularly those with greatest needs with a commitment to publishing the findings.
- Extend government funding from 38 weeks a year to 48 weeks a year, supported by fair funding rates and starting with the families that will benefit most. Do this in a phased way and in consultation with providers giving due consideration to the financial impact on those currently operating in areas of deprivation.
- Invest in early interventions for all children and their families. Establish specialist community roles (“navigators”) to help parents of children with SEND, in particular, to find the right provision.
- Ensure that the best interests of the child are a primary consideration in all policy-making, using Child Rights Impact Assessments (CRIA) to ensure a rights-based approach.²⁴
- Introduce a single streamlined approach for families accessing early education and childcare funding that supports all children from birth through to the end of primary school.
- Collect and publish complete and full annual data on the sufficiency of places for children experiencing disadvantage, SEND and other additional needs.

24 UNICEF UK, 2021, Child Rights Impact Assessment, <https://bit.ly/3VyyM7b>

Within five years:

- Equalise access to government-funded schemes for all children regardless of their parents' employment or immigration status. Do this by introducing a universal guarantee that all children can access affordable, high-quality provision in their local area irrespective of who they are, where they are from, or any additional support needs they may have.
- Make early childhood development, inequality mitigation, and upholding child rights core, explicit and measured objectives of early education and childcare policy and legislation.
- As part of wider reform of Ofsted, ensure that inspection criteria includes a setting's approach to inclusion.
- Commit to progressively reduce the amount a family spends on childcare to no more than 5% of total household income by 2034. Prioritise reducing costs for lower-income households first.
- Implement reforms to extend and incentivise parental leave and flexible working, and reform benefit conditionality, so that families can afford to make genuine choices about how to care for their children in the early years.

Case study

Sudarsana is Liam's mum. He has special educational needs and they've struggled to find him a nursery place. Sudarsana faced challenges finding a nursery place for Liam and worries for other children with SEND.

"The situation with early years SEND inclusion was already pretty bad. We got turned away from so many nurseries because they felt like they wouldn't have enough staff members available to keep Liam safe at all times and neither could they give him the extra support he needs. With the new entitlements, the situation is now being made worse – it is a terrible time for families with SEND kids. With the increase in the number of pupils in a nursery it would mean they are even less likely to want to take on children with any special needs or disabilities. It will be even more difficult for these children to access any kind of early years facilities."

Dingley's Promise is a member of the Early Education and Childcare Coalition that provides nursery places for children with special educational needs and disabilities (SEND). Since starting at Dingley's Promise, Sudarsana says Liam absolutely loves going to nursery.

"Every one of us has noticed a remarkable difference in him since he started attending. His eye contact has improved, he now wants to interact with peers and adults, he is more curious, he has a lot more confidence and is coming out of his shell. He explores more without hesitation. He is much more aware of his surroundings. His understanding and attention span are increasing. Specialist Practitioners at Dingley's Promise provide the correct support for his sensory needs and use strategies to enable him to engage in the various activities to aid his understanding and cognitive skills. We need to work much harder to make the early years settings inclusive for children with SEND."

Case study

Leanne is a student nurse and single parent with two young children aged three and six.

The placement component of her nursing course takes place between 7am and 7pm, but she's found it impossible to find childcare to cover these hours – she's even looked within 20 miles of her home. The flexibility she needs to take and collect her children to and from childcare and school has caused some friction at her placement and she's wondering whether she can continue on her course because of the stress. The cost of childcare is also a strain. She told coalition member Gingerbread:

"I do get a childcare grant of 85%. However, having children in nursery and school, the remaining 15% still adds up to around £300 per month. When I was at college, the college funded my full childcare costs which allowed me to focus on my studies and achieve high grades. Had I had the added worry and stress of finding money for childcare fees, I don't think I would have achieved this. I have been told to hold off pursuing my dream until the children are in school, which isn't helpful when the country faces nursing shortages and large numbers leaving the profession. The cost of childcare is crippling and has left me questioning if I can continue on many occasions."

“ There is a wealth of research showing the positive impact of high-quality early education and care on a child's development and future life chances. And yet, for far too long, the lack of a clear long-term strategy for the early years sector has made the delivery of affordable, sustainable, quality provision an uphill battle – and one that is only getting steeper. A combination of sustained underfunding and the worst staffing crisis in years has led to a consistent shortage of places, sharply rising fees and, in the worst cases, permanent setting closures. With the sector in the midst of its biggest expansion in years, the need to properly fund and support the early years, and to develop a clear long-term plan for the sector, has never been more urgent.

Early years settings provide a lifeline of care, education and support for thousands of families across the country. Only by adequately supporting the sector can we ensure that every child – regardless of background or circumstance – has the opportunity to access and benefit from the quality early years care and education they deserve.”

– Neil Leitch OBE, CEO, Early Years Alliance, and member of the coalition's steering group



PRIORITY 2: Commit to sustainable and fair funding for all types of providers

Improving accessibility and affordability for families cannot happen without a commitment to increasing and reforming funding. A new government will need to act rapidly to shore up the sector with a rescue package of funding targeted at preventing closures, retaining staff and delivering fair access for children.

Alongside that, it must review and reform the current funding model. With government set to fund 80% of all pre-school childcare hours by the end of 2025 it is inevitable that the value generated by investment of taxpayer money will come under scrutiny.²⁵ It is essential that this analysis is not reduced to a narrow lens of economic cost-effectiveness. International examples have shown that when expectations are attached to public investment, they can be instrumental in addressing challenges such as recruitment and retention of staff as well as access for children.

International funding reforms have also repeatedly shown the importance of government working in partnership with stakeholders, a model championed by this coalition. Such collaboration must include sector experts, unions, parent groups, providers, and early childhood experts who can help to shape what reform and funding expectations should look like.

Case study

Lydia is trying to register as a childminder but is worried about the funding.

Lydia has been a nanny for five years and told coalition member PACEY that she has seen a lot of changes.

“Although I’ve been fortunate enough to be fully booked throughout my time, with a waiting list, I feel I simply cannot ask [parents] for an hourly rate that is liveable, especially with the new funding system that’s started. With the cost of living, everyone is feeling the pinch which is what had led me to start the process to re-register as a childminder. I love my job in childcare and I feel it [registering as a childminder] will hopefully keep those relationships I have developed. I am inundated daily with messages from parents who are desperate to secure funded places. I know nurseries and other childminders with two-year waiting lists. There simply isn’t the space.”

Registering as a childminder will mean that Lydia can accept the Government’s funded hours from parents but she’s concerned about the rates the Government pays.

“I worry the funding system just isn’t enough to cover the cost of providing outstanding childcare. The training we have to do, is all very expensive. Keeping up with first aid, safeguarding and local authority statutory obligations. Parents think they are getting free childcare – this isn’t the case. Funding isn’t full-time, it isn’t until the term after that milestone age and often comes with a consumable charge. We have to charge this to get by, I will have to. Unfortunately, family members who choose to use me for childcare, my nephews and nieces, cannot receive funding for this. They can use the tax-free system, but not the funding. Yet nurseries can be funded for family children. Childminders seem to be singled out.”

25 IFS, 2024, What you need to know about the new childcare entitlements, <https://bit.ly/3vnlitL4>



If a new government does introduce such expectations of providers, it is essential that it is done with the aim of supporting the growth and health of the sector, boosting quality, improving pay and conditions for the workforce and addressing affordability for parents.

Within the first year:

- Boost funding for children with SEND and simplify the funding application process.
- Unlink Disability Access Funding from Disability Living Allowance and ring-fence high needs block funding for the early years.
- Remove business rates on a similar basis to Scotland and Wales, whilst conducting a wider review of the business rates system.
- Remove restrictions to local authorities (LAs) providing early education and childcare.
- Provide ring-fenced budgets for LAs and others to set up new provision or expand existing provision in underserved areas.

Within five years:

- Building on the precedent set in recent budgets, establish an independent Early Education and Childcare Funding Review Body that undertakes a transparent annual review of funding rates and makes recommendations to government. This body will take into account important factors such as workforce pay scales, cost-of-living increases and the costs of providing high-quality nutritious meals for all children.
- Implement reforms to the current funding model that will move the sector towards supply-side funding with mutually-agreed expectations attached to receiving government funds including conditions on workforce pay and terms.

PRIORITY 3: Establish and invest in an early years workforce strategy

Working in early education and childcare can and should be an incredibly fulfilling career. We need a comprehensive workforce strategy for all who work in the sector, including childminders. That strategy must attract more people into the profession and retain those who are already working there. High-quality training, professional development and opportunities for career development must be available for all through clear career pathways.

In the first 100 days of a new government, urgent action is required to rescue the sector from the current workforce crisis. This will need to address pay and conditions for all early years professionals through sustainable and fair funding.

People working in the early years sector have told us that they are not respected in the same way as other educators, yet they play a crucial role in the lives of our children at one of the most pivotal times in their development.²⁶ This lack of recognition is often a reason why they leave the profession.

High turnover in the early years workforce has a far-reaching impact. When childminders change career or when nurseries close their doors, when these trusted key workers leave their jobs, children are deeply affected by the loss of the people with whom they have made important attachments. Parents describe their family lives going into turmoil, with their own ability to be in work, logistically and financially, compromised.

A new workforce strategy must ensure that early years professionals are respected, supported and paid for the skills they offer.

Longer-term reform is required to bring professionals in early education in line with the wider education sector with established, regularly reviewed national salary scales linked to qualifications. Alignment should guarantee inclusion in all wider education initiatives and schemes to ensure early educators are demonstrably as valued as other colleagues across education.

A new government must establish a sector-led workforce development hub that is accessible to the whole workforce, including childminders, and that can work with government to develop those longer-term reforms. Such a hub can advance high-quality, evidence-led interventions and training to support the workforce while also delivering continued evaluation of the new workforce strategy at least every five years.

Within the first year:

- Establish a sector-led career development hub that can work with government to develop evidence led interventions that will support the workforce to stabilise and thrive, ensuring the career hub is accessible to all group settings and childminders.
- Develop the Early Years Stronger Practice Hubs model through the career development hub to enable sector experts to share best practice through essential peer-to-peer support.
- Fund mandatory early intervention training for all early years professionals to support early SEND diagnosis and speech and language interventions. Initially prioritise areas of greatest need and ensure countrywide roll out within two years.

²⁶ Early Education and Childcare Coalition, 2023, Retention and Return, <https://bit.ly/3PFgxJq>

- Pilot a diversity, equity and inclusion focus within the career hub to encourage people from under-represented groups, including men, into the early years workforce.
- Evaluate the implications of recent ratio changes on the recruitment and retention of early years professionals and commit to publishing findings.

Within five years:

- Work with unions and providers to agree national standards for fair terms and conditions for early years professionals including national pay rates linked to qualifications and continuing professional development. Work with the independent Early Education and Childcare Funding Review Body to ensure these fair pay agreements are reviewed annually, taking account of factors such as inflation and the National Living Wage. Ensure that annual funding rates incorporate these costs.
- Launch a funded strategy to achieve a graduate-led workforce by 2028, building on the successes of the Graduate Leader Fund and targeting the most disadvantaged areas first.
- Continue the current large-scale campaign that celebrates the importance of early years professionals with the general public and ensure educators return to the sector.
- Establish annual reviews on the state of the sector, gathering data on important measures including pay of educators and parent fees.
- Commission the sector-led workforce hub to conduct a review of the workforce strategy at least every five years to ensure it meets the needs of those working in the sector and the children they educate and care for.
- Introduce measures to improve the professional status of the early years workforce and commit to ensuring parity on pay and qualifications with the rest of the education system is completed within 10 years.

Case study

National Day Nurseries Association (NDNA) has been told by many providers that they are struggling. Providing additional places for children from April and staffing issues are big concerns. One provider said: *“We have to have a funding increase of at least the proportion that minimum wages have increased already, and are going to increase, as government funding just hasn’t kept up with this. We always paid a good salary to staff but due to minimum wage increases the majority of our staff are now on minimum wages, only room leaders and managers are above minimum wage. I have seen no commitment nationally to treating my staff with the respect that they deserve for the very demanding job we do working in one of the most deprived areas [of the city].”*

THE FOUNDATIONS OF EQUALITY, OPPORTUNITY AND GROWTH FOR THE WHOLE COUNTRY

Members of the Early Education and Childcare Coalition know that the time for reform has come. Voters know this too.

The next government will be presented with a clear choice: endorse the inequality and exclusion that characterises the current model, or commit to a bold, era-defining programme of reform that acknowledges early education and childcare as vital social infrastructure.

That choice will be made in a difficult economic context. Public finances are stretched and there are multiple challenges to be addressed more widely in education and across government. But early education and childcare is a policy area that has the potential to help solve some of those very challenges. By supporting a child's development in the early years, we build the foundations for educational attainment in later life, developing a love of learning in them, and establishing the roots of a social contract between parents and the education system.

When we support a parent to work, it raises more tax revenue, reduces reliance on means-tested benefits and bring more skills and talent into the labour market making this a country where people want to do business. When we ensure equality of access for all families, no matter where they live, we provide the infrastructure for local economies and communities to thrive and support levelling-up across Britain.

Investing in a world-class early education and childcare system is a choice to invest in equality, opportunity and growth for the whole country. It is a choice that governments in other countries have already made, and they are now reaping the rewards of showing that leadership.²⁷ This manifesto isn't simply a list of asks, it's a challenge to all political parties to show that same leadership here in England – for children, for parents, for the economy. For all of us.

To find out more about who has endorsed this manifesto and add your support please go to earlyeducationchildcare.org/manifesto



²⁷ Fawcett Society, 2022, Childcare and Early Education Systems, <https://bit.ly/3PJaWls>



“ *There is no greater role for government than providing the foundations for each and every child to benefit from the very best start in life. Properly resourced early education and childcare, that is accessible and secure, with a respected and valued workforce should sit at the heart of that. To deliver the high-quality early education and childcare that all children deserve requires vision, long-term thinking, and determination but the rewards are immeasurable. It is an investment for a brighter future for all, and growth for the country as a whole.*” – Helen Donohoe, CEO, Professional Association for Childcare and Early Years (PACEY) and vice-chair of the coalition's steering group



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For children, for parents, for the economy

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