



Issue 19 - Oct 2010

THE PROFESSIONAL MAGAZINE FOR ALL PROVIDERS OF CHILDCARE IN LAMBETH

Childcare Matters



- Children's oral health
- Sustainable energy for Lambeth schools
- Child Development Grant Project (CDG)

...and lots more

Lambeth

Our seaside trip

This summer the Streatham Hub Children's Centre went on a trip to Littlehampton.

Booking the trip for August, everyone hoped it would be a lovely sunny day. Unfortunately the good old British weather meant that it was cloudy and rainy all day! However, this didn't stop our children's centre and nursery families from having fun and a really enjoyable day.

When the coach arrived at Littlehampton everyone went off to check out the beach and for some of our children's centre families this was their first time at a seaside. Some of our nursery children had a great time exploring the beach and looking at tiny crabs, shells, rocks and different types of seaweed.

We had a total of 16 families on the trip, 8 from the children's centre and 8 from the nursery, and members of staff. This was a great opportunity for families from a variety of

backgrounds to mix and interact with each other in a new and fun environment.

As well as enjoying the beach and walking along the pier, our families and staff members visited the



harbour, the shops and the amusement park. One of our parents said "It was a really lovely day even though it was cold. It was nice to get a change of scenery and get out of London for a while." (Andrea Hylton)

The staff took lots of photos during the day which we have displayed in our centre. The nursery children had discussions during circle times the following week about the trip and the things they enjoyed most. They all had such a memorable and fun time that they still like to look at the pictures and talk about their day.

If you are interested in finding out what else our centre or nursery has to offer, please call 020 8677 7088. We have a variety of different groups running and we still have nursery places available.

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Does a treat have to be sweet?

Promoting healthy snacks and drinks at Slade Gardens Stay and Play One O'clock Club (OCC)



My name is Pamela and I am a Lambeth Children's Centre Oral Health Promoter and I am part of a team from the Department of Community Special Care Dentistry, Kings College London Dental Institute. We support parents, carers, children and staff to help look after little teeth by giving friendly advice and support to families. We aim to raise awareness of how to prevent tooth decay, promote healthy eating and help reduce early obesity. I enjoy meeting parents and carers and children attending the fantastic Lambeth Stay and Play (OCC) sessions for children under five. We have been working on a special project to help raise awareness of the 'hidden sugars' in many snacks and drinks.

Slade Gardens challenged us to see if we could interest families in choosing healthy snacks and drinks and to find the answer to the question, 'does a treat have to be sweet?' So for one week in July we provided fun packed activities such as making fruit hats, story-telling and dental role play with giant teeth and brush. We even made a 'monster mouth' and the children were able to decide what foods to feed it. My colleague Tim, a star guitar player helped us sing hilarious songs about 'Mr Crocodile' who had so many teeth it took him all day to clean them!

Children enjoyed tasting and trying different foods – including fruits such as bananas, apples satsumas, and grapes along with savoury choices like rice cakes, crackers and breadsticks. They had a choice of either milk or water to drink as these are best for teeth. We talked to the parents and carers about ways to make tooth brushing fun, giving healthy treats rather than sweets and encouraging family visits to the dentist.

From the feedback the event was a success. 78.5% of the parents/carers thought that Stay and Play (OCC) should not encourage unhealthy eating by selling sugary food and snacks. 92.8% of the parents/carers reported they would like to see them continue to provide healthy snacks like fruit, vegetables, breadsticks and water and milk to drink. Comments from parents and carers included:

'I want the healthy snacks to continue, when my child sees other parents giving other children sweet snacks she wants them'

'It's been really helpful to have healthy snacks here as there is no pressure to give your children sugary snacks'

'My children associated the club with sweets, chocolates and biscuits. When they were younger it was easy, as they ate what I gave them but they are older now, and they see what's sold. At 2.30, it was time for chocolate.'

Following the success of the project, look out for healthy food events coming to a Stay and Play (OCC) near you – a treat doesn't have to be sweet?

Article written by Pam Ncube, Oral Health Promoter

For more information contact:

Cath Periam, Joint Oral Health Promotion Manager, Department of Community Special Care Dentistry, King's College London Dental Institute, Email: cperiam@nhs.net



Sustainable energy for

Telferscot, Vauxhall and Streatham Wells primary schools have become the first in the borough to benefit from the 'Solar for Schools' project run by Lambeth Council. The solar installations will help the schools make significant educational, environmental and financial gains.

This unique initiative was funded by London Borough of Lambeth, Concerto and EDF Energy amongst others. The schools were chosen based on set criteria, such as their roofs being most suitable for maximizing the power output of the panels. The solar panels were then installed to help them heat the school, provide electricity and generate an income thanks to the recently launched feed-in-tariff.

The project provided a great opportunity for the whole school community to learn about being more energy efficient and how this benefits the environment. Assemblies and lessons were run for the children, parents had the opportunity to look at how energy efficient their homes were with their children as a homework project and teachers attended training workshops.

Peter Thorn, EDF Energy, said: "We are proud to support the solar energy projects and are committed to helping schools install renewable energy technology. The project will give young people first-hand knowledge of renewable energy and a practical way to learn more about tackling climate change."

The legacy of the project has been reinforced with the installation of a child-height energy display meter, in a prominent place in each school. Through a live feed,

the display provides information on the carbon saved, water temperature generated by the solar thermal panels and the kilo watt hours produced by the solar panels. Phase Two, to install solar at a further three schools, is now underway.

Maryam Ben Rabha, year 5 teacher of Telferscot Primary School said: "It has been very exciting having the panels fitted to the school. We have all been enthusiastically watching the energy display unit showing us the amount of energy saved, especially over the hot summer!"

The result has been a huge sense of excitement and interest in the solar panels, from both the staff and pupils.





Lambeth schools

EDF Energy Green Fund

The solar energy projects at Vauxhall Primary School and Streatham Wells Primary School were supported by EDF Energy's Green Fund. So far 9,369 schools have joined The Pod, EDF Energy's programme for greener schools, launched to help children, parents and teachers lead low-carbon lifestyles. As a Sustainability Partner of London 2012 and working with Eco-Schools England, EDF Energy aims to reach 2.5million children by 2012 through The Pod at www.jointhepod.org

The fund supports renewable energy projects which produce power from the sun, wind, water and geothermal sources that reduce greenhouse gases linked to global warming. EDF Energy has awarded £4.4million to 252 renewable energy projects since the Green Fund was launched in 2001, including £1.8million to 107 projects in schools and nurseries.

Sustainability issues in childcare provision –

Support for providers from the local authority

Delivering high quality and affordable childcare can be a challenge for any provider but it becomes especially difficult when there is an economic downturn and the future is uncertain. At those times it is more important than ever for you to plan ahead to ensure that your childcare service remains sustainable in the longer term.

The local authority is able to support childcare providers to improve viability and long term sustainability and the article below outlines some of the key areas where we can help.

What is a sustainability issue?

This is usually a temporary and unexpected financial difficulty that impacts on the childcare provider's ability to run their services. Temporary difficulties are time limited and not expected to extend beyond a 12 month period.

A temporary difficulty could, for example, be:

- Significant drop in attendance (i.e. less than 50% occupancy) and income which has been caused by the opening of a new nursery nearby
- Enforced temporary closure due to essential building works – for example, this could be caused by subsidence or the discovery of asbestos

Sustainability issues can also be ongoing, long term or persistent financial difficulties because:

News & events

keeping you up to date with news and events in your area

- no financial forecasting is carried out to monitor the organisation's position
- fees are not collected on time - families allowed to get in arrears
- no forward planning or business planning has been done - possible weaknesses have not been identified and addressed
- few or no financial management systems are in place within the organisation - debtors increase and credit control is poor
- management structures and governance are weak - lack of direction or guidance
- the organisation has little or no experience in running a business - business practices are inefficient or ineffective

Sustainability is not usually because of:

- a seasonal drop in attendance which should be expected and planned for
- costs incurred to expand the business
- fees for provision are offered at a low or subsidised rate which is incompatible with costs to run the service

What support can childcare providers get from the local authority?

The first step is to contact the Business Development Team who are able to support you with business planning and cashflow forecast templates and can signpost you to other organisations to meet your specific needs. Analysis must be undertaken to identify the reasons for your difficulties and come up with solutions to address them. Support may also be allocated through training, coaching and mentoring.

What can providers do to address any issues?

Ensure that your business plan and financial forecasting is up-to-date and regularly review it. This will highlight potential shortfall of income in advance of it actually occurring and enable you to take action to avoid it in good time. The Business Development Team can provide a range of tools and templates to help get you started.

The Business Development Team can support you to improve the viability of your childcare business, by providing business guidance and toolkits to assist you in developing your systems. Some of the particular areas covered are :

- Business Planning
- Cash flow forecasting
- Fee structures
- Sustainability
- Marketing your childcare business
- Free early learning support (headcount completion, parental declarations, child attendance verification for grant compliance)
- Monitoring of revenue and capital grants ensuring grant compliance
- Managing your business training
- Guidance about funding available through Lambeth and externally to support your viability or develop your business infrastructure

Lynne Singerton,
Business Development Strategy Manager,
Tel: 020 7926 8618
Email: lsingerton@lambeth.gov.uk

Is there any funding available from the local authority?

Before we will consider funding any organisation with a sustainability issue, we would undertake detailed analysis of why the issue had come about. We will not fund any organisation unless we are satisfied that the sustainability issue has come about because of a genuine and unexpected reason.

We will not fund certain things such as:

refurbishment and structural developments, long term grant support, subsidy for childcare or any organisation with weak or ineffective financial management systems and processes and where forward planning has not been carried out.



The Mulberry Centre opening

– Myatts Field Park

On Saturday Sept 18 Cllr Florence Nosegbe, Cabinet Member for Culture, Sport and the 2012 Games and Lindsay Avebury, Chair of Myatts Field Park Project Group cut the red ribbon to formally launch the a new state of the art children's building in Myatts Field Park.

The Mulberry Centre will be the new home for the Myatts Field Stay and Play One O'Clock Club (OOCC).

The Stay and Play (OOCC) service will be delivered four afternoons a week. Services and activities will also be delivered by the Myatts Field Park Project Group and Liz Atkinson and Loughborough children's centres which are nearby, in the mornings and at weekends.

The building provides a beautiful space for children and parents and carers to experience play together

and the outside space is a great environment which will stimulate imaginative games and activities.

If you are near the park make sure you drop in and say hello to the staff who had previously been delivering the service from a tiny building, which has now been reverted back to its original role as a kiosk. The club is open from 1 to 4pm daily, four days a week, closed Wednesdays.



For further information email:
bhiggins@lambeth.gov.uk

Partnership working finalist

Wriggle and Roar is a fun activity group for Children Looked After and their carers, which has been running at Brixton Library on a Monday morning for the past 3 years. The group is a partnership project between Community Children's Service, Lambeth Libraries Literacy Development Team, the Corporate Parenting Team and colleagues in the Speech and Language Therapist Service. We have all worked together to make the group a stimulating and fun environment for the children and their carers to come together and access a range of services.

The group has also had music sessions delivered by the Lambeth Music Service and taken part in the Share a Song project.

We are very pleased that the success of the group has now been recognised by the NHS London Health and Social Care Awards 2010, as one of

two London regional finalists under the Success in Partnership Working category which will take place early November 2010. The London regional finalist winners will be considered by a panel of judges to be put forward for the National Health and Social Care Awards.

The awards have an established nine year history and provide an unparalleled opportunity to highlight and celebrate innovation and excellence in the provision of frontline health and social care.

The awards also serve to recognise and encourage working together across organisations and professions, with service users and the local community.

For more information about the Wriggle and Roar group please contact bhiggins@lambeth.gov.uk

Child Development Grant Project (CDG): Engaging vulnerable families in children's centres services.

Lambeth was one of ten local authorities participating in Child Development Grant pilot projects. This DCSF and latterly DfE funded project was managed by Lambeth's Community Children's Service as part of Lambeth's Children's Centre Programme.

The aim of the pilot was to test out whether payment of a £200 grant would increase the take-up of children's centre services by hard-to-reach families. The project went live in October 2009 and was funded to March 2011 with 9 support staff.

The project was implemented by CDG project workers, children's centre outreach workers, St Michael's Fellowship, Homestart and Stockwell Partnership. Eligible families were Lambeth residents, on low income, with a child under 3 years, who were not already actively using children's centres.

The target groups were:

- Lone parents
- Young parents
- Families with English as an additional language
- Families with children with SEN/additional needs

In Lambeth we also targeted and monitored participation by the following groups:

- Families living in temporary accommodation
- Refugee and asylum seeking families
- Polish families

Outreach workers set up 12-week action plans with families consisting of sessions at one or more local children's centres and one o'clock clubs (OCCC).

On successful completion of an action plan the parent/carer received a cash payment of £200. Sadly the DfE has cancelled the project funding in a drive to find savings and the project will be wound up in November 2010.

Participation

- 881 families started action plans from October 2009 to July 2010
- Around 700 families are predicted to have completed action plans and received £200 by the end of November 2010

Evaluation

The DfE's evaluation will contribute to the government review of Surestart, due to report in January 2011. Hopefully this input will focus attention on the value of assertive outreach work to engage the most vulnerable families in children's centre services.

Our local evaluation will be completed in November 2010 and will be looking at participation by target groups, gathering feedback from families and children's centres, and looking at whether families' engagement with services is sustained in the longer term.

Joint Working with Housing

Collaboration with the temporary accommodation team in Housing has been successful. Typical experience is that a family moves to an area they don't know where they have no social or family support. Most hope to move into a permanent home within months but will in fact stay for several years in temporary accommodation. This belief 'I won't be here long' can mean parents fail to engage with services and their local community.

Finally

The CDG project workers' contracts end in November. They all hit the ground running and achieved a great deal in a short time.

Rachel Wingard
Families Engagement Co-ordinator
email: rwingard@lambeth.gov.uk





YOUNG Lambeth

new childcare feature

The Young Lambeth website has grown since it was first launched in 2008 and is now widely used amongst parents, carers, practitioners and young people. The website provides comprehensive and up to date information on local service providers, organisations, activities and events available for children, young people and families in Lambeth.

The Lambeth Families Information Service (FIS) has now further enhanced the Young Lambeth website www.younglambeth.org with a childcare section. The new childcare section enables users to search for childcare providers in Lambeth – including day nurseries, out of school clubs, childminders and pre-schools.

The development also enables providers to update the information the FIS holds on childcare providers at any time. This section will enable you and the FIS to work more closely to provide up to date information to potential childcare users.

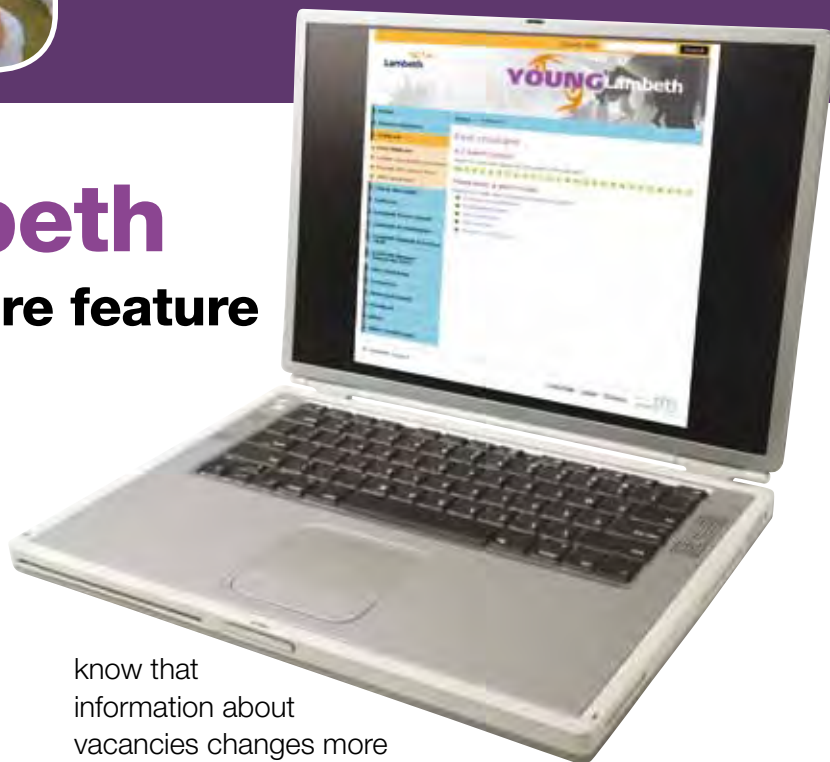
The childcare section is broken down to various sub-sections:

Searching for childcare

This section enables parents, carers and practitioners to obtain listings of childcare settings within Lambeth or within their postal area. Searches can be run on different types of providers, postcode, wards and many more. Comprehensive reports will be produced on the search criteria and users can either print the reports or simply store them on their system.

Providers update

This section enables childcare providers to log into the back end office of the site and to update the information the FIS holds on their setting. Each provider is going to receive a username and password to login to the system shortly and update information. Our aim is for each provider to update the information at least quarterly. However, we



know that information about vacancies changes more often and would like to encourage you to update it when a change applies.

Under section 12 of Childcare Act 2006, it is our statutory duty that we provide accurate and up to date information to all parents, carers, young people and their families. We very much would like to work with you in partnership to ensure we pass on correct, accurate and up to date information to enquirers.

Manuals and consent Fform

This section includes step by step guides and consent form for providers to use when updating their information. A signed consent form will be required from all providers who wish to advertise their setting on Young Lambeth. The providers who submitted the signed consent form already at the beginning of the year will automatically be uploaded to the system.

Other useful links

This section will provide useful links for parents, carers, practitioners and families, such as www.direct.gov www.parentlineplus.org.uk and lots more! Please remember the FIS helps you to advertise your setting absolutely FREE of charge. We receive over 700 enquiries from parents who are looking for childcare in Lambeth.

If you need more information regarding the Young Lambeth website or help in completing the online form please contact Nikki Neta, Information Management Officer on 020 7926 8782 or email younglambeth@lambeth.gov.uk.

Childcare

informing you about childcare matters in your area

Important: Data protection act 1998 and Information Commissioner's office

Under the Data Protection Act 1998 there is a statutory requirement for organisations (including childcare providers and childminders) to submit a notification to the Information Commissioner's Office (ICO) if you are processing personal information in an automated form, unless they are exempt. Failure to notify is a criminal offence.

Notification is the process by which an organisation (data controller) informs the ICO of certain details about their processing of personal information. These details are used by the ICO to make an entry describing processing in a public register. The principal purpose of having notification and the public register is transparency and openness. Register entries have to be renewed annually. If you are required to notify but don't renew your registration, you are committing a criminal offence.

Personal data means data which relate to a living individual who can be identified:

- a) from those data, or
- b) from those data and other information which is in the possession of, or is likely to come into the possession of, the data controller, and includes any expression of opinion about the individual and any indication of the intentions of the data controller or any other person in respect of the individual.



How to notify?

www.ico.gov.uk/

Tel: 0303 123 1113

or by request for a notification form

Fee for Tier 1 organisations is £35 and Tier 2 is £500 (turnover of £29.5 million and/or have more than 250 members of staff). The period of notification is one year, after which time you will need to renew your notification.

To find out whether your organisation is exempt from notification please look at the self-assessment tool on the ICO website (www.ico.gov.uk/notify/self/question1.html) or call on the telephone number above.

8 data protection principles when handling personal data in summary:

1. Personal data must be fairly and lawfully processed
2. Personal data must be processed for limited purposes
3. Personal data must be adequate, relevant and not excessive²
4. Personal data must be accurate and kept up to date
5. Personal data must not be kept for longer than is necessary
6. Personal data must be processed in line with the data subjects' rights
7. Personal data must be secure
8. Personal data must not be transferred to countries outside the European Economic Area without adequate protection.

Childcare

informing you about childcare matters in your area

Safeguarding updates Working together 2010

The new Working Together 2010 guidance came into force on 1st April 2010. It replaces the previous version of Working Together published in 2006.

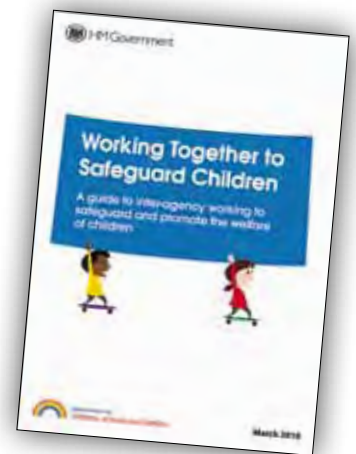
Chapters 1-8 are issued as Statutory Guidance. Section 2.166 - 2.171 outlines the specific responsibilities for all Early Years services.

Overall, the new guidance places a much stronger emphasis on child focused practice stating: Agencies should prioritise direct communication and positive respectful relationships with children, ensuring the child's wishes and feeling underpin

assessment and any safeguarding activities (p7).

Copies of the document have been sent to private, voluntary and independent nursery provision and children's centres in the borough. A web-based version of the document is available at: www.proceduresonline.com/workingtogether/

The London Child Protection Procedures are currently being updated in line with Working Together and will be re-issued in 2011.



Three new e-learning opportunities

Introduction to safeguarding

Lambeth Safeguarding Children Board (LSCB) has purchased a basic, foundation level e-learning safeguarding children package. The package provides an introduction to safeguarding and is an ideal tool which can be used as a part of an induction for new staff members.

Early Years practitioners who work regularly with children or have specific safeguarding responsibilities will still need to ensure they attend the other relevant safeguarding courses offered in the Early Years Training and Professional Development programme and the LSCB training brochure.

To access the package use the following details:

www.kwango.com/lblambsclogin

Username - lambsafech

Password - lambsch1

National forced marriage e-learning tool

The Forced Marriage Unit has developed an e-learning tool to support professionals dealing

with forced marriage cases. The tool has been designed to compliment the multi-agency practice guidelines that the FMU launched last summer. The e-learning tool can be accessed by clicking here www.fmelearning.co.uk

EduCare safeguarding training

Safe Network is now providing free EduCare Safeguarding Training for charities, community and voluntary groups and social enterprise organisations.

Not-for-profit organisations can complete, free of charge, any of the following training: 1) Keeping Children Safe 2) Child Protection Awareness (for youth, leisure or sporting organisations) 3) Preventing Bullying Behaviour and 4) Child Protection Staying Aware (refresher).

All training is presented in an online learning format and is subject to availability. For more information and to order a training pack, please visit the Safe Network website at www.safenetwork.org.uk/training_and_awareness/Pages/free_educare_training.aspx

EYFS review update

Dame Clare Tickell visits a registered childminder

Dame Clare Tickell, who is conducting an independent review of the Early Years Foundation Stage on behalf of the government, met with Colette Thomas a registered childminder in south London this week.

NCMA arranged this visit to a home setting so Dame Clare and officials from the Department for Education could talk about the work, views and experiences of a registered childminder implementing the EYFS.

Colette spoke passionately about the EYFS and how the children she cares for benefit from her successfully delivering the framework within her setting and how it demonstrates the professional status of a registered childminder to parents.

any move to a lighter touch framework would be detrimental for the childminding profession, sector and most importantly the development of children. **You can find out more, including NCMA's full response via whominds@ncma.org.uk**

Achievements

Colette Thomas, Childminder and Chair of the Lambeth Childminding Association has achieved Early Years Professional Status after completing the 6 month short pathway in July 2010.

**For more information please contact:
Colette Thomas,
Chair Lambeth Childminding Association
Tel: 020 7793 8485**



You can also share your views and opinions on the EYFS and highlight the consultation to the parents whose children attend your setting to ensure the home-based childcare workforce is well represented in the discussion.

NCMA has responded to the consultation on the Review of the Early Years Foundation Stage (EYFS). Members have expressed overwhelming support for maintaining the EYFS, outlining concerns that

National Children's Bureau two year research study on childminders

The National Children's Bureau (NCB), are carrying out a two year research study on childminders in England (funded by the Esmée Fairbairn Foundation). The study is aimed at providing a better understanding of what childcare provision in home-based settings looks like and how this can be supported. The study includes a survey with 500 childminders, in depth interviews with 25 childminders, observations of childminders and focus group with parents who use childminders.

More information can be found at the following link:-www.ncb.org.uk/campaigning/media_news/2009_jul_to_dec/ncb_to_study_childminding_prac.aspx or by visiting www.ncb.org.uk



Training in localities

This academic year will see the beginning of early years training being delivered at a local level. Evening sessions for planning, observation and assessment will take place at a children's centre in each of the localities within the borough. This will accommodate many more practitioners, particularly those who are unable to attend training during the working day. Practitioners can attend any locality for this training.

All details can be found in the new **Training and Professional Development brochure 2010/11** or at www.lambeth.gov.uk/earlyyearsprofessionaldevelopment

Lambeth study award

Lambeth's study award is now closed to new applications. Over 100 practitioners have successfully applied for this funding which assists with the payment of course fees for Foundation and BA degrees in Early Years.

Many settings have submitted multiple applications for staff members, preferring to upgrade the qualifications of their whole teams together, instead of individuals. Managers have reported the benefits of team members supporting each other to achieve the qualifications and the positive effect this has had on practice.

If you have missed the opportunity to apply for the study award, don't worry, eligible settings in Lambeth can still apply for the Graduate Leader Fund, to support and assist early years practitioners in working towards Early Years Professional Status.

For details and an application pack contact: Anita Bey on 020 7926 1831 or email abey@lambeth.gov.uk or Marie McLeod on 020 7926 9469 or mmcleod@lambeth.gov.uk

CASE STUDY

Sadé Okocha – Proprietor and manager of Oak Tree Day Nursery, Streatham Hill

Sadé is a member of the Lambeth Early Years Professionals Network. She is committed to the idea of professional development and has to date achieved, a Masters in Computing and Information Technology, a BSc(Hons), Science Degree along with her level 4 Childcare qualification and the Early Years Professional Status. Sadé states: **“I felt that the EYPS programme would help to validate my knowledge, experience and skills in the Early Years field. I also felt that achieving the status will result in the recognition of my expertise as a practitioner and I would therefore be able to support other practitioners within my setting and Early Years as a whole”.**

Sadé provides mentoring to trainee EYPs on behalf of the University of Greenwich. She is also an assessor for EYPs training with the university. In addition to this, Oak Tree Day Nursery has EYP trainees attending the nursery to fulfil the practical requirements of their course.

This has benefitted the nursery, as trainees are allocated an area within the curriculum to develop, therefore demonstrating how they are leading change and raising standards. EYP trainees have been supported by Sadé to develop the use of the nursery sensory room and have carried forward initiatives in the nursery's Inclusion agenda. Sadé 'values the input' of the trainees as they work alongside staff to continually raise standards. Oak Tree currently enjoy a 'Good' Ofsted rating and are steadily working their way toward Outstanding. Sadé says: **“As a lead practitioner and change agent within my setting, I am constantly reflecting on my practice and making improvements to benefit the children in my care. I believe that EYPs should be role models for other practitioners in safeguarding and supporting children's learning and development”.**

As an active and longstanding member of the EYP network, Sadé continues to take advantage of every opportunity to further develop her numerous roles within early years. In addition to this, network members benefit from her generosity and willingness to share good practice.

Business development cash flow management for children's centres, private, voluntary and independent settings

As a childcare provider have you ever had concerns that you may not be able to pay staff salaries, service providers or maybe remain sustainable? If yes, cash flow management may be the answer.

Cash flow management in its simplest terms means making sure that the money you have coming in can pay for all the bills you have going out. If you do not have enough money – actual cash to pay – you can run quickly into problems. There is no point saying you have money tied up with creditors (people who have not paid you and who owe you money). You need actual cash. Cash flow management helps to ensure this.

By forward planning and assessing the cash flow of your setting, you can get a clear picture of cash, cheque standing orders, direct debit, loan movements and any other financial transactions that occur within your childcare setting. This will show the changes in income and expenditure as they occur.

Cash flow  Money coming in

Must be enough to cover for

Money going out 

Cash flow management is crucial to all childcare providers and their day to day management.

Having a cash flow forecast is a fundamental aspect in managing the income and expenditure of any business. In order for a business to achieve its financial objectives, the cash flow forecast is paramount to the business plan and for making realistic predictions on the cash balance of the business.

Once the cash flow forecast is done on the spreadsheet the actual cash movement should be recorded alongside it. This can be done on a weekly, monthly or quarterly basis. Comparisons between the forecast and the actual movement of cash can be made to see whether a review should be made or if the predictions

are close to what is actually received and spent. If the cash flow spreadsheet is observed and managed carefully, any potential shortfalls of the cash balance can be identified and controlled through early intervention. Corrective action can then be taken as necessary for example reduce expenditure, ask for credit or take a bank loan. You would also be in a better position to forecast future funds, and plan your business activities with ease.

Below are a few advantages for managing your business cash flow:

- Identifying the position of your income and expenditure at all times
- Being able to forward plan
- Non reliance on unauthorised bank overdraft and or loans, therefore saving interest charges
- You can spot irregularities and resolutions in the movement of money in your setting

The elements of a cash flow must include receipts, payments, net cash flow and opening and closing balances. It should also identify the sources of actual income and expenditure into your business over a specific timeframe. Many businesses keep a rolling 12-month forecast.

The cash flow forecast guidance will be added to the range of toolkits which have been circulated to all Childcare settings as part of the Business Development team (BDT) Guidance manual. All Children Centres, Private, Voluntary and Independent settings during the months of July and August 2010 were hand delivered a copy of the Business Development team Guidance manual.



Example Childcare Setting - Cash Flow Forecast
1.04.2008 - 31.03.2009

	April £	May £	June £	January £	February £	March £	Total £
Income							
Nursery Education Fund	0	5,510	0	0	5,510	0	16,530
Nursery Fees	7,000	7,000	7,000	7,000	7,000	7,000	68,500
Other Grant Income	0	0	0	0	0	3,000	17,000
Fundraising	240	120	600	0	120	220	2,980
Donations	80	0	0	0	0	0	580
A = Total Income	7,320	12,630	7,600	7,000	12,630	10,220	105,600
Expenditure							
Direct Costs							
Salary Wages	6,000	5,000	5,000	5,000	5,000	5,000	61,000
Overtime	0	0	0	0	0	0	0
Agency Staff	0	555	0	0	0	200	1,880
Total	6,000	5,555	5,000	5,000	5,000	5,200	62,880
Indirect Costs							
Training	0	0	0	0	0	0	0
Recruitment	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
Energy Costs							
Electric	0	0	0	400	0	0	487
Gas	0	0	0	400	0	0	427
Total	0	0	0	800	0	0	914
Premises							
Building Rent	0	0	10,000	10,000	0	0	20,000
Water Service	0	0	0	0	0	0	1800
Repairs & Maintenance	252	0	0	0	0	0	252
Cleaning	0	0	0	0	0	0	734
Phone	0	0	0	0	0	175	415
Insurance	0	0	0	0	0	0	2000
Rates	0	0	0	0	0	0	3000
Total	252	0	10,000	10,000	0	175	28201
Public Transport							
Travel Expenses	0	0	0	0	0	0	0
Car parking	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0
Equipment Furniture and Materials							
Office	0	0	0	0	0	0	0
Nursery	0	1,000	0	0	0	0	1000
Communications and Marketing	0	0	0	0	0	0	2500
Toys	0	0	0	0	0	0	1000
Total	0	1000	0	0	0	0	4500
Catering							
Refreshments	0	0	0	0	0	0	0
Food	500	500	500	500	500	500	6000
Milk	0	0	0	0	0	0	0
Total	500	500	500	500	500	500	6000
Printing Stationery & General Office							
Printing	0	0	0	0	0	0	0
Stationery	45	68	12	26	54	27	414
Publications	0	0	0	0	0	0	0
General office	0	0	0	0	0	0	0
Total	45	68	12	26	54	27	414
B = Total Expenditure	6,797	7,123	15,512	16,326	5,554	5,902	102,909
Balance = A-B	523	5,507	-7,912	-9,326	7,076	4,318	2,691
Cumulative Cash Balance	523	6,030	-1,882	-8,703	-1,627	2,691	2,691

The Cash Flow guidance will come from the BDT in the coming months. The guidance can be used as a support tool for continuous planning.

To obtain a copy of the Business Development Team Guidance Manual or for further information and

support on devising a cash flow forecast for your setting please contact:

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