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Background and Introduction

This pack has been produced by London Borough of Newham’s (LBN) learning and achievement team. It is an aid to prospective and new providers wishing to set up childcare provision in the borough.

The pack covers in more detail all the areas you will need to consider in setting up your childcare, from finding and converting premises, through setting up as a business or constituted organisation, to becoming a fully registered provider with qualified, experienced staff in place. There is also information and support to ensure the long term viability and quality of your provision, with sign-posting to other services provided by the learning and achievement team and elsewhere in the borough.

The Context

Newham Childcare Market

Information regarding Newham’s local childcare market and population profile can be found in the Newham childcare sufficiency assessment, which is available on the Newham website:


Partnership in Development

The Childcare Act 2006 outlines the legal responsibility of local authorities to assess and secure sufficient childcare within their local area and to take the strategic lead in helping the childcare market. The act particularly focuses on ensuring there is not only enough childcare but that it is also sustainable, flexible and responsive to parent’s needs. This is to be achieved in partnership with private, voluntary and independent organisations.

This pack details the resources and support available to you and we strongly recommend, if you wish to set up childcare in the borough, that you contact staff in learning and achievement team at an early stage.

Please email the Family Information Service fis@newham.gov.uk
Learning & Achievement Service

The learning and achievement service provides support to potential providers who wish to set up childcare provision in Newham. Once premises are identified, you should make contact for the following support:

- Advice on the suitability of premises and guidance of the number of children you may be able to provide care for*
- provide advice on equipment required
- give advice on Ofsted application process, help with application forms etc.
- support providers in developing policies and procedures and advise on documentation required
- advise on staffing such as numbers and qualifications required
- offer general advice on any issues related to meeting Ofsted requirements.

* The learning and achievement team will provide you with an electronic child numbers calculator (Excel spreadsheet), via email, for you to estimate this for yourself.

For further advice and to arrange appointments please email the family information service fis@newham.gov.uk

Premises and Planning Permission

If you wish to set up a childcare facility, you may require planning permission, particularly if you intend to:

- Erect a new building
- change the use of a building to day nursery, crèche or playgroup
- undertake external building work including extending existing buildings
- carry out other works around the building, e.g. putting up a children’s playground or portakabin
- make internal or external changes to a building that is listed as being of special architectural interest.

To operate a childcare provision, the premises must have a ‘D1’ educational use.

If you acquire premises with a D1 use with pre-existing planning permission; please check the conditions of your consent with planning to ensure the use is lawful.

Childcare provision – Planning Guidance

This document details planning guidance for prospective providers of full day care, sessional care and out of school care.

You will not need to apply for planning permission if:

- The childcare provision is for six or less children
- The main use of the property remains as a dwelling house
- You have no employees/assistants
- You do not erect advertisements outside the property

Definition of childcare provision

There is no specific definition given in planning legislation for the term ‘crèche’, ‘Nursery’ or ‘pre-school playgroup’ however the following is a broad description which would cover the uses:

“A place where a number of children are brought together for part or all of a working day regularly and where provision is made for their care, recreation and in some cases meals”

In planning law the type of activities allowed in a building are grouped together in ‘use classes’. Day nurseries and crèches fall within
a use class group called D1 - ‘Non-residential institutions’. Other premises in this D1 group include medical or health centres, day centres, museum/art galleries, public libraries and places of religious worship.

**Do I need planning permission for my childcare facility?**

If you are using your home (dwelling house) for childcare provision: London Borough of Newham.

You will not need to apply for planning permission if:

- The childcare provision is for six or less children
- The main use of the property remains as a dwelling house
- You have no employees/assistants
- You do not erect advertisements outside the property

You will need to apply for planning permission if:

- The childcare provision is for more than six children
- You are using most of the rooms within your dwelling house for childcare provision, so that the main use is no longer as your home
- You have employees/assistants working for you
- You erect advertisements outside the property

If you are using a commercial property for childcare provision:

You will not need to apply for planning permission if:

- The current use is lawfully within the D1 use class, or unrestricted D1 use is either permitted by planning permission, a certificate of lawful development or has historically (since before 1947) been in use as a D1 use

You will need to apply for planning permission if:

- The current use is not lawfully with the D1 use class

**How do I go about gaining planning permission?**

In all circumstances, the council would recommend engaging with a private planning professional who can offer guidance on the planning process. The RTPI offer a directory of planning consultants.

If planning permission is required, the prospective provider will need to submit a planning application.

Information on how to apply can be found at: [www.planningportal.co.uk](http://www.planningportal.co.uk)

Please note that all planning applications will be judged on their individual merits. Even if a property and prospective operator is considered acceptable to the Early Years and Childcare Service and/or Ofsted, it does not mean that planning permission will be granted.

**Certificate of Lawfulness**

Providers may wish to ask the Council if a proposed or existing use for childcare provision is lawful. This can be done by way of a Certificate of Lawfulness application.

This application is beneficial if a provider wants confirmation that their operation would not require planning permission. A Certificate of Lawfulness may be required by your mortgage lender or insurer to provide confirmation that the use of a property for childcare provision is lawful.
Planning fee

Daycare
Childcare providers operating on non Domestic premises please check the planning portal for fee information

Childminder
Prospective childminders will be required to contact planning for certificate of lawfulness – proposal to operate childcare on domestic premises cost £197.50

Existing childminders will be required to contact planning for certificate of lawfulness – currently operating childcare on domestic premises for more than 2 children cost £385

For further information and advice:
Duty Planning Officer
Monday – Friday
9am – 12noon
Tel: 020 3373 8300
Email: env-dutyofficer@newham.gov.uk
www.newham.gov.uk/Pages/Services/Planning-advice-and-guidance.aspx

Each Planning Application is different but the council will look at the following areas:

Parking
You may be required to provide space for staff and visitor off-street car parking, and to consider secure motorcycle and bicycle storage. You will also need to think about the drop off and collection arrangements for parents and their young children, and about how non-drivers will reach your premises. It is vital that you build into your plan ways to segregate vehicle and pedestrian movements. A travel plan may be appropriate depending on the scale of your proposal.

Amenity
You may be required to take measures to minimise disturbance to neighbours in areas where noise is a particular issue. The Council will resist over-intensive uses, particularly within residential areas.

Traffic
Congestion should not be significantly worsened by the new provision.

Loss of Residential Use
The council has planning policies that seek to protect residential accommodation and to minimise its loss. Large family housing is particularly protected in parts of Forest Gate where changes of use from single family dwelling to other uses may no longer be permitted. It is also important to seek advice from planning officers before submitting a planning application.
Design
The council have a set of standards to which you will be required to adhere, particularly for listed buildings and in conservation areas.

Access into the Building
Nurseries and other childcare facilities should be fully accessible in accordance with the Building Regulations and the Disability Discrimination Act. Accessibility is also required under the London Plan 2004, the Newham Unitary Development Plan (UDP) June 2001 and the council’s Supplementary Planning Guidance Notes on “Access for All”.

Distribution / Concentration
Childcare buildings, like other community facilities are required by the London Plan and council planning policies to be situated in easily accessible locations for all users, and where there is identified need. Provision has to be accessible by walking, cycling or by use of public transport. Duplication of local facilities should be avoided.

Workplaces
The council encourages nursery development within or close to their premises and in other places with easy access by public transport.

Outside Play Areas
A safe outside area for play is now a requirement and a number of regulations and standards are in place.

Conditions
These are normally attached to all planning permissions, and may include:

- No further change of use
- a limit on the number of children
- a limit on the hours of use.

The Building Act 1984 and its Regulations
The purpose of the Building Act 1984 is to ensure that buildings are constructed properly and are in accordance with current standards and regulations by safeguarding the health and safety of people in and around buildings, conserving energy and providing access and facilities for people with disabilities.

The Building Act 1984 provides the legal framework for:

- The Building Regulations 2010
- The Building (Approved inspectors etc.) Regulations 2010
- The Building (Local Authority Charges) Regulations 2010

The Building Regulations contain various sections dealing with definitions, procedures, and what is expected in terms of the technical performance of building work. For example, they define what types of building, plumbing, and heating projects amount to ‘Building Work’ and make these subject to control under the Building Regulations.

Building Work
Building work could be defined as any one of the following projects:

- The erection or extension of a building
- the installation or extension of a service or fitting which is controlled under the regulations
- an alteration project involving work which will be relevant to the continuing compliance of the building, service or fitting with the requirements relating to structure, fire or access and facilities for disabled people
- an alteration to the external thermal element
of the building
- the insertion of insulation into a cavity wall and
- the underpinning of the foundations of a building.

Please visit www.planningportal.gov.uk/buildingregulations/buildingpolicyandlegislation for further information.

What you need to do

Anyone wanting to carry out building work is subject to the Building Regulations and should therefore contact:

Newham Local Authority Building Control Inspectors
London Borough of Newham
Building Control
Newham Dockside
1000 Dockside Road
London E16 2QU

For further information and advice:

Monday - Friday, 9am -10.30am
020 3373 8200
reception.bco@newham.gov.uk

Health and Safety

Guidance on health and safety aspects of setting up a childcare provision can be found in EYFS Guidance – Welfare Requirements (see below). As a childcare provider you are responsible for all health and safety matters relating to premises, staff and children. You must:

- Undertake risk assessments of the premises and practices within the provision, and must minimise risk on a regular basis and ensure where there are significant hazards to reduce and control risk
- have clear policies and procedures to cover all aspects of the the EYFS safeguarding and welfare requirement
- include health and safety issues in staff job descriptions, induction and training, staff manual and meetings
- ensure that correct levels of supervision are maintained at all times
- ensure that children and parents are involved in understanding and minimising risk at your setting.

Fire Safety Regulation

The guidance document EYFS:

Prior to your Ofsted inspection you may contact your local fire brigade officer and environmental health officer. In addition to Ofsted standards the Fire Brigade can send you guidance notes to inform you of your obligations as a workplace to comply with the Safety Legislation Regulatory Reform Fire Safety Order 2005. In shared premises you will need to co-ordinate your planning with other users of the building.

Ofsted produce a Guidance document Childminding Guidance to National Standards of which Standard 6 covers safety including fire safety.

Ofsted and the fire safety officer will discuss with you your ‘Fire Risk Assessment’ and ‘Emergency Plan’. Information on how to develop these can be obtained from your fire officer. These documents will include information about:

- Location
- layout
- means of escape
- early detection and warning of fire
- emergency plan and evacuation strategy
- staff training
- fire safety procedures and notices

You should contact the fire brigade when your fire risk assessment is completed and any necessary fire safety arrangements are in place. It is not the role of the fire authority to provide a
A guide to your obligations as a workplace is available from The Stationery Office:

020 7242 6393
www.hmso.gov.uk

For further information and advice:

Each borough in London has a team responsible for ensuring that buildings comply with Fire Safety Legislation (Regulatory Reform Fire Safety Order 2005).

Newham
Fire Safety Regulation: North East Area 2
169 Union Street
London SE1 0LL
020 8555 1200 x 89170
fsr-adminsupport@london-fire.gov.uk
Rhys Powell
020 8555 1200 x 52129
northeastareasupportteam@london-fire.gov.uk

Environmental Health

In respect to Ofsted related premises, the health & safety enforcement team will carry out a full proactive inspection if category A (high risk) rated. If it is below this, we cannot inspect. For all premises we can do an advisory visit where requested or invited by the premises owner/operator. Topic inspections may be carried out focussing on specific safety concerns identified either nationally or through local intelligence as well as reactive visits where an incident/accident or matter of concern.

Ofsted inspect and regulate services that care for children and young people.

Care quality commission (CQC) monitor, inspect and regulate a number of services including care Homes, both residential and nursing.

Health and safety enforcement for residential care homes is split between the local authority and the CQC.

The enforcing authority for nursing homes is the HSE.

Enforcement & Safety Operations Directorate
London Borough of Newham
East Ham Town Hall Annex
1st Floor, 330-354 Barking Road
London E6 2RT

For further information and advice:

Contact David Hitching (Principal Officer) on 020 3373 9882 or Kathy Rayney on 020 3373 7700.

Disclosure Barring Service (DBS)

The Criminal Records Bureau (CRB) and the Independent Safeguarding Authority (ISA) have merged to become the Disclosure and Barring Service (DBS). CRB checks are now called DBS checks.

A DBS check may be needed for:

• Certain jobs or voluntary work, e.g. working with children or in healthcare
• applying to foster or adopt a child.

You can apply online at http://Ofsteddbsapplication.co.uk

Reassuring parents and carers that the early years and childcare provision they choose for their children is suitable is very important.

To do this, Ofsted register and inspect those who provide early years provision and childcare for children aged from birth up to their 18 birthday.

Ofsted register providers on two registers:

• The Early Years Register
• The Childcare Register

A prospective provider can apply to join one register or both registers at the same time; or
they can apply to the two registers separately if they wish. Deciding which register to apply to depends on:

- The ages of the children that will be cared for
- the premises where they will be providing care
- the type of care that they will be providing

Legal Structure of a Business

There are three main types of legal structure available when starting up a business. They are:

- Sole Trader (owns the business and has financial responsibility for its management and development)
- Partnership (two or more self-employed people own a business together)
- Limited Company (registered with Companies House and having at least one shareholder, and one director)

Social enterprises may take a variety of forms including companies limited by guarantee, companies limited by shares and industrial and provident societies, but they all have primarily social objectives, with profits reinvested in the business or the community.

Each type of business has its advantages and disadvantages. To choose which route to follow you will need to think about the following:

- Personal risk – some models require a greater personal liability for any company debts than others
- tax implications – tax and national insurance levels vary from model to model
- administration – some models require more than others to administer
- image – some models may be seen as more prestigious or credible than others, some as more socially conscious
- legal requirements – some models involve less legal and tax paperwork than others
- financial issues – more funding is available to some types of business than to others

Useful contacts:

Companies House
21 Bloomsbury Street
London WC1 3XD
Telephone: 0870 333 3636
Fax: 0292 0380 900
www.inlandrevenue.gov.uk
www.gov.uk/business

Business Support

Newham’s learning and achievement service provides advice and support on business-related issues such as business and financial planning, market research, marketing, and funding options. You may also be signposted to specialist services such as the Inland Revenue.

We are able to provide information, materials and templates to help compile a business plan and can advice as a plan is being developed.

This is a free service to help providers assess the viability of a service proposal or to undertake a business health check of an existing business. The service can be used to develop certain aspects of a business plan, e.g. a marketing plan or pricing strategy.

For your new business to be successful, it is important that you start your business planning process as early as possible. A business plan will help you map out a path by which you can reach your business goal and it will force you to think about all aspects of your business and consider your strengths and weaknesses. It is the best way to analyse your costs and state your case for funding, and experience shows that most successful organisations actively work to a plan and involve their staff in planning and setting targets.
Before committing yourself to premises etc., it is important that you undertake market research in the area where you would like your business to be based or where your premises are. Market research provides an insight into the market, trends and future customers and gives information about opportunities in the local area.

There are three types of market research, which are vital. These examine the market, possible future customers and the local competition. The results of your market research should inform the way in which you choose to develop your childcare business.

For further help with your initial market research and information about how we can support you, please contact the business support team using the contact details below.

Once you know the market that you are going to be entering, you can start developing other areas such as your marketing plan. The strategic aim of your marketing plan should be to create a higher interest in your services than any other similar services available in the local area. You should therefore build your marketing plan on the results of your market research. This shows that you are offering the services that you have identified a need for. Remember that parents will purchase services that meet their needs and present value for money.

Business Planning

Many elements of the business plan can be developed simultaneously and whilst developing your plan, the business support team can act as a sounding board for you.

In a business plan, you should set objectives for your business and recognise and plan for opportunities and threats that your business may face. Once you have written your business plan, it should be a working document, which will monitor progress and the performance of your business.

A business plan is also needed if you are seeking a loan from a bank or funding from outside investors. Lenders will look at the financial forecasts included in your business plan, to determine your ability to pay back the loan. Potential funders will look at the viability and sustainability of the business.

A business plan should consist of different sections covering each aspect of the business. The sections include details about the business, its constitution, its objectives, key members of staff, the market in which the business operates, marketing (research and promotion), operational plan and financial forecasts.

It is important to note that since it is your business, it should also be your business plan, and ownership is best achieved by writing and researching all areas of the business plan yourself. Checklist to be used for guidance only (specific to the childcare sector).

Business Plan Checklist

Executive summary:

- Describe the key objectives of the proposed nursery business
- if an existing nursery provider, give some background information about your current nursery business such as:
  - Trading history
  - Reputation
  - Quality of Ofsted inspections if applicable
- describe the level of funding required to start the project
- provide details of your management team, such as their background and relevant experience
- describe the benefits of the project to the potential funders
- describe the current status of the nursery project.
Evidence of demand and market research
• Provide comprehensive information about the local childcare market place that you are entering. What are the trends and developments for the creation of day care services in this particular marketplace?
• provide information that shows you possess an awareness of national childcare development issues
• emphasise how your nursery venture will address local needs as identified in the local childcare sufficiency assessment
• indicate familiarity with local strategic plans
• how good is the competition and what are their strengths and weaknesses?

Description of your childcare service
• Ethos of nursery
• opening hours
• age groups being cared for
• equipment and other resources
• premises description
• management controls that will ensure the new/existing provision delivers good quality childcare such as:
  > Health & safety policies
  > Accident prevention
  > Equal opportunities
  > Safe food handling
  > Fire protection
  > Preventing the spread of infection
  > Safe nursery activities and outings
  > Parental involvement
  > Handling complaints
  > Protecting children’s rights
  > Encouraging staff training and development
• describe the features and benefits
• customers – who are they?
• describe your nursery’s competitive edge and unique selling point
• describe the nursery’s pricing policy and fee structure – what are you charging and why?
• put together a SWOT (strengths, weaknesses, opportunities and threats) analysis for your nursery venture.

Marketing Plan
• Describe how you will market your nursery project based on the information gained by your market research
• what will set your project apart from other nursery providers in the area?
• how will you inform parents about the new facility?
• how will you promote your nursery with other childcare initiatives?

Management Team/Nursery Team
• Supply details of your skills as a manager and the team identified for the running of the nursery
• if you have not recruited when will you recruit them? Give details of the qualifications being sought and the experience required. Also state how you are going to recruit suitable staff for your nursery
• include a diagram, which depicts the management structure of your nursery organisation
• describe the legal structure of your organisation.

Implementation plan
Describe all the steps to be taken during the start-up phase. Identify who will do them and when. This may include:
- Securing the premises identified
- gaining planning permission
- liaising with Ofsted and the local authority as appropriate regarding registration
- carrying out conversion and/or building works
- risk analysis - troubleshoot for the project in the event of things not going according to plan. For example what would you do if:
  > You cannot raise all the funds to start the project?
  > you have overestimated the demand for places in the area?
  > the competition goes on the offensive and launches it's own aggressive marketing campaign?

Financial information
- Describe any start up funding sources that you have secured or may apply for, for example grants, soft loan schemes, commercial loans and finance of your own. Include these funding streams in your financial projections:
- Produce a 5-year financial forecast for the new nursery project
- include a detailed section that explains the assumptions underlying your financial forecasts
- for forecasts a template is available from early childhood services (see contacts list) and it is recommended that this be used.

Appendices

Include the following information as supporting evidence for your business plan (this is not an exhaustive list):
- Proof of application for registration or registration certificate
- evidence of appropriate planning permission – where relevant
- certificate of insurance
- architects’ drawings and conversion plans – where relevant
- copy of proprietor's/directors and key
- evidence of market research e.g. questionnaire
- nursery literature/brochure
- if you are an existing childcare business include your last three years trading accounts.

For more information:

Useful books

You can also access useful fact sheets for business at www.gov.uk/business or specific to childcare business resources at www.4children.org.uk/Page/Business-skills-support

Some banks offer free of charge business planning software to their customers or a framework for writing a plan.
### Funding Options for Childcare Providers

#### 1 Personal Savings

<table>
<thead>
<tr>
<th>Description</th>
<th>Personal savings</th>
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<tbody>
<tr>
<td>Risks</td>
<td>Once invested a return will be dependent on the performance of the business. Personal risk can be reduced by creating a separate legal entity for the business.</td>
</tr>
<tr>
<td>Benefits</td>
<td>When available, funds will normally be quick and easy to access and be available without liability or obligation to others. Other investors will often want to see that you commit your own funds when considering whether to support you.</td>
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</table>

#### 2 Friends & Family

<table>
<thead>
<tr>
<th>Description</th>
<th>Loans or Investments from family or friends is a common way to raise finance for small business, particularly at the start up stage.</th>
</tr>
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<tbody>
<tr>
<td>Risks</td>
<td>There is a high risk that the loan or investment will be lost if the business fails. The prospects, risks and expectations should be made clear at the outset. It is good practice to have this laid out in a business plan and written agreement.</td>
</tr>
<tr>
<td>Benefits</td>
<td>Loans and investments from family or friends can be an accessible way to bring cash into your business.</td>
</tr>
</tbody>
</table>
### Description
Fees paid by parents/guardians or through a contract with a third party such as a college for childcare services provided. Except where delivering only the government funded free entitlement this is likely to be the major ingredient in your funding mix. The amount you charge will need to be set in the context of the local market, your service status, reputation and costs. You need to have a good understanding of what the market will bear.

<table>
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<tr>
<th><strong>Risks</strong></th>
<th>Income is dependent on attracting service users. You need to have arrangements in place to attract and retain customers, protect against fee disputes and bad debts.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Benefits</strong></td>
<td>Fees should rise in alignment with services used. Fees will be continuous and a mainstay of the business and can be increased over time assuming demand is strong.</td>
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### 4 Funding to support childcare delivery

| Description | Nursery Education Funding (NEF) is paid to approved nursery education providers by the local authority and relates to the provision of free (to parent) part-time nursery education places for two, three and four year olds. Two year olds need to be referred and approved by the local authority. All three and four year olds are entitled to places. The number of places available for two year olds will be expanding under Government plans.  

The childcare element of working tax credit. Working tax credit is a payment from the government to support working families on low incomes. This payment goes to parents/guardians and reduces the cost to them of accessing your service.  

Many employers now offer employees help to pay for childcare with Childcare Vouchers. This can make the cost of accessing your service lower for the parent, without reducing your fee income.  

Care to Learn is funding for young parents under 20 years old to help with the cost of childcare whilst learning. The childcare provider will receive payment direct from Care to Learn. |
| Risks | There are a range of obligations and qualification requirements placed on childcare providers participating in these schemes. You will need to familiarise yourself with the rules, promote the schemes to parents and allow additional administration time. Funding is subject to change. |
| Benefits | Participation in these schemes will make your setting more attractive to parents. Your services will be affordable to a wider range of parents. |
| Further information | The national rules of operating the free entitlement are detailed in the early education and childcare statutory guidance [www.education.gov.uk/aboutdfe/statutory/g00209650/code-of-practice-for-las](http://www.education.gov.uk/aboutdfe/statutory/g00209650/code-of-practice-for-las)

You will need to sign an agreement with the local authority before you can access this funding. Email edu-nurserygrant3-4@newham.gov.uk to request information on the current funding rates paid to providers in Newham. |
## 5 Earned Income Diversification

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<th>Description</th>
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<tr>
<td>Ways of increasing funding by diversifying the range of charged services you offer. This might include doing more of the same e.g. tendering for additional childcare work at another site or partnering with an organisation that wants your services. It may also include doing something different, for example renting out your premises when not in use or offering new services such as crèche or training.</td>
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<table>
<thead>
<tr>
<th>Risks</th>
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<tbody>
<tr>
<td>You need to be confident the new activity will be beneficial to your overall objectives. You must have the capacity and expertise to take the new activity on.</td>
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## 6 Grants

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<tr>
<td>Grants can sometimes be accessed from Government, the local authority, charitable sources or through corporate giving. What is available changes regularly. Access to funding is often dependent on your organisations objectives (many sources are restricted to charities or voluntary organisations) and funds are provided in line with the purposes defined by the grant giving organisation.</td>
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<tr>
<th>Risks</th>
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<tbody>
<tr>
<td>There is no guarantee of success when applying for a grant. For larger grant applications you will probably need to put in a lot of work. Success will in part be dependent on your evidenced track record. Care should be taken in selecting grants to apply for to avoid wasted time.</td>
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<table>
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<tr>
<th>Benefits</th>
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<tbody>
<tr>
<td>Grant funders are interested in being involved in making positive change. Therefore this sort of funding is often applicable when taking forward a development project. Grant providers are often interested in publicity and this can also help raise your profile. Once you have drafted key information about your organisation this can be adapted and used in applying to different grant givers.</td>
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<thead>
<tr>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attend Newham’s start up briefing session for the latest information on funding sources available.</td>
</tr>
</tbody>
</table>
### 7 Loans

**Description**
Available from banks and also social and community lenders. You will be expected to have a costed and credible business plan and evidence of secure assets. The lender will expect to be repaid and will charge interest usually linked to the level of assessed risk.

**Risks**
Loans are sometimes secured against business or personal assets. Repayment arrangements are often not very flexible. You should be confident you can repay.

**Benefits**
Loans are suitable in situations where the amount you need is not likely to change, for example start up capital, purchase of equipment.

### 8 Equity

**Description**
Equity finance (e.g. Business Angels) is a way of raising money from external investors in return for handing over a share of your business through ownership or profits. The investor will want to be convinced that their investment will result in a good return for them. You will be expected to have a costed and credible business plan.

**Risks**
You will probably be expected to give over a level of management control to the investor. You may want to consider getting expert advice before engaging with a potential equity investor.

**Benefits**
You may not be required to repay the funds raised. The investor has an interest in the growth and profitability of your business. Well matched investors will bring with them expertise that will help raise the performance of your business.
### 9 Fundraising & Donations

<table>
<thead>
<tr>
<th>Description</th>
<th>Typically funding raised by not for profit organisations from individuals or companies. Can be linked to special events, street collections, payroll giving, legacies.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks</td>
<td>You need to comply with any relevant local or national legal requirements and you may need to take legal advice. Can be time consuming.</td>
</tr>
<tr>
<td>Benefits</td>
<td>Usually given for an unrestricted purpose. Provides an opportunity to improve your communications with supporters and the local community.</td>
</tr>
</tbody>
</table>

### 10 Pay

<table>
<thead>
<tr>
<th>Description</th>
<th>Not strictly a source of funding but potentially a way of accessing a service that would otherwise have incurred a cost. For example pro bono work from a professional expert or end of range stock from an equipment supplier. This is most commonly available to the voluntary and charitable sectors.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks</td>
<td>There can be a lack of control over the quality or quantity of input.</td>
</tr>
<tr>
<td>Benefits</td>
<td>This can be a way of accessing services when you are not able to pay.</td>
</tr>
</tbody>
</table>
Childcare Business Grants Scheme

The Childcare Business Grants Scheme has been created to boost the provision of childcare in England.

You can apply to the scheme if you are intending to set up a new childcare business. From 1 April 2015 you can apply if you are either intending to set up a new childcare business or have already set one up and have been trading for less than 12 months, following award of your Ofsted/CMA (Childminder Agency) certificate. You can apply to the scheme to get a small grant to help you with the costs of getting trained and registered, access a business mentor, to support and advise you as you start and/or grow your business or access business advice tailored to the childcare sector. From 1 April 2015 the amounts you can apply for are up to:

- £500 for new childminding businesses (a childminder is someone who looks after children in their own home, either alone or with help from one or two other adults)
- £1000 for new childminding businesses (as above) that intend to provide care for disabled children
- £1000 for larger childcare businesses, including nurseries and out-of-school clubs (which are usually run in a specialist building), and childcare businesses on domestic premises (in someone’s home, but with 4 or more adults working there)

You will be ineligible for a grant if you set up your childcare business and have been trading for more than one year following award of your Ofsted/CMA certificate. Grants are for England only and are not available for people intending to work as nannies or au pairs.

For more information please contact: www.childcarebusinessgrants.dcms.gov.uk/

0844 2642 546 (Calls will be charged at the local rate)

Training and Qualifications

In order to meet the EYFS welfare, learning and development requirements the registered person must have a suitably qualified person in charge such as a Manager, qualified to National Qualifications Framework (NQF) Level 3 standard on the premises at all times while the provision is running. This person must also have at least 2 years’ experience in the childcare field. In addition other staff members may be employed such as:

- A supervisor, who must hold (or in some circumstances be working towards) a level 3 qualification
- a deputy with the appropriate skills and qualifications to take the role of the manager in their absence
- a person in charge of the baby room with a level 3 qualification and suitable experience of working with under two year olds (and relevant training for this age group)
- at least half of all other staff must have an appropriate level 2 qualification, and those caring for babies must have had training to do so
- unqualified staff may make up to 50% of the staff team but in order to promote good practice it is recommended that all staff are working towards an accredited qualification.

All staff must be suitable to care for children i.e. must have been cleared by a Disclosure Barring Service (DBS) police check and understand the national childcare standards and be able to meet them. They must also have appropriate experience, skills and ability for their job. All staff must have appropriate induction training in their first week.
Training

A training programme detailing short courses offering staff development training is also available through Newham Learning and Achievement Services.

Courses cover training for the EYFS, e.g. observation, planning & recording, and meeting the safeguarding & welfare requirements in the EYFS, e.g. paediatric first aid, health and safety, and food hygiene.

You can obtain a copy of our training programme by contacting the Learning & Achievement Training Team:

Training Administrator, Learning and Achievement Service
London Borough of Newham
East Wing First Floor Newham Dockside
1000 Dockside Road
London E16 2QU

Please email eschildcaretraining@newham.gov.uk if you require further assistance.

All courses are available to those employed in Newham Ofsted Registered childcare settings.

Training

All Ofsted registered providers who provide care in Newham, must ensure they have in place the minimum two nominated practitioners, who must attend training in the following areas:

- Senco
- First Aid
- Food Hygiene
- Health and Safety

First Aid at Work

Training is available from the council (see section on training for details).

A Health and Safety Executive document “Five steps to risk assessment” is available from:

HSE Publications Section,
Room 313 Daniel House,
Trinity Road, Bootle
Merseyside L20 3TW
hsebooks@hse.gsi.gov.uk
www.hsebooks.com/books
Best Practice in the Early Years Foundation Stage Newham Early Years Advisory Team

The aim of the early years advisory team is to develop and improve the quality of provision for all children from birth to five across the maintained and non-maintained sectors. The team’s main functions are to:

- Organise and deliver training to all sectors on all aspects of the EYFS
- Support and advise on best practice to all settings working with babies and children up to five years old, based on Newham’s quality improvement programme
- Support and advise on all aspects of transition from birth to five, including effective transitions into Key Stage One
- Mentor and verify settings through “Pathway to Quality” quality assurance scheme
- Facilitate termly network meetings that support setting and school managers to develop partnerships between providers and ensure that essential local and national early years’ information is disseminated and discussed
- Produce guidance on best practice in the EYFS
- Liaise nationally and locally with organisations responsible for co-ordinating services within the early years’ sectors.

Advice, Support and Best Practice

The early years advisory team provides support, challenge and advice through a quadrant system whereby each early years advisory teacher has a cluster of settings to support and advise. The team provides advice, support and challenge to practitioners in early years’ settings across all sectors on a range of aspects including:

- Providing a stimulating, challenging and appropriate learning environment, both indoors and out
- The importance of play and a child-centred approach to learning
- Observation, assessment, planning and record keeping
- The role of the key person
- Involving parents in their children’s learning
- Policies and procedures
- Monitoring and evaluating provision
- Quality improvement and quality assurance scheme (Pathway to Quality)
- Completion of self-evaluation form (SEF) and preparation for Ofsted inspections
- Attendance at Ofsted inspection feedback
- Post Ofsted action planning.

For further information and advice:

Contact the early years advisory team on fis@newham.gov.uk
Disclaimer
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