

# *How Much Does A Nanny Cost?*

The Nannytax Salary Index 2022/2023

[www.nannytax.co.uk](http://www.nannytax.co.uk)

# The Nannytax Salary Index

*Using data sourced directly from our payroll records*

Welcome to the 2022/23 edition of our Nannytax Nanny Salary Index which the team and I are delighted to share with you once again.

We work with parents, nannies, and agencies who regularly tell us just how valuable this data is, and that is why we continue to share this free resource with you. We hope it makes your life, as a UK nanny employer, that little bit easier!

You can think of my team as your very own 'in-house' professional and friendly nanny employment experts who are on hand to support you every step of the way.

We are here to help you be the best employer you can be.



Jenni Bond, Managing Director

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## *How do we capture our data?*

- All data is based on our internal payroll records.
- The annual figures are based on a Live Out Nanny, working 50 hours per week.
- Each salary is in Gross terms. This means the salary includes the nanny's tax and NI that must be paid on top of their 'take home' pay.

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## Give us a call

If you want to talk to someone about our services, a member of our team will be happy to help, just call us on 020 3137 4401 – we're open 7 days a week!

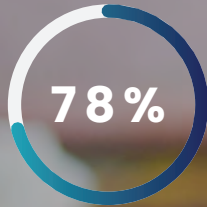
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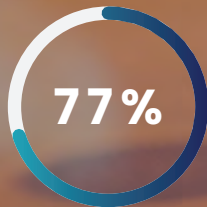
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125-135 Preston Rd, Brighton BN1 6AF

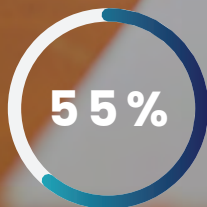




OF NANNIES ARE  
PAID MONTHLY



OF FAMILIES AGREE  
A GROSS SALARY



OF NANNIES ARE  
PART TIME

# Further Increases in Nanny Salaries Across the UK

Each year we publish our Nannytax Nanny Salary Index to showcase the latest average salaries for nannies across the UK.

These comparison tables provide a snapshot of nanny salary trends over the last 5 years.

## What did we find in 2022/23?

### London

Nanny salaries have increased by 8% in London, with annual salaries up by over £3,000 per year.

### Home Counties & Greater London

Nanny salaries in Home Counties & Greater London have seen an increase of 14%, forcing annual salaries up by over £4,800 per year.

### Rest of UK

Nanny salaries in the rest of the UK have seen an increase of 11%, driving annual salaries up by over £3,400 per year.

LONDON					
	HOURLY	WEEKLY	MONTHLY	ANNUAL	% CHANGE
22/23	£16.48	£824	£3,571	£42,848	7.64%
21/22	£15.31	£766	£3,317	£39,806	8.43%
20/21	£14.12	£706	£3,059	£36,712	5.77%
19/20	£13.35	£668	£2,893	£34,710	-0.00%
18/19	£13.35	£668	£2,893	£34,710	8.10%

HOME COUNTIES & GREATER LONDON					
	HOURLY	WEEKLY	MONTHLY	ANNUAL	% CHANGE
22/23	£15.50	£775	£3,358	£40,300	13.72%
21/22	£13.63	£682	£2,953	£35,438	2.79%
20/21	£13.26	£663	£2,873	£34,476	18.92%
19/20	£11.15	£558	£2,416	£28,990	-6.38%
18/19	£11.91	£596	£2,581	£30,966	5.59%

REST OF UK					
	HOURLY	WEEKLY	MONTHLY	ANNUAL	% CHANGE
22/23	£13.84	£692	£2,999	£35,984	10.54%
21/22	£12.52	£626	£2,713	£32,552	12.79%
20/21	£11.10	£555	£2,405	£28,860	5.82%
19/20	£10.49	£525	£2,273	£27,274	-4.29%
18/19	£10.96	£548	£2,375	£28,496	8.41%

Average salaries have been calculated from Nannytax payroll data for the 2022/23 Tax Year. All figures are shown in gross and have been rounded to the nearest pence. Please note, these figures are intended for guidance purposes only. As with any industry, a nanny's salary can fluctuate depending on the individual's qualifications, skills, and experience. We recommend that you consider these factors when agreeing the salary.

*As salaries increase, we're working hard to have nannies included in more Government financial schemes to support families with the cost of employing them.*

We're lobbying to the Government to **include nannies in more Government financial schemes** to help provide working families, who rely on a nanny for childcare, the financial support they need.

At the moment, families can use tax-free childcare to support them with the cost of employing a nanny, however we want nannies to be included in the **30 hours free childcare scheme** just as childminders and nurseries are.

[nannytax.co.uk/15-30-hours-free-childcare](https://nannytax.co.uk/15-30-hours-free-childcare)

"Nannies provide the flexibility which working families need and can bridge the gap when there are so few nursery places. For many children and parents, childcare in their own home is preferable and often cheaper when more than one child is involved."

*Nannytax Customer (June 2023)*

# Do I really need to declare my nanny?

As a nanny employer it is important that you declare your nanny to HMRC. If you fail to do so, or if you do any of the following points, you may be breaking the law and as a result, may face penalties – whether this be fines or something more serious.

## Part Payment

When you part pay your nanny, i.e. pay your nanny partly via PAYE and partly via cash in hand, and you do not declare your nanny's full salary to HMRC, you are breaking the law. It is illegal to not fully disclose your nanny's full salary or to pay your full liabilities.

"It is really important that employers declare all of their employees' earnings to HMRC as failure to do this can result in charges and penalties on top of their liability. It's important that what you pay to your employee matches the net pay on the payslip. An example of why this is so important is if an employee is applying for a mortgage, they will need to provide payslips along with a bank statement that shows their net pay being paid into their bank account."

*Phoebe Cornish, Nannytax Payroller*

## Cash in Hand

Paying your nanny cash in hand is not necessarily illegal, but it can be if you do not declare the payments to HMRC.

Other reasons for declaring these payments is that

your nanny will not receive pension credits if payments are not declared, should your nanny fall pregnant you will not be able to claim money back through the government to cover her maternity pay, nor will your nanny have access to payslips should she/he wish to take out a mortgage.

## Not declaring your nanny's full hours

Similarly to part-payment, failure to declare your nanny's full hours to HMRC, is illegal and can result in charges and penalties. By not declaring your nanny's full hours to HMRC, you are also putting your nanny at a disadvantage.

"It is important to report your nanny's full hours to HMRC to ensure your nanny is paying the correct amount of tax and national insurance. If your nanny has other employment, HMRC require all hours worked to access an employee's tax code. It is also important to declare full earnings to HMRC as this will affect your nanny's eligibility for statutory maternity pay and statutory sick pay."

*Olivia Hearnshaw, Nannytax Team Manager*





# more time to relax with Nannytax Plus

*we pay your nanny and HMRC on your behalf*



## Busy working parent?

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Cross Nanny's Pay Day and HMRC deadlines off your to-do list with Nannytax Plus, our premium payroll service that does it all for you.

Nannytax Plus can be added to a standard annual Nannytax Subscription for just £15 +/- month - the best price in the market:

- Nannytax Plus make salary payments directly to your nanny on the last working day of each month.
- Nannytax Plus pay Tax and National Insurance liabilities to HMRC on your behalf.

It's easy to register for Nannytax Plus  
Apply online today, or call our team

You can sign up to Nannytax Plus online at:  
[www.nannytax.co.uk](http://www.nannytax.co.uk) or if you're an existing customer you can upgrade by calling our subscriptions team on: **020 3137 4401**



# Nanny Salaries – What Else Should I Consider?

The number one factor that determines a nanny's pay rate is location, which we breakdown via UK region in our nanny salary index maps. However, we listed some other factors you should consider below.

## Years Of Experience

In any position, the more experience you have specific to the job, the more you can practise and refine your skills. This means that usually you earn more as you progress through your career.

## Qualifications & Training

Additional qualifications and training can also enhance a nanny's rate of pay. In last years Salary Index, our agencies said:

"In my professional opinion, a qualified childcare practitioner, to Level 6 standard, should respectfully be paid more for their knowledge and skills." Charlotte, Little Steps

## Norland Nannies

Norland qualified nannies are recognised as some of the highest paid nannies in the UK and across the world.

The college has published the following guidelines on Norland nanny salaries in line with their years of experience after graduating.

[norland.ac.uk/salaries-fees](https://norland.ac.uk/salaries-fees)

## Additional Duties

Some families may want their nannies to take on additional duties. It is important to discuss this with your nanny and agree what their role will include.

## Number of Children Cared For

Another common question is whether the number of children the nanny cares for plays a part in the cost of a nanny.

Last year, we asked our agencies their opinion on this, and 73% said that the number of children a nanny cares for will not affect a nanny's rate of pay.

Nanny shares are an exception as they are an arrangement where two or more families employ the same nanny – each family must still pay the National Minimum Wage.

[nannytax.co.uk/nanny-shares](https://nannytax.co.uk/nanny-shares)

"Location is just part of a nanny's salary that you need to consider when determining their hourly rate. Other important factors include their experience, how flexible they will be around your schedule and what qualifications they have. Especially if they have a childcare qualification such as Norland College who are highly regarded and who are highly trained in every aspect of being a nanny."

*Frankie Gray, Founder and Director  
at Harmony at Home*



# I'm thinking about hiring a nanny, what do I need to do?

## Decide what type of nanny you need

The first thing you need to do when starting your nanny employment journey is to work out which **type of nanny** is right for you. Do you need a full time nanny? An after school nanny? Maybe a nanny share would work best for you?

[nannytax.co.uk/types-of-nanny-jobs](https://nannytax.co.uk/types-of-nanny-jobs)

## Know your numbers

This 22/23 Salary Index provides you with the latest salary statistics in your area, but when working out your budget you need to account for the **total cost** of employing your nanny.

You can use our **Gross to Net Salary Calculator** to help you work out what the total cost will be to you, as an employer.

[nannytax.co.uk/gross-to-net-salary-calculator](https://nannytax.co.uk/gross-to-net-salary-calculator)

## Your search for a nanny

There are many ways that you can find a nanny. A popular choice is to go through an agency. You can use our **agency directory** to connect you to a local agency, who can help you find the ideal candidate.

Once you have some potential candidates and are getting ready to interview, you'll need to prepare some **interview questions**.

## Becoming a nanny employer

As a nanny employer you are obliged to operate a PAYE Scheme to ensure all of your nanny's contributions to the state are paid. This is known as payroll and all payroll activities must be reported to HMRC.

If you haven't employed someone before, you may be feeling a little overwhelmed by all the things you're responsible for as a new nanny employer. Our exclusive **Nanny Employer's Checklist** has been designed to make hiring a nanny easier for you.

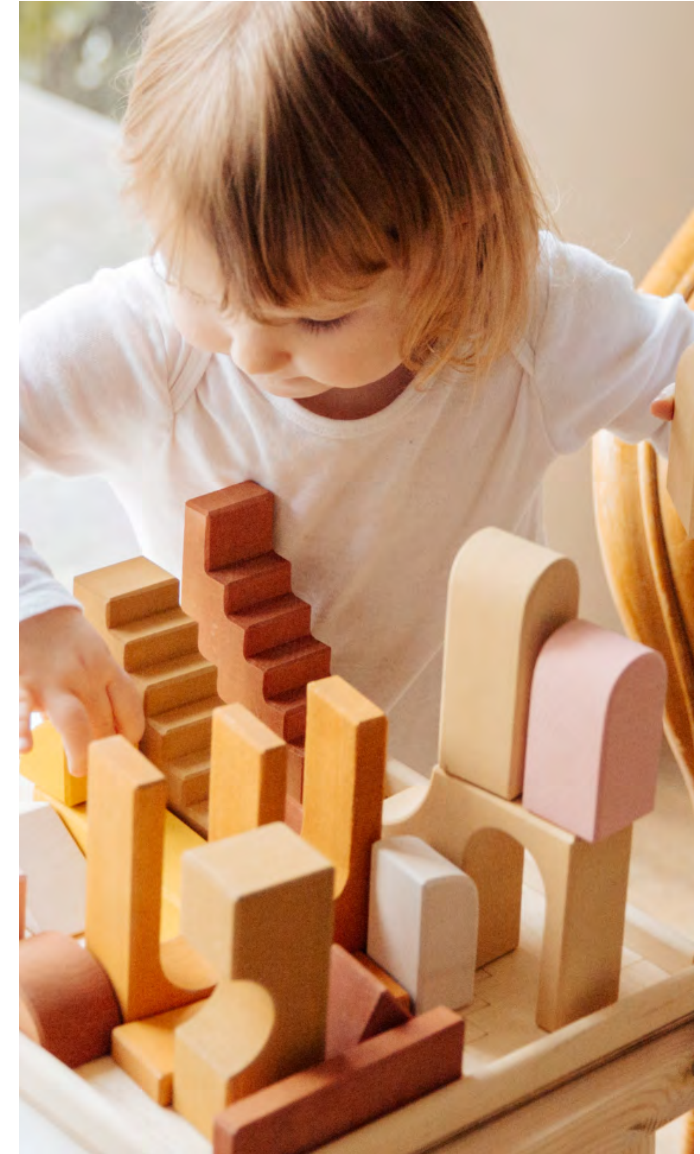
[nannytax.co.uk/employers-checklist](https://nannytax.co.uk/employers-checklist)

## Create a positive relationship with your nanny

Once you've employed your nanny and they are due to start working, it's time to think about their very first week. There are ways that you can ensure your relationship with your new nanny gets off to the best possible start.

Norland Nanny, Felicity Miles, has shared her **top tips on how to create a positive working relationship** between yourself and your new nanny, such as providing your nanny with a handover note, creating a group Whatsapp, and setting clear expectations!

[nannytax.co.uk/news/your-nannys-first-week](https://nannytax.co.uk/news/your-nannys-first-week)







# *Regional Breakdowns*

# UK Regions

## AVERAGE GROSS SALARY IN SCOTLAND

GROSS	HOUR
LIVE OUT	£13.26

## AVERAGE GROSS SALARY IN THE NORTH WEST

GROSS	HOUR
LIVE OUT	£14.22

## AVERAGE GROSS SALARY IN NORTHERN IRELAND

GROSS	HOUR
LIVE OUT	£12.45

## AVERAGE GROSS SALARY IN WALES

GROSS	HOUR
LIVE OUT	£14.34

## AVERAGE GROSS SALARY IN THE WEST MIDLANDS

GROSS	HOUR
LIVE OUT	£13.81

## AVERAGE GROSS SALARY IN THE SOUTH WEST

GROSS	HOUR
LIVE OUT	£14.52



## AVERAGE GROSS SALARY IN THE NORTH EAST

GROSS	HOUR
LIVE OUT	£12.36

## AVERAGE GROSS SALARY IN YORKSHIRE & THE HUMBER

GROSS	HOUR
LIVE OUT	£13.72

## AVERAGE GROSS SALARY IN THE EAST MIDLANDS

GROSS	HOUR
LIVE OUT	£13.37

## AVERAGE GROSS SALARY IN THE EAST OF ENGLAND

GROSS	HOUR
LIVE OUT	£15.57

## AVERAGE GROSS SALARY IN LONDON

GROSS	HOUR
LIVE OUT	£16.48

## AVERAGE GROSS SALARY IN THE SOUTH EAST

GROSS	HOUR
LIVE OUT	£14.57

Average salaries have been calculated from Nannytax payroll data for the 2022/23 Tax Year. All figures are shown in gross and have been rounded to the nearest pence. Please note, these figures are intended for guidance purposes only. As with any industry, a nanny's salary can fluctuate depending on the individual's qualifications, skills, and experience. We recommend that you consider these factors when agreeing the salary.



# London

## AVERAGE GROSS SALARY IN THE NORTH WEST OF LONDON

GROSS	HOUR
LIVE OUT	£15.51

## AVERAGE GROSS SALARY IN THE NORTH OF LONDON

GROSS	HOUR
LIVE OUT	£16.25



## AVERAGE GROSS SALARY IN THE WEST OF LONDON

GROSS	HOUR
LIVE OUT	£16.12

## AVERAGE GROSS SALARY IN THE EAST OF LONDON

GROSS	HOUR
LIVE OUT	£16.02

## AVERAGE GROSS SALARY IN THE SOUTH WEST OF LONDON

GROSS	HOUR
LIVE OUT	£16.63

## AVERAGE GROSS SALARY IN THE SOUTH EAST OF LONDON

GROSS	HOUR
LIVE OUT	£16.28

## AVERAGE GROSS SALARY IN CENTRAL LONDON

GROSS	HOUR
LIVE OUT	£18.58

Average salaries have been calculated from Nannytax payroll data for the 2022/23 Tax Year. All figures are shown in gross and have been rounded to the nearest pence. Please note, these figures are intended for guidance purposes only. As with any industry, a nanny's salary can fluctuate depending on the individual's qualifications, skills, and experience. We recommend that you consider these factors when agreeing the salary.

# Greater London

## AVERAGE GROSS SALARY IN BUCKINGHAMSHIRE

GROSS	HOUR
LIVE OUT	£15.91

## AVERAGE GROSS SALARY IN HERTFORDSHIRE

GROSS	HOUR
LIVE OUT	£15.45

## AVERAGE GROSS SALARY IN BERKSHIRE

GROSS	HOUR
LIVE OUT	£15.70

## AVERAGE GROSS SALARY IN ESSEX

GROSS	HOUR
LIVE OUT	£14.72

## AVERAGE GROSS SALARY IN SURREY

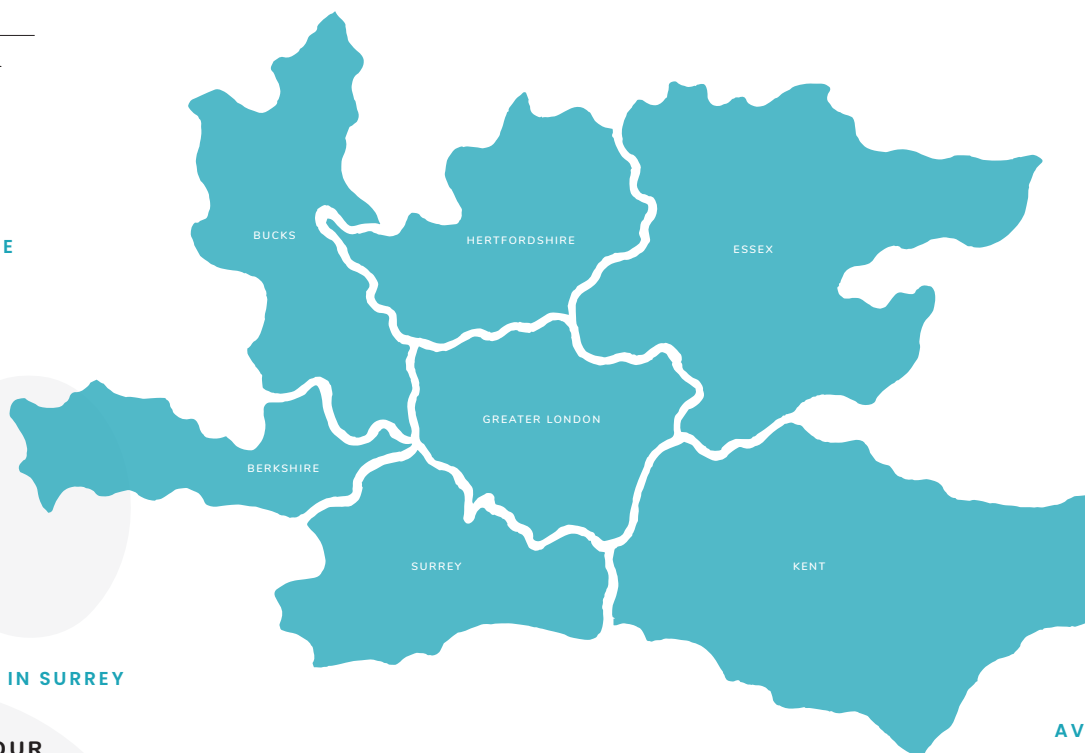
GROSS	HOUR
LIVE OUT	£15.67

## AVERAGE GROSS SALARY IN KENT

GROSS	HOUR
LIVE OUT	£15.39

## AVERAGE GROSS SALARY IN GREATER LONDON

GROSS	HOUR
LIVE OUT	£15.67





# Live Out Nanny Salaries

Each year we collate our payroll data from the previous tax year, to calculate the average nanny salaries per region. These tables illustrate a detailed breakdown of our findings per county.

Please note, not all counties are included within this table. If you are unable to find your county, we recommend referring to the regional averages highlighted in blue.

## How can I work out the Gross annual salary?

You simply need to multiply the gross hourly rate by the number of hours your nanny will be working per week. This will give you the weekly gross salary, which can then be multiplied by the number of weeks in a year to get the annual gross salary.

We also recommend that you consider what your 'Total Cost' will be on top of the Gross salary. Our Nannytax nanny Salary Calculator will highlight your total cost in the 'Employer Breakdown'.

[www.nannytax.co.uk/gross-to-net-salary-calculator](http://www.nannytax.co.uk/gross-to-net-salary-calculator)

AVERAGE GROSS SALARY	HOURLY
<b>LONDON</b>	<b>£16.48</b>
Central	£18.58
East	£16.02
North	£16.25
North West	£15.51
South East	£16.28
South West	£16.63
West	£16.12
<b>HOME COUNTIES &amp; GREATER LONDON</b>	<b>£15.50</b>
Berkshire	£15.70
Buckinghamshire	£15.91
Essex	£14.72
Greater London	£15.67
Hertfordshire	£15.45
Kent	£15.39
Surrey	£15.67
<b>SOUTH EAST</b>	<b>£14.57</b>
East Sussex	£15.31
Hampshire	£14.75
Isle of Wight	£13.26
Oxfordshire	£14.97
<b>NORTH EAST</b>	<b>£12.36</b>
County Durham	£13.59
Tyne & Wear	£11.12

AVERAGE GROSS SALARY	HOURLY
<b>WALES</b>	<b>£14.34</b>
Glamorganshire	£14.67
Conwy	£14.00
<b>EAST MIDLANDS</b>	<b>£13.37</b>
Derbyshire	£11.94
Leicestershire	£13.41
Lincolnshire	£13.37
Nottinghamshire	£14.77
<b>WEST MIDLANDS</b>	<b>£13.81</b>
Herefordshire	£11.00
Northamptonshire	£15.31
Shropshire	£13.12
Staffordshire	£15.01
West Midlands	£16.39
Worcestershire	£12.01
<b>EAST OF ENGLAND</b>	<b>£15.57</b>
Bedfordshire	£17.47
Cambridgeshire	£14.94
Norfolk	£14.63
Suffolk	£15.24
<b>NORTHERN IRELAND</b>	<b>£12.45</b>
<b>YORKSHIRE/HUMBER</b>	<b>£13.72</b>

AVERAGE GROSS SALARY	HOURLY
<b>SCOTLAND</b>	<b>£13.26</b>
Aberdeenshire	£15.81
Dundee	£12.97
Dumfries and Galloway	£12.97
Falkirk	£11.83
Fife	£13.48
Highlands	£12.55
Lothian	£15.14
Scottish Borders	£12.19
Strathclyde	£12.36
<b>NORTH WEST</b>	<b>£14.22</b>
Cheshire	£17.64
Cumbria	£13.06
Greater Manchester	£12.50
Lancashire	£13.54
Merseyside	£14.36
<b>SOUTH WEST</b>	<b>£14.52</b>
Bristol	£13.14
Cornwall	£13.88
Devon	£14.38
Dorset	£14.60
Gloucestershire	£14.26
Somerset	£15.64
Wiltshire	£15.76

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