



Dear Parents and Families,

RE: Fees and Funding update from April 2025 (Start of Summer Term).

Fees:

As you will be well aware, the recent change in Government and subsequent Autumn budget saw substantial increases to the National Living Wage and changes to both the National Insurance rates and thresholds; these changes are set to become law from the 1st of April 2025.

I'm sure you can appreciate that looking after young children is extremely labour intensive, not only do we have Government rations to adhere to but we also employ people in management, office and kitchen positions.

In order for us to maintain and continually improve the provision we offer to your children, we must remain competitive in the job market and be able to retain and recruit the best people we can. The impact of this and the budget is that from April, our wage costs will greatly increase, and for us to remain a sustainable business, we must also increase our fees accordingly; please see the updated fees table on page two.

Funding:

As a nursery, we have two options for claiming funded hours for your child from the local authority; 'Term Time' or 'Stretched'. We have previously only claimed funding on a term time basis, which sees a child annual allocation (740 or 1140hrs) claimed only during the LEA's 39 weeks per year, with nothing being allocated for the 11 weeks outside this. We recognise that this fluctuation in funded hours is particularly difficult for families when seeking to budget personal finances across the year. More importantly, it doesn't reflect the fact that 80% of children now attend all year round and as such, the 'Stretched' funding option would be much more appropriate.

From the start of the summer term, all children attending on a year round place we receive their funding in the 'stretched' system where their annual allocation (740 or 1140 hrs) being spread out over the 50 weeks that the nursery is open (closing for 2 weeks at Christmas).

Those children currently attending on a term time only basis will continue to receive their funding on the current; 15 or 30 hrs per week basis.





Maximum funding claim table:

Age	Max Funding Avail Per Year*	'Term Time' (39 Wks PA) Hrs Per Week	'Stretched' (50 Wks PA) Hrs Per Week
9 Month	740	15	11.4
2 Year	740	15	11.4
3 & 4 Year	1140	30	22.8

We are pleased to say that the Government and Local Authority have increased their funding rates; however, it was extremely disappointing that they have not kept pace with the increased business costs that the Government has levied on business via the NWL and NI increases. As such, the rate received for 3 and 4-year-olds is far below what we need to break even on those sessions, and thus, we will be retaining the current consumables rate but **without an increase**.

Fees from April 2025:

Session	Session Times	Hours	Hourly Rate	Full Price
Full Day	0800-1800	10	£9.50	£95.00
Morning	0800-1300	5	£13.00	£65.00
Afternoon	1300-1800	5	£13.00	£65.00

As mentioned above, we will close the nursery for two weeks over Christmas 2025 to give our staff a good festive break and allow us to undertake some necessary building work. You will not be charged during the nursery closure.

As always, if you have any questions please contact the office.

Kind regards,

