



12<sup>th</sup> January 2024

Dear Parent/Guardians

### **Nursery / Preschool Fee Increase – April 2024**

Please find below details of the fee increase that will take effect from April 2024

We continue to work hard to keep all fee increases to a minimum. However, this rise is necessary to ensure that we both retain and motivate our experienced, qualified and dedicated staff and to ensure that the nursery operates in the manner that offers you the high standards you expect.

We realise that a fee increase is never welcome but unfortunately increases are unavoidable.

I have looked at changing the daily structure completely, offering funded sessions either side of lunch and then charging for a lunch club to help with the spiralling cost of food, but have placed this on hold for another 12 months and I will revisit next year if the situation has not improved again.

I am also aware that childcare costs remains high and the media continue to report how expensive it is, whilst also reporting on the expansion of more 'free childcare', soon to be available from age 2 onwards. Can I just point out, it is not 'free', it is funded or subsidised and nowhere near covers the shortfall gap between the funding rate and the National Minimum Wage.

The reality is that there are plenty of other hidden costs involved in running an Early Years Setting which many of us do not think about – and with the cost-of-living crisis, it continues to get worse.

Our Early Years settings are just like a home. We have bills just like we do at home and just like any bricks-and-mortar business, we have to pay all the usual overheads you would expect like rent/mortgage, buildings

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insurance, business rates, electricity, gas, water – not to mention staff salaries. However, because Early Years care for children, there are other hidden costs, like legal regulatory expenses. Examples being; DBS checks, annual Ofsted and ICO fees, insurance costs, accountancy costs, annual legal fire safety checks, monthly costs for online access to different systems, costs to provide platforms such as baby days, continued maintenance costs to ensure our Early Years settings remain a safe place for the staff and children. The list really is endless! We then get to the continued legal training costs in mandatory areas such as first aid, food safety and child safeguarding. Then there's the price of supplying items like, food and drink, wipes, tissues, toilet rolls, soap, paper hand towels, cleaning materials, laundry expenses, first aid supplies, and of course, all those obvious things a parent would expect from an Early Years setting like toys, arts and crafts, outside resources the lists go on.

We are not exempt from the cost of living crisis. We too, like everyone else are concerned at the expected rising cost of our energy bills.

Then there are our staffing costs, which represent almost 80% of our entire outgoings which has been met with a continued rise over the last few years with the estimate of the 2024 NMW and NLW increasing by a whopping 9.8% together with the mandatory pension auto-enrolment.

The gross under-funding Early Year's providers across the UK receive from the government for your 3 and 4 year olds impacts massively on the financial operations of an Early Years setting. We now have 2-year old funding in the mix.

I am sure that no one will be overjoyed to receive this fee rise but we have tried to strike an appropriate balance between ensuring that our highly qualified staff continue to receive an appropriate salary for the amazing job that they do and ensuring that our fees remain as affordable as possible compared to other settings in the area.

We have tried to keep our increase to the lowest possible minimum and as always, it is of the utmost importance to us that we can provide the high quality and level of service that meets and exceeds the needs of your children.

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due to the current underfunding we receive for children in receipt of the 2/ 3 /4 year old funding, the consumable charge fee (having been held down for the past two years) will increase to £14.50 per week for those accessing 15 hours funding and £27.00 per week accessing 30 hours funding. This contributes to the cost of snack and all those special extras we offer including the extra curricular activities such as workshops, yoga, forest schools, baking and more all of which are not covered by the gross underfunding we receive.

If anyone has any questions at all, please do feel free to email myself or Sophie Marks and we will do our utmost to answer any questions you may have.

Yours faithfully  
Hannah Gogin

Age Category	Old Price (per hour)	New Price (per hour)
Babies (0-2)	£7.77	£8.70
Toddlers (2-3)	£7.49	£8.38
Pre School (3-4)	£7.22	£8.08

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