



Here for young people
Here for communities
Here for you

Training for the Future

Qualifications in
Early Years Education

May 2025



Everyone should have a fair chance to discover who they are and what they can become.

About YMCA

YMCA believes in fairness and opportunity. There are essential building blocks for a full and rewarding life: a safe home; acceptance; guidance; friendship; physical and mental health; academic support; employment skills; and access to real opportunities. Many young people have never known these things; other people have lost one or more as they grew up, but we all need them. All of us. At YMCA, we provide these critical foundations for a fresh, strong start for young people and a better quality of life in the community.

YMCA is the largest charity provider of Early Years Education across England. We work with 6,533 children each year across 63 childcare settings and help them take their first step, speak their first word and ultimately have a transformative effect on their path into adulthood. We particularly work in low income communities where families face multiple vulnerabilities and often need the greatest support.

Summary

Early years education is on the precipice of its highest demand in years as children aged 9 months and above of working parents will be offered 30 funded hours as of September 2025. To ensure that parents now and in the future are able to access funded hours, the early years workforce must be strengthened – and for entrants to hold relevant qualifications to count towards essential staff-to-child ratios required for children of different ages.

Yet the number of qualifications in this subject are in decline, this report examines. While the number of apprenticeship qualifications has risen in recent years, Level 3 achievements overall have fallen 28% from the 2018/19 academic year to 13,993 in 2023/24. In higher education, a 33% fall in university degree achievements from 2019/20 to 2,785 in 2023/24 has voided the growth in the subject during the late-2010s (2,790 in 2014/15). The 7,290 enrolments in early-years related degree subjects in 2023/24 is the lowest in a decade. This reduction of qualified staff puts implementation and continued access to these expanded funded hours for families in jeopardy.

The new Government must realise that delivering this almost-universal childcare can only come through substantial financial intervention to a sector that has struggled with operational viability over the last several years, and particularly with recruitment and retention of qualified staff.

Background

In March 2023 the previous Government announced 30 funded hours for children of working parents aged 2-and-under. This announcement was a significant undertaking and its ambition for delivery was set out in a number of stages: the first from April 2024 with the introduction of 15 funded hours for 2-year-olds; followed with an expansion in September 2024 of this provision to 9-month-olds; culminating in September 2025 with the increase of the number of funded hours from 15 to 30 for all 9-month to 2-year-olds of working parents.

These plans have been continued by the new Government, despite much talk of ongoing public finance challenges. As admirable as the plan is to make childcare more affordable, for more children to attend nurseries and for parents to return to work, the current landscape of the sector must be considered.

Many operators within early years have had a difficult several years. Government funding rates providers received for children with eligibility for funded hours (either for disadvantaged 2-year-olds and for 3-and-4-year-old children of working parents) were lower than the cost of delivering childcare, acutely outpaced by inflation rises and increases to the National Living Wage. Settings struggled with recruitment and retention of staff as they were unable to offer competitive wages,

particularly compared to outside the sector. Between 2020 and 2023 there was a 2.2% decrease in staff working in private, voluntary and independent (PVI) early years settings, representing a loss of 5,700 staff.¹

While the funding rates the Government has now set for children of working parents aged 9 months to 2 years are more generous than historic rates for disadvantaged 2-year-olds, there has already been a loss of staff in the sector to deliver these extra places. To deliver the expanded funded hours to families from September 2025, the sector will need a sustainable supply of workers both now and into the future.

Childcare staff shortages

YMCA previously estimated that there would need to be a 13.2% increase in qualified staff compared to 2023 levels (347,300) for the full rollout in September 2025, using the Department for Education's figures on eligibility and anticipated take-up rates.²

The Department for Education has since estimated the need for 40,000 additional staff from September 2025, representing an 11.5% increase.³ In terms of the projected increases required at the prior stages of implementation, the Department for Education estimated that 4,000 additional staff would be required in April 2024 and rising to 9,000 in September 2024, both compared against 2023 staffing levels.

As far as can be ascertained in the Department for Education's methodology, these estimates are made without taking into account current staff leaving the sector. In the 2023 Department for Education survey of childcare providers, 51% of group-based providers and 42% of school-based providers stated that between 1-3 members of staff who worked directly with children have left employment at their setting within the last 12 months.⁴ More encouragingly however, in 2024 group-based providers lost 40,200 paid childcare staff, but recruited 58,900.⁵

The previous Government introduced measures to drive recruitment in the sector, such as a pilot scheme offering a £1,000 cash sign-on bonus in selected local authorities from April 2024.

¹ UK Government, [Education provision: children under 5 years of age](#), 15 August 2023

² YMCA England & Wales, [Early Years Expansion: The challenge to deliver](#), December 2023

³ Department for Education, [Spring Budget 2023 Childcare Expansion: Policy costing information note \(update\)](#), 19 April 2024

⁴ Department for Education, [Pulse Survey of Childcare and Early Years Providers: Research report](#), April 2024

⁵ Department for Education, [Childcare and early years provider survey](#), 12 December 2024

Recruitment in the sector has seemingly turned around over the last year: the Department for Education's 2024 iteration of its childcare provider survey recorded a 6% annual increase in childcare provider staff, with 20,200 additional personnel in the sector (the 22,600 additional staff in school- and group-based providers was offset by 2,300 fewer childminders year-on-year).⁶ As at these figures recorded in Summer 2024 – the most up-to-date figures available – there were 19,200 vacancies that needed to be filled as per the Department for Education's predictions ahead of the full rollout of expanded funded hours in September 2025.

Funded hours expansion: Timeline

March 2023 Government announces expansion plans for funded childcare to 30 hours per week for children of working parents aged 9 months to 2 years as part of spring budget

| | | |
|-------------------------|--|---|
| Summer 2023 | 347,300 early years staff recorded – a 4% annual increase | 40,000 extra childcare staff needed before September 2025 – an 11.5% increase |
| February 2024 | Department for Education launches “Do something big” recruitment campaign for early years jobs | |
| April 2024 | 2-year-olds entitled to 15 hours of childcare | |
| Summer 2024 | 368,100 early years staff recorded – a 6% annual increase | 19,200 extra childcare staff needed – a 5% increase |
| September 2024 | 9-months and older entitled to 15 hours of childcare | |
| Where we are now | Some early years providers are still struggling with recruitment and retention of qualified and suitable staff | |
| September 2025 | 9-month-olds to 2-year-olds entitled to 30 hours of funded childcare | The deadline for increased recruitment |

⁶ Ibid, Department for Education, 12 December 2024

Not all providers are feeling the increased staffing levels: at many YMCAs, recruitment has remained a challenge despite the Department for Education's national campaign for people to join the early years workforce. The hiring process can be long and leave personnel gaps for substantial periods to find the right fit in terms of suitability and qualifications.

As demand intensifies for childcare places with the expansion of funded hours, what will be highly significant for the early years sector is the number of qualified staff who enter the profession, as these will be included in staff-to-child ratio requirements.

Case study – YMCA Lincolnshire

YMCA Lincolnshire operates three childcare settings in the county, where one in particular had significant staffing challenges recruiting for several full- and part-time roles. Sufficient numbers of suitable candidates did not apply for some roles, and even for roles with greater interest candidates were often either unsuitable, or sometimes did not even attend the scheduled interviews. After six months of not being able to fill the gap, a member of staff from another of YMCA Lincolnshire's settings with lower occupancy was reassigned with a promotion.

At this second setting, the expansion of funded hours available to parents of children aged 9 months and 2 years and above in 2024 meant it now required additional personnel. To maintain proper ratios of staff to children during this time, the setting relied heavily on agency staff of varying quality – the majority often lacking the Level 3 qualification requirement to contribute to ratios.

Eventually two agency staff were offered permanent positions. A final hire in December 2024 filled the final staffing gap, signifying the first time the settings were fully staffed in more than a year.

Declines in qualifications

Figures provided by the Department for Education show that achievements in Level 2 early years apprenticeships in England have decreased 30% since 2012/13 to 3,450 in 2023/24, and Level 3 apprenticeship achievements have fallen 24% to 7,320.⁷ Encouragingly, since the low-point of 2020/21, achievements in Level 2 and 3 apprenticeships have increased 12% and 10% respectively. In the last academic year, achievements in Level 3 increased by 18% (6,200 in 2021/22).

Achievements in 16-18 Level 3 education peaked in 2020/21 at 7,860 and have declined since. The 2,860 achievements recorded in 2023/24 year are as low as recorded in 2012/13 (2,870) and represent a 42% year-on-year reduction (4,940 achievements in 2022/23).⁸ The decline in 16- to 18-year-old Level 3 further education achievements sit alongside the rise of apprenticeship achievements, but also the introduction of T Levels in 2020. In the case of the latter, the number of achievements (excluding Unclassified) in the Education and Early Years specialism has risen from 461 in 2021/22 to 1,507 in 2023/24.⁹

For Level 3 qualifications amongst those aged 19 and over, adult education achievements have risen from 20 in 2012/13 to 2,280 in 2023/24, and increasing 6% in the last year.

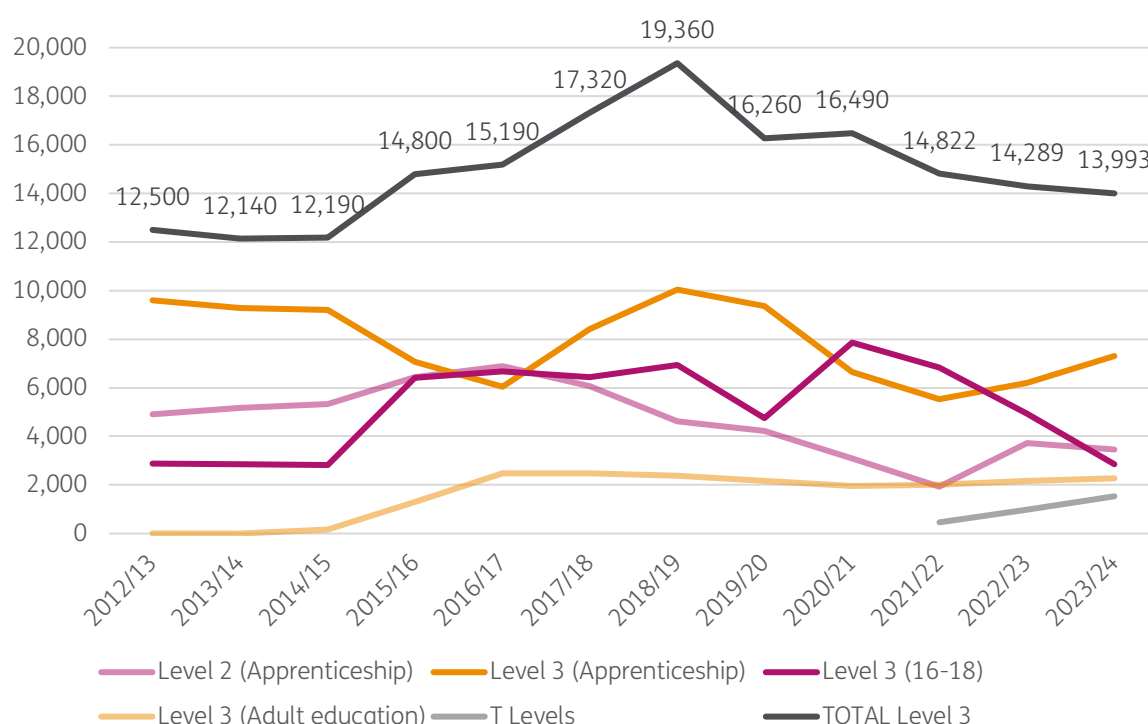
Although there has been a 12% increase in Level 3 achievements (apprenticeships, T Levels and vocational qualifications) over the last decade, this is mainly due to achievements rising substantially in the earlier years of this timeframe, from 12,500 in 2012/13 to 19,360 in 2018/19 – representing a 55% increase. Since this peak, achievements have fallen 28% in the last five years to 13,993.

⁷ Department for Education, [Apprenticeships – Academic year 2024/25](#), 30 January 2025

⁸ Department for Education, [Further education and skills – Academic year 2024/25](#), 11 April 2025

⁹ Department for Education, [Provisional T Level results – Academic year 2023/24](#), 27 March 2025

Achievements in Early Years education awards in England, 2012/13 to 2023/24



This decline in qualifications is reflected in the Department for Education’s recent pulse survey of providers. In May 2024, four-fifths of group-based providers (79%) and two-fifths of school-based providers (45%) reported they had the most difficulty recruiting Level 3 practitioners.¹⁰

In terms of Level 6 qualifications in early years education, these have been compared as closely as possible following changes in the subject classification system in 2019/20. Accordingly, for 2014/15 to 2018/19 data, qualifications in “Academic studies in nursery education”, “Training teachers – nursery” and “Childhood studies” have been used.¹¹¹² For 2019/20 onwards, the comparable course qualifier counts have been from “Early years education”, “Early years teaching” and “Early childhood studies”.¹³¹⁴

¹⁰ Department for Education, [Pulse Survey of Childcare and Early Years Providers: Research report](#), 28 November 2024

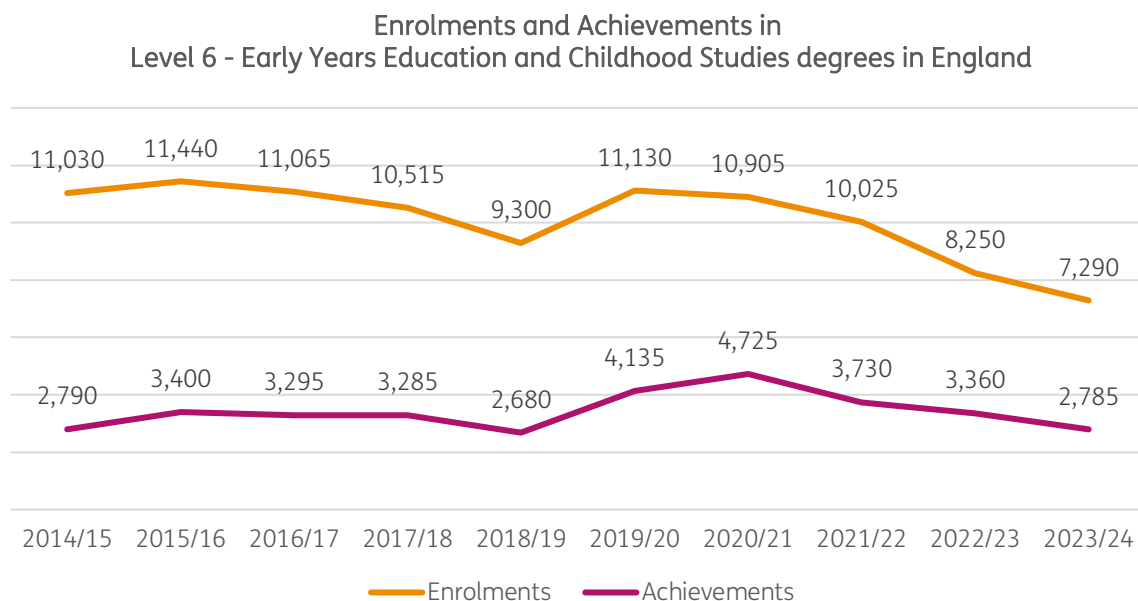
¹¹ HESA, [Table 25 - HE qualifiers by subject of study and domicile 2014/15 to 2018/19](#), February 2020

¹² HESA, [Table 22 - HE student enrolments by subject of study and domicile 2014/15 to 2018/19](#), February 2020

¹³ HESA, [Table 54 - HE qualifiers by subject of study and permanent address 2019/20 to 2023/24](#), April 2025

¹⁴ HESA, [What do HE students study?](#) 3 April 2025

The number of qualifications in these combined subjects in England increased over the early 2020s, only to fall back to 2,785 in 2023/24 – almost identical to 2014/15. On a more near-term basis, qualifications have fallen 33% since 2019/20. Enrolments in these courses have fallen more steadily since 2014/15 (despite an upswing in 2019/20), with a 34% reduction over this time. Given these enrolment figures cover the future pipeline of early years graduates, the number of students enrolled in 2023/24 is the lowest rate in almost a decade.



These figures represent a trajectory of decline for training in early years education over the last several years. Indeed, this is already apparent in the most recent early years census: the number of early years staff at private, voluntary and independent providers delivering funded hours entitlements in January 2024 (prior to the first expansion to two-year-olds in April 2024) with full and relevant Early Years Level 3 qualifications and accredited graduate status were down 7% and 9% respectively from 2020.¹⁵ As the industry sets on a substantial expansion, it is doing so with a less-qualified employment intake.

¹⁵ Department for Education, [Education provision: children under 5 years of age: reporting year 2024](#), 11 July 2024

Future qualifications

YMCA submitted a Freedom of Information request to the Department for Education on projected post-16 qualifications in early years education to understand the recruitment landscape and how this is anticipated to change over the coming years as the funded hours rollout is in place.

On the request for information on projections on apprenticeship take-up rates in future years, the Department for Education provided internal Departmental numbers that were used to provide indication of expected pipelines. This was provided as a one-off piece of internal analysis rather than a routinely-produced forecast, and as such has not been subject to a rigorous quality assurance process.

| Qualification | 2023/24 | 2024/25 | 2025/26 | 2026/27 | % change |
|---------------------------------------|---------|---------|---------|---------|----------|
| Early years apprenticeships (Level 2) | 5,577 | 5,370 | 5,170 | 4,978 | -11% |
| Early years apprenticeships (Level 3) | 7,641 | 8,647 | 9,512 | 10,178 | 33% |

There is a 13% increase in apprenticeship achievements modelled ahead of the full implementation of 30 funded hours for 2-and-unders, which if comes to fruition, will be a welcomed addition ahead of the extra staffing capacity which will be required. However, it alone will not be enough to supplement the 40,000 additional staff that Department for Education itself has estimated requiring.

The actual take-up of apprenticeships is subject to both individual demand and employers' ability to deliver these schemes. There have been recent changes that may make these more appealing for individuals, such as the removal of the Level 2 Maths and English (equivalent to GCSE) requirement,¹⁶ as well as the 18% annual increase in the national minimum wage for apprentices to £7.55 an hour for under-19s and those in their first year as of April 2025. Although apprentices do not carry the National Insurance increase for employers as other staff, this minimum wage increase is a further business expense.

¹⁶ UK Government, "[10,000 more apprentices as government slashes red tape to boost growth](#)", 11 February 2025

Conclusion

As ambitious and welcomed the previous Government's plans for funded hours for younger children are in terms of financial benefits to parents' ability to re-enter work and for children's development, the decline in qualifications and achievements at Levels 3 and 6 in recent years indicate that there will not likely be enough qualified staff to deliver this childcare. The removal of the GCSE Maths and English requirement for Level 3 apprenticeships may help with this, but more must be done.

Without the qualified staff to be able to deliver this increased demand, at best childcare risks becoming de-professionalised. At worst, it will be impossible for providers to deliver the funded hours offered by the Government to an adequate standard, with the childcare places promised not being available to parents.

It is not just in the present, however, that training and education in the early years sector must be stepped up. The new Labour Government has launched Skills England as a body to help the nation meet the skills need over the coming decade, with first stages of its operation including work on assessment of future skills need as well as a strategy for post-16 education. As part of these, there must be affordable pathways for adults looking to transition into the sector to re-train and for existing practitioners in the field to gain qualifications. Furthermore, to ensure robust and trusted post-16 vocational training, the Government's review of BTECs and the embedding of T Levels is essential to welcome and skill the future generation of early years educators.

YMCA ENGLAND & WALES

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**Here for young people
Here for communities
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YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

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