Meeting: Overview and Scrutiny **Date:** 23/11/26

Wards affected: All

Report Title: Early Years Sufficiency Report 2026

When does the decision need to be implemented? n/a

Cabinet Member Contact Details: Councillor Nick Bye

Director Contact Details: Nancy Meehan Director of Children's Services
nancy.meehan@torbay.gov.uk

1. Purpose of Report

1.1 This report provides Members with an overview of the 2026 Early Years Childcare Sufficiency Assessment (attached) and the extent to which Torbay Council is meeting its statutory duty to secure sufficient childcare. It summarises the overall position, key pressures and the action being taken to support a sustainable, flexible and inclusive childcare offer

2. Background

2.1 The Childcare Act 2006 requires local authorities, so far as is reasonably practicable, to secure sufficient childcare for working parents and parents who are studying or training for employment. Torbay Council must report annually to elected Members on how this duty is being met.

2.2 The 2026 report is based on provider returns, occupancy and attendance information, parent feedback and local intelligence. The provider survey achieved a 96% response rate, with 99 of 103 registered providers responding.

2.3 The report considers the overall availability and pattern of childcare, take-up of funded entitlements, workforce and financial sustainability, provision for children with SEND, quality of provision and the impact of demographic and housing changes.

3. Progress

3.1 *Overall position*

Torbay continues to have a diverse childcare market with sufficient capacity at whole-area level. The survey identified 2,792 daily early years places and 2,500 daily attendances, representing average occupancy of 90%. The evidence does not indicate a general over-supply of places because of the falling birth rate.

3.2 *Demand and availability*

However the overall position masks variation between areas, age groups and types of provision. Occupancy was highest in Torquay at 93%, compared with 87% in Paignton and 86% in Brixham. Forty providers reported waiting lists, with the greatest pressure relating to places for children under two's. At the same time, some providers reported vacancies, particularly within term-time-only provision. This indicates that the main challenge is having the right childcare places in the right locations, at the right times, and for the right age groups.

3.3 *Funded childcare entitlements*

The sector was supported to prepare for the full expansion of working-parent entitlements (September 2025) through regular funding and statutory updates, practice support and direct finance and system assistance. In summer 2026, 2,055 of 2,209 eligibility codes were validated by providers, an overall rate of 93%. This is a clear indication that a high proportion of families are taking up their entitlement.

3.4 *Expansion and flexibility*

Capital investment has generated 138 additional places for children aged two and under. However, much of this capacity is within school-based nurseries and sessional pre-schools, which are predominantly term-time-only. The assessment identifies continued demand for more flexible and all-year-round childcare. Much of the expansion has been driven by space availability and funding conditions which have mostly been linked to schools.

3.5 *Key market pressures*

Recruitment remains a significant constraint, with 39% of responding employers reporting difficulty recruiting staff. This in turn impacts on their ability to increase occupancy. Providers also raised concerns about funding rates, staffing and operating costs, occupancy and their ability to remain financially sustainable.

3.6 *SEND and quality*

Forty-one per cent of providers reported an increase in children with additional needs. Ninety per cent said they could offer children with SEND their full funded entitlement; the main barriers where this was not possible were staffing capacity, specialist skills and suitable space. Parent feedback identified a particular gap in suitable holiday childcare for children with SEND.

3.7 *Quality*

The report records that 83% of providers were Good or Outstanding under the previous Ofsted framework, 6% had been assessed at the expected standard or above under the new framework and 10% were awaiting a first inspection, indicating high levels of quality across Torbay

3.8 The key actions identified in the report focus on the following areas:

- monitor sufficiency at ward and age level;
- work with providers on flexible and sustainable delivery models;
- support recruitment, qualifications and apprenticeships;

- strengthen SEND-inclusive provision;
- improve take-up of funded entitlements;
- ensure information about additional charges is clear and consistent in line statutory guidance.

4. Recommendation(s)

4.1. That Members note the findings of the 2026 Early Years Childcare Sufficiency Report, including that there is sufficient capacity at whole-area level but that there are more localised pressures relating to age, location and flexibility of provision.

4.2 That Members support continued termly monitoring of capacity, occupancy, waiting lists and parent demand to enable targeted market-management activity

4.3 That Members note the continued focus on flexible and all-year-round provision, workforce development, provider sustainability, SEND inclusion, take-up of funded entitlements and transparent charging information as key actions for the service.