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for Education

Pulse Survey of Childcare and Early Years Providers

Research report

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Introduction

Since the summer of 2020 the Department for Education (DfE) has conducted a series of “Pulse” Surveys designed to capture evidence about the childcare and early years sector. This report outlines findings from the seventh wave of the research, which was carried out in November 2023.

Eight key topics were asked on the survey. These were questions relating to the early years’ workforce, funding, capacity, and staff:child ratios. The survey also looked at space requirements, experiences of looking after children with SEND, initial teacher training and experiences of childminders.

Background

At the Spring Budget 2023, the Chancellor announced large-scale childcare reforms¹. By 2027-28, the Government will expect to be spending in excess of £8bn every year on free hours and early education. This represents the single biggest investment in early education and childcare in England ever.

Reforms announced included an expansion to entitlements to offer eligible working parents in England more hours of free childcare, as well as increasing the hourly rate for providers. Staff:child ratios were also changed from 1:4 to 1:5 for two-year-olds in England to align with Scotland and provide greater flexibility for providers.

Part of the survey therefore asked about the impact, both seen and predicted, of these reforms on childcare and early years providers. The rest of the survey collected data on various other aspects of childcare and early years providers, such as the workforce, space requirements and looking after children with SEND.

The Survey

The Survey consisted of a 10-20 minute web survey asked of a sample of GBPs (group-based providers), SBPs (school-based providers), and childminders (CMs) in England, in November 2023. All had participated in the Survey of Childcare and Early Years Providers (SCEYP)² fielded in spring/summer 2023 and had agreed to be recontacted for future research.

The research aimed to:

¹ [Early education entitlements and funding update: March 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/early-education-entitlements-and-funding-update-march-2023)

² [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk/reports-and-publications/childcare-and-early-years-provider-survey-reporting-year-2023)

- Assess the impact of the recently announced childcare reforms on providers and assess market sufficiency.
- Monitor the childcare and early years workforce and understand the challenges faced by providers in recruiting and retaining staff.
- Explore providers' appetite towards expanding and the barriers they face, both in terms of number of places and physical space.
- Understand providers' demand from parents of children with SEND and explore the barriers they face in providing care for children with SEND.
- Explore childminders payment schedules and preferences, alongside opportunities for providing support in their role as childminders.

Data and reporting conventions

The Survey was sampled from participants in the 2023 Survey of Childcare and Early Years Providers (SCEYP)³ who agreed to be recontacted for future research. 9,017 providers were invited, of whom 1,804 took part, totalling a 20% response rate.

- 1,593 School-based providers were invited, of whom 143 took part (9 per cent response rate)
- 4,557 Group-based providers were invited, of whom 877 took part (19 per cent response rate)
- 2,867 CMs were invited, of whom 784 took part (27 per cent response rate)

The data has been weighted to provide a stand-alone snapshot that is representative of all providers in England as well as childminders, school-based providers and group-based providers separately. Some questions were only asked of certain provider types. For example, only childminders were asked about their payment schedules and opportunities for supporting them in their roles. Only school-based providers and group-based providers were asked questions about their workforce, for example numbers of vacancies and applications, and difficulties faced when recruiting and retaining staff.

Where appropriate, comparisons are made with previous waves of the Pulse Survey and 2023 Survey of Childcare and Early Years Providers (SCEYP). The reader is advised to interpret these with caution, due to contextual differences in survey timings and questionnaire design.

In some instances, differences by chain status (group-based providers only) and deprivation status are reported within provider types. Deprivation status quintiles are

³ [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics)

defined by a provider's ranking on the Income Deprivation Affecting Children Index (IDACI), which is derived from postcode.

Group-based providers who are part of a chain were asked to answer about provision run by their own branch.

In some instances, where appropriate, responses from providers who answered either don't know or prefer not to say have been collated. The response categories are labelled appropriately.

Figures based on less than 30 responses should be treated with caution and have been flagged throughout.

Executive summary

Since the summer of 2020 the Department for Education (DfE) has conducted a series of “Pulse” Surveys designed to capture evidence about the childcare and early years sector. This report outlines findings from the seventh wave of the research, which was carried out in November 2023.

Eight key topics were asked on the survey. These were questions relating to the early years’ workforce, funding, capacity, and staff:child ratios. The survey also looked at space requirements, experiences of looking after children with SEND, initial teacher training and experiences of childminders.

Workforce

Answers to questions on vacancies and staffing issues were similar to when these questions were asked a year earlier (November 2022)⁴.

- Group-based providers were more likely to have vacancies compared to school-based providers. On average, group-based providers are receiving more applications per vacancy (5) compared to November 2022 (2), whereas school-based providers reported receiving the same number (5 each time). Overall, staff turnover was around 20 per cent, with group-based providers reporting a higher turnover rate compared to school-based providers.
- Around two-thirds (67 per cent) of group-based providers experienced staffing issues⁵ compared to around half (49 per cent) of school-based providers. The biggest reason for staff leaving differed across provider type. For group-based providers this was related to pay (50 per cent), whereas for school-based providers the most commonly reported reason was related to work-life balance (37 per cent).

Childcare reforms

Funding rates

The budget also announced additional funding of £204 million from September 2023 rising to £400 million next year (financial year 2024 to 2025) to increase the funding paid to nurseries for the existing free hours offers⁶. Providers were told in the survey that average funding rates were expected to increase in 2024-25, to around £8.17 per hour

⁴ [Pulse survey of childcare and early years providers - May 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁵ Staffing issues is defined as having enough staff for providers to meet their demand.

⁶ [Early education entitlements and funding update: March 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

for children aged 2 and £11.06 per hour for children aged under 2, and asked how they thought that this would affect their profitability.

- Childminders were the most likely to think that the new, indicative funding rates would increase their profitability (57 per cent), compared to group-based and school-based providers.
- Group-based providers (43 per cent) and school-based providers (51 per cent) were most likely to say that they didn't know what impact it would have on their profitability. This is likely to be because many were responding to the survey before local authorities had confirmed the rates being paid to providers.

Due to timings of the survey, respondents were asked about indicative funding rates as opposed to the final rates that were announced on 29 November 2023. The average hourly funding rates were since confirmed as £11.22 for under 2s, £8.28 for 2-year-olds, and £5.88 for 3- and 4-year-olds⁷.

Entitlement expansion – places for under three-year-olds

Providers were asked whether, in light of the expansion of "free entitlement" funding to parents of children aged under 3 announced in the Spring Budget, they were likely to offer more places to children aged under 3 or start offering places to children under 3 where they currently don't.

- 39 per cent of group-based providers, 33 per cent of school-based providers and 42 per cent of childminders said they were likely to offer more places to children aged under 3.
- 7 per cent of group-based providers, 15 per cent of school-based providers and 33 per cent of childminders said they will start to offer places to children under 3, where they currently do not.
- Of the providers who said that they were "likely" to offer more/start offering places to children under 3, 54 per cent of group-based providers, 47 per cent of school-based providers and 49 per cent of childminders said that these were "likely" to be *additional* places (as opposed to places that they used to offer to older children but now offer to children under the age of 3 instead).
- Of the providers likely to offer additional places to under 3s, on average both school-based providers and group-based providers will extend their capacity by 12⁸ additional places for children under 3, meanwhile childminders will on average offer 3⁹ additional places.

⁷ [ESFA Update local authorities: 29 November 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/esfa-update-local-authorities-29-november-2023)

⁸ Number is rounded to the nearest whole number.

⁹ Number is rounded to the nearest whole number.

Ratio changes

Childminders

In September 2023 changes were made to the EYFS which clarified flexibilities allowing childminders to care for more than the current maximum of three young children, when caring for siblings of children that they already care for, or when caring for their own child. 63 per cent of childminders said that they had either adopted, or were planning to adopt, this flexibility.

- In most areas, the impact on childminders has been small.
- Most (59 per cent) hadn't seen an impact on staffing pressures but more said that it had increased staffing pressures (24 per cent) than said it had reduced them (6 per cent).
- 37 per cent hadn't seen an impact on financial pressures but more said that it had reduced financial pressures (42 per cent) than said it had increased them (20 per cent).
- Most (68 per cent) hadn't seen an impact on capacity to care for children but more said that it had increased capacity (22 per cent) than said it had reduced it (8 per cent).

Group-based and school-based providers

For group-based and school-based providers, in September 2023 the statutory minimum staff:child ratios in England for 2-year-olds was changed from 1:4 to 1:5 in an amendment to the EYFS¹⁰.

- According to the pulse survey, 37 per cent of group-based providers and 23 per cent of school-based providers already have, or plan to, adopt these new ratios.
- Although the majority of group-based providers and school-based providers reported they have no plans to change their staff:child ratios, more group settings have implemented the changes than anticipated based on evidence from the Early Years staff:child ratio consultation survey¹¹, where only 19 per cent of all group settings¹² said they would be likely or very likely to make any changes to provisions.

¹⁰ [How staff-to-child ratios work - Ofsted: early years \(blog.gov.uk\)](#)

¹¹ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](#)

¹² The early years staff:child ratio consultation survey reports on group settings as a whole. This involves combining responses from school-based providers and group-based providers

Space

Providers were asked to consider a range of scenarios that would allow more flexibility in regard to the floor space for the children that they look after, as set out in the space requirements in the Early Years Foundation Stage (EYFS) statutory framework¹³.

- In terms of increasing flexibility regarding floor space, providers were most likely to support including free flow outdoor space in space regulations (as opposed to bringing under 2 space requirements in line with 2-year-olds or removing indoor space requirements).
- From the answers given to the survey, it is estimated that of the scenarios considered, including free flow outdoor space in regulations would allow for the greatest number of additional children to be looked after.
- If flexibilities were introduced, the majority of providers across all provider types reported they would utilise the flexibilities to look after more children.

Expanding premises

Providers were also asked whether they had the desire to expand their premises and the funds to do so.

- Around a third of group-based providers (34 per cent) and childminders (33 per cent) expressed a desire to expand but did not currently have the funds to do so, with this inclination slightly lower for school-based providers (27 per cent).
- Of providers who reported they did want to expand, the vast majority (92 per cent) reported they do not currently have the funds.

Other questions

SEND

Providers were also asked about their experiences of looking after children with SEND, including understanding how much demand providers received from the parents of children with SEND, and whether providers have had to take any specific actions to meet such demand.

- 55% of GBPs, 42% of SBPs, and 77% of childminders have not had to turn away children with SEND or offer reduced hours;
- 34% of GBPs, 36% of SBPs, and 16% of childminders have had to turn children with SEND away/offer reduced hours, and still have to;

¹³ [Early years foundation stage \(EYFS\) statutory framework - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

- 6% of both GBPs and SBPs and 1% of childminders have had to previously turn children with SEND away/offer reduced hours, but no longer have to.
- Insufficient funding rates and a lack of staff were commonly reported reasons for why providers may have to turn away children with SEND.
- Providers typically found the Special Educational Needs Inclusion Funds (SENIFs)¹⁴ difficult rather than easy to apply for, however most childminders had never applied for the SENIF.

Initial Teacher Training

The department is considering offering an apprenticeship where someone studies to gain a full undergraduate early years degree (with early years teacher status).

- Over half (59 per cent) of providers said they would be likely to employ someone on an undergraduate degree apprenticeship leading to early years status if this was offered.
- Of their existing staff qualified to at least Level 3, 18 per cent thought their staff would consider the apprenticeship.

Childminders

- Just over half (52 per cent) of childminders had children on entitlement places, of whom two fifths are paid monthly and three fifths paid termly by their Local Authority.
- Around half (54 per cent) of childminders with children on entitlements were happy with their current payment schedule.
- Half (50 per cent) thought that their payment schedule made it more difficult to run their business.
- Formal and informal learning and development (both 27 per cent) was reported as the most common opportunities childminders would like to have more of to feel more supported.
- 14% of childminders said they are likely to work with more people because of the new flexibilities, meanwhile 9% said they would spend more time working on non-domestic premises as a result of the flexibilities included as part of the Levelling-up and Regeneration Bill (LURB)¹⁵ announced by the department in August 2023.

¹⁴ Every local authority must have a Special Educational Needs (SEN) inclusion fund to support early years providers in meeting the needs of individual children with SEN

¹⁵ [Levelling-up and Regeneration Act 2023 - Parliamentary Bills - UK Parliament](#)

Workforce

The survey aimed to understand the current picture of the early years' workforce in terms of vacancies, turnover and whether providers feel that they have enough staff to meet demand. Most questions were repeated from the November 2022 pulse survey¹⁶ to allow for a year-on-year comparison.

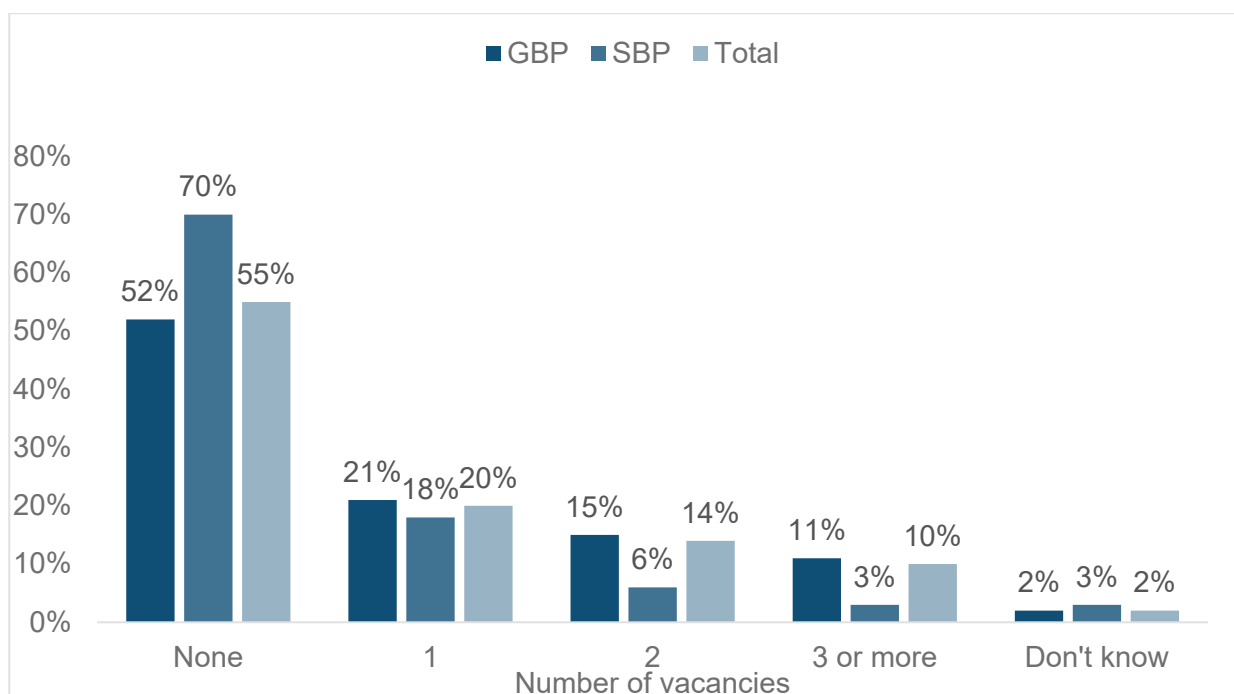
Vacancies

Group-based providers continue to be more likely to have staff vacancies than school-based providers.

At the time of the survey, 46 per cent of group-based providers and 27 per cent of school-based providers said that they had **at least one** vacancy. Only around 25 per cent of group-based providers, and fewer than 10 per cent of school-based providers, however, said that they had **more than one** vacancy.

Results have remained broadly unchanged since the November 2022 pulse survey, where 49 per cent of group-based providers and 25 per cent of school-based providers said they had at least one vacancy, and 26 per cent of group-based providers and 13 per cent of school-based providers said they had more than one vacancy.

Figure 1 Number of vacancies for staff who count towards staff:child ratios and work directly with children



¹⁶ [Pulse survey of childcare and early years providers - May 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size.

Unweighted bases: GBPs [n=877], SBPs (n=143)

Average applications per vacancy

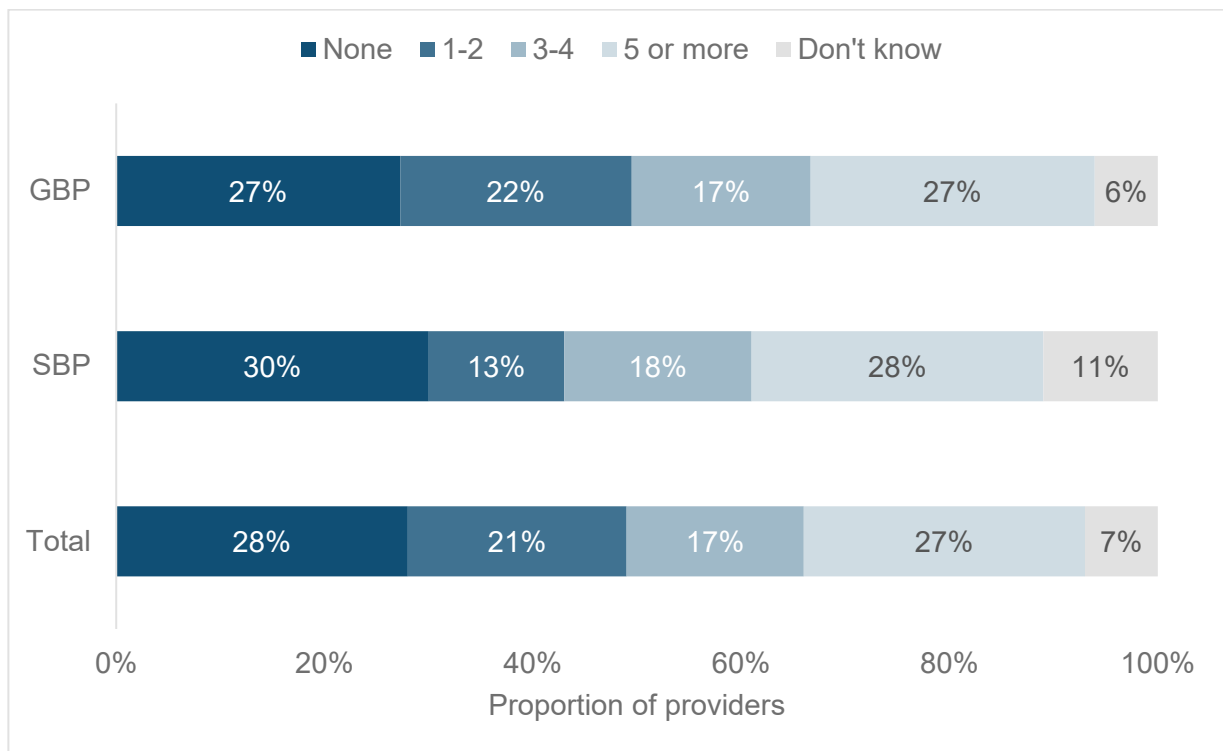
Looking at vacancy rates (defined as the percentage of all posts that are vacant), group-based providers had a higher vacancy rate than school-based providers. School-based providers' vacancy rate was 4 per cent, compared to group-based providers' vacancy rate at 9 per cent.

Both group-based providers and school-based providers reported receiving an average of 5 applications for each vacancy over the last 12 months. Compared with the fifth pulse survey¹⁷ in 2022, school-based providers are receiving on average the same number of applications per vacancy (5), whereas group-based providers were receiving on average 3 more applications per vacancy than in 2022.

27 per cent of group-based providers and 30 per cent of school-based providers had typically received no applications over the last 12 months, compared to 34 per cent of group-based providers and only 7 per cent of school-based providers at the time of the 2022 pulse survey.

¹⁷ [Pulse survey of childcare and early years providers - May 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Figure 2 Number of applications providers have received for each vacancy over the past 12 months



Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size. Due to rounding percentages may not add up to 100%. Unweighted bases: GBPs [n=877], SBPs (n=143)

Turnover

Group-based providers had a higher staff turnover rate compared to school-based providers, which is supported by evidence from the 2023 Survey of Childcare and Early Years Providers¹⁸. Turnover rate is calculated by dividing the average number of paid staff who count towards staff:child ratios who left in the last 12 months by the average total number of paid members of staff who count towards staff:child ratios.

Overall, staff turnover was approximately 20 per cent. Group-based providers had on average more staff members who count towards their ratios leave employment (22 per cent) at their setting compared to school-based providers (12.5 per cent). This is a similar trend to that found in the 2023 Survey of Childcare and Early Years Providers¹⁹

¹⁸ [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics/service.gov.uk)

¹⁹ [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics/service.gov.uk)

Leavers from settings

51 per cent of group-based providers and 42 per cent of school-based providers stated that between 1-3 members of staff that worked directly with children have left employment at their setting in the last 12 months. These results are similar to the fifth wave of the pulse survey conducted in November 2022²⁰, where 53 per cent of group-based providers and 46 per cent of school-based providers stated that between 1-3 members of staff left employment within the last 12 months – a difference of two and four percentage points, respectively.

Almost half of school-based providers (49 per cent) had no staff members who count towards their ratios leave, compared to around a quarter (27 per cent) of group-based providers.

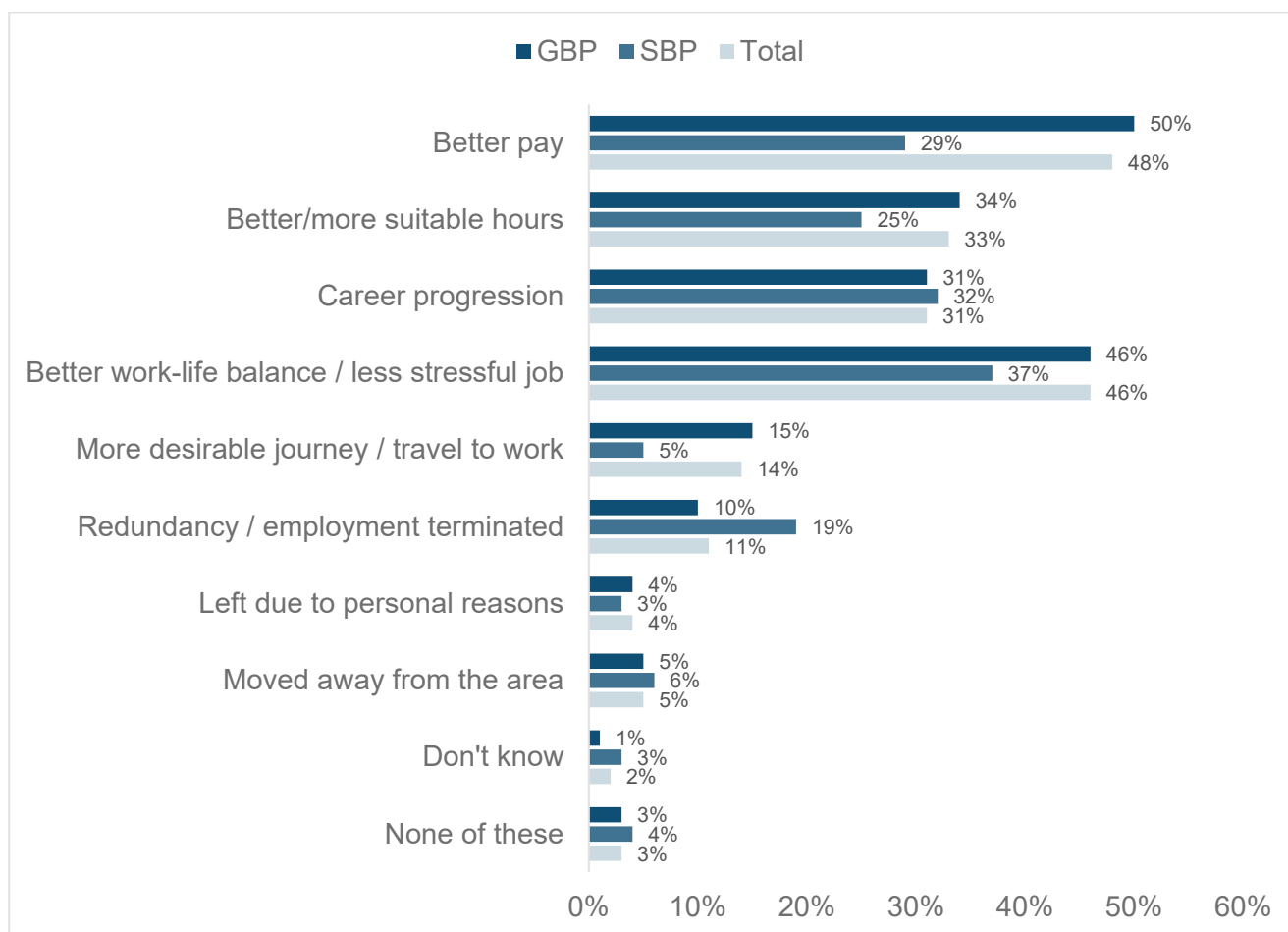
Overall, across both group-based and school-based providers, “better pay” was cited as the most common reason for staff leaving, followed by “better work life balance / less stressful job”. However, the biggest reason for staff leaving differed across provider type. 50 per cent of group-based providers said staff had left in the last 12 months because of better pay, compared to 29 per cent of school-based providers. This could partly be attributable to the difference in mean hourly wages where in 2022, staff at group-based providers earned on average £11.03, compared to £16.09 for staff at school-based providers (SCEYP 2022 Finance Report²¹).

In contrast, the most common reason cited by school-based providers was leaving for “better work-life balance / less stressful job” (37 per cent). Although not the most common reason, this was also a prevalent issue for group-based providers (46 per cent).

²⁰ [Pulse survey of childcare and early years providers - May 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

²¹ [Providers' finances: Evidence from the Survey of Childcare and Early Years Providers 2022 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Figure 3 Reasons staff have left the setting



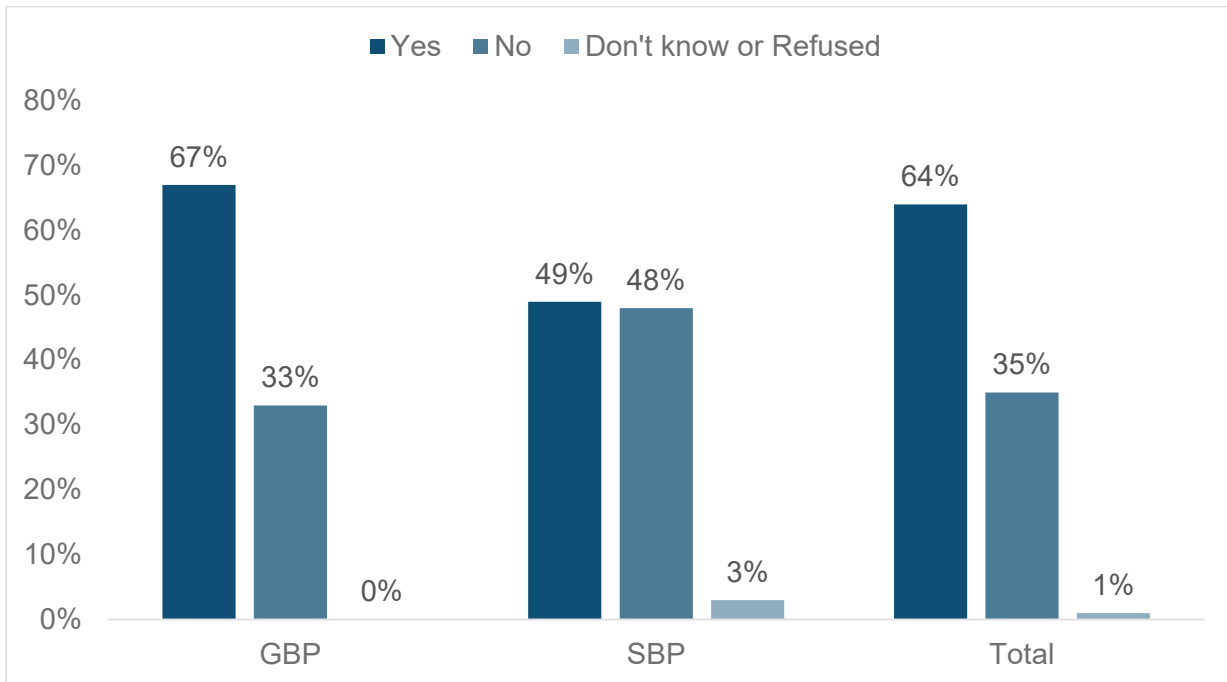
Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size or where not deemed relevant. As this was a multicode question, percentages do not add up to 100%. Unweighted bases: providers where staff have left the setting in the past year. GBPs [n=628], SBPs (n=77)

Staffing issues and associated actions

Over two thirds of group-based providers (67 per cent) experienced staffing issues²² compared to just under a half of school-based providers (49 per cent).

²² Staffing issues are defined as providers having enough staff to meet their demand.

Figure 4 Whether settings have experienced staffing issues this year

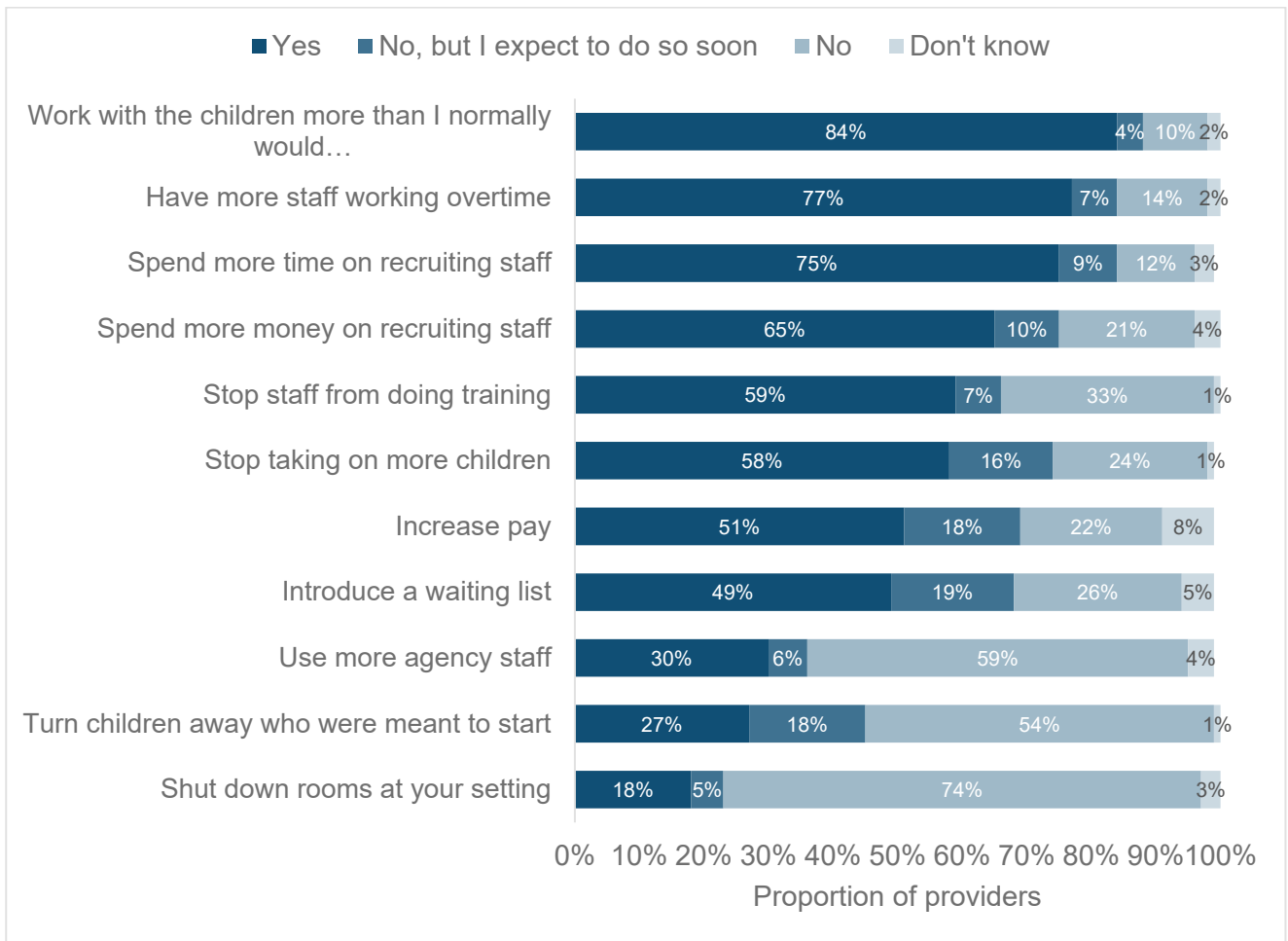


*Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size. Due to rounding percentages may not add up to 100%.
Unweighted bases: GBPs [n=877], SBPs (n=143]*

Overall, actions taken in response to staffing issues were very similar to those in 2022. An additional answer option was added for this survey regarding increasing pay, where 48 per cent of providers said they had to increase pay in response to staffing issues.

For group-based providers who reported they have experienced staffing issues, in order to deal with staffing issues, 84 per cent said they had to work with the children more than normal, 77 per cent said staff had to work overtime and 75 per cent said they spent more time on recruiting staff.

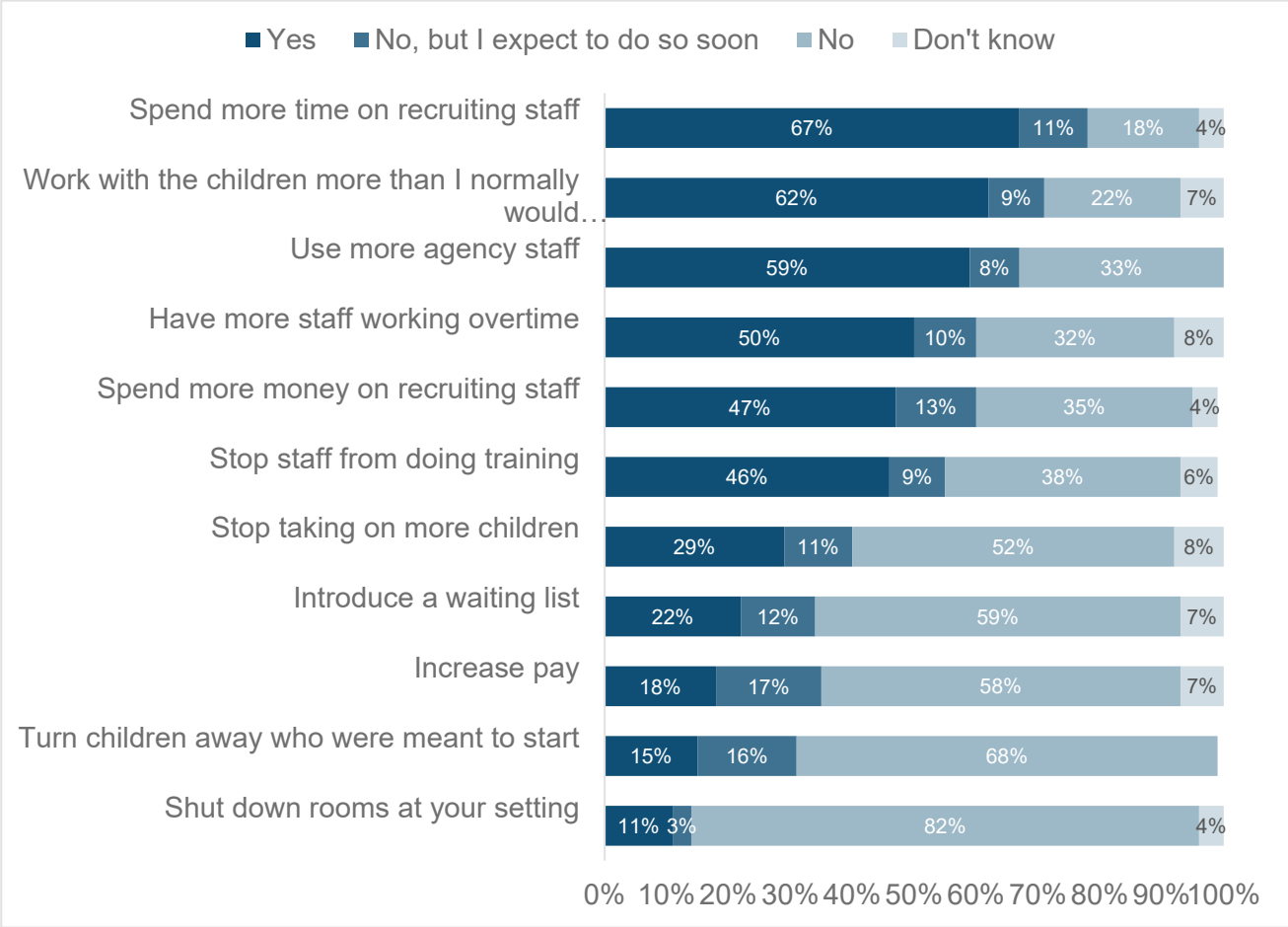
Figure 5 Actions that group-based providers have taken as a result of staffing issues



Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size. Due to rounding percentages may not add up to 100%. Unweighted bases: GBPs who experienced staffing issues [n=574]

As shown in Figure 6, for school-based providers who had experienced staffing issues, providers most commonly reported spending more time on recruiting staff (67 per cent), working with the children more than normal (62 per cent) and using more agency staff (59 per cent).

Figure 6 Actions that school-based providers have taken as a result of staffing issues



Note: not all response categories are included in the chart. Some responses have been excluded due to their small sample size. Due to rounding percentages may not add up to 100%. Unweighted bases: SBPs who experienced staffing issues [n=76]

Qualification group

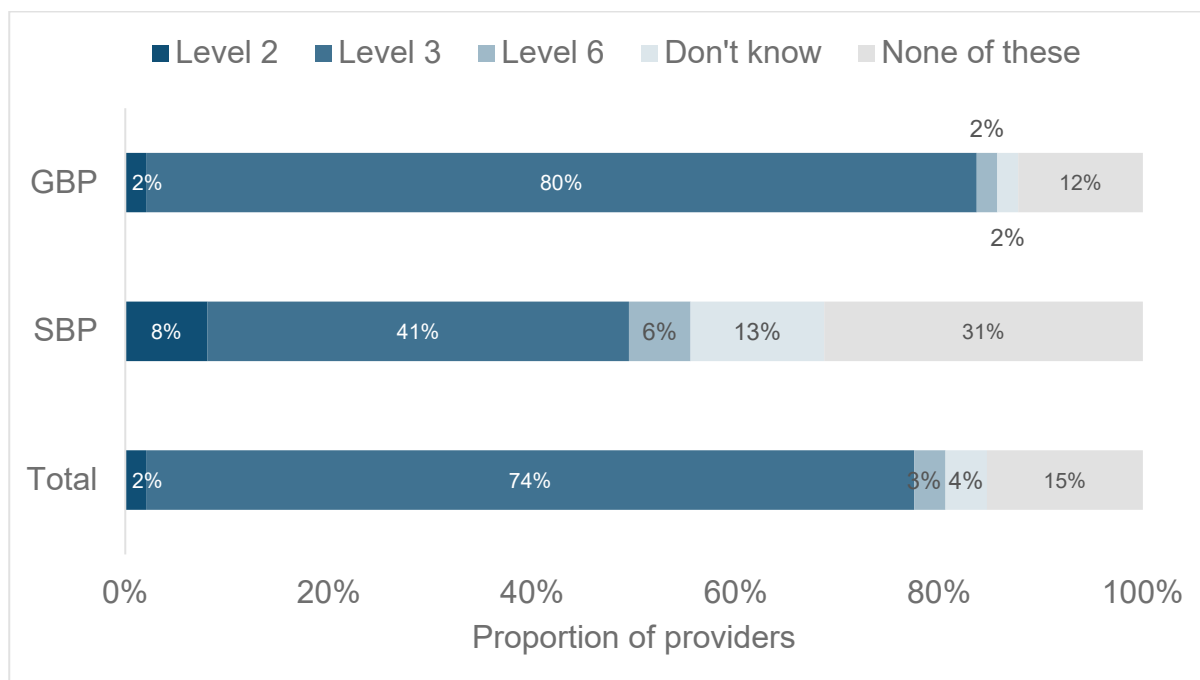
Providers were asked which qualification group they typically find the most difficult to recruit.

According to the SCEYP²³, 38 per cent of paid childcare staff at school-based providers held an early years or teaching-related qualification at Level 3. For group-based providers and childminders, proportions qualified at this level were 58 per cent and 60 per cent, respectively. A higher proportion of school-based provider staff (38 per cent) hold an early years or teaching-related qualification at Level 6 than paid childcare staff working in group-based providers (11 per cent) and childminders (10 per cent).

²³ [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk)

Overall, providers reported they had the most difficulty recruiting staff qualified at Level 3. However, group-based providers (80 per cent) were a lot more likely to find this difficult compared to school-based providers (41 per cent).

Figure 7 Qualification group providers typically find the most difficult to recruit



*Note: Due to rounding percentages may not add up to 100%.
Unweighted bases: GBPs [n=877], SBPs (n=143]*

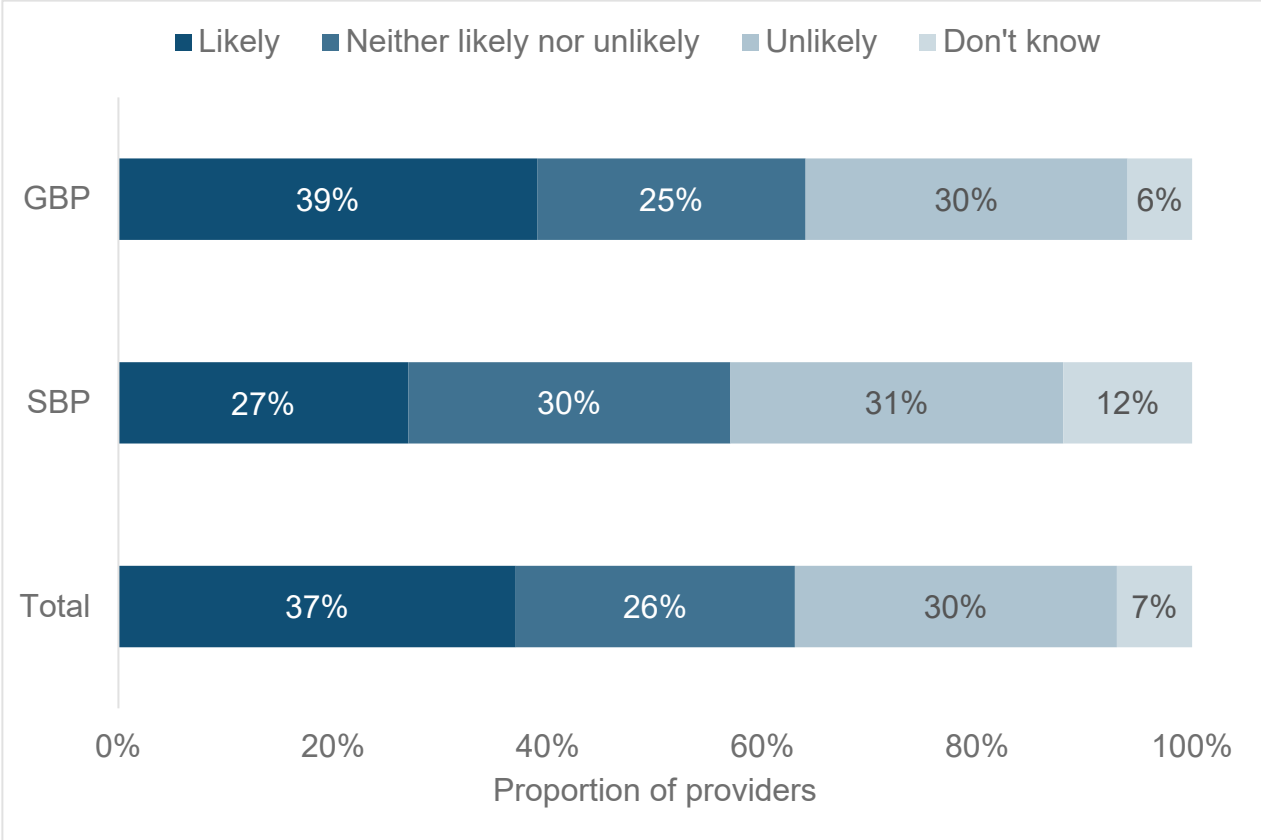
Future recruitment

In October, DfE agreed to adopt proposed flexibilities to support the use of the existing workforce:

- Removing the requirement for practitioners to hold a level 2 maths qualification to count within the level 3 staff:child ratios;
- Allowing students on long-term placements and apprentices to count within the level 2 staff:child ratios at the level below their level of study, if the provider is satisfied that they are competent and responsible.

Providers were asked, because of these changes, how likely or unlikely they would be to focus future recruitment on non-Level 3 staff and/or apprentices. Results show that less than half (37 per cent) of providers overall are likely to focus recruitment on non-level 3 staff and/or apprentices (27 per cent of school-based providers and 39 per cent of group-based providers).

Figure 8 Whether providers are likely to focus on recruitment of non-level 3 staff and/or apprentices



*Note: Due to rounding percentages may not add up to 100%.
Unweighted bases: GBPs [n=877], SBPs (n=143)*

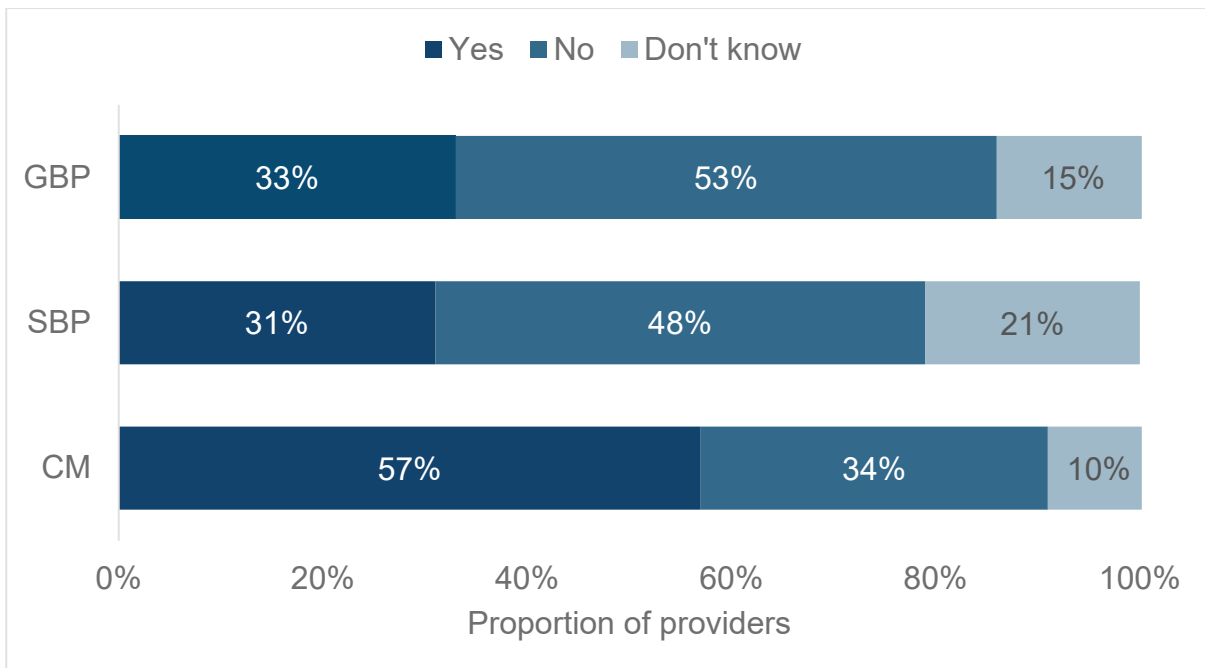
Funding

Income sufficiency

Providers were asked whether their current income, from all sources, is sufficient to cover the current costs of delivering childcare. Approximately a third (33 per cent) of group-based providers and school-based providers (31 per cent) reported that their current total income covers their current costs. This was significantly higher for childminders, where over a half reported their costs were covered by their income (57 per cent).

Since the November 2022 pulse survey, results show an increase in the proportion of providers who reported that their total income covers their current costs. Previously, under a third of group-based providers (28 per cent) and under a half of childminders (46 per cent) reported that their income was sufficient, showing an increase of 5 percentage points for group-based providers and 11 percentage points for childminders. Comparisons cannot be made for school-based providers as school-based providers were not asked this question during the 2022 pulse survey.

Figure 9 Proportion of providers who reported that their current total income covers current costs



Note: Percentages may not add up to 100% due to other answer options being excluded from the graph and/or rounding.

*Comparisons cannot be made for SBPs as SBPs were not asked this question in the 2022 pulse survey
Unweighted Bases: GBP [877], SBP [143], CM [781]*

Funding rates

Following on from the Government's Early Years Funding consultation²⁴, the Pulse survey sought providers' views on the suggested indicative 2024-2025 funding rates. The consultation suggested indicative 2024-25 national average funding rates of £8.17 per hour for 2-year olds, and indicative national average funding rates for under-2s of £11.06 per hour.

Providers were asked how they thought the new funding rates may affect their profitability. As shown in figure 10, group-based providers (43 per cent) and school-based providers (51 per cent) were most likely to say they were unsure what impact the new indicative funding rates will have, meanwhile childminders were most likely to believe the indicative rates would increase their profitability (57 per cent).

11 per cent of school-based providers believed their profitability would increase, with an equal percentage anticipating a decline in profitability.

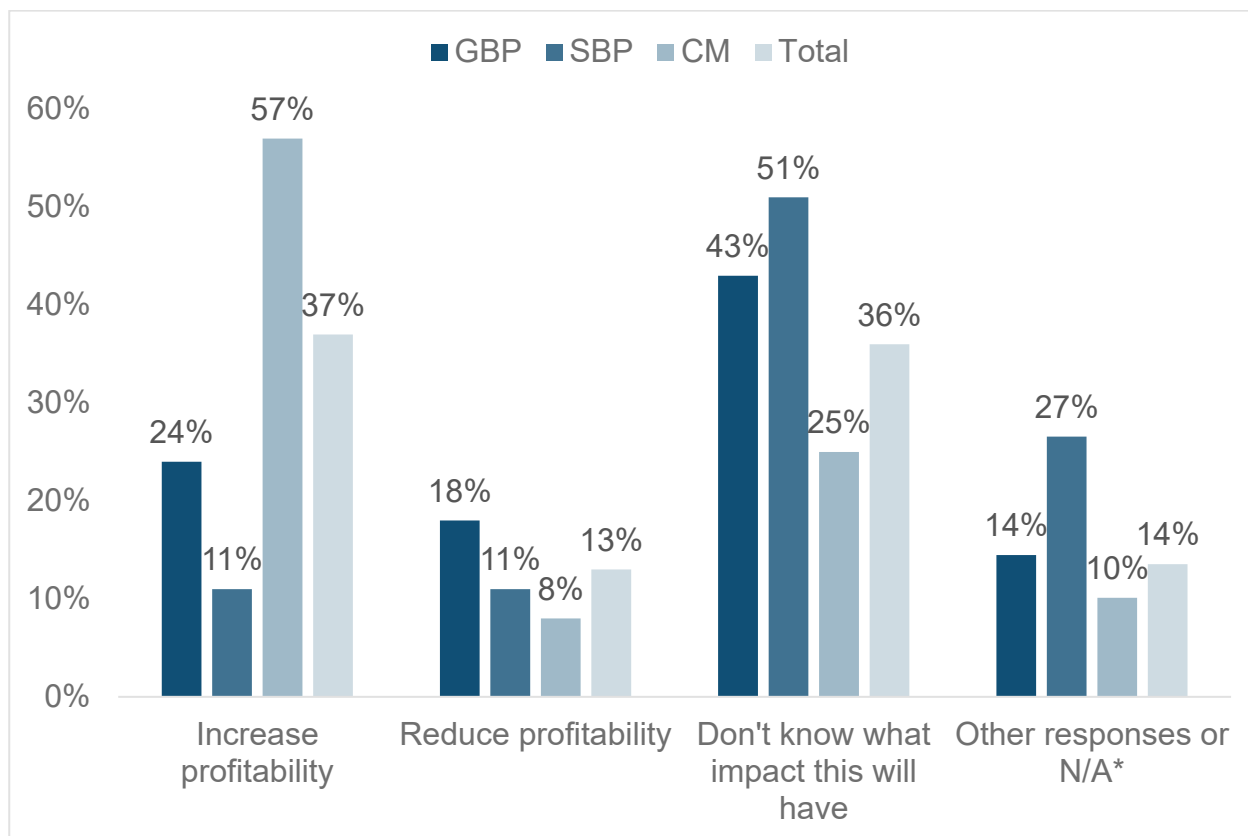
24 per cent of group-based providers thought their profitability would increase, meanwhile 18 per cent expected a decrease in profitability.

A handful of respondents said that the new indicative rates would; help them break even (1 per cent), will help to balance other costs (2 per cent), and some said they didn't think they would receive these national rates from their local authority (2 per cent).

24 per cent of school-based providers said the question was not applicable to them due to not having any children aged 2 or under.

²⁴ [Early years funding – extension of the entitlements - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/early-years-funding-extension-of-the-entitlements)

Figure 10 How providers think the new funding rates will affect their profitability



Note: some responses have been aggregated due to small size [other responses]. Percentages may not add to 100% due to rounding.

Unweighted bases: GBP [n=877], SBP [n=143], CM [n=781]

It is important to note that due to the timings of the survey, respondents were asked about indicative funding rates as opposed to the final national rates that were announced on 29 November, or the rates that are passed onto providers by Local Authorities. The average national hourly funding rates were since confirmed as £11.22 for under 2s, £8.28 for 2-year-olds, and £5.88 for 3- and 4-year-olds²⁵.

Additional revenue

Providers who thought that profitability would increase because of the new funding rates anticipated spending the additional revenue in a range of ways.

Results differed across provider type. Group-based providers were far more likely to say they would increase pay of their staff (77 per cent), invest in staff training (64 per cent) and staff support (54 per cent) compared to school-based providers (22 per cent, 33 per cent).

²⁵ [ESFA Update local authorities: 29 November 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/esfa-update-local-authorities-29-november-2023)

cent, 34 per cent, respectively) and childminders (23 per cent, 26 per cent, 11 per cent, respectively).

Meanwhile, childminders were most likely to spend more money on learning materials (78 per cent), and school-based providers far more likely to expand existing provision (40 per cent).

Table 1 How providers anticipate using additional revenue

| What do you anticipate using the additional revenue for? | Group-based providers | School-based providers | CMs |
|---|------------------------------|-------------------------------|------------|
| Increasing operational surplus | 5% | 10% | 5% |
| Increasing pay of staff | 77% | 22% | 23% |
| Investing in training for staff | 64% | 33% | 26% |
| Learning materials | 62% | 43% | 78% |
| Repairs and renovations | 34% | 37% | 28% |
| Improving quality of provision | 69% | 56% | 68% |
| Support for staff | 54% | 34% | 11% |
| Expanding existing provision | 17% | 40% | 11% |
| Procuring new premises | 3% | 6% | 2% |
| Reducing parent fees | 14% | 7% | 24% |
| Offset shortages | 4% | 10% | 2% |
| Don't know | 3% | 16% | 3% |

Note: Some responses have been excluded due to their small sample size or where not deemed relevant. As this was a multicode question, percentages do not add up to 100%.

Unweighted bases: providers who thought profitability would increase GBPs [n=213], SBPs (n=17), CM [n=343]

Providers who said they would spend additional revenue in a range of ways were asked what they would spend the most money on. Over half of group-based providers (53 per cent) anticipate spending most of any additional revenue on increasing pay for staff, meanwhile childminders were most likely to spend the most money on learning materials (28 per cent). School-based providers were almost evenly split between spending the

most amount of money on improving quality of provision (33 per cent) and expanding existing provision (32 per cent).

Reasons for potential decline in profitability

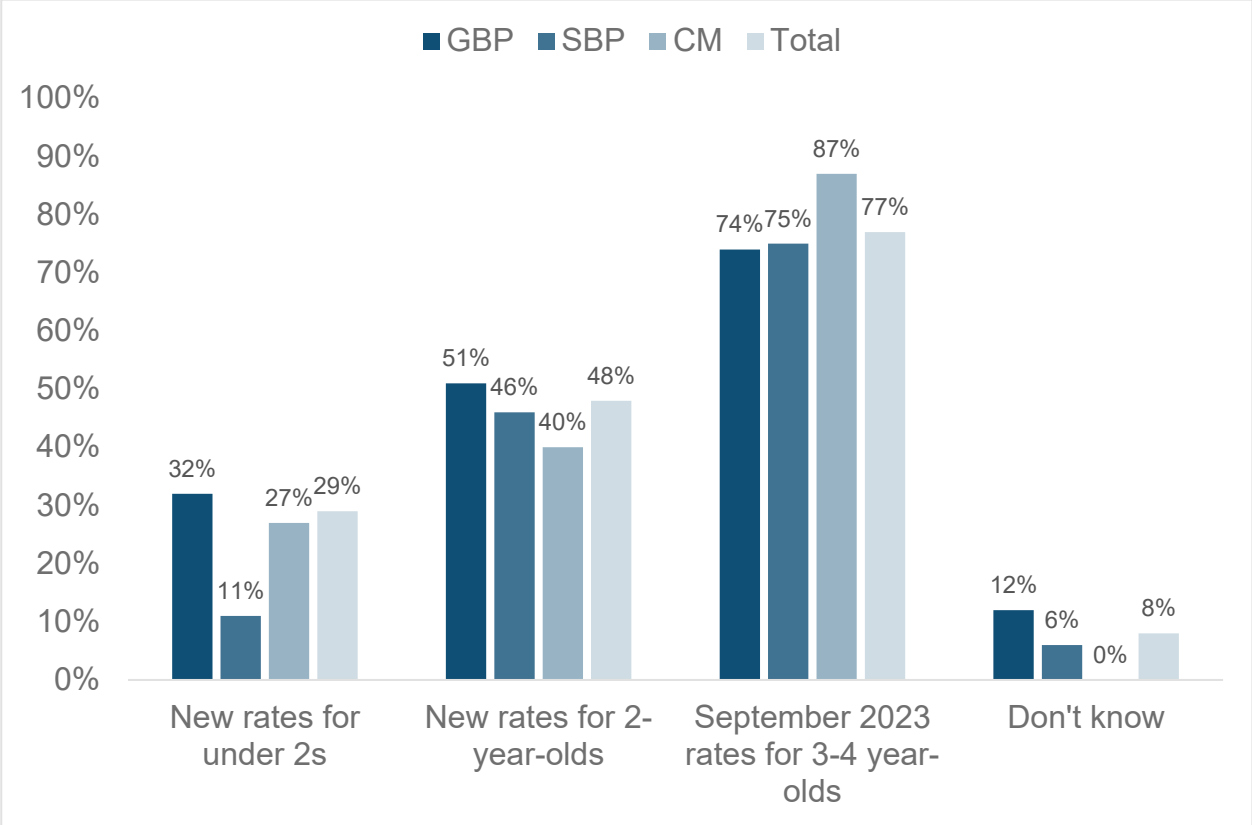
Providers were told that alongside the suggested indicative 2024-25 national average funding rates of £8.17 per hour for 2-year olds, and indicative national average funding rates for under-2s of £11.06 per hour, in September 2023 funding rates for 3-4 year olds were uplifted to £5.62 on average nationally. Providers who thought that the new funding rates would cause a decline in profitability were asked which rates they thought would cause the decline. Providers were able to select more than one option.

Ove three quarters of providers (77 per cent) who believed that the new indicative funding rates would decrease their profitability thought that the September 2023 rates for three-to-four-year-olds (£5.62 per hour) would cause profitability to decline. This equates to 74 per cent of group-based providers, 75 per cent of school-based providers and 87 per cent of childminders.

48 per cent of providers thought that the new rates for 2 year olds (£8.17 per hour) would cause a decrease in profitability – with group-based providers most likely to think so (51 per cent), and childminders least likely (40 per cent). 46 per cent of school-based providers agreed.

New rates for under 2 years olds (£11.06 per hour) were the rates providers thought were least likely to cause a decline in profitability. 29 per cent of providers overall thought this would cause a decline.

Figure 11 Rates that providers think would cause a decrease in profitability



Note: Some responses have been excluded due to their small sample size. Care should be taken when interpreting these figures. As this was a multicode question, percentages do not add up to 100%. Unweighted bases: providers who thought profitability would decrease. GBPs [n=152], SBPs (n=17), CM [n=54]

Capacity / expansion

The survey sought to understand whether providers had changed the number of places they offered over the past 12 months, and if so, by how much.

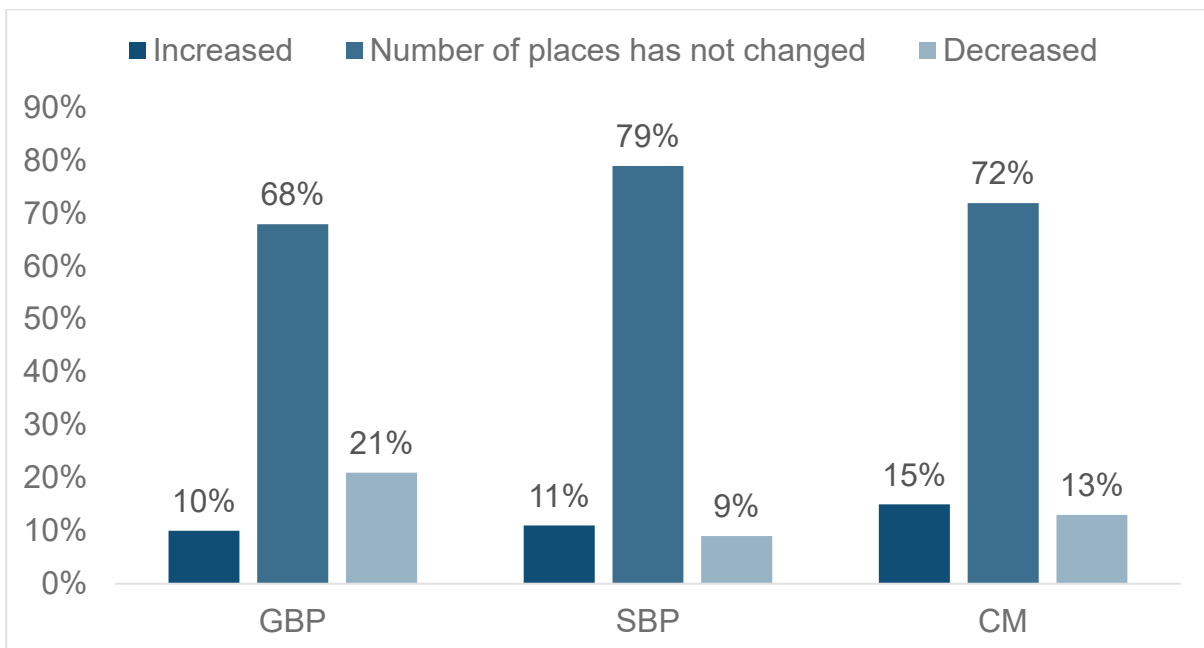
Results show similar patterns across all provider types, showing that most providers have not changed the number of places they offer across the past 12 months.

68 per cent of group-based providers have not changed the number of places they offer. 10 per cent said they have increased the number of places they offer, compared to 21 per cent who reported that they have decreased the number of places they offer.

79 per cent have not changed the number of places offered. 11 per cent of school-based providers have increased their places, compared to 9 per cent who have decreased the number of places offered.

72 per cent of childminders have not changed the number of places. 15 per cent of childminders increased their places, compared to 13 per cent who decreased their places.

Figure 12 How providers have changed the number of places they offer



Unweighted Bases: all providers: GBP [n=877], SBP [n=143], CM [n=781]

Of providers who have increased their places, there is evidence of a strong growth in childcare places offered across all provider types over the past 12 months.

On average, group-based providers **currently** offer 48 places, and have increased this by 11 places in the last year – an average increase of 24 per cent. School-based providers **currently** offer 57 places and have increased this by 14 places in the last year – an average increase of 25 per cent. Childminders **currently** offer 5 places and have increased this by 2 places in the last year – an average increase of 39 per cent. However, it is important to flag that the increases in places are only by the small proportion of providers who said they have increased their places, rather than by all providers.

Places for children aged under 3

The survey asked providers whether, in light of the changes proposed in the 2023 Spring Budget, they were likely to either offer more places to children aged under 3 (if they currently offered places) or begin offering places to children aged under 3 (if they didn't currently offer places). These questions were first asked in the EYFS consultation survey, where fieldwork took place July 2023²⁶.

Background

Currently, all parents of children aged 3 to 4, and parents of certain children²⁷ aged two are entitled to 15 hours of free childcare per week funded by the government (for 38 weeks a year). Eligible working parents of children aged 3 to 4 are entitled to 30 hours of free childcare per week (for 38 weeks a year)²⁸.

In the 2023 Spring Budget, the Government announced that entitlement to free childcare would be extended so that, by September 2025, all eligible working parents of children from the age of 9 months onwards would be eligible for 30 hours of free childcare per week (for 38 weeks a year).²⁹

It is important to flag that at the time of the survey, final age-specific funding rates (that will heavily influence provider decisions on places they offer) had not yet been announced.

Much like the EYFS survey³⁰, this pulse survey sought to collect data on whether providers would be more likely to offer places to children aged under 3. This survey

²⁶ [Early years foundation stage consultation: a survey of providers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/early-years-foundation-stage-consultation-a-survey-of-providers)

²⁷ including for example parents in receipt of certain income-related benefits and children with an Education Health and Care plan

²⁸ Eligibility depends on various criteria, for example, tax-free childcare is available for working families in the UK. If a child has two parents neither must earn over £100,000, and parents must not be in receipt of tax credits, universal credit or childcare vouchers. Further detail on eligibility can be found here: [Childcare Choices | 30 Hours Childcare, Tax-Free Childcare and More | Help with Costs | GOV.UK](#)

²⁹ Further information on roll-out stages can be found here: [Spring Budget 2023 factsheet – Labour Market Measures - GOV.UK \(www.gov.uk\)](#)

³⁰ [Early years foundation stage consultation: a survey of providers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/early-years-foundation-stage-consultation-a-survey-of-providers). Please note: figures in this report have been recalculated since initial publication.

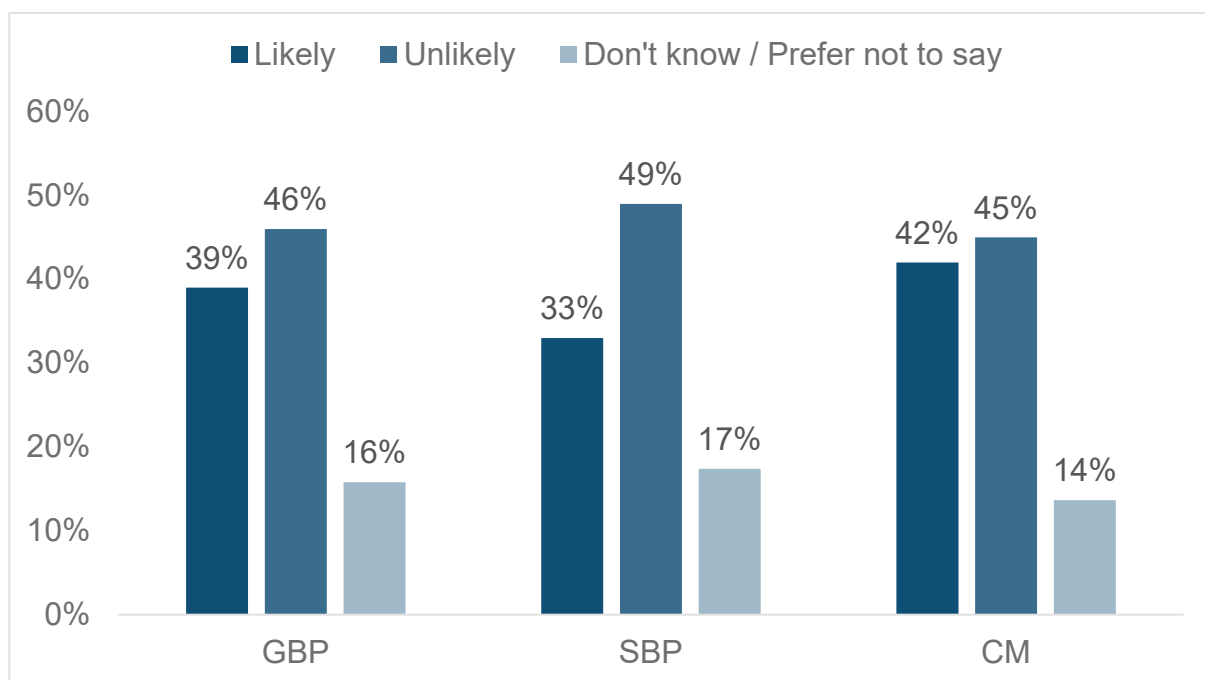
therefore asked providers who said that they expected to offer more childcare places to children under 3 whether they thought that this would be the case i.e. whether additional places would be completely new or whether they would replace existing places for older children.

Likelihood of offering more places to children aged under 3

40 per cent of providers who currently looked after children aged under 3 said that in light of the Spring Budget, it was either “very likely” (19 per cent) or “fairly likely” (20 per cent) that they would offer more places to children aged under 3. 45 per cent of providers said it was unlikely they would do so, with 20 per cent saying this was “not very likely” and 25 per cent saying it is “not at all likely”. 14 per cent of providers either didn’t know or preferred not to say.

In terms of provider type, of those who currently looked after children aged under 3, 39 per cent of group-based providers, 33 per cent of school-based providers and 42 per cent of childminders said they would be either “very likely” or “fairly likely” to offer more places to children aged under 3³¹.

Figure 13 How likely providers will be to offer more places to children aged under 3 by September 2025 (Providers who currently offer places to children aged under 3)



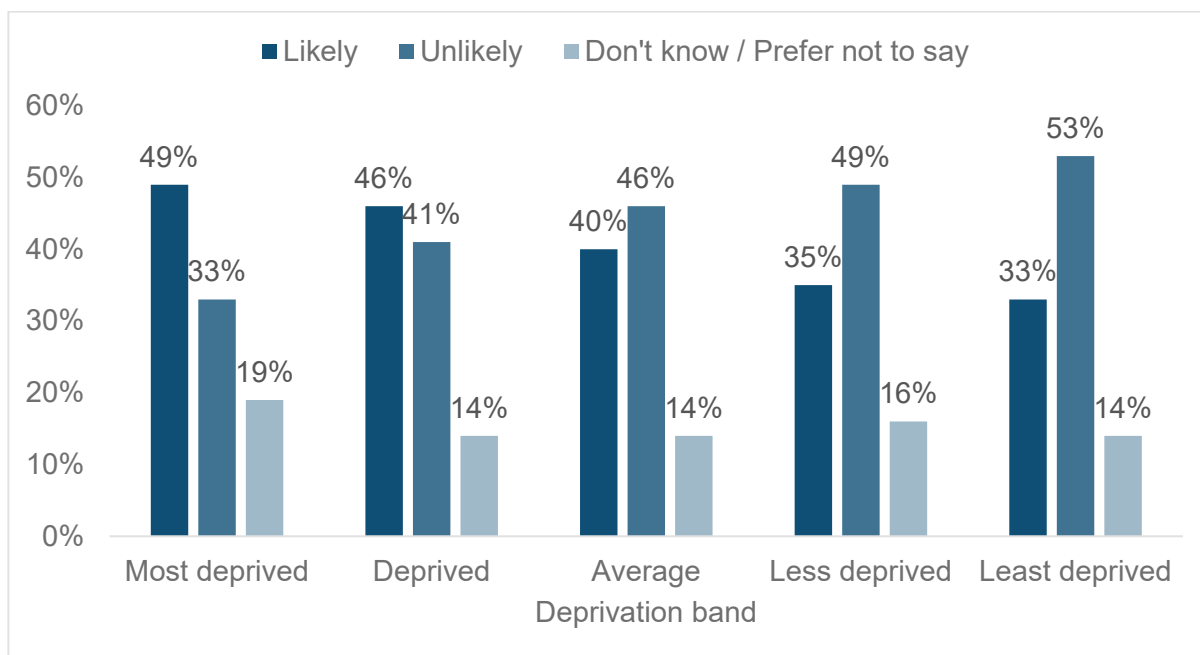
Unweighted Bases: Providers who reported caring for under 3s in the main Provider Survey: GBP [n=807], SBP [n=52], CM [n=719]

Deprivation

³¹ Due to survey routing differences, comparisons cannot be made to the EYFS survey.

Results indicate that the more deprived³² an area a provider is based within, the more likely they are to report that they will offer more places to children aged under 3. 49% of providers in the “most deprived” areas reported that they were likely to offer more places to children under 3, compared to 33% of providers in the “least deprived” areas.

Figure 14 How likely providers will be to offer more places to children aged under 3 by September 2025 (Providers who currently offer places to children aged under 3), by deprivation band



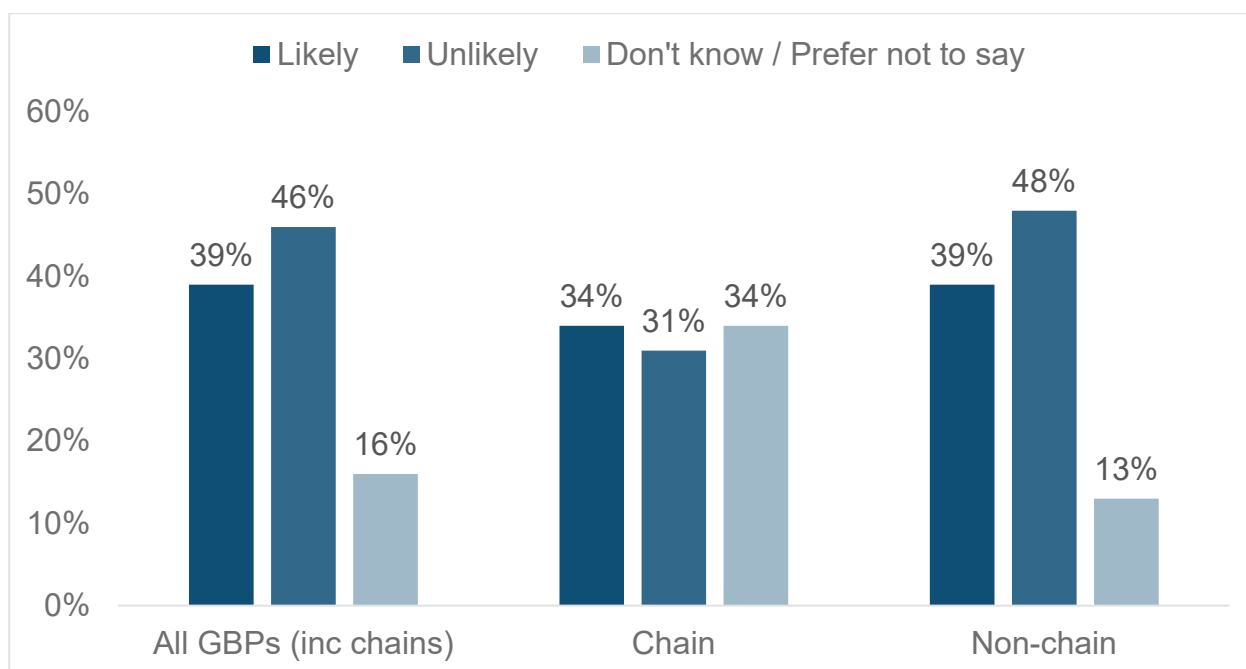
Unweighted bases = most deprived [n=191], deprived [n=254], average [n=386], less deprived [n= 374], least deprived [n= 373]

Chain status

Results indicate that when looking at group-based providers only, chains were far more likely to say do not know / prefer not to say (34%) whether they will offer more places to children aged under 3 compared to non-chains (13%). An equal proportion of chains (34%) said they were “likely” to offer more places to children aged under 3 as don’t know / prefer not to say, whereas the difference between non-chains who said they were “likely” and those that didn’t know / prefer not to say was greater (39% and 13%, respectively).

³² Measure of deprivation is calculated using the Income Deprivation Affecting Children Index (IDACI). This measures the proportion of all children aged 0 to 15 living in income deprived families. Further detail can be found here: [The English Indices of Deprivation 2019 \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/424142/English-Indices-of-Deprivation-2019.pdf)

Figure 15 How likely providers will be to offer more places to children aged under 3 by September 2025 (Providers who currently offer places to children aged under 3), by chain status



Unweighted bases = All GBPs who reported caring for under 3s in the main provider survey [n=807], chains [n=104], non-chains [n=703]

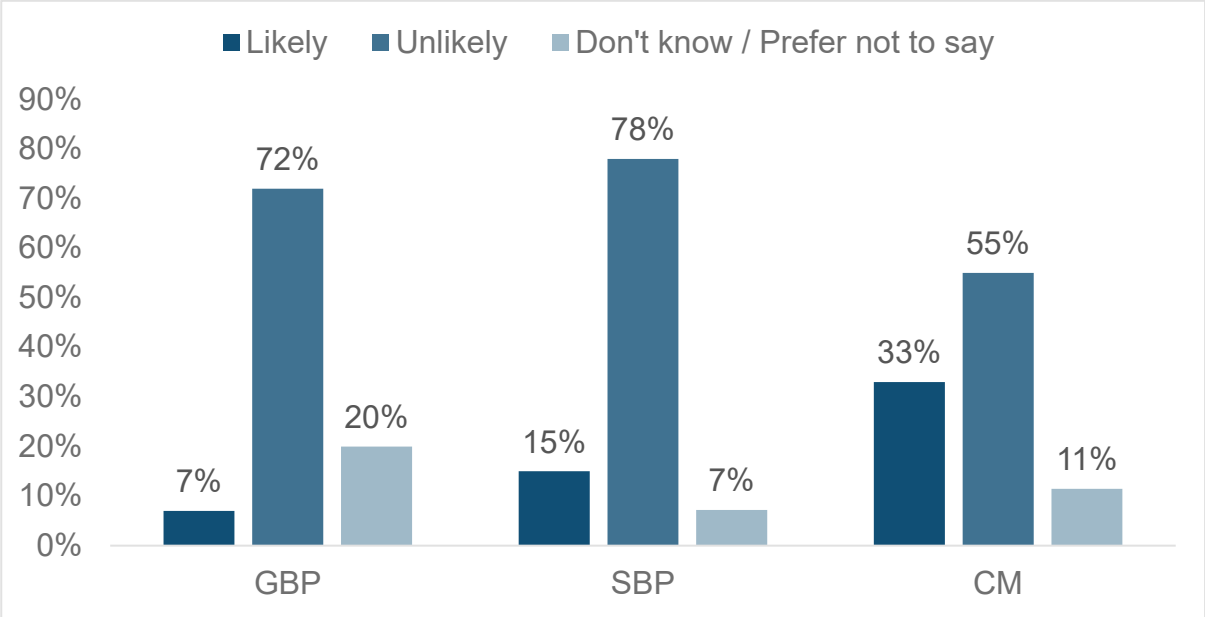
Likelihood of starting to offer places to children aged under 3

17 per cent of providers who reported that they did not currently look after any children aged under 3 said that, in light of the Spring Budget, it was either “very likely” (7 per cent) or “fairly likely” (11 per cent) that they would start offering places. 70 per cent said that this was either “not very likely” (12 per cent) or “not at all likely” (58 per cent).

Results differed by provider type. 7 per cent of group-based providers, 15 per cent of school-based providers and 33 per cent of childminders said that they were either “very likely” or “fairly likely” to start to offer places. This is comparable to 17 per cent of group-based providers, 5 per cent of school-based providers and 40 per cent of childminders at the time of the EYFS survey³³. Please note, these figures from the EYFS report have been updated and revised since the initial publication.

³³ Fieldwork took place in July 2023. [Early years foundation stage consultation: a survey of providers - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Figure 16 How likely providers will be to start to offer places to children under 3, where they currently do not (providers who do not currently offer places to children aged under 3)

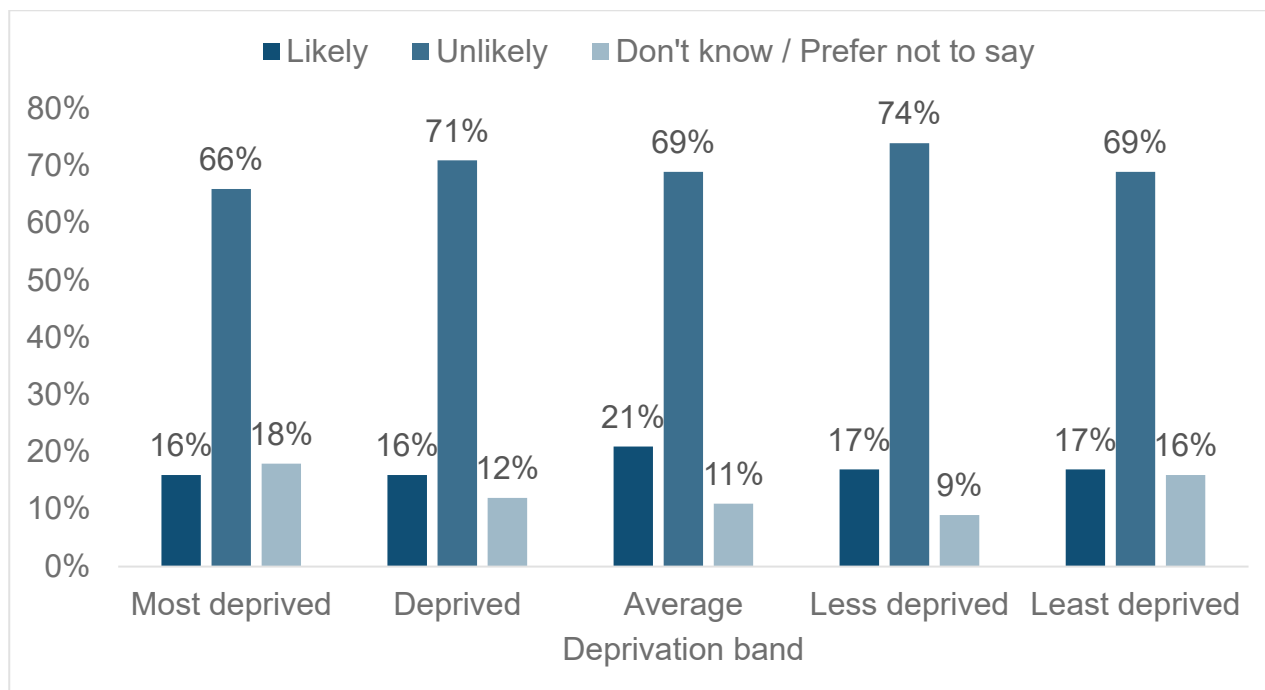


Unweighted Bases: Providers who reported they did not care for under 3s in the main Provider Survey: GBP [n=67], SBP [n=91], CM [n=59]

Deprivation band

Results were similar across deprivation bands, showing no major differences between the proportion of providers reporting that they will start to offer places to children aged under 3.

Figure 17 How likely providers will be to start to offer places to children under 3, where they currently do not (providers who do not currently offer places to children aged under 3), by deprivation band



Unweighted bases = most deprived [n=33], deprived [n=41], average [n=49], less deprived [n= 47], least deprived [n= 47]

Additional places

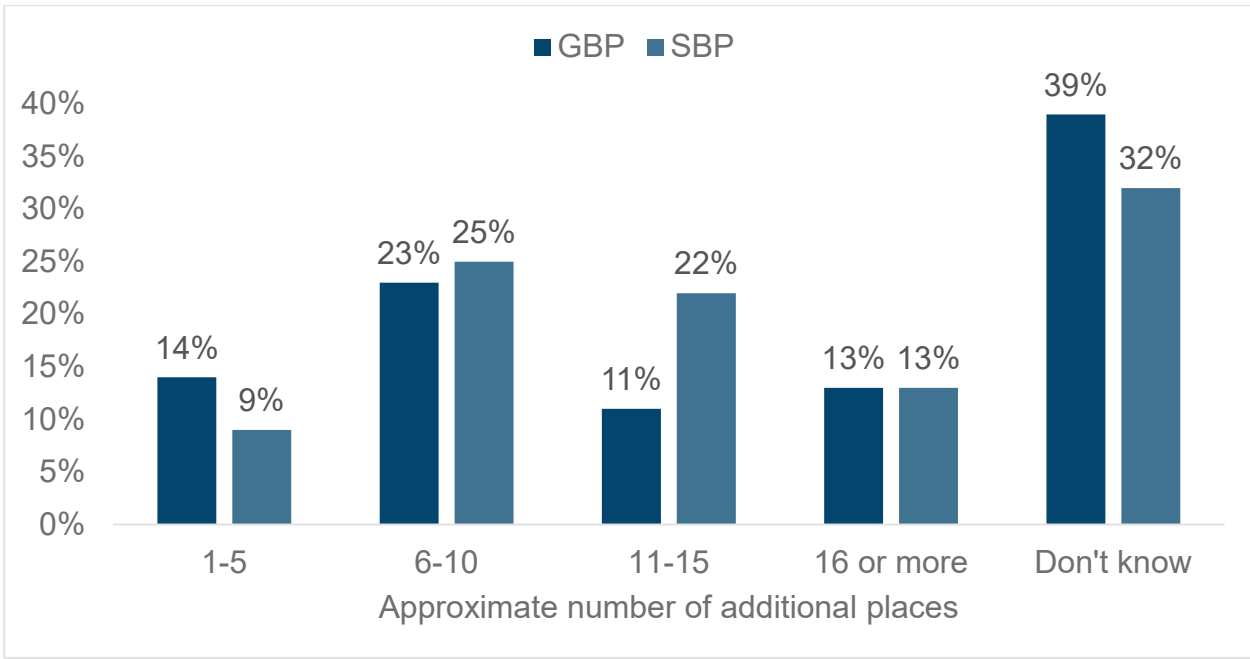
Providers who reported that they would either offer more places to children aged under 3 or, start to offer places to children under the age of 3 where they currently do not, were asked whether the places were likely to be additional places (as opposed to places that they used to offer to older children but will now offer to children under the age of 3 instead).

54 per cent of group-based providers, 47 per cent of school-based providers and 49 per cent of childminders said these were likely to be additional places, equating to 51 per cent of providers overall. 34 per cent of providers said they would be unlikely to offer additional places, and 14 per cent said they either did not know or would prefer not to say.

Providers who said places offered were likely to be additional places were asked to provide the number of approximate additional places they would offer. 39 per cent of group-based providers and 32 per cent of school-based providers were unsure, compared to 22 per cent of childminders.

However, on average, both school-based providers and group-based providers will extend their capacity by 12 additional places for children under 3. In the most deprived areas, providers will offer 13 places on average, while in the least deprived areas, the expected average increase in places is 9.

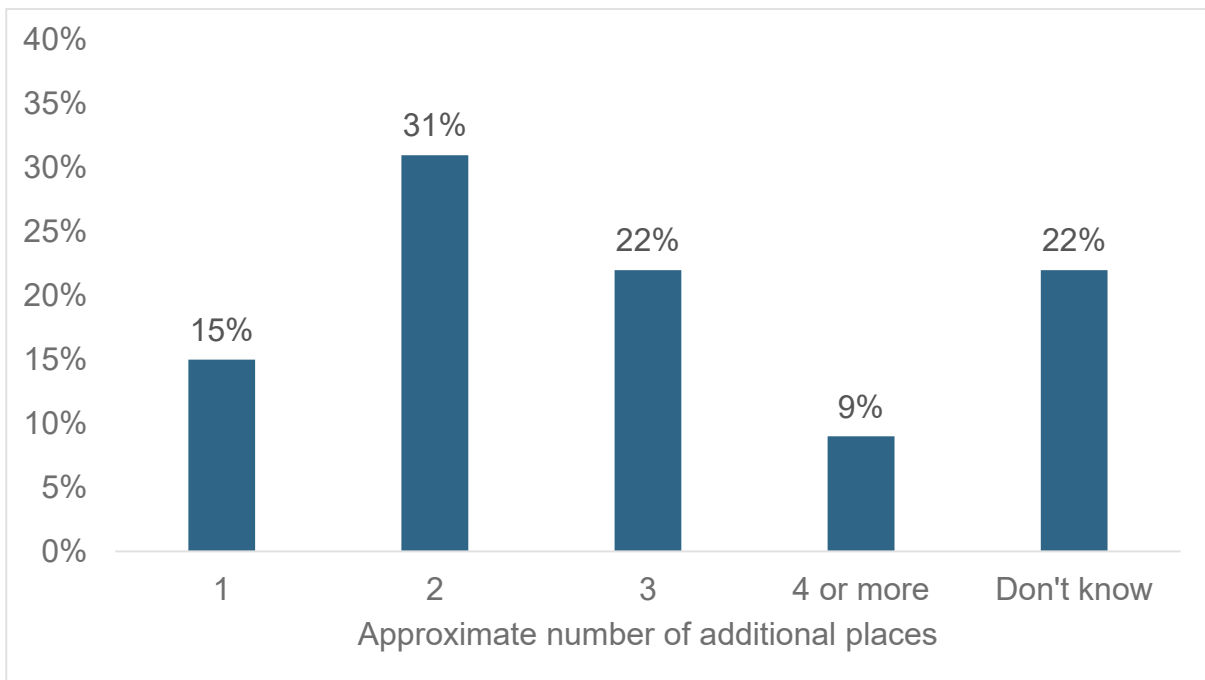
Figure 18 Approximate number of additional places GBPs and SBPs intend to offer to children under the age of 3



*Unweighted Bases: Providers likely to offer additional places to under 3s: GBP [n=179], SBP [n=16]
Caution: small SBP sample base.*

Childminders likely to offer additional places to children under the age of 3 will on average offer 3 additional places.

Figure 19 Approximate number of additional places childminders intend to offer to children under the age of 3



Unweighted Bases: Providers likely to offer additional places to under 3s: CM [n=162]

Staff:child ratios

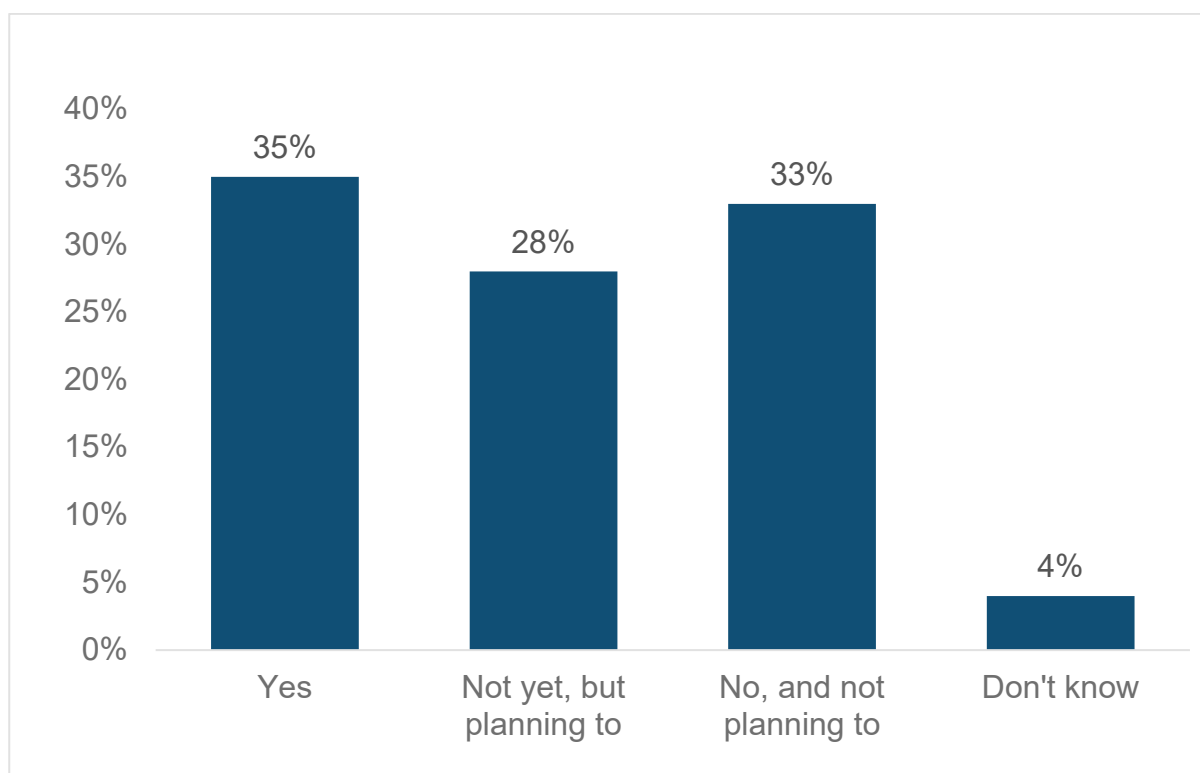
Childminders

On 4 September 2023, three amendments to the EYFS came into effect, one of which was a clarification that childminders can care for more than the currently specified maximum of three young children, when caring for siblings of children they already care for, or when caring for their own child.

Childminders were asked whether they have adopted this flexibility to childminder ratios since it was introduced. 63 per cent of childminders reported that they had either already adopted (35 per cent) the flexibility or were planning to (28 per cent).

Just over a third (33 per cent) of childminders had no plans to adopt the flexibility. Findings from Early Years staff:child ratio consultation survey³⁴ found that 56 per cent of childminders reported that they would not change their provision in response to the proposed ratio change, suggesting that more childminders have made changes than initially thought.

Figure 20 Whether childminders have adopted the new flexibilities or not



Unweighted Base: childminders [n=781]

³⁴ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

82 per cent of childminders who had adopted the flexibility or were planning to adopt it, said that they had increased, or were planning to increase, the number of children that they cared for. 2 per cent said they would offer parents more flexibility, and 1 per cent said they would reduce the number of staff.

The remaining 10 per cent of childminders who had adopted the flexibility answered “don’t know”.

Impact of ratio changes

Providers who had adopted the flexibility were asked whether the changes have had an impact on staffing pressures, financial pressures, and their capacity to care for children. In most areas, the impact has been small.

However, care should be taken when interpreting what is meant by the term “pressures” as this was not defined and therefore interpretations by respondents may vary.

Staffing pressures

The majority (59 per cent) of childminders who had adopted the flexibility said that the changes they made had had no impact on staffing pressures.

6 per cent of childminders said that adopting the flexibility had reduced staffing pressures, 24 per cent said that staffing pressures had increased, 59 per cent said that it had had no impact on staffing pressures. The remaining 11 per cent said that they didn’t know what impact it had had on staffing pressures.

Financial pressures

42 per cent of childminders said that adopting the flexibility had reduced financial pressures, 20 per cent said that financial pressures had increased, 37 per cent said that there had been no impact on financial pressures. The remaining 1 per cent said that they didn’t know what impact it had had on financial pressures.

Capacity to care for children

The majority (68 per cent) of childminders who had adopted the flexibility said that the changes they made had had no impact on their capacity to care for children.

8 per cent of childminders said that adopting the flexibility had reduced their capacity to care for children, 22 per cent said that their capacity to care for children had increased, 68 per cent said that there had been no impact on their capacity to care for children. The remaining 3 per cent said that they didn’t know what impact it had had on their capacity to care for children.

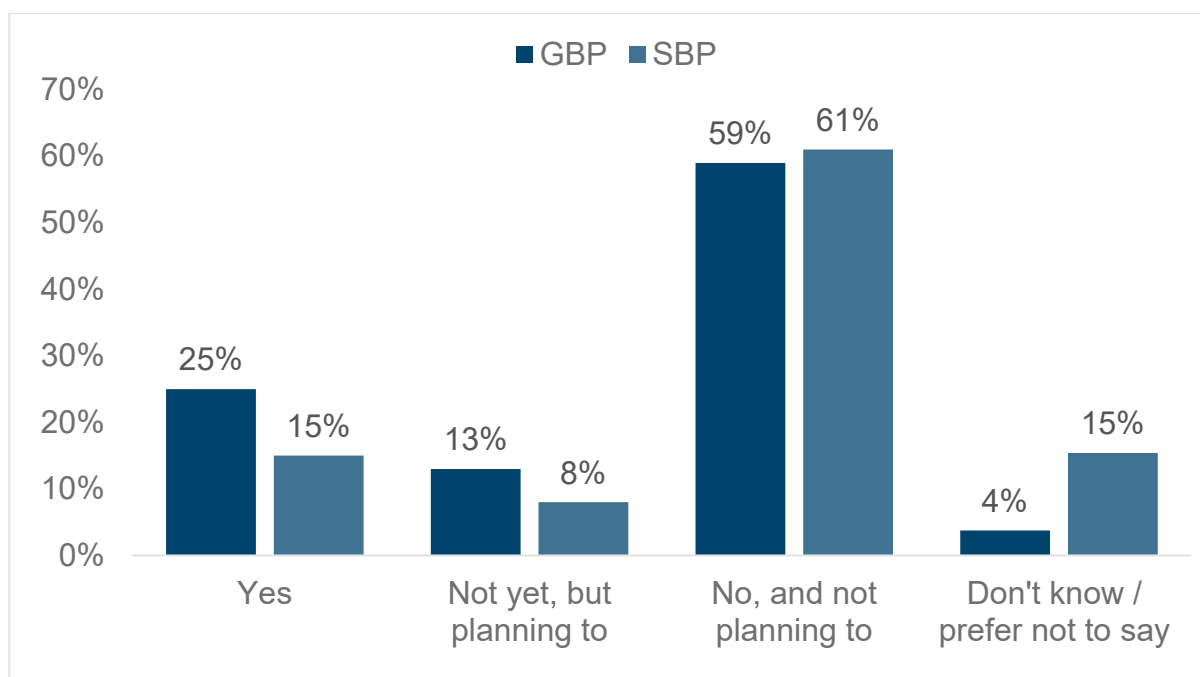
Group-based providers and school-based providers

On 4 September 2023, the statutory minimum staff:child ratios in England for 2-year-olds was changed from 1:4 to 1:5 in an amendment to the EYFS. Group-based providers and school-based providers were asked in the survey whether they have already or have any plans to operate at these new ratios.

Overall, 35 per cent of all group-based providers and school-based providers already have adopted, or plan to adopt these ratios, equating to 37 per cent of group-based providers and 23 per cent of school-based providers. This is greater than the 19 per cent of all group settings³⁵ who said at the time that these changes were consulted on that they would be either “likely” or “very likely” to do so (EY staff:child ratio consultation survey³⁶).

Despite results indicating that more providers have implemented the ratio changes than anticipated, results from the survey show that the majority of group-based providers (59 per cent) and school-based providers (61 per cent) have no plans to adopt the flexibility.

Figure 21 Whether GBPs and SBPs have adopted the new ratio flexibility



Unweighted Bases: GBP [n=877], SBP [n=143]

³⁵ The early years staff:child ratio consultation survey reports on group settings as a whole. This involves combining responses from school-based providers and group-based providers

³⁶ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Providers who said they have made, or are planning to make changes, were asked whether they would increase the number of children cared for or reduce the number of staff as a result.

43 per cent of group-based providers and 62 per cent of school-based providers (45 per cent overall) said they have, or are planning to, increase the number of children cared for. This is less than at the time the changes were consulted on³⁷, where 61 per cent of group settings (with 2-year-olds) said they would increase the amount of care offered to 2-year-olds.

33 per cent of group-based providers and 13 per cent of school-based providers (32 per cent overall) said they have reduced their number of staff. This is half the proportion of providers who said in the staff:child consultation survey³⁸ they would reduce staffing levels (62 per cent).

10 per cent of group-based providers and 24 per cent of school-based providers said they “don’t know” what changes they might make.

In summary, although the majority of group-based providers and school-based providers have no plans to change their staff:child ratios, more group settings have implemented the changes than anticipated based on evidence from the March 2022 ratio consultation survey.

Impact of ratio changes

Providers who had adopted the flexibility were asked whether the changes have had an impact on staffing pressures, financial pressures, and their capacity to care for children.

However, care should be taken when interpreting what is meant by the term “pressures” as this was not defined and therefore interpretations by respondents may vary.

Staffing pressures

Of those providers who already made changes to their staff:child ratios, 60 per cent of group-based providers and 54 per cent of school-based providers said that ratio changes have increased staffing pressures.

Meanwhile 19 per cent of group-based providers and 16 per cent of school-based providers said changes have reduced staffing pressures. 21 per cent of group-based providers and 26 per cent of school-based providers who have made changes said the changes have had no impact on staffing pressures.

How providers have interpreted the term “pressures” is unclear. One interpretation is that as higher ratios would mean less staff for a given number of children, staffing pressures

³⁷ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/107444/early-years-staff-child-ratio-consultation-survey-findings.pdf)

³⁸ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/107444/early-years-staff-child-ratio-consultation-survey-findings.pdf)

from a setting management perspective may decrease. This is supported by evidence from the ratio consultation survey³⁹, where the most common reason given by providers who said they were likely to make changes to their provision was that this would help with staff shortages.

However, evidence from the ratio consultation survey also showcased some providers concerns that new ratios would put additional strain on their existing staff by increasing the number of children they are responsible for.

Financial pressures

Of those providers who have already made changes to their staff:child ratios, the largest proportion (42 per cent) said that changes had no impact on financial pressures.

30 per cent of group-based providers and 29 per cent of school-based providers said that changes have increased financial pressures, meanwhile 18 per cent of group-based providers and 15 per cent of school-based providers said changes have reduced financial pressures. 10 per cent of group-based providers and 20 per cent of school-based providers didn't know.

Capacity to care for children

Of those providers who have already made changes to their staff:child ratios, 33 per cent of group-based providers and 47 per cent of school-based providers said that changes increased their capacity to care for children. 14 per cent of group-based providers and 16 per cent of school-based providers said changes reduced their capacity to care for children, meanwhile 49 per cent of group-based providers and 32 per cent of school-based providers have not seen an impact.

³⁹ [Findings from the early years staff-child ratio consultation survey \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Space

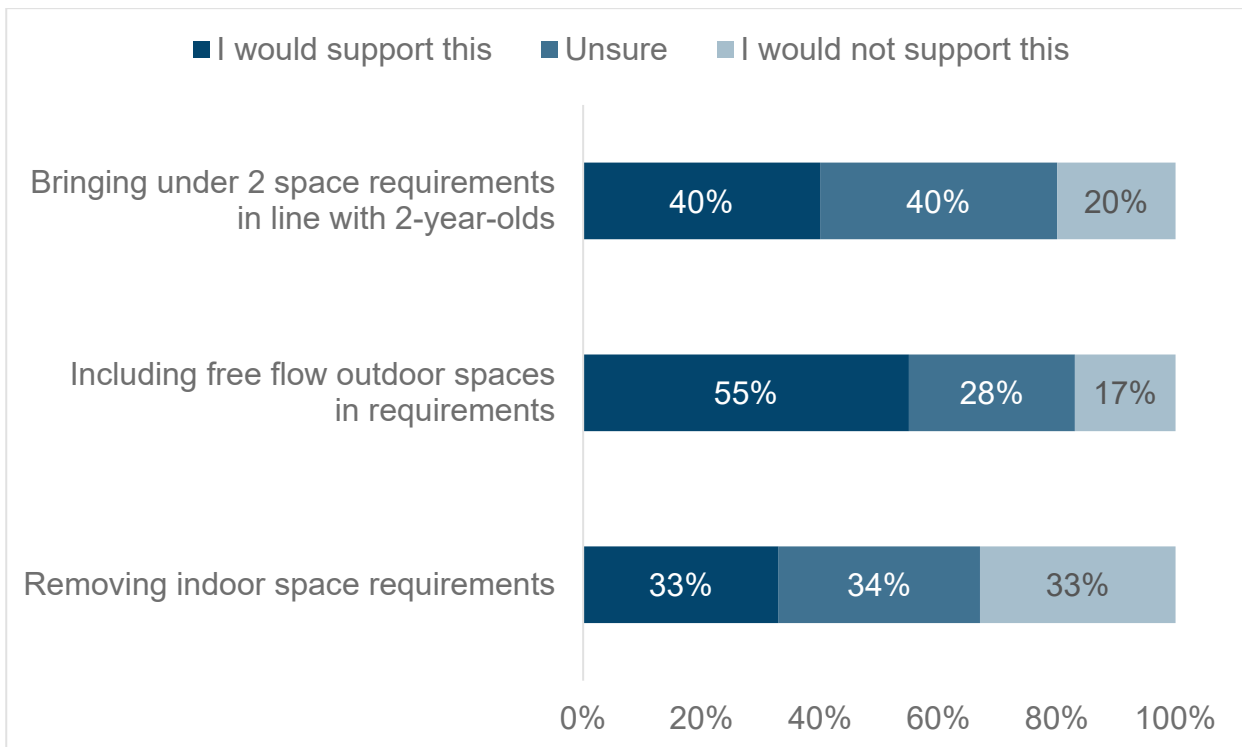
According to EYFS regulations, childcare providers are required to provide:

- Children under two years – 3.5m² floor space per child;
- Two year olds – 2.5m² floor space per child; and
- Children aged three to five years – 2.3m² floor space per child⁴⁰.

Providers were asked about a range of hypothetical scenarios related to changes in floor space regulations, both in terms of whether they would support the following flexibilities, and if they chose to use them, how many more children they would be able to look after:

- Bringing under 2 space requirements in line with 2 year olds
- Including free flow outdoor spaces in requirements
- Removing indoor space requirements

Figure 22 What providers suggest in terms of increasing space



*Note: results may not equal 100% due to rounding.
Unweighted Bases: GBP [n=877], SBP [n=143], CM [n=781]*

⁴⁰ [Early years foundation stage \(EYFS\) statutory framework - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Bringing under 2 space requirements in line with 2-year-olds

Overall, 40 per cent of providers would support bringing under 2 space requirements in line with 2-year-olds, 20 per cent would not support this, and 40 per cent were unsure.

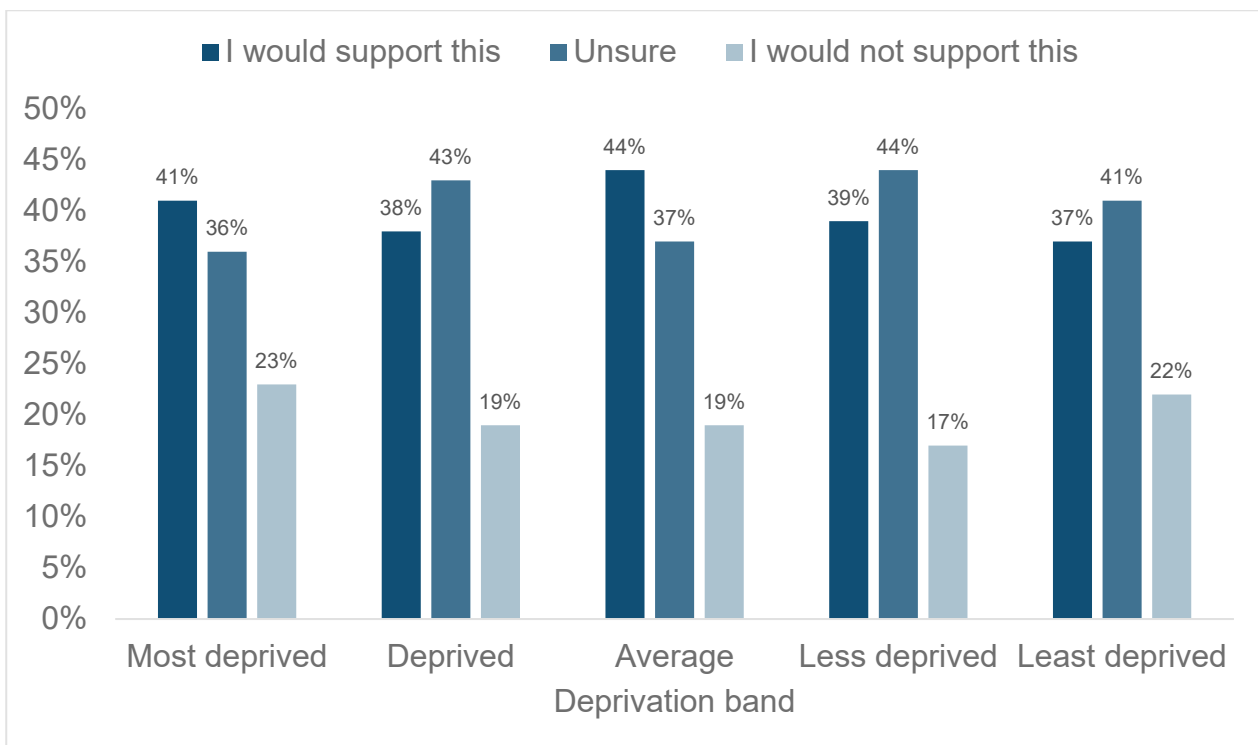
At the provider level, childminders were most likely to support bringing under 2 space requirements in line with 2-year-olds. 33 per cent of group-based providers, 21 per cent of school-based providers, and 51 per cent of childminders said that they supported the idea.

In comparison, 26 per cent of group-based providers, 22 per cent of school-based providers and 12 per cent of childminders did not support the idea, meanwhile 41 per cent of group-based providers, 57 per cent of school-based providers and 37 per cent of childminders were unsure.

Deprivation band

Results were similar across deprivation band, showing no major differences between whether providers support bringing under 2 space requirements in line with 2-year-olds.

Figure 23 Whether providers would support bringing under 2 space requirements in line with 2-year-olds, by deprivation band



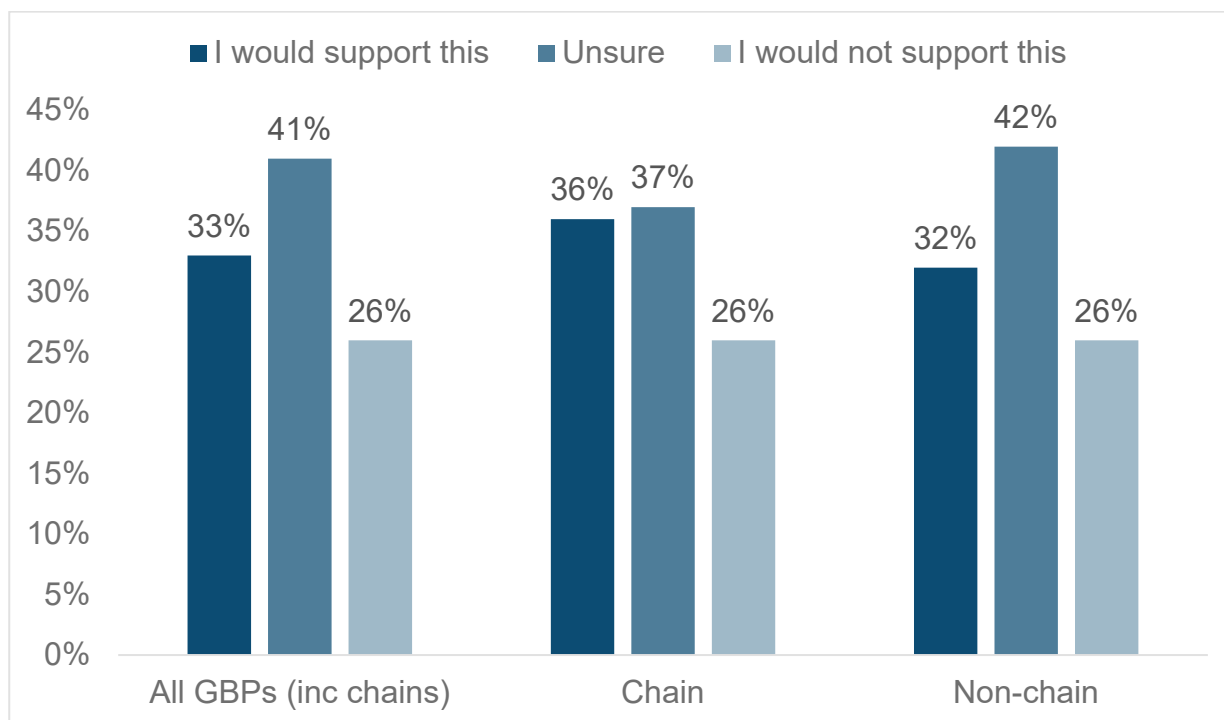
Note: results may not equal 100% due to rounding.

Unweighted bases = most deprived [n=224], deprived [n=296], average [n=436], less deprived [n= 424], least deprived [n= 421]

Chain status

Results were similar across chains and non-chains. Chains were slightly more likely to support bringing under 2 space requirements in line with 2-year-olds (36%) compared to non-chains (32%). Non-chains were more likely to be unsure of the suggestion, compared to chains (42% compared to 37%). An equal proportion of chains and non-chains did not support this suggestion (26%).

Figure 24 Whether providers would support bringing under 2 space requirements in line with 2 year olds, by chain status



*Note: results may not equal 100% due to rounding.
Unweighted bases = All GBPs [n=877], chains [n=112], non-chains [n=765].*

Including free flow outdoor spaces in requirements

Including free flow outdoor spaces in requirements gained the most support from providers out of the space flexibility options presented in the survey.

Overall, 55 per cent of providers demonstrated support for including free flow outdoor spaces in requirements. 17 per cent did not support the idea, and 28 per cent were unsure. We did not define free flow areas in the survey, but they are areas that must be accessible to all children at all times allowing them safe access in all weathers, including having adequate shelter and shade.

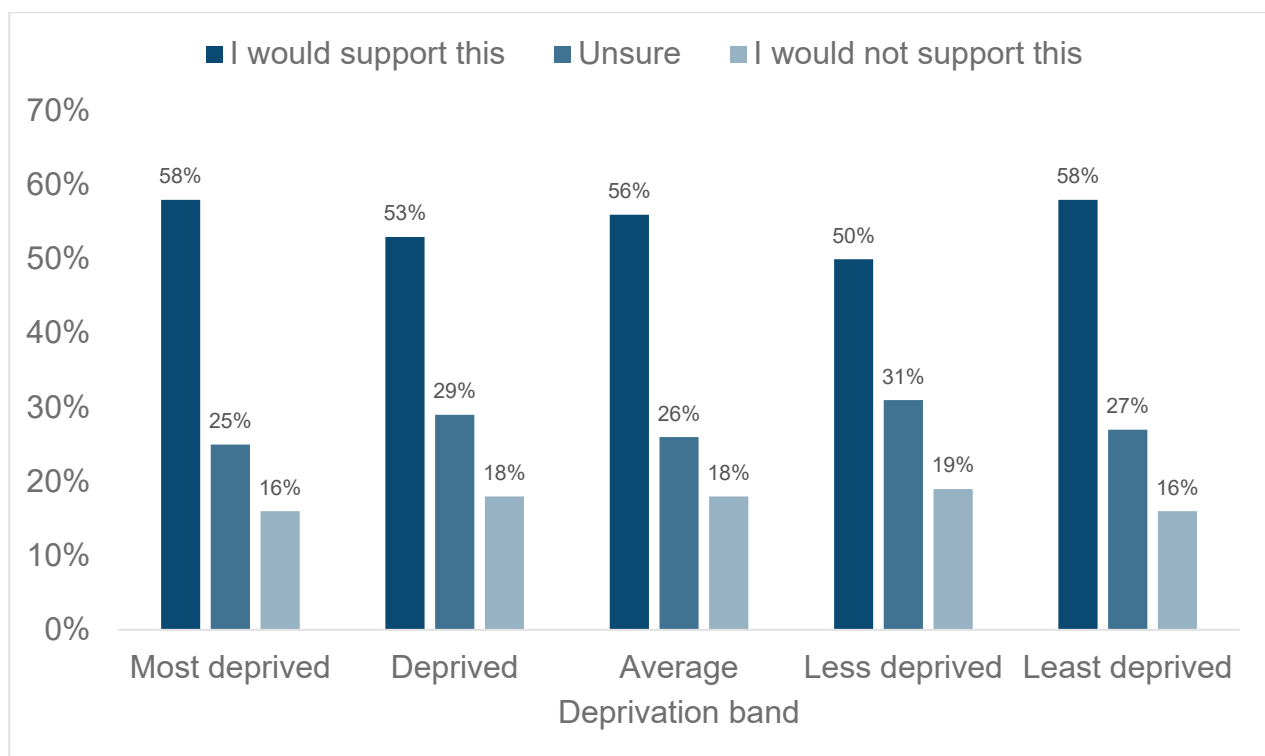
At the provider level, again, childminders were most likely to show support for including free flow outdoor spaces in requirements. 49 per cent of group-based providers, 36 per cent of school-based providers and 65 per cent of childminders supported the idea.

In contrast, 21 per cent of group-based providers, 22 per cent of school-based providers and 13 per cent of childminders did not support the idea. 30 per cent of group-based providers, 43 per cent of school-based providers and 22 per cent of childminders were unsure.

Deprivation band

Results were similar across deprivation bands, showing no major differences between whether providers support including free flow outdoor spaces in requirements.

Figure 25 Whether providers agree with including free flow outdoor spaces in requirements based on deprivation band



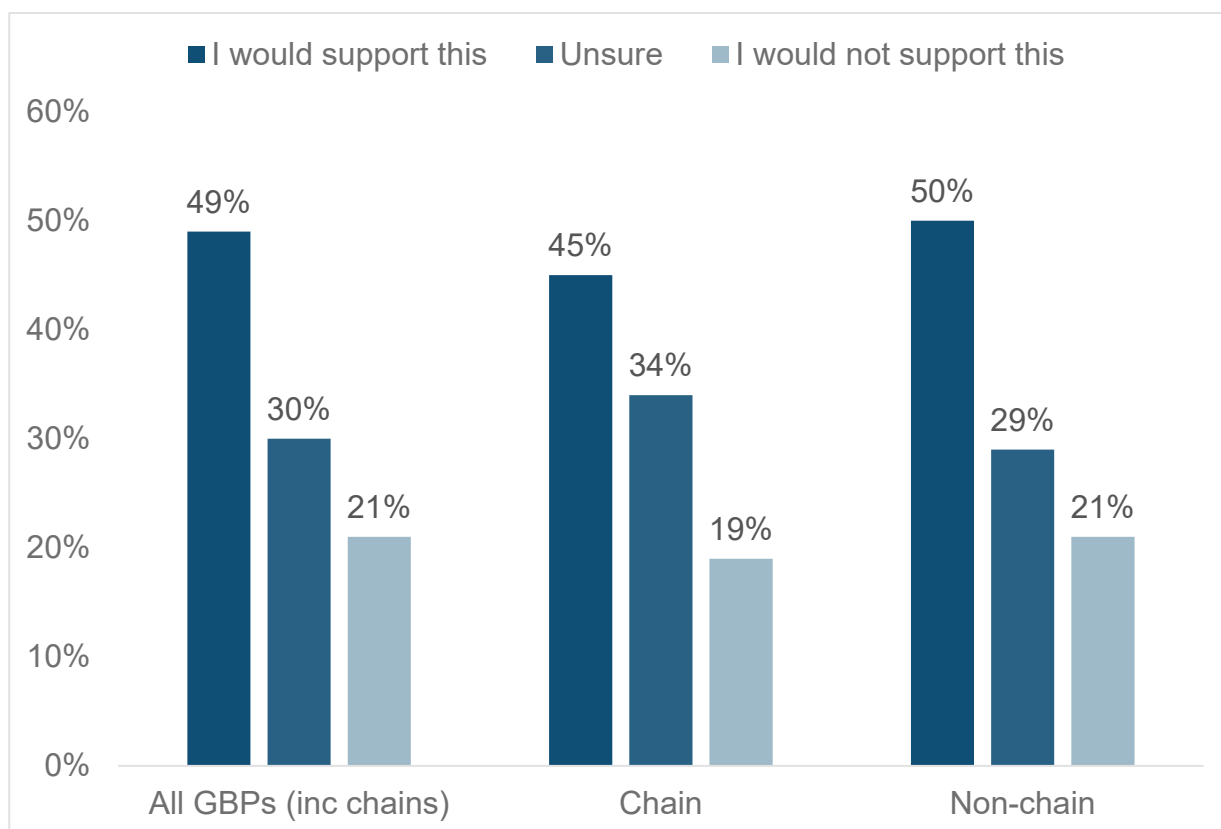
Note: results may not equal 100% due to rounding.

Unweighted bases = most deprived [n=224], deprived [n=296], average [n=436], less deprived [n= 424], least deprived [n= 421]

Chain status

Non-chains were slightly more likely to support including free flow outdoor spaces in requirements (50%) compared to chains (45%).

Figure 26 Whether providers support including free flow outdoor spaces in requirements



*Note: results may not equal 100% due to rounding.
Unweighted bases = All GBPs [n=877], chains [n=112], non-chains [n=765].*

Removing indoor space requirements

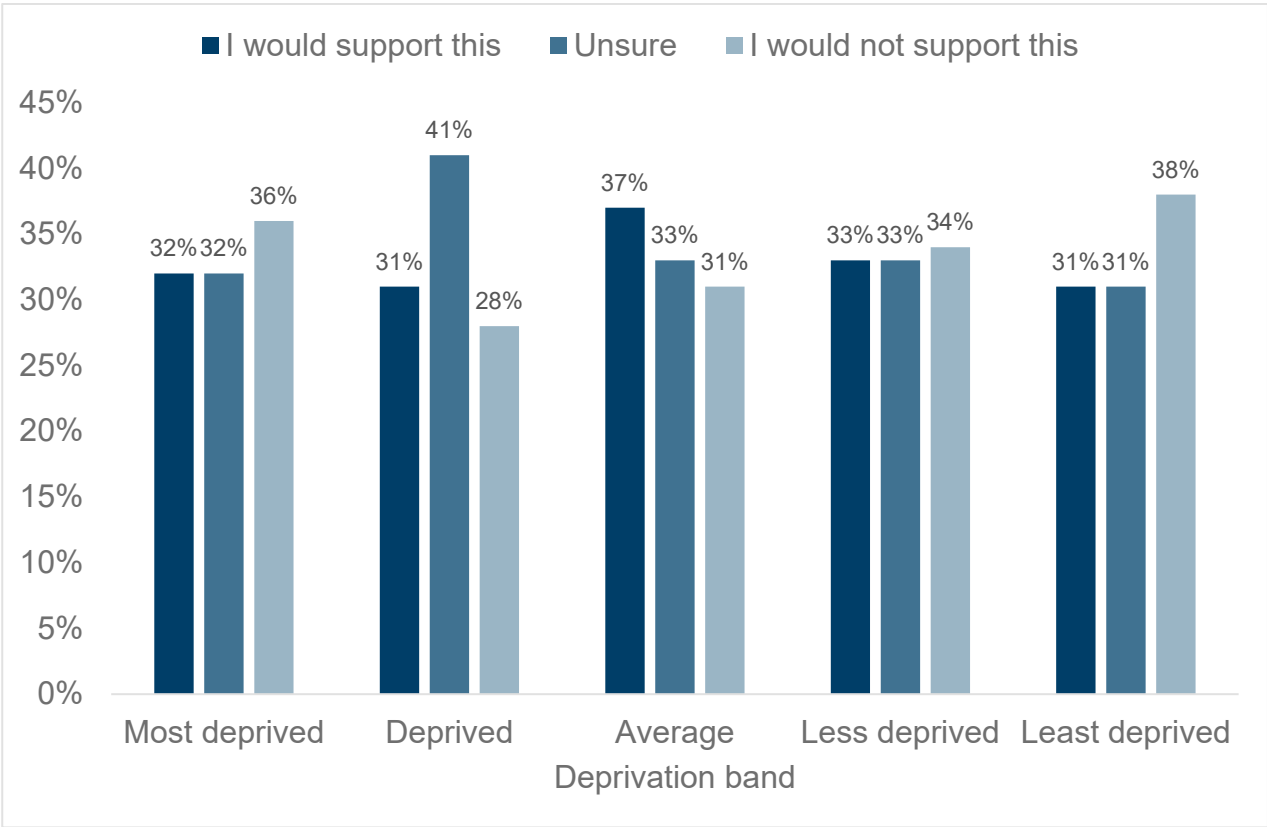
Providers were equally divided on whether they supported removing indoor space requirements or not. 33 per cent of providers said that they would support the idea, 33 per cent would not support the idea and 34 per cent were unsure.

Childminders were most likely to support the idea (42 per cent), followed by group-based providers (27 per cent) and school-based providers (16 per cent). 39 per cent of school based providers, 37 per cent of group-based providers and 28 per cent of childminders said they did not support this idea. 45 per cent of school-based providers, 36 per cent of group-based providers and 30 per cent of childminders providers they were unsure.

Deprivation band

Results were similar across deprivation bands, showing no major differences between whether providers support removing indoor space requirements.

Figure 27 Whether providers support removing indoor space requirements, by deprivation band



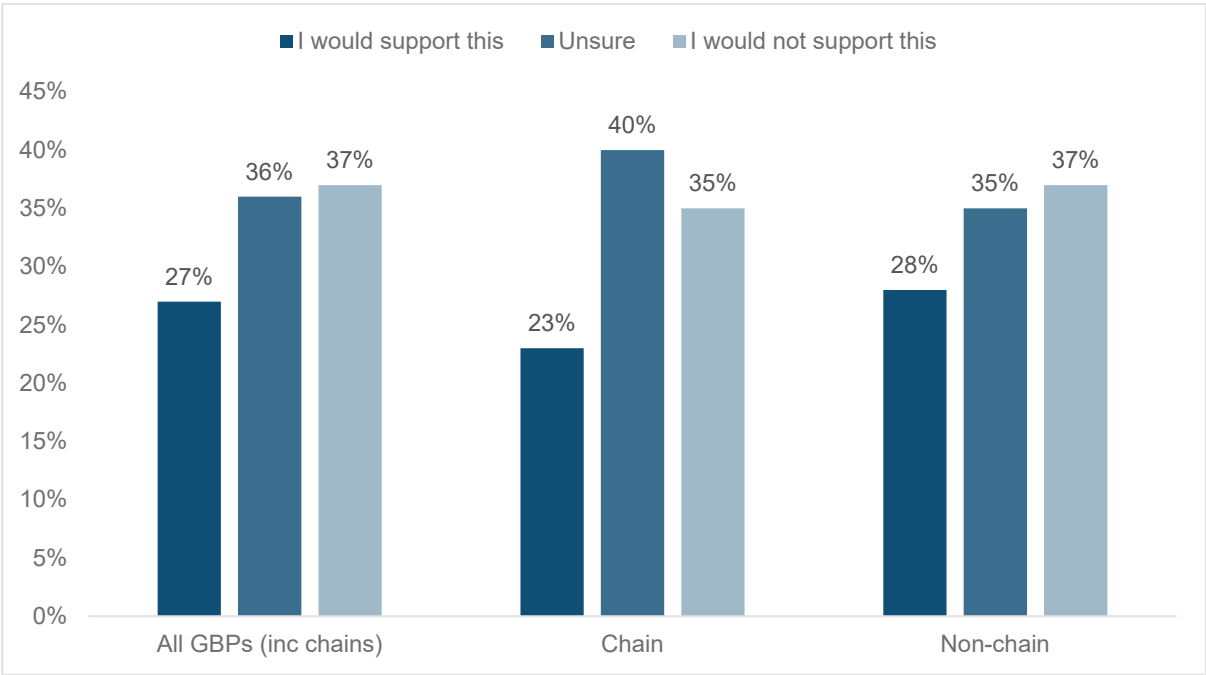
Note: results may not equal 100% due to rounding.

Unweighted bases = most deprived [n=224], deprived [n=296], average [n=436], less deprived [n= 424], least deprived [n= 421]

Chain status

Non-chains were slightly more likely to support removing indoor space requirements (28%) compared to chains (23%). Chains were slightly more likely to be unsure (40%) of their support of the idea compared to non-chains (35%).

Figure 28 Whether providers support removing indoor space requirements, by chain status



Note: results may not equal 100% due to rounding. Unweighted bases = All GBPs [n=877], chains [n=112], non-chains [n=765].

Number of additional places

Providers were asked if regulations were changed how many more children they thought they would be able to look after within their existing floorspace.

If regulations were changed to include free-flow outdoor space in the current space requirements allowance, group-based providers on average would be able to look after an additional 9 children. School-based providers would be able to look after an additional 5 children, and childminders 1 additional child.

If regulations were changed to remove indoor space requirements, group-based providers on average would be able to look after an additional 7 children, school-based providers an additional 3, and childminders 1 additional child.

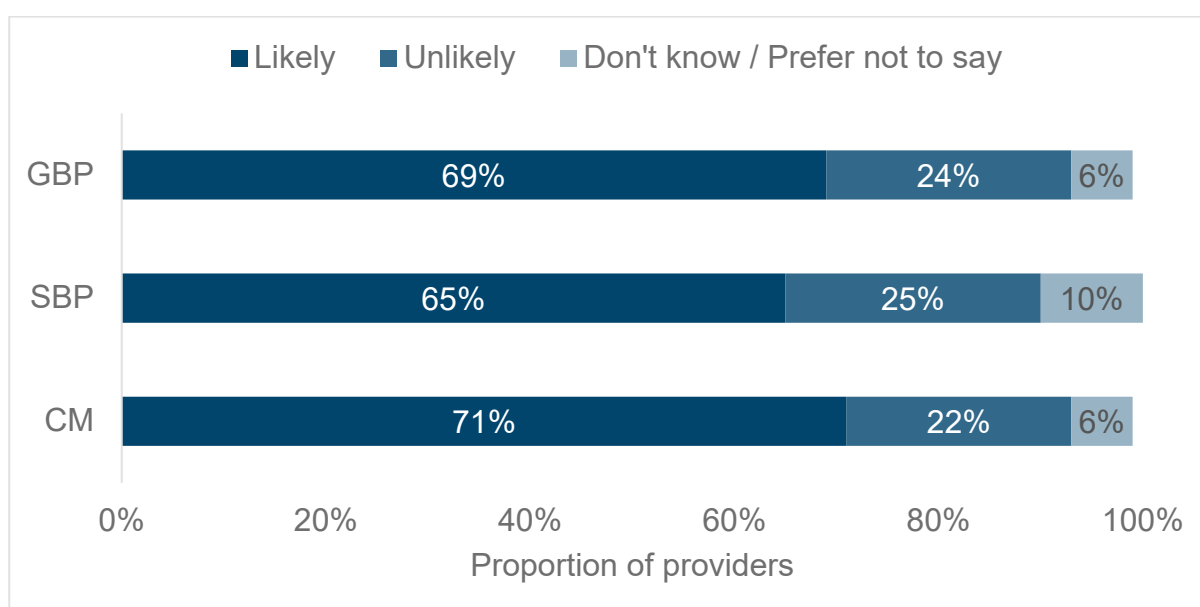
If regulations were changed to bring under 2 space requirements in line with 2-year-olds, group-based providers on average would be able to look after an additional 4 children, compared to school-based providers and childminders who on average would both be able to look after 1 additional child each.

Likelihood of using flexibilities

The majority of providers indicated that they were inclined to use the flexibilities, if available, to look after more children. 70 per cent of providers said that they were either very likely (33 per cent) or somewhat likely (37 per cent) to use the flexibilities. 23 per cent of providers said they were either somewhat unlikely (12 per cent) or very unlikely (12 per cent) to use flexibilities. 6 per cent did not know.

Childminders were the most likely to use the flexibilities (71 per cent), closely followed by group-based providers (69 per cent) and school-based providers (65 per cent). Less than a quarter of childminders (22 per cent), group-based providers (69 per cent) and school-based providers (65 per cent) said they would be unlikely to use flexibilities.

Figure 29 Likelihood of providers using flexibilities



*Note: Due to rounding percentages may not add up to 100%.
Unweighted bases: providers who could look after more children: GBP [n=338], SBP [n=24], CM [n=241]*

Caution: small SBP sample base

Barriers to offering more places

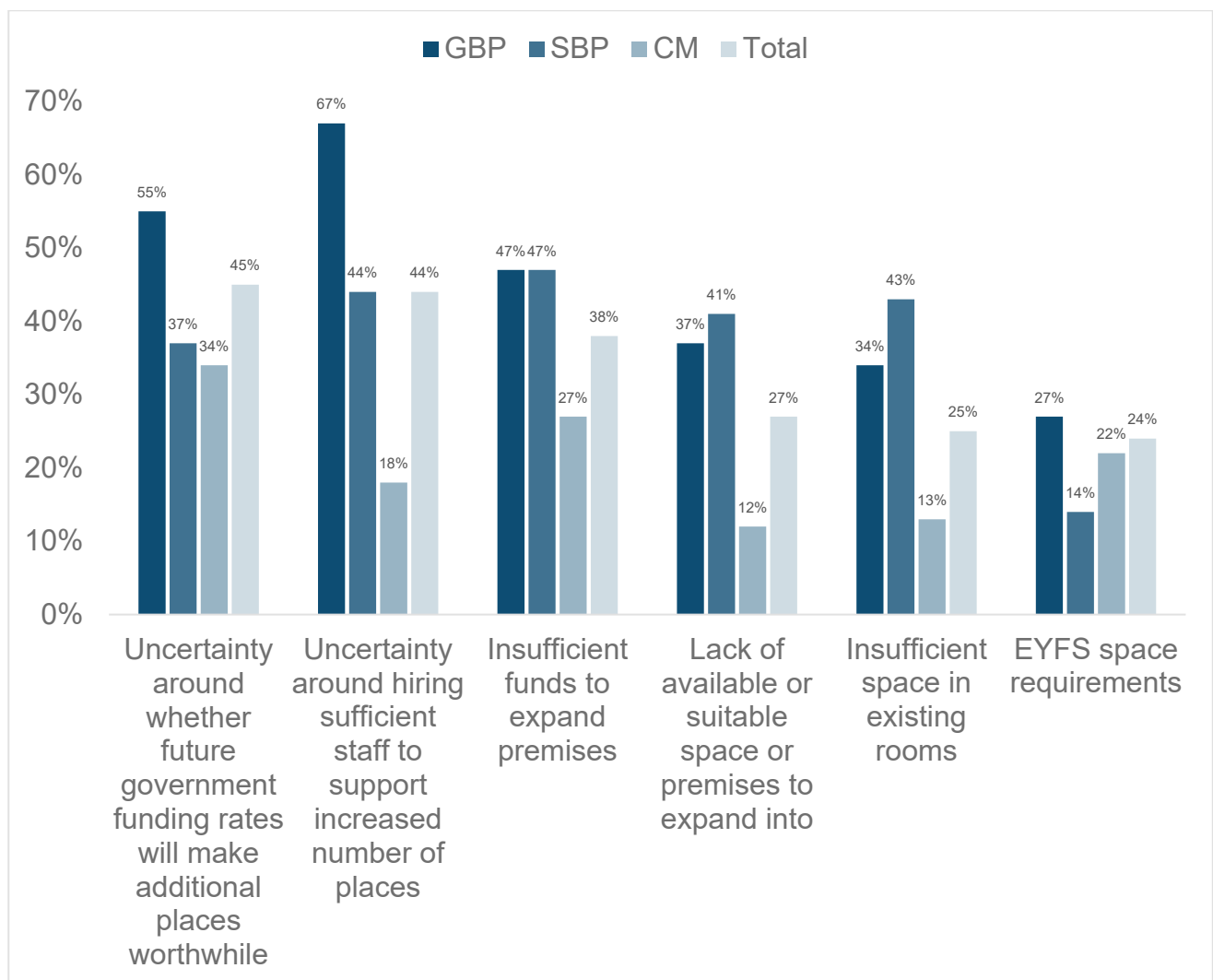
Providers were asked whether they faced any barriers that limit their ability to offer additional places, either through utilising existing space or expanding premises.

Across all providers, uncertainty around whether future government funding rates will make additional places worthwhile (45 per cent) was the most common barrier. However, group-based providers were more likely to find this a barrier (55 per cent) compared to school-based providers (37 per cent) and childminders (34 per cent).

The second most common barrier when considering all providers was uncertainty around hiring sufficient staff to support the increased number of places (44 per cent). This was also the biggest barrier cited by group-based providers (67 per cent). 44 per cent of school-based providers also thought this would be an issue, compared to only 18 per cent of childminders.

The main challenge reported by school-based providers was having insufficient funds to expand their premises (47 per cent). 47 per cent of group-based providers and 27 per cent of childminders also agreed this would be an issue.

Figure 30 Barriers that limit providers' ability to offer additional places



Note: Only the top 6 most common responses are shown, all cited by more than 20% of all providers. Respondents were able to select multiple options, so percentages do not add to 100%. Unweighted Bases: GBP[n=877], SBP [n=143], CM [n=781]

Planning rights

10% of all providers reported that they thought existing planning rights were too restrictive and therefore acted as a barrier to their ability to offer additional places. These providers were asked what their perception of planning rights being restrictive was based on.

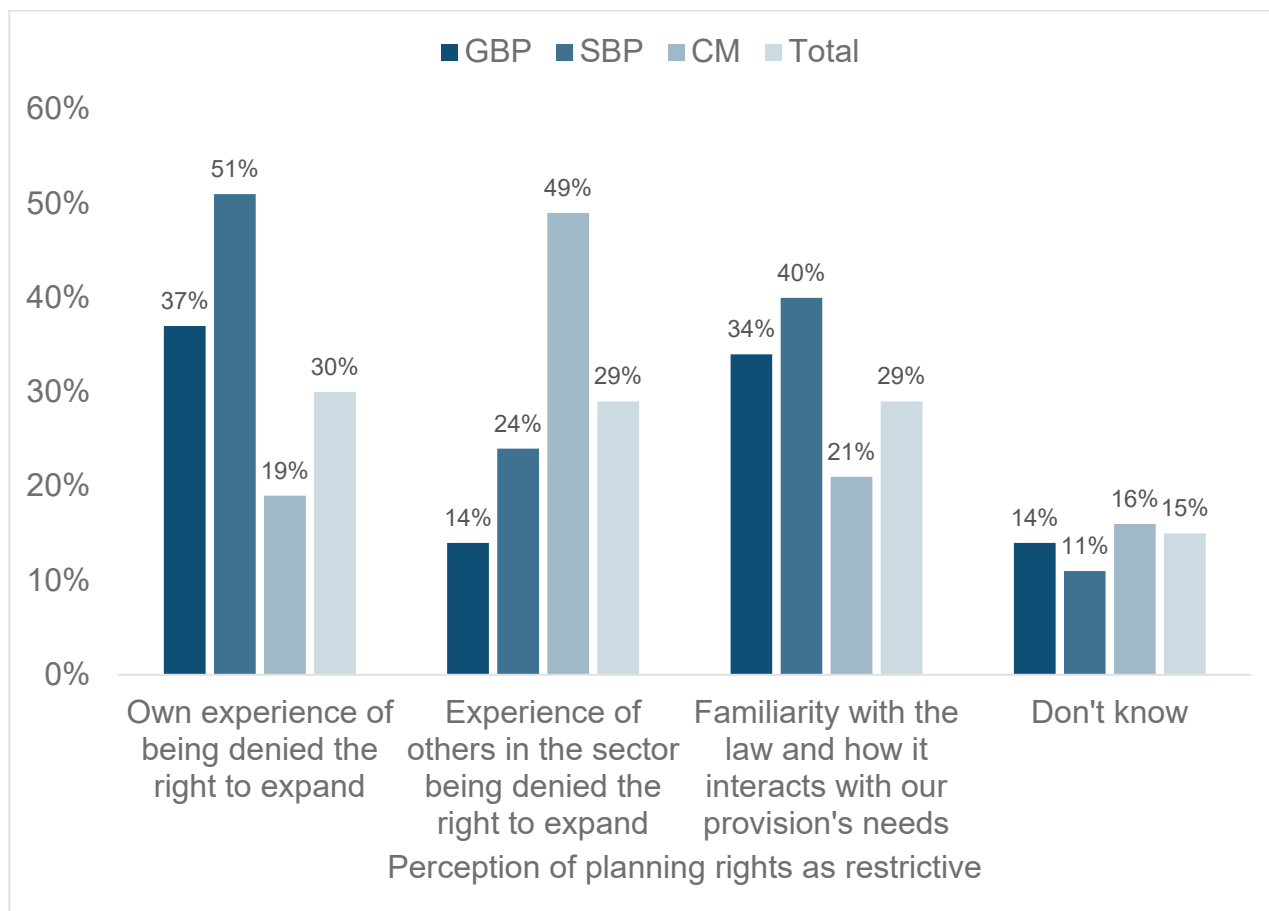
Amongst all provider types, it was most reported that they perceive planning rights as restrictive due to providers' own experience of being denied the right to expand (30 per cent). However, results differ across provider type.

Just over half of school-based providers (51 per cent) reported that they perceive planning rights as restrictive based on their own experience of being denied the right to expand, while over a third of group-based providers (37 per cent) share a similar perspective. Around half of childminders (49 per cent) point to the experience of others in the sector being denied the right to expand.

Additionally, 34 per cent of group-based providers and 40 per cent of school-based providers reported unfamiliarity with the law as a reason for their perception of planning rights being restrictive.

15 per cent of providers overall did not know what this perception was based on.

Figure 31 Reasons why providers' perception of planning rights are restrictive



Note: Some responses were excluded due to their small size. Care should be taken. Respondents were able to select multiple options, so percentages do not add to 100%. Unweighted Bases: if planning rights are restrictive: GBP [n=97], SBP [n=7], CM [n=67] Caution: small SBP sample base.

Expanding premises

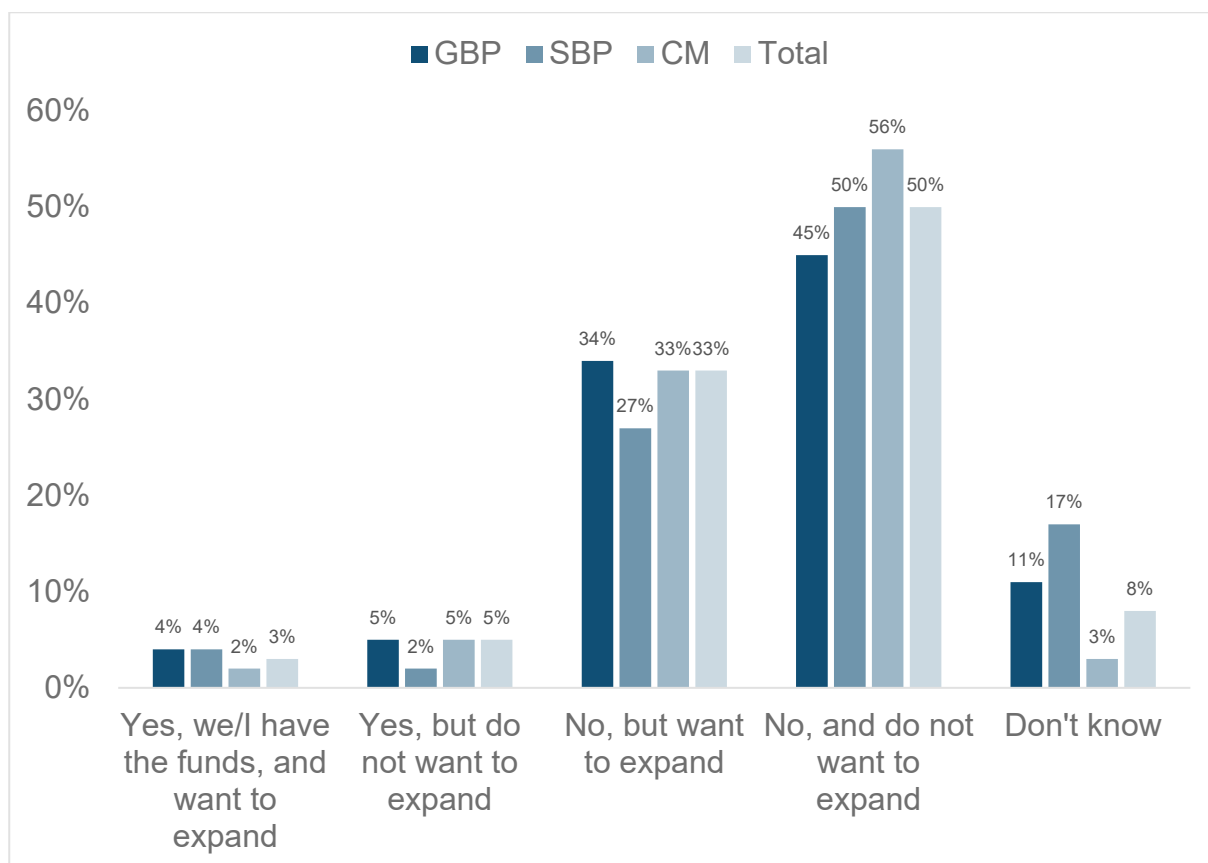
Appetite for expansion and funding

Providers were asked whether they had the funds to pay privately to expand their premises, and whether they would be able to raise the funds privately to pay for an expansion plans.

Around a third of group-based providers (34 per cent) and childminders (33 per cent) expressed a desire to expand but did not currently have the funds to do so, with this inclination slightly lower for school-based providers (27 per cent). Only 4 per cent of group-based providers, 4 per cent of school-based providers and 2 per cent of childminders had the funds available and reported that they want to expand.

School-based providers were most likely to say they were unsure if they had the funds to pay privately to expand their premises (17 per cent), followed by 11 per cent of group-based providers. Only 3 per cent of childminders said they didn't know.

Figure 32 Whether providers have the funds to pay privately to expand their premises

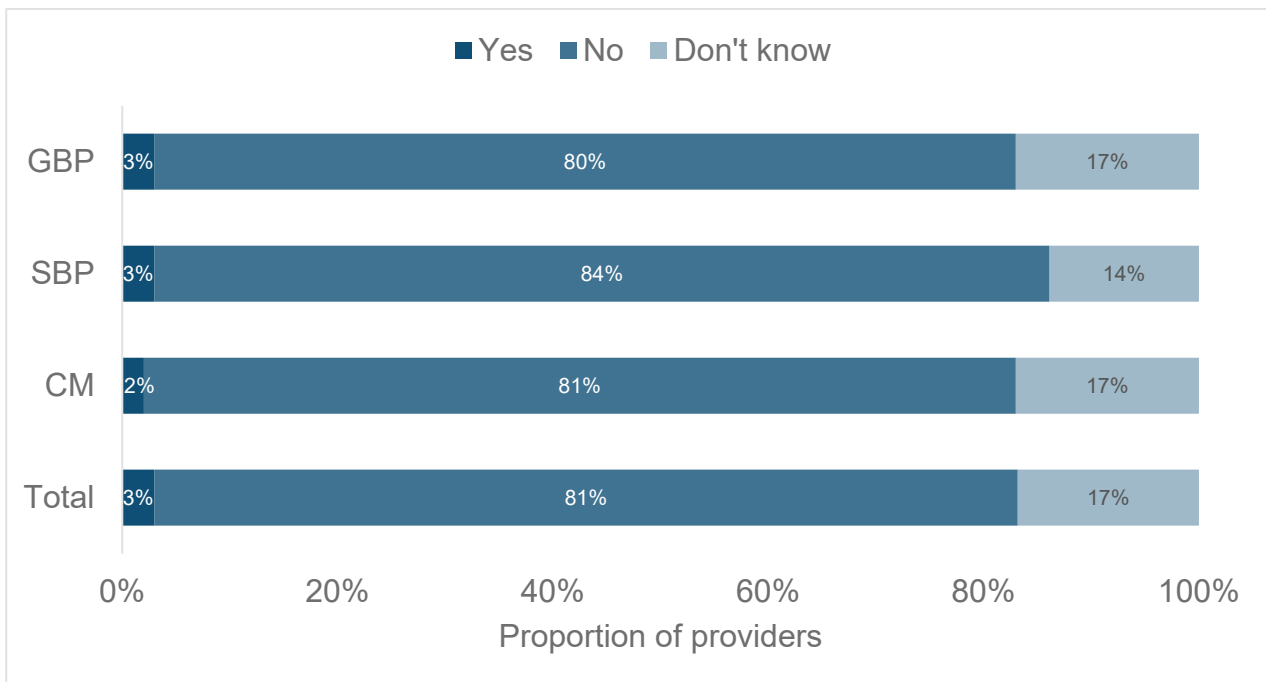


Unweighted Bases: GBP [n=877], SBP [n=143], CM [n=781]

Of the providers who wanted to expand but lacked the funds, 81 per cent said they wouldn't be able to raise funding privately for their expansion plans. Results were similar across provider type.

The majority of providers, however, reported that they did not have the funds, nor did they want to expand. Childminders were most likely to report this (56 per cent), followed by school-based providers (50 per cent) and group-based providers (45 per cent).

Figure 33 Whether providers would be able to raise funding privately to pay for any expansion plans (providers who want to expand, but lack the funds)



*Note: Due to rounding percentages may not add up to 100%.
Unweighted Bases: Providers who want to expand: GBP [335], SBP [43], CM [274]*

Additional places

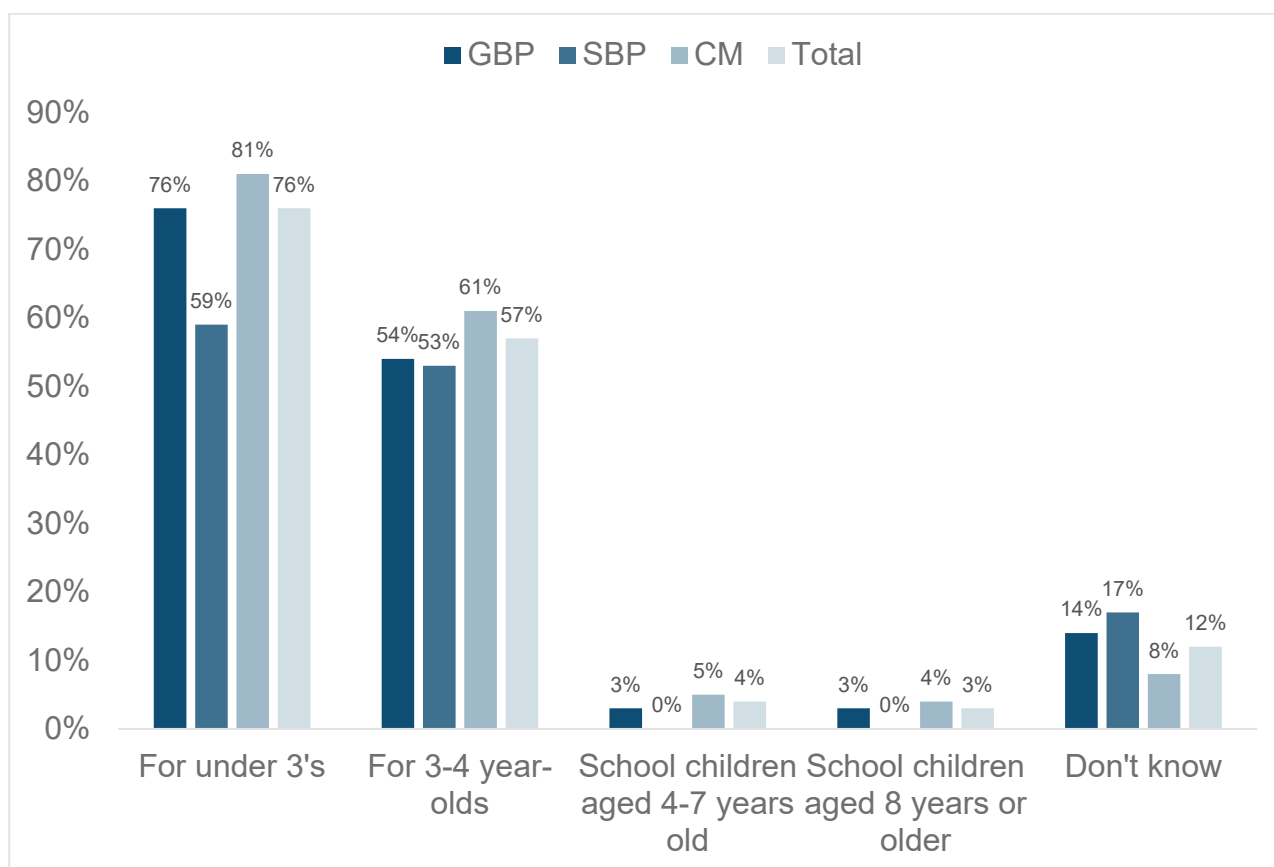
Providers who were not explicitly against expansion were asked if they were to increase their physical space (either by expanding current premises, building entirely new premises, or acquiring new premises), who they would provide places to.

Over three quarters of providers (76 per cent) said if they were to increase their physical space it would be to provide places for under 3's. Childminders were the most likely to report they would provide more places for under 3's (81 per cent), followed by group-based providers (76 per cent). School-based providers were the least likely (59 per cent).

57 per cent of all providers reported they would offer places to children aged 3–4-year-olds, with results similar across provider type. Childminders were most likely to offer places to 3–4-year-olds (61 per cent), with group-based providers and school-based providers showing a similar pattern (54 per cent and 53 per cent, respectively).

14 per cent of group-based providers, 17 per cent of school-based providers and 8 per cent of childminders didn't know who they would provide places for⁴¹.

Figure 34 Which age group providers would provide places for if they increased physical space



Note: Some responses were excluded due to their small size. Respondents were able to select multiple options, so percentages do not add to 100%.

Unweighted Bases: providers who were not against expansion: GBP [n=425], SBP [n=70], CM [n=276]

Places for children with SEND

The majority of providers (67 per cent) reported that any alterations to space requirements would not impact their capacity to provide spaces for children with Special Educational Needs and Disabilities (SEND). Results were similar across provider type.

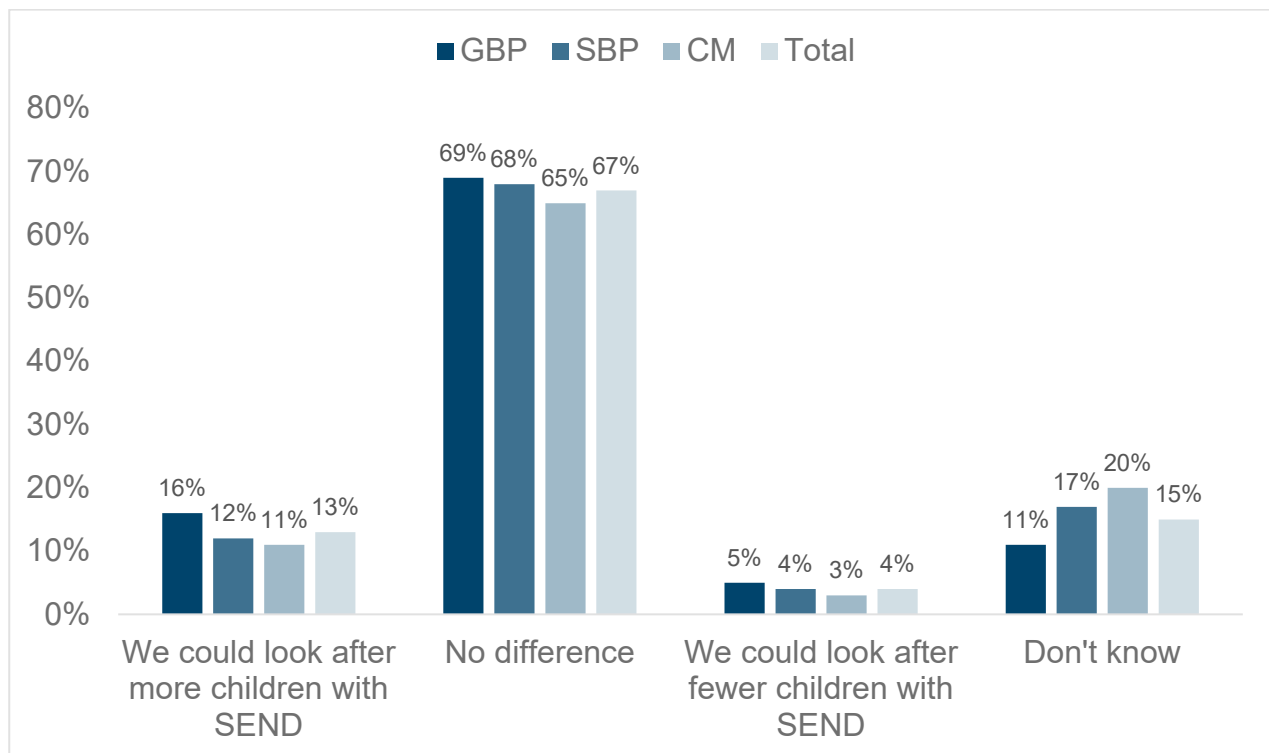
16 per cent of group-based providers, 12 per cent of school-based providers and 11 per cent of childminders said that changes to space requirements would allow them to look

⁴¹ It is important to note as this was a multicode question, providers could select multiple options and did not have to choose between age groups.

after more children with SEND. 11 per cent of group-based providers, 17 per cent of school-based providers and 20 per cent of childminders didn't know.

Overall changes to space requirements were not deemed to have an impact on providers' capacity to care for children with SEND, with over two thirds of providers believing this would have "no difference".

Figure 35 The extent to which changes to space requirements would affect providers' ability to offer places to children with SEND



*Note: Due to rounding percentages may not add up to 100%.
Unweighted Bases: GBP [n=877], SBP [n=143], CM [n=781]*

SEND

The survey aimed to understand how much demand providers received from the parents of children with SEND, and whether providers have had to take any specific actions to meet such demand. According to the 2023 Survey of Childcare and Early Years Providers⁴², 88 percent of group-based providers, 85 per cent of school-based providers and 25 per cent of childminders cared for at least one child with SEND.

Demand

Group-based providers and school-based providers were far more likely to report having demand from parents of children with SEND compared to childminders. 35 per cent of group-based providers and 45 per cent of school-based providers had high levels of demand from parents of children with SEND, compared to 6 per cent of childminders. This is supported by findings from the 2023 Survey of Childcare and Early Years Providers⁴³ which found that “school-based providers had an average of 6 children with SEND and group-based providers had an average of 5 children with SEND (an estimated 16 per cent and 12 per cent of their registered places respectively). Childminders had the lowest proportion of registered places filled by children with SEND (6 per cent).”

Group-based providers were most likely to have moderate demand from parents of children with SEND. 42 per cent of group-based providers, 39 per cent of school-based providers and 17 per cent of childminders reported having moderate demand.

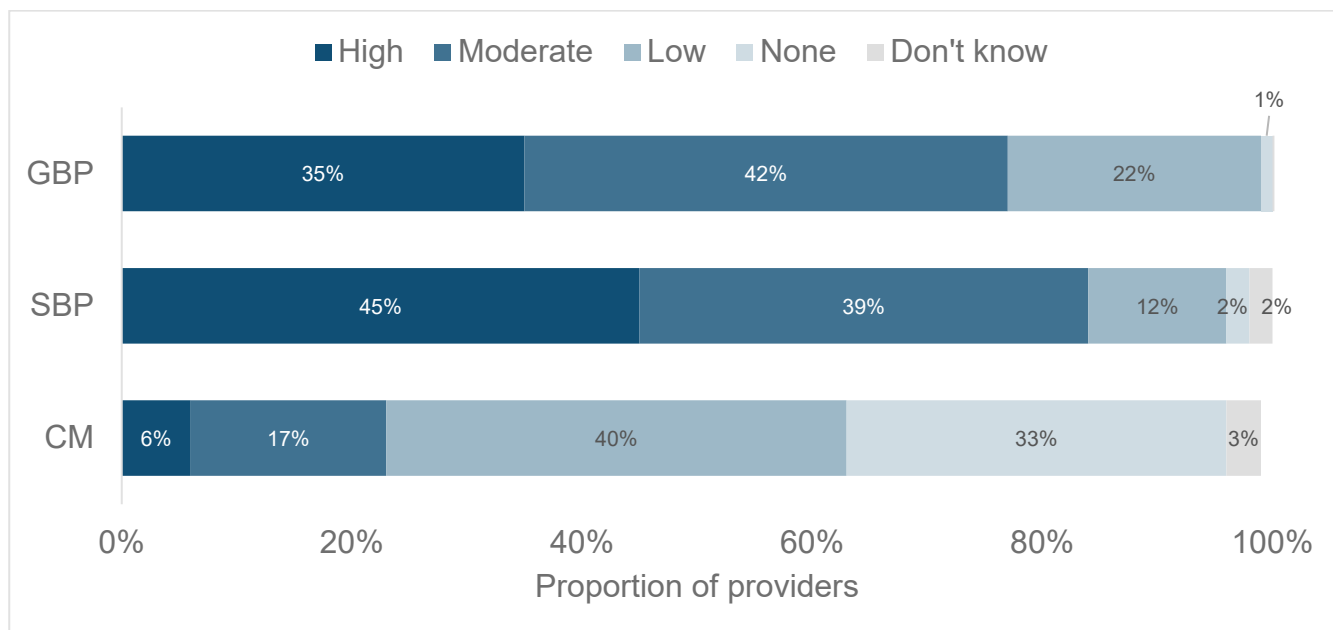
Childminders were most likely to have low demand (40 per cent) compared to group-based providers (22 per cent) and school-based providers (12 per cent).

Less than 1 per cent of group-based providers and only 2 per cent of school-based providers said they had no demand from parents of children with SEND. In comparison, 33 per cent of childminders said they had no such demand.

⁴² [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk)

⁴³ [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk)

Figure 36 Demand from parents of children with SEND



Note: some responses were excluded due to small sample sizes. Due to rounding percentages may not add up to 100%.

Unweighted Bases: GBP [n=877], SBP [n=143], CM [n=781]

Turning away children with SEND

77 per cent of childminders had not had to turn away children with SEND or offer reduced hours, compared to 55 per cent of group-based providers and 42 per cent of school-based providers. 16 per cent of childminders had had to turn away children with SEND or offer reduced hours *and still have to*, compared to 34 per cent of group-based providers and 36 per cent of school-based providers.

6 per cent of group-based providers, 6 per cent of school-based providers and 1 per cent of childminders have had to previously turn children with SEND away or offer reduced hours, *but no longer have to*.

Providers who said they have had to turn children with SEND away were asked what the reasons for this were.

Group-based providers were most likely to say that funding rates are not sufficient to meet the additional needs of children with SEND (58 per cent), alongside not having enough staff to deliver appropriate care (58 per cent). Similarly, school-based providers were likely to say that they have had to turn children with SEND away due to not having enough staff to deliver appropriate care (59 per cent) or funding rates not being sufficient (57%).

44 per cent of childminders were likely to say that funding rates were not sufficient to meet the additional needs of children with SEND. 45 per cent of childminders said a reason for turning children with SEND away was because they needed to employ an assistant but could not do this or did not want to.

Table 2 Reasons providers have had to turn children with SEND away

| Reasons for turning children with SEND away: | Group-based providers | School-based providers | CMs |
|--|------------------------------|-------------------------------|------------|
| Funding rates not sufficient to meet the additional needs of children with SEND | 58% | 57% | 44% |
| Not have enough staff to deliver appropriate care | 58% | 59% | n/a |
| Cannot/Could not afford to deliver appropriate care | 47% | 54% | 28% |
| Do/did not feel able to keep the child/children safe | 41% | 46% | 37% |
| Do/did not have the equipment/resources to meet the child's/children's needs | 27% | 41% | 43% |
| I need to employ an assistant but cannot/could not do this, or do/did not want to | n/a | n/a | 45% |

For those providers who gave multiple reasons for turning children away, overall funding rates not being sufficient to meet the additional needs of children with SEND was cited as the largest barrier (54 per cent of providers).

Local Authority support for children with SEND

The survey asked how supported providers felt by their Local Authority in meeting the needs of children with SEND. Overall, 59 per cent of providers felt either “very supported” (17 per cent) or “somewhat supported” (41 per cent), compared to 25 per cent of providers who felt either “not very supported” (18 per cent) or “not supported at all” (7 per cent). 14 per cent of providers didn’t know how supported they felt.

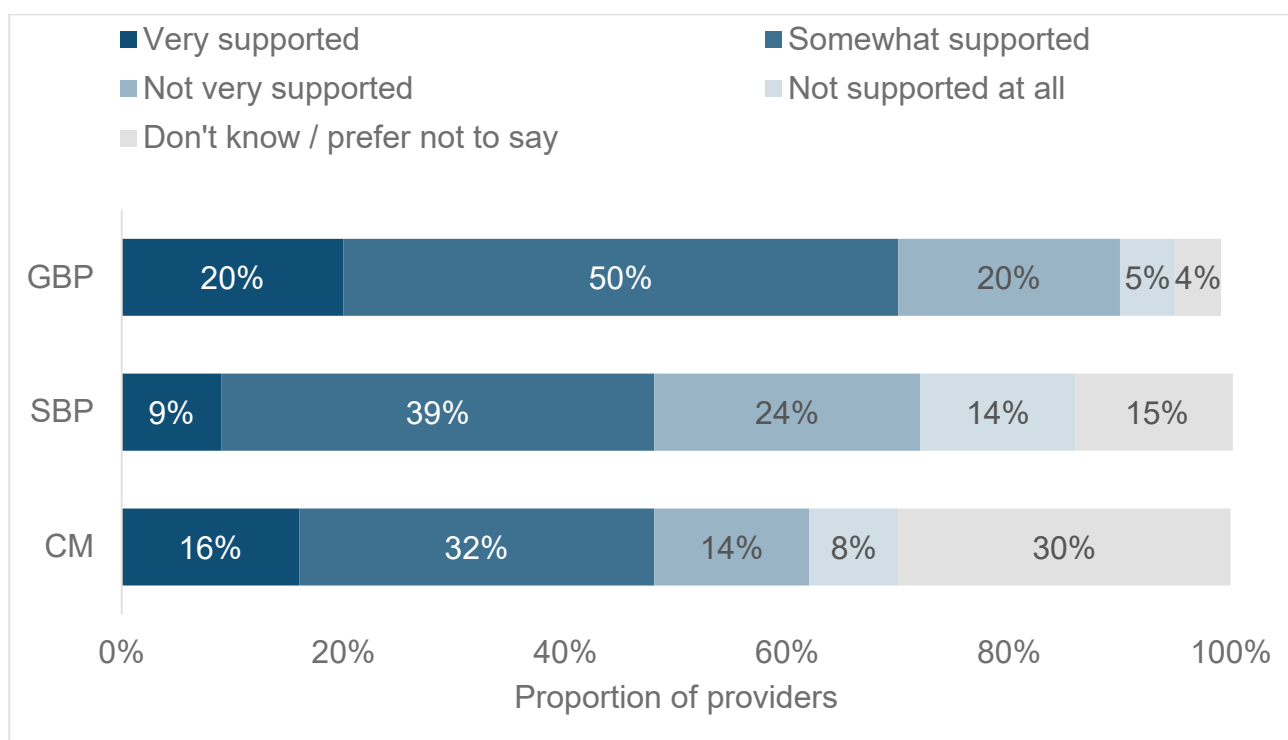
At the provider level, group-based providers were the most likely to feel supported by their Local Authority, with 70 per cent saying they feel either “very supported” (20 per cent) or “somewhat supported” (50 per cent). 25 per cent of group-based providers said they did not feel supported, with 20 per cent saying reporting they felt “not very supported” and 5 per cent saying they felt “not supported at all”.

An equal proportion of school-based providers and childminders (48 per cent) said overall, they felt supported (either “very”, or “somewhat”). However, childminders were

more likely to feel “very supported” (16 per cent) compared to school-based providers (9 per cent), whereas school-based providers were slightly more likely to feel “somewhat supported” (39 per cent) than childminders (32 per cent).

A greater proportion of school-based providers, however, felt not supported (37 per cent) compared to childminders (22 per cent). This is in part due to a greater proportion of childminders saying they “don’t know” (27 per cent) compared to school-based providers (7 per cent).

Figure 37 How supported providers feel by their Local Authority in meeting the needs of children with SEND



*Note: Due to rounding percentages may not add up to 100%.
Unweighted Bases: GBP [n=877], SBP [n=143], CM [n=781]*

The SEN Inclusion Fund

Local authorities need to have a Special Educational Needs Inclusion Fund (SENIF) for all children with special educational needs (SEN) who are taking up the free entitlements. Local authorities should target SENIFs at children with lower level or emerging SEN. These funds are intended to support providers to address the needs of individual children with SEN.

Providers were asked how easy or difficult they found the process of applying for and receiving the SENIF.

Applying for

Overall, providers found it more difficult than easy to apply for the SENIF. 39 per cent of group-based providers, 32 per cent of school-based providers and 8 per cent of childminders found it difficult. This compares to 27 per cent of group-based providers, 17 per cent of school-based providers and 6 per cent of childminders who found the process easy.

However, childminders were far less likely to have applied for the SENIF compared to group-based providers and school-based providers, with the majority (83 per cent) saying they have never applied, compared to 16 per cent and 31 per cent (group-based providers and school-based providers, respectively).

Receiving

Providers were divided in terms of their views on the ease of the process for receiving the SENIF. An almost equal proportion of group-based providers reported that they found it easy (30 per cent) compared to difficult (31 per cent). School-based providers were more likely to find it difficult (26 per cent) rather than easy (15 per cent).

22 per cent of group-based providers, 26 per cent of school-based providers and 4 per cent of childminders found the process of receiving the SENIF “neither easy nor difficult”.

Initial Teacher Training

The department is exploring the considering how to introduce early years degree apprenticeships, where an apprentice will gain a full undergraduate early year's degree with early years teacher status.

As part of this apprenticeship, they would spend most of their time working, with 20-30 per cent of their time studying for the degree, over a period of 3 years. Once qualified, they can then work in the 1:13 ratio for 3- and 4-year-olds.

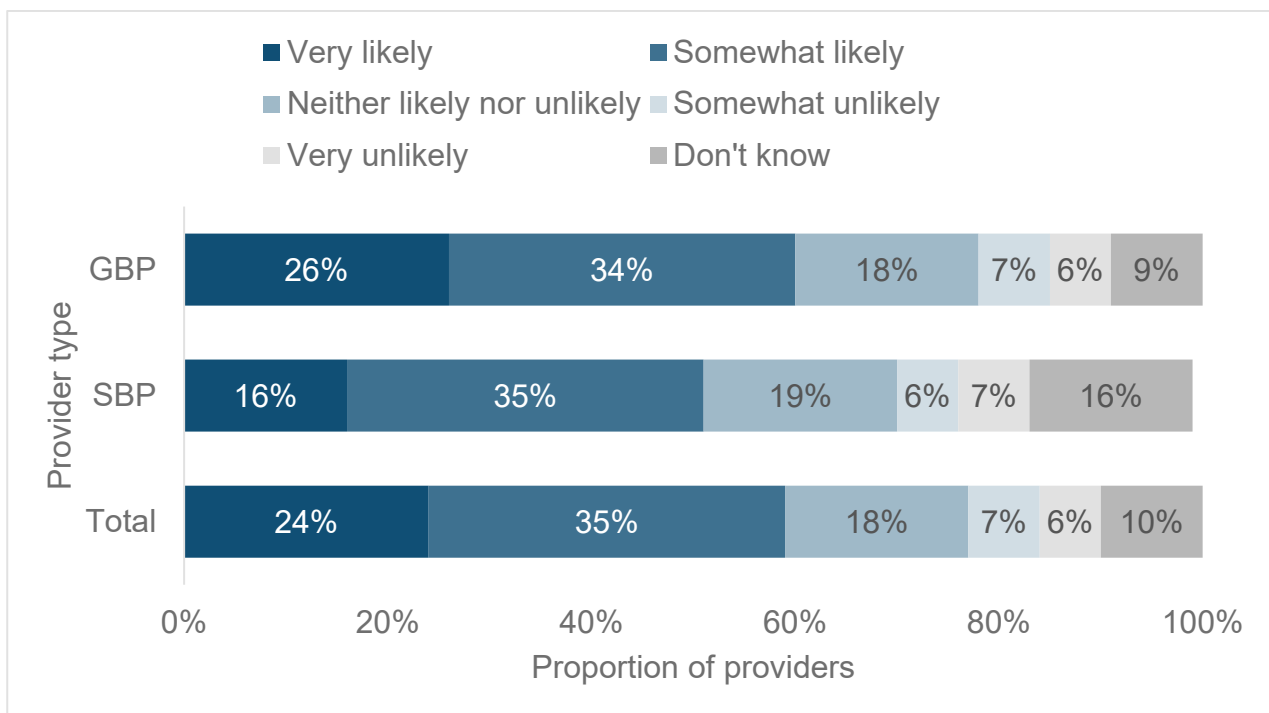
Group-based and school-based providers were asked how many staff they had qualified to at least Level 3 but below Level 6 and therefore eligible for the apprenticeship. Group-based providers had on average 8 staff qualified to these levels, whilst school-based providers had on average 5.

Overall, providers thought 18 per cent of their staff qualified to at least Level 3 but below Level 6 would consider a degree level apprenticeship leading to early years status if the department offered this. For school-based providers this was slightly higher at 23 per cent, compared to 17 per cent at group-based providers⁴⁴.

Providers said they were more likely than not to employ someone on this apprenticeship if it existed; 60 per cent of group-based providers and 52 per cent of school-based providers said they were likely to, compared to 13 per cent of both group-based providers and school-based providers who said they were unlikely.

⁴⁴ The percentage of staff qualified to at least Level 3 who would consider a degree level apprenticeship leading to early year teacher status was calculated by dividing the mean number of staff qualified to Level 3 who would consider the apprenticeship by the mean number of members of staff qualified to at least Level 3 but below Level 6

Figure 38 How likely providers would be to employ someone on the early years degree level apprenticeship



*Note: Due to rounding percentages may not add up to 100%.
Unweighted Bases: GBP [n=877], SBP [n=143]*

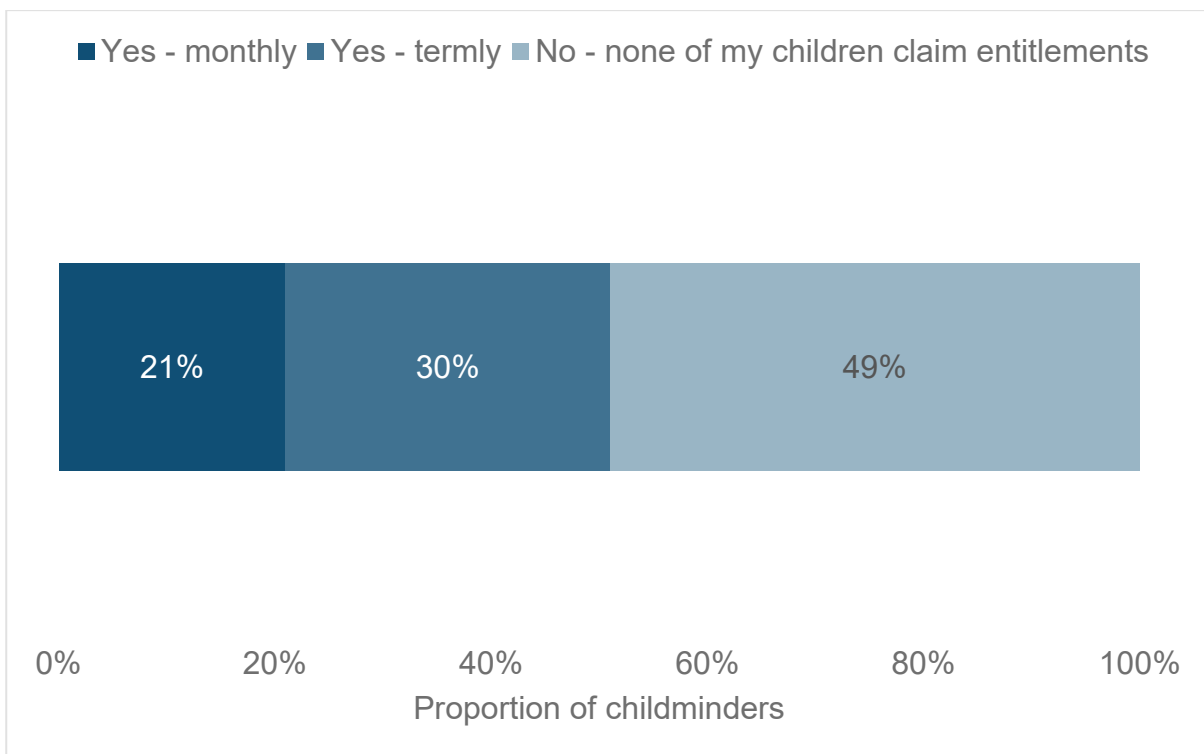
Childminders

The survey finished with questions asking childminders about their payment schedules, what support they would like to see, and whether they have any intentions to leave the childminding profession.

Payment schedules

51 per cent of childminders reported they had children on entitlement places, of whom 21 per cent were paid monthly and 30 per cent were paid termly. 49 per cent of childminders did not have any children who claimed entitlements.

Figure 39 Whether childminders have children on entitlement places, and their payment schedule if so



Unweighted Base: All childminders [781]

54 per cent of childminders with children on entitlements were happy with their payment schedule, while 42 per cent were not. 4 per cent said they didn't know.

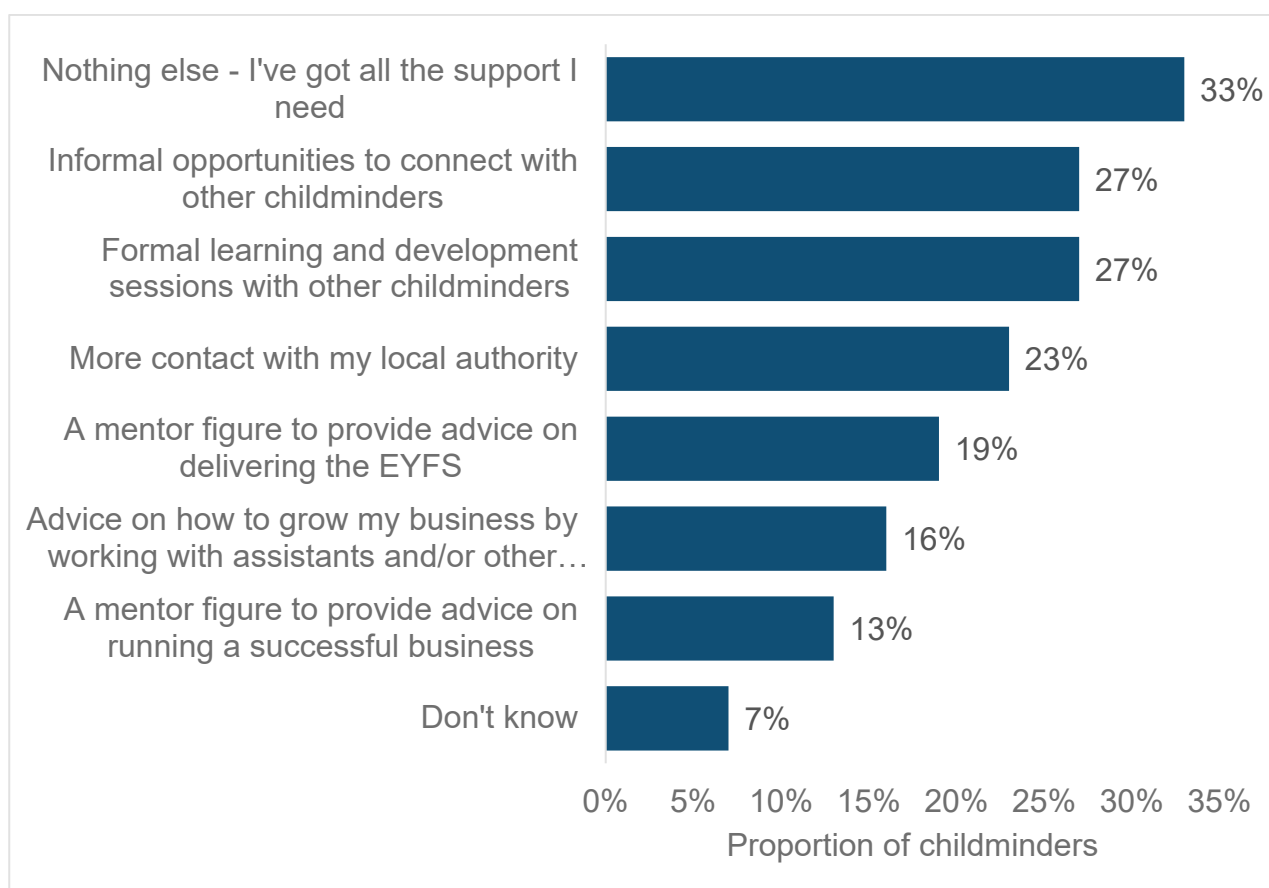
Almost half (48 per cent) of childminders with children on entitlements said that the timing of LA payments makes it harder for them to run their business.

Opportunities for support

Childminders were asked what additional opportunities they would find useful for supporting them in their role as a childminder. 33 per cent believed they did not require any additional support, believing they “have all the support they need”.

27 per cent of childminders said informal opportunities to connect with other childminders would be useful, with an equal proportion supporting “formal learning and development sessions with other childminders”.

Figure 40 Opportunities childminders would find useful for supporting them in their role as a childminder



*Note: Some responses were excluded due to their small size. Respondents were able to select multiple options, so percentages do not add to 100%.
Unweighted Base: All childminders [776]*

Of those childminders who selected multiple opportunities, when asked what would be the most important, 20 per cent thought this would be “formal learning and development sessions with other childminders”. This was followed by “informal opportunities to connect with other childminders” (18 per cent).

Intention to leave the profession

Overall, 61 per cent of childminders are considering leaving the profession at some point. 34 per cent are considering leaving within the next three years (11 per cent in the next year, 24 per cent in the next two-three years). 39 per cent said they were not considering leaving the profession.

New childminder registration flexibilities

In August 2023, the Department for Education announced new flexibilities regarding raising the total number of people (other childminders and assistants) that can work together under a childminder's registration from 3 to 4.

14% of childminders said they are likely to work with more people because of the new flexibilities, meanwhile 9% said they would spend more time working on non-domestic premises⁴⁵.

⁴⁵ However, caution should be taken when interpreting these results as there was an error in the original question childminders were asked. The original question asked:

“Finally, in August, the Department for Education raised the total number of people (other childminders and assistants) that can work together under a childminder's registration from 3 to 4.”

However, the department *did not raise* the number in August, but rather only *announced* the changes in August and is currently preparing to make the changes in 2024. A correction statement was issued, however only 4 childminders saw the amended question compared to 777 who saw the original, incorrect statement.



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