

# Starting up a day nursery other types of daycare other types of daycare



# What are the different types of daycare provisions?

- **Private nursery** – These types of nurseries have been set up by individuals, companies, or organisations. They are privately/ independently owned and can offer sessional or full day care. Some private nurseries offer a specific **educational approach such as Montessori.**
- **Non-profit nursery** – These types of nurseries are usually attached to a community or religious centre. Unlike a private nursery, all profits are fed back into the community.
- **State funded nursery** – These types of nurseries are usually attached to schools and will offer part and full-time education to young children during school hours. A child can either attend for a full day or a half day depending on the needs of the parent.
- Regardless of the type of nursery, it must meet national standards and be regulated by the relevant authority.

# What are the different legal structures in a business?

- **Sole Trader** – A sole trader is considered to be ‘self-employed’.
- **Partnership** – You and your partner(s) personally share responsibility for your business. Each partner must register as self-employed and submit a separate tax return.
- **Limited Liability Partnership (LLP)** – In this legal structure, the number of partners is not limited, but at least 2 have to be ‘designated members’ responsible for filing annual accounts.
- **Limited companies** – A limited company is a company ‘limited by shares’ or ‘limited by guarantee’.
- **Community Interest Companies (CIC)** – A CIC is a special type of limited company which exists to benefit the community rather than private shareholders.
- **Charity** – A charity must have ‘charitable purposes’ that help the public.

# Effective business and financial planning

## Write a business plan:

- A business plan is a written document that describes your business. It covers objectives, strategies, sales, marketing and financial forecasts.

## A business plan helps you to:

- clarify your business idea
  - spot potential problems
  - set out your goals
  - measure your progress
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- You'll need a business plan if you want to secure investment or a loan from a bank. Read about the [finance options available for businesses](#) on the Business Finance Guide website.

# Effective financial planning

- A business financial plan is a forward-looking projection of what your income and expenses are likely to be in the coming months. It can help with [determining your cash flow](#), pinpointing needs for financing, and identify when to take on new initiatives or projects.
- When developing a new business, a financial plan can help determine if your concept is viable. Plans help to monitor your financial health and prevent problems creeping up.
- A financial plan is a core part of a business plan that frames your business concept, leadership, market, and competition. It's a key element of documents used, along with financial statements, to help secure funding from investors or private lenders.
- It can also help you understand cash flow to help you determine [where to place valuable financial resources](#).

## Business Financial Planning



# The potential cost in opening a nursery

This is a short video to explain:

The cost of opening a nursery and starting a childcare business in the UK  
How To Open a Nursery - YouTube Video - Open a Nursery in the UK

The real cost  
of opening a  
nursery in  
the UK



# How to decide on the right premises for the business?

Consider factors like the location's proximity to potential customers, accessibility for children with disabilities, sufficient space for age-appropriate activities, outdoor play areas, adequate storage, proper sanitation facilities, compliance with local regulations, and a layout that supports the desired child-to-staff ratios for different age groups

[Finding suitable premises for your childcare business | The Hub](#)  
[- Waltham Forest Education Hub](#)

# Key components of market research

- [Market research for your childcare business - Surrey County Council](#)
- [How to Start a Nursery Business | A Step-by-Step Guide](#)
- National early years policies, funding entitlements and quality standards
- Local Authority Childcare Sufficiency Assessment
- Changes in local population, where families live or work and the economy
- Surrounding employers and their operating hours
- New housing developments and schools in the area
- Travel and transport patterns
- Other childcare business nearby
- The needs of local families
- Further information on the Childcare Sufficiency Assessment, Solihull data and local Childcare providers in your area can be found via the links and downloads on this page. [Childcare Providers | solihull.gov.uk](#)



# The requirement for the different age range of children.

- Settings will need to consider which age groups of children they would like to care for. Ofsted has [different requirements for different age groups](#) If you will be caring for children aged between birth and five years old you will need to usually register on the Early Years Register and follow the [Early Years foundation stage statutory framework \(EYFS\)](#). This sets out the welfare, education and learning requirements. If you will be offering care for children aged 2, 3 and 4 years old you may want to offer early education funding.

For details related to Early Years Funding visit:

- [Early Education Funding](#)

# Setting up your business legally

You'll need to make sure that all legal requirements are met when setting up your childcare business. The following is not an exhaustive list but should include:

- Ofsted registration
- public liability insurance
- employers' liability insurance
- lease or premises agreement
- planning permission
- registration with HM Revenue & Customs
- employing staff
- health and safety

You can get [government guidance on setting up your business](#).

And there's information on [setting up as a charity](#).

# HM Revenue & Customs (HMRC)

- To help you with starting up your childcare business HMRC provide a wide range of [help and support to help you run your business](#) including videos, emails, e-learning, record keeping apps and online presentations (webinars).
- There's [help and support aimed at anyone starting a business as a sole trader](#) (running the business on your own). It will answer many of your queries about tax, National Insurance, business records and expenses and help you to ensure you are compliant with regulations from HMRC, Companies House and the Charity Commission.

# Support for providers opening Nurseries or other types of daycare

**In this presentation we aim to support we understanding:**

- The different types of daycare provisions.
- The potential preparation is required.
- The legal structures of the business.
- The importance of a business and financial planning.
- The premises that will be required.
- Key components of market research.
- The requirement for the different age range of children.
- The staffing requirements.
- The requirements for successful Ofsted registration?
- The key considerations for business sustainability

# What staffing requirement do you need to consider when setting up a childcare business?

- [Starting a childcare business - Derbyshire County Council](#)
- [Set up a business - GOV.UK](#)
- For more information on the numbers of staff you will need to employ and the staff: child ratios please refer to the [Early Years foundation stage statutory framework \(EYFS\)](#) This statutory framework also gives more information on who can be counted in ratios depending on their qualifications. The DfE have produced – [Check early years qualifications](#) to support you to find out if a person's qualifications allow them to work in an early years setting, and if you can include them in staff: child ratios

# The Ofsted Registration Process

## **Before you apply**

You can register either as an individual or as an organisation. In either case, once you have registered you are ‘the registered person’.

Who should apply to Ofsted:

Type	Who needs to apply
Individual owner	As the only owner of the provision, you are solely responsible, and you must apply.
Organisations set up solely or mainly to provide childcare	The organisation is accountable for the registration. A member of the organisation’s governing body must apply.
Organisations set up for different purposes than providing childcare	The organisation is accountable for the registration. The most senior person in the organisation with direct responsibility for childcare in the organisation must apply.



# The nominated individual

- If you register as an organisation, you must appoint a 'nominated individual'. The nominated individual will be responsible for everything about the registration and will liaise with Ofsted.

## How to apply

- In order to register with Ofsted you need to complete an [EYO](#) and EY2 Form.
- The EYO form is to register your nursery and the EY2 form is to apply to join a nursery/ daycare organisation.

**After applying**, Ofsted will visit your setting within 6 months (25 weeks).

- After the [Ofsted registration visit](#) they will grant your registration and send you a certificate, together with information about the next steps.

# Ofsted Inspections Early Years

- Ofsted inspections are an essential part of the regulatory process for early years providers, including nurseries. The purpose of an Ofsted inspection is to evaluate the quality of care and education provided to young children and to ensure that early years providers meet the required standards of safety, effectiveness, and overall quality.
- As an early years provider, you must meet several legal requirements set out by Ofsted to ensure that you are providing safe, effective, and high-quality care and education to young children. These legal requirements cover a range of areas, including [staff ratios](#), health and safety, safeguarding, and the quality of teaching and learning.

## **Key documents**

- [Early years inspection handbook - GOV.UK](#)

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