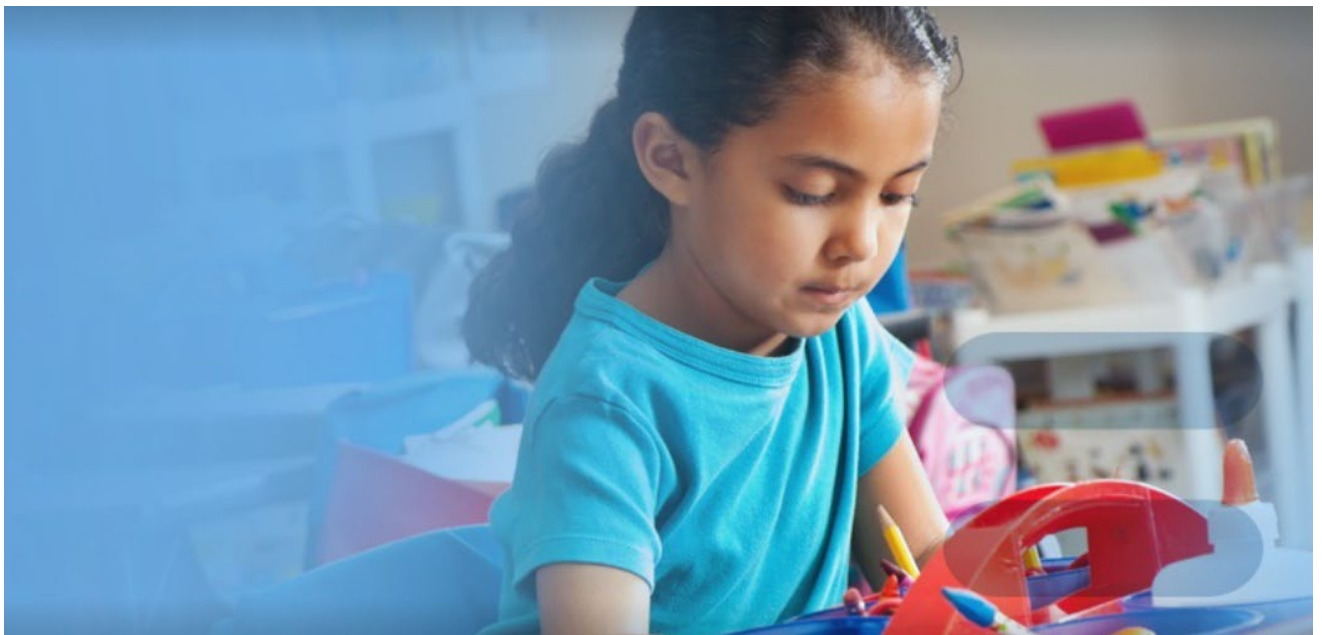




Place =

City of London

Childcare Sufficiency Assessment Service:



Winter 2025 – 2026 update

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Key Findings – Autumn 2025

- 1 The City of London continues to account for a childcare occupancy which is concentrated during a three-day period. However, at autumn 2025, this period was Monday – Wednesday, compared to Tuesday – Thursday in 2023 and 2024, i.e. a shift in trend towards occupancy being pronounced at the *beginning* of a week.
- 2 As in 2025, a trend whereby there is a notable demand for places for babies and 0-12 month year olds is evidently continuing. This is also being observed via waiting lists, whereby this age group is increasingly responsible for waiting list size(s).
- 3 All representatives of early years childcare settings/providers outlined, in late 2025, that they did not envisage that the September 2025 30 hours/working parents-themed funded childcare extension would have any discernible impact on demand - and capacity. Indeed, the most frequent response as to what they envisaged demand for 1 years – 4 years places to be *in 2026* was: *very low*.
- 4 Representatives of three settings stated that they believed their workforce would benefit from further SEND-focused training - specifically/potentially around:
 - Attention Deficit Hyperactivity Disorder
 - Managing challenging behaviour
 - Early identification of potential speech and language needs

Indeed, the three SEND designations that City of London early years childcare providers/settings evidently supported - or had supported over the past 2 years - were:

- (a) Undiagnosed SEND
- (b) Autism
- (c) Sensory Impairment

- 5 In December 2025, the Department for Education released new *initial* guidance - about **sufficiency of school-aged wraparound childcare**, aligned to a requirement for Local Authorities to assign a school-age childcare lead. This will require the sufficiency service to consider ongoing themes including: (a) out of school wraparound childcare-themed provider engagement; (b) relevant parental engagement and; (c) ongoing strategy to provide school-age childcare data and evidence to the DfE as required - including to inform a specific Action Plan.

Introduction

The City of London Education and Early Years' Service (EEYS) continues to strive to ensure that every child living or educated in the City of London has the opportunity to achieve their maximum potential and thrive in their unique 'square mile' community.

To this effect, in summer 2024, the City of London commissioned an extended three-year sufficiency service whereby up to mid-2027, the ongoing sufficiency and sustainability of childcare provision in the locality would be monitored and subject to evolving (twice yearly) strategic recommendations.

The Sufficiency Service continues to:

- Assess the existing childcare provision in the City of London, monitoring supply and demand and gaps (as they evolve) in the childcare market - including both early years childcare supply, and a theme which will have greater importance **in 2026-2027: out of school childcare, supply**
- Monitor prevailing vacancies/occupancy being experienced by the City of London's early years childcare providers
- Review and continue to summarise evolving demographic data, including (as they become new and available) child population projections by age group
- Undertake periodic surveys and thematic consultation exercises with local parents and carers
- (At relevant intervals) assess the ongoing awareness of the City of London Accessibility scheme
- (At relevant intervals) monitor the impact of the City of London Family Information Service regarding access to and sharing of relevant early years and childcare-themed information
- (At relevant intervals) monitor the ongoing reach, accessibility and use of the City of London Coltale programme by local families.

The role of that service therefore informed this report at the period: late 2025.

The following report was produced in early 2026.

At this time, there are a number of contextual themes which affect the childcare sector through England and the London region.

For example, in November 2025 the Local Government Association published a report¹ that focused on the extent to which **additional needs and Special Educational Needs and Disabilities (SEND) is becoming an increasing factor from a sufficiency perspective.**

¹ <https://www.local.gov.uk/publications/rising-needs-early-years-research-supporting-children-early-years>.

The report made a number of recommendations – some of which are accordingly relevant to the childcare sector in inner-London, i.e.:

- It is vital that services work alongside parents and carers to ensure that they have the knowledge and skills to effectively support their child's development
- Work with parents and carers (like through the evolving Children's Voice Group) and children needs to be focused on co-design and co-production, as well as continuous evaluation to ensure services work for parents, reflect their needs and parents feel worked with, rather than done to
- The current early years education and childcare system focuses on the children of working parents. Not all vulnerable, disadvantaged or children with SEND have access to funded entitlements. Working with other services such as health and the community and voluntary sector, and the Best Start In Life offer, will ensure children that aren't accessing early education provision are seen and heard by services enabling earlier intervention
- Early years educators need to be seen as equal to their school aged counterparts and be recognised for the professional role they play in terms of their skill, experience, and contribution they make to the foundational work of a child's education.
- Support and investment is needed in local good practice sharing and facilitating 'test, learn and grow' approaches in the early years education and childcare market. This needs to consider the unique experiences of different local areas (such as the unique City of London locality)

Additionally, in October 2025, Coram Family and Childcare promoted the outcomes of research they had undertaken via the report: *Early education entitlements – the disadvantage gap (September 2025)*. Their report concluded that:

- "Many" children with Special Educational Needs and Disabilities (SEND) will not be entitled to the expanded 30 hours of funded early education because their parents/carers may be less likely to be in work
- Support with childcare costs for working parents (i.e. what was introduced as the final extended entitlement in September 2025) is very welcome - but focusing support in this way gives less early education to children who stand to benefit from it the most and risks widening the disadvantage gap
- A universal right to 30 hours of funded early education would remove the current inequality for disadvantaged children, reduce confusion and complexity for parents and facilitate work.

The above context combines two key factors, which are continuing to require ongoing evaluation through childcare sufficiency-themed research:

- 1/the evolving effects - on the supply and demand of early years childcare - of the extended funded entitlements².
- 2/the ongoing effects of an increasing number of 2-4 year olds having diagnosed and undiagnosed SEND.

The late 2025 City of London Childcare Sufficiency update sought to focus on both of these themes - with a view to further research on 1/ above, being undertaken with parents and carers in early 2026.

It can also be noted - from a context perspective - that in October 2025 the updated English Indices of Deprivation (IoD2025), including the Index of Multiple Deprivation (IMD2025) were released - replacing the 2019 figures.

It was noted (by the GLA), that the **geographical spread of multiple deprivation within London continue to exhibit a crescent-shaped pattern**, beginning from the eastern side of Enfield down through Haringey and Hackney and across into Tower Hamlets - so in, effect, **skating the City of London, at its eastern point**.

Indeed the eastern vicinity of the City of London remains its most deprived location, with the Lower Super Output Area - which encompasses the Portsoken and Tower localities - having an Index of Multiple Deprivation (IMD) decile of 5 – indicating that the area is within the top 50% most deprived localities of England.

Autumn 2025 Research Methodology

The following Childcare Sufficiency update report has been researched and produced via: analysis of the outcomes of structured interviews - that took place in November and December 2025 - with the early years childcare providers/settings situated in the City of London.

² In September 2025 the final stage of the expansion of government-funded early education entitlements was set in motion, giving children with eligible working parents 30 hours per week of funded early education, for 38 weeks of the year, from the age of nine months until they start school.

Feedback from City of London Early Years Childcare Providers

The narrative below summarises feedback, aligned to specific themes, received (as an outcome of structured interviews undertaken through virtual/web e-interviews or visits) from representatives of the City’s early years childcare providers/settings during the period November and early December 2025.

1.1 Evident occupancy in late 2025

1.1.1 For context, Table 1 below outlines the number of children that are reported to attend in late 2025, the seven main early years childcare providers situated in the City of London, on a typical weekday.

Table 1 - Early years *childcare* settings located in the City of London and the numbers of children stated to attend on a typical weekday, in summer 2025³

Provider	Number of children who attend on a typical weekday
The Aldgate School childcare element	12 [was 15 in June 2025]
The Aldgate School Nursery	26 sessional part-time morning and afternoon places
Hatching Dragons Nursery	27 [no change]
Smithfield House Nursery	25-30 [was 35 in June 2025]
Newpark Childcare Centre	20 [was 25 in June 2025]
Barbican Playgroup	7 [was 11 in June 2025]
City Child Bright Horizons	30 [no change]

1.1.2 The general feedback about the theme of occupancy was that children numbers were expected to *increase* in January and February 2025, in the typical cyclical/season ways.

Representatives of three settings outlined how a demand for places for babies continued to be an observed factor – for example:

“We have more babies coming in... three are starting this [November] month”.

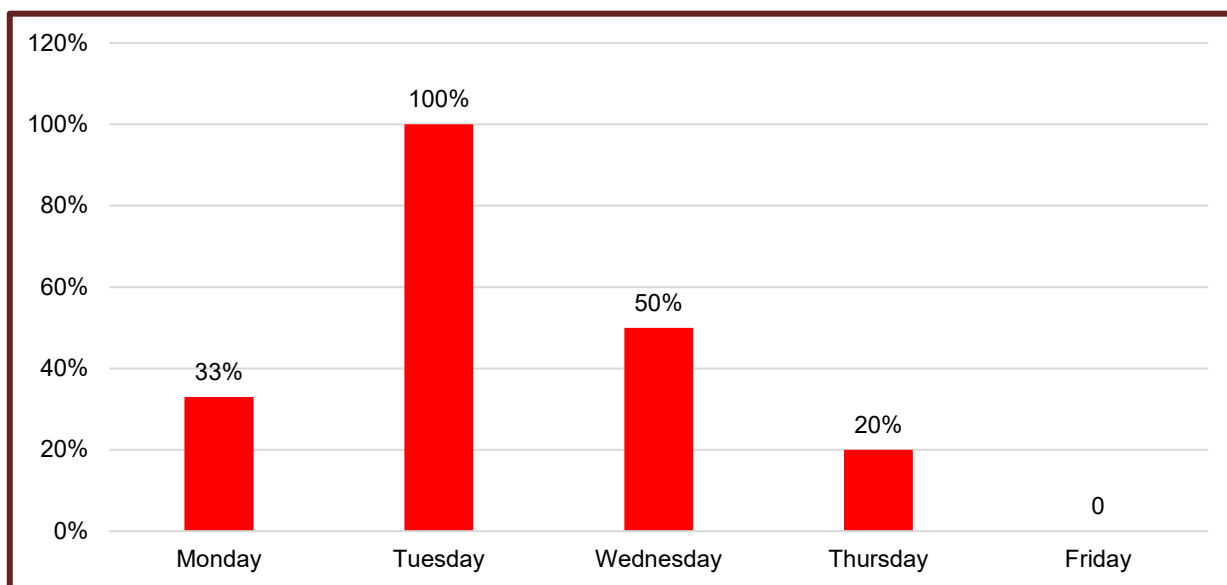
“We also have more babies starting in January [2026] – demand for under 2 year old places is still quite high... and some parents make it clear the’ ‘want’ these places ready... one parent recently paid 6 months upfront”.

³ It can be noted that Charterhouse Square School hosts a nursery, however there is no provision of free entitlement places.

“We almost see the baby room as our future...”

As is standard for the childcare sufficiency updates process, representatives were requested to answer: what their busiest two weekdays were in late 2025?

Image 1 - Frequency with which particular weekdays were a setting’s busiest



The one change from their collective responses in late 2024, was that Monday – Wednesday was a perceptible peak period, rather than (in late 2024): Tuesday – Thursday.

1.1.3 Again, as is standard, representatives of all early years childcare providers/settings were invited to state: the **percentage of families attending their setting who were resident in the City of London** – in comparison to the percentage of families attending their setting who were resident outside of the City of London.

- The average percentage of City of London residents was: 44%
- The average percentage of non-City of London residents was: 56%.

This represented a relatively higher percentage of City of London-resident children than had been collectively recorded during 2023 – summer 2025.

As is typical, only one (sessional) setting stated that *all* of their families/children were resident in the City of London.

1.1.4 Finally, all but one early years childcare setting had a waiting list – with the average number of children on such a list - in late 2025 - being 12. It can be noted that three settings stated (words to the effect) *“the majority of these children on the waiting lists are/will be babies”*.

1.2 Childcare places which are fee-based

1.2.1 Table 2 below outlines the **average** hourly fees per age group outlined by the relevant responding early years childcare providers

Aged 0 –12 months	Aged 1 year	Aged 2 years	Aged 3 years	Aged 4 years
Late 2025 stated hourly fees				
Average. Hourly rate: £12.47	Av. Hourly rate: £12.47	Av. Hourly rate: £13.74	Av. Hourly rate: £12.74	Av. Hourly rate: £12.74
...In comparison with Summer 2025 hourly fees				
Av. Hourly rate: £12.09	Av. Hourly rate: £12.09	Av. Hourly rate: £13.04	Av. Hourly rate: £11.48	Av. Hourly rate: £11.48 ⁴

in comparison to late 2024 metrics, which are presented below:

Aged 0 –12 months	Aged 1 year	Aged 2 years	Aged 3 years	Aged 4 years
Late 2024 metrics				
Av. Hourly rate: £11.68	Av. Hourly rate: £11.68	Av. Hourly rate: £11.20	Av. Hourly rate: £11.48	Av. Hourly rate: £11.39

1.3 September 2025 extension to the funded entitlements

Early years childcare providers were invited to state what they envisaged the impact of the September 2025 extension to the funded entitlement would be on their setting over the next 12 months. Without exception, all representatives outlined that they did not envisage that the September 2025 30 hours/working parents themed extension would have any discernible impact. Indeed the most frequent response as to what they envisaged demand for 1 years to 4 years places to be *in 2026* was: very low.

Specific responses on the subject *included*:

“We do receive enquiries about such places, but still nothing major”.

“To be honest, it’s having no effect on our capacity and delivery...”.

“We’re waiting for more demand... and maybe 2026 will be different?”.

⁴ The above calculations does not include the fees for the sessional Barbican Playgroup, which would have inflated an average.

1.4 Childcare support and children/pupils with SEND

1.4.1 The late 2025 childcare sufficiency interviews process had a specific focus on the incidence of City of London early years childcare providers supporting children/pupils who have SEND.

Early years childcare providers were invited to outline their experiences of delivering childcare for children who have a type of SEND – a high profile issue across London and England in the middle of the decade, as the incidence of such children continues to increase.

1.4.2 Key initial collective feedback was that:

- The three SEND designations that City of London early years childcare providers/settings evidently received – or had received over the past 2 years – were:
 - (d) Undiagnosed SEND
 - (e) Autism
 - (f) Sensory sensitivity
- There had been a collective enthusiasm for staff to undertake Makaton training
- Identifying and recruiting staff with SEND-themed experience and qualifications is an ongoing challenge
- With only one exception, all representatives of City of London early years childcare providers stated that they tended to engage with the local authority - and their team of specialists - about a child who had diagnosed or (more typically) undiagnosed SEND needs: between 1 – 3 times a year.

1.4.2 In terms of experiences and contemporary themes:

- 67% of representatives of settings stated that had a SENDCo (Level 3)
- 50% of representatives of settings stated that (in their opinion) their setting is 'well-equipped' to support children with SEND
- 75% stated that they were confident that all of their staff were aware of the Code of Practice SEND ranges
- 50% stated that they had applied to the Early Years Inclusion Fund, at some point
- 30% stated that they had applied to the Disability Access Fund, at some point

1.4.3 All of the representatives (unprompted) fed back a consideration that confidence of working with pupils/children with SEND was linked to training.

Three representatives stated that they believed their workforce would benefit from further SEND-focused training, specifically/potentially aligned to:

- Attention Deficit Hyperactivity Disorder
- Managing challenging behaviour

- Early identification of potential speech and language needs

The repeated method requested to **receive SEND-themed training** was: an in-person workshop, which was an approach preferred over other approaches, such as: online live webinars; self-paced online module and; on-the-job coaching/mentoring.

- 1.4.4 Representatives were invited to denote any reason(s) why they may have - at some point - been unable to accept a child with SEND? All stated – encouragingly - that: this situation doesn't really happen.

Indeed, all representatives stated that that if they were ever unable to accept a child with SEND, they would always refer the family to another local, City of London-based childcare provider.

- 1.4.5 Representatives were invited to state whether there have ever been any instances where a child's full SEND challenges were not completely disclosed before they started at your setting.

50% of representatives stated that this had happened and their feedback *included*:

"The parents did not tell us that a child was deaf [had a hearing sensitivity]... and of course this became quickly evident to us".

"It has happened and is typical an eyesight issue [a visual sensitivity]".

"It rarely happens, but when it does I would say it is an Autism-related event".

Additionally, and on a similar theme, 50% of representatives of settings stated that they had an *"occasional"* experience whereby a parent/carer was not willing to accept advice on a child's needs - and therefore were unwilling to accept: (a) support and/or (b) signposting to further assessments/support services. Representatives of two settings believed that some parents/carers had a concern whereby if their child was diagnosed with SEND, this may prevent them from accessing certain types of support, including an eventual out of childcare wraparound place, which would support a working family.

It was also considered that a parent/carer may have concerns about a child receiving such a diagnosis as it may effect them being able to attend a school of their (first) choice.
