



Meeting:	Combined Executive Member Decision Session
Meeting date:	27/01/2026
Report of:	Martin Kelly (Corporate Director, Children's and Education)
Portfolio of:	Cllr Robert Webb Executive Member for Children, Young People & Education

Decision Report: Childcare Sufficiency Assessment 2025

Subject of Report

1. The purpose of this report is to update on how City of York Council is meeting its statutory duty to secure sufficient early years and childcare provision for children aged 0 – 14 years (and up to 18 years for children with SEND).

Benefits and Challenges

2. The benefit of ensuring sufficiency means that parents will be supported to be able to work full time, more hours or flexible hours to make a positive difference to families' lives.
3. Children and young people can access high quality early education and childcare places to support positive development through the broadest range of environments and play opportunities.
4. Access to high quality early education benefits young children's cognitive, language and social development leading to better outcomes at aged five and improving their life chances overall. By creating new early education places where required more eligible young children will benefit to give them the best start in life.
5. There is also the opportunity to create new jobs in the early years and wraparound sectors as high calibre staff at all levels are required to deliver existing, new and expanded provision.
6. The challenges of ensuring sufficiency are that parents travel city wide to access early years childcare and it is difficult to predict where families will want to access their childcare.

7. The new Best Start in Life Strategy will bring opportunities for the childcare sector through the focus on increasing access to good quality childcare, with an emphasis on workforce development. The multi-agency local plan will see childcare providers as part of the development of an integrated family support system which improves holistic childcare development outcomes for every child.
8. The School Based Nursery programme which is currently in round 2 may bring opportunities to grow the market where there is an identified shortage of places to meet demand. Round 3 of the programme is expected to be launched in early 2026.

Policy Basis for Decision

9. Education and Skills: High Quality Skills and Learning for All

City of York Council 'CYC' has a statutory duty to secure sufficient high quality early years and childcare provision for children aged 0-14 (and up to 18 for children with SEND) which includes early education places for eligible children.

Financial Strategy Implications

10. There are no financial implications arising from this report.

Recommendation and Reasons

11. The recommendation is that the report is approved by the Executive Member and can be published on CYC website and a copy sent to the Department for education (DfE).

Reason: In order to meet CYC's statutory duty.

Background

12. The Childcare Act 2008 requires Local Authorities to report annually to elected council members on how they are meeting their duty to secure sufficient childcare and make this report available and accessible to parents. Local Authorities are responsible for determining the appropriate level of detail in their report, geographical division, and date of publication.
13. The annual childcare sufficiency report provides an overview of the current early years and childcare market in York, looking at both supply and demand, and key challenges that the sector are currently facing.
14. The Childcare Sufficiency Assessment 2025 is attached at Annex 1.

Consultation Analysis

15. Childcare provider and parent surveys alongside local intelligence have informed the findings of the Childcare Sufficiency Assessment 2025.
16. Overall York is currently meeting its statutory duty to ensure that there is provision of childcare in the city to meet the needs of parents of children aged 0 – 5 years and there were significant vacancies available in the summer term 2025, however analysis based on current birth data shows the potential need for additional places to be created. DfE analysis also predicts a shortfall of places in York from September 2025 onwards.
17. The current analysis of wraparound provision for school aged children identified some gaps in provision and that there remains a small gap for children with complex needs. This is being addressed through the National Wraparound Programme funding.
18. The creation of any new places will consider the implications on council wide strategies including travel, inclusion etc. Also, the sustainability of existing local childcare providers.
19. The overall number of childcare providers for children aged 0 – 5 years has increased by one since the previous report, this addition is one academy nursery. The total number of childcare providers across the city is 189.
20. There are currently 3829 places available for children aged 0 – 5 years, compared to 2024 where there were 3674 places available showing an increase in overall early years places (155 more places than in 2024).
21. Summer 2025 occupancy data showed there were a total of 875 places vacant for 0 to 5 year olds, this is a slight increase when compared to Summer 2024 data which showed there were 737 places vacant (138 more vacancies).
22. There is the ongoing challenge for a small number of early years children with SEND and for school age children in terms of out of school provision. This continues to be an area of focus for the LA and a multi-agency working group has been established to ensure any areas of concerns can be addressed.
23. Take up of the funded entitlements for 3- and 4-year-olds continues to remain high across the city. Take-up of funded places for disadvantaged two year olds has remained consistent over the previous year and for summer term 2025 take-up was 88%, This remains higher than the national estimated average of 75%.

24. Historical underfunding of the early years and childcare sector and the current economic climate with rising operational costs means the early years and childcare market, locally and nationally, continues to remain very fragile. The vast majority of childcare providers who responded to our local provider survey felt they were reasonably confident that their business would be financially viable for the next year and had generated a surplus, however it was noted that four providers said they were not confident they would be financially viable for the next year and eight were not sure showing the vulnerability of the sector.
25. Recruitment and retention of practitioners remains a significant challenge for the sector, at both a local and national level. Levels of pay, lack of interest in the early years and childcare workforce as a career option, access to qualifications and losing staff due to early retirement and lifestyle changes is resulting in a severe shortage of staff which is impacting on the local childcare market. However in the provider survey it was noted that this year providers have had less reliance on agency staff compared to the previous year.
26. The large volume of proposed housing developments across the city also poses both challenge and opportunity for the market. It is anticipated there will be a large increase in demand from families moving into these developments and hence is likely to require new nursery builds and expansion of places in many areas of the city. S106 developer contributions are being secured wherever possible to increase capacity and mitigate the risk of increasing pressure on local availability.
27. Maintaining strong relationships between the local authority, providers and other key partners such as DfE, Job Centre Plus, local colleges etc continues to be fundamentally important in the ongoing effective delivery of the Childcare Sufficiency duty.
28. The Early Years and Childcare Service continues to undertake regular reviews of data and use local intelligence in a timely and effective way to support all types of providers and enables swift decision making to be made and encourage expansion where appropriate. A particular focus over the previous year has been around supporting provider sustainability.

Options Analysis and Evidential Basis

29. Not applicable

Risks and Mitigations

To mitigate the risks of the council not meeting its statutory duty in 2025 the following local priorities have been identified:

30. An action plan has been drawn up to ensure sufficiency for the coming year, this is within the Childcare Sufficiency Assessment 2025.
31. Where ward level birth data and other supporting evidence suggests additional places are required, we will work with providers to increase capacity / create additional places. A full analysis has been undertaken at ward level to identify current / future predictions.
32. We will be utilising the Childcare Capital Expansion Grant to create any additional places ensuring any new place creation is suitable for children with SEND for both early years and wraparound.
33. Procurement processes continue to deliver on the National Wraparound Programme.
34. Continue to improve access and provision for children with SEND both for early years and wraparound care. Working alongside SEND partners.
35. Work with colleagues and partner agencies and ensure ongoing dialogue with DfE to continue to highlight current crisis around recruitment and retention and seek potential short and long term solutions.
36. Secure s106 developer contributions and follow procurement processes to support both expansion of existing early years provision / development of new provision to meet increase in demand arising from new housing developments.
37. Positively promote help with childcare costs / early education entitlements with a continued focus on ensuring disadvantaged 2 year olds can access a place.
38. Provide ongoing support to providers including high quality, timely guidance and advice with a focus on sustainability / business growth.
39. The falling birth rates could impact on longer term planning for sufficiency and impact provider sustainability. We are monitoring both birth rates and provider occupancy termly to mitigate the risks of oversupply.
40. In early 2025 the Department for Education launched the School Based Nursery Programme (SBN). The SBN programme was available for state funded primary phase schools and maintained nursery schools to apply for up to £150,000 of capital funding to create or expand a school-based nursery. One York school was successful with their application in round one and support remains available to schools for round 2 of the programme and will be available when round 3 is launched in 2026.

Wards Impacted

41. The Childcare Sufficiency Assessment 2025 takes into account all wards across the city to ensure parents are able to access the childcare they require. The full report is an analysis city wide, however ward level analysis is undertaken to inform decision making.

Contact details

For further information please contact the authors of this Decision Report.

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Annexes

Annex 1: Childcare Sufficiency Assessment 2025

Annex 2: Equalities Impact Assessment