

# Case Study

## Day Nursery – steps to developing delivery model

We are a day nursery catering for children aged 0-5 years old. We have a mixed cohort of working families who need full day care all year round and families who only access funded hours. We are open from 7.30am-6pm all year round and deliver seven different models to suit the needs of different families. We offer:

1. Full time places all year round.
2. Part time places all year round. These sessions run from 7.30am-1pm and from 1pm-6pm.
3. Full time places, term time only.
4. Part time places, term time only. These sessions run from 7.30am-1pm and from 1pm-6pm.
5. Funded places (for 2, 3 and 4 year olds), term time only, offered as a day and a half.
6. Funded places (for 2, 3 and 4 year olds), term time only, offered as 3 sessions of 5 hours each.
7. Funded places (for 2, 3 and 4 year olds) that are stretched over the year. This equates to 11 hours a week, with sessions running from 7.30am-1pm and from 12.30pm-6pm.

We have had to understand the childcare market and engage in business planning in order to make an informed decision, as a childcare provider, if we will be able to deliver the 15 hour extended entitlement from September 2017. We have:

- ✓ **Used market research and the childcare sufficiency audit** to inform us of the projected birth rates for the next three years. This has helped us gauge the demand for childcare in the area and plan for how many extended entitlement places we will be able to offer.
- ✓ **Understood the needs of families** by conducting a questionnaire with all parents of toddlers and 2 year olds at our setting, to help us develop an awareness and understanding of the childcare needs of our families and the potential uptake of the extended entitlement.

- ✓ **Ensured the sustainability of our provision** by determining the actual true cost of our hourly rate. This was done by understanding all our outgoing costs, including staffing and resources, and ensuring that our income covers and matches all our outgoings.
- ✓ **Understood our finances** by working out what level of occupancy is needed with the current funding rate to be sustainable, and matching that with the families that we have who will be eligible and forecasting those that may become eligible, by utilising our waiting list information, local information and sufficiency audits.
- ✓ **Communicated and promoted the entitlement to parents** through holding parent meetings, in which we share information around the extended entitlement and the eligibility criteria. We will be holding a further meeting in May to share the models that we will be offering and will be able to share more information once it has been confirmed from the government. We have also sent out letters and created leaflets with detailed information on the extended entitlement and we will be updating our website soon with this information.
- ✓ **Liaised with the Early Years Team at Achieving for Children** for business support and information around the 30 hours scheme.

The tools we have used to assist us in planning for the extended entitlement have helped us develop an understanding of the demand and of our potential occupancy levels. As we now know that the demand exists and is high in our area, we are looking into building an extension at our premises in order to accommodate the families that will need the extended hours, without compromising any of the other places that we currently offer.

As a result of our thorough planning and forecasting we have been able to choose the model that we will adopt to deliver the extended entitlement. We will continue offering the seven models that we currently offer and we are discussing potential partnerships with local schools and sessional providers to be able to work together so that, where they cannot deliver the hours that families need, we can offer:

- ✓ Wraparound hours
- ✓ Holiday hours
- ✓ Stretched hours

To ensure that we are ready to deliver the extended entitlement in September 2017, we are planning the following next steps:

- ✓ Hold more parent meetings, to update them with information and share the models that we will be delivering
- ✓ Send out more information letters
- ✓ Create posters to help all parents become aware of the extended entitlement
- ✓ Ask parents to enter a semi-permanent contract in which they commit to the hours they need
- ✓ Plan actual occupancy figures based on parental needs
- ✓ Start using mock invoices
- ✓ Develop our terms and conditions