

# Islington Early Years Childcare Charging Policy

## April 2024

1. This policy sits alongside the admission policy in outlining the terms and conditions of childcare places in Islington; please refer to both for full details.
2. The policy must be used by children's centres, early years centres, voluntary sector nurseries with council subsidised childcare places and community schools when applying charges for nursery provision over and above the free early education offer.
3. Islington Council subsidises childcare for children aged 6 months and above, in all its children's and early years centres and in a number of voluntary sector community nurseries. This supports the council to ensure that local, affordable high-quality childcare is made available to parents and carers who are in employment or studying towards a qualification.
4. Once proof of residence in Islington has been provided, childcare charges are calculated based on the earned and unearned annual incomes made available to both parents/carers before deductions. The completion of an income assessment form, evidence of employment and/or studying is required for all places. Parents who take up Band 11 and Marketed places must also provide evidence of employment, but do not have to provide evidence of income.
5. In order to identify which charging band to apply, childcare providers ask both parents, (or one parent if a single parent family) to show evidence of their income as part of the admissions process.
6. **Funded free childcare and early education**
  - 6.1 Some 2-year-old children can receive 570 hours per year of additional government support - Free Early Education Entitlement (FEEE) from the term after their second birthday. This equates to 15 hours per week, term time only. Eligible criteria applies.
  - 6.2 From 15<sup>th</sup> April 2024 some 2-year-old children can receive 570 hours per year of working parent entitlement (15 hours per week term time only) FEEE from the term after their second birthday. Eligible criteria applies.
  - 6.3 Monday 4<sup>th</sup> September 2024 children the term after their ninth month birthday can receive 570 hours per year of working parent entitlement (15 hours per week term time only) FEEE. Eligible criteria applies.
  - 6.4 All 3 and 4 year olds are entitled to 570 hours per year FEEE from the term after their third birthday. This equates to 15 hours per week, term time only (TTO). No application required.

- 6.5 3 and 4 year olds from working families may be entitled to an additional free 15 hours per week TTO, a total of 30 hours of free childcare per week. Eligible criteria applies.
- 6.6 For further information about FEEE eligibility criteria and how to apply, please see the relevant pages on the [Islington website](#)

## **7. Income charge assessments and childcare charges**

- 7.1 Families are income assessed to calculate childcare charges unless they are taking up the free early education entitlements only. Families are required to provide evidence of employment In all other cases, families are income-assessed for childcare charges.
- 7.2 Following the income assessment, childcare charges are calculated according to the relevant charging band, and the relevant age of the child: under 2s, 2-3 years, 3 and 4 years.
- 7.3 There are no charges in the following circumstances:
  - 7.3.1 both parents (if applicable) of children placed by the Priority Early Learning panel are in receipt of Universal Credit who are NOT working.
  - 7.3.2 the Priority Early Learning panel agrees to waive the childcare charge due to exceptional family circumstances and in the best interests of the child. Evidence of this must be provided.
- 7.4 Parents that are studying must provide the following in order to be prioritised for a place under the admissions criteria:
  - 7.4.1 proof of acceptance onto a course leading to an accredited qualification
  - 7.4.2 evidence that the course provider will pay for the childcare
- 7.5 The income charge assessment and parent contract forms must be completed and signed by parents/carers before the child starts.
- 7.6 The maximum charge (at marketed rate) will apply where parents do not return the childcare charge income assessment and proof of employment form including all relevant evidence, within the time specified and before the child's start date and thereafter.
- 7.7 Parents/carers are given a one-week (Monday – Friday consecutively for 2-, 3- and 5-days places) settling in period at no charge.
- 7.8 If the charging policy is amended or if childcare charges have been calculated incorrectly, notice of 4 weeks will be given to affected parents and new charges applied at the end of that notice period.

- 7.9 A notice period of 4 weeks will be given for any change to childcare charges.
- 7.10 If your household income reduces /increases at any time, (including, but not restricted to shared parental, maternity, paternity or adoption leave - if you are on leave) and you move into a different charging band, your charges will decrease/increase accordingly.
- 7.10.1 in order for any decreased charges to be backdated, parents will need to provide evidence of a change in financial circumstances and within one month of the change.
  - 7.10.2 please note that self-employed persons are not required to provide their evidence within one month of the change but will need to provide evidence at the earliest opportunity.
  - 7.10.3 any increase in household income resulting in a new income band, will lead to backdated fees being applied from the point at which household income increased
- 7.11 If the employment of one or both parent/s ends:
- 7.11.1 where children are receiving the extended 30 hour Free Early Education Entitlement, they will continue to be eligible for this until the grace period ends, after which the universal 15 hours entitlement will apply. The grace period is defined by the Early Education and Childcare statutory guidance 2014.
  - 7.11.2 where children aged term after their nine month birthday are receiving the free working parent entitlement, they will continue to be eligible for this until the grace period ends.
  - 7.11.3 where children under 3 are not eligible for any free entitlements, a 12 - week notice period will apply.
- 7.12 If parents request a change in contract from an extended day place to a core day place (9.30am-3.30pm, 6 hours per day) or vice-versa due to a change in circumstances, we cannot guarantee that a change back to the original contract at a later date, will be possible.
- 7.13 Charges will decrease the term after the child's 2nd and 3rd birthdays, in line with the government funding (See section 14).

## **8. Charging weeks**

- 8.1 In every full school (academic) year, term-time only (TTO) charges are payable for 39 weeks (i.e., 195 days – 190 plus 5 INSET days). All year round charges are 39 weeks at term- time charge and 10 (or 11) weeks at holiday charge, totalling 49 (or 50) weeks.

- 8.2 Over a number of years, an extra holiday charge week is incurred owing to the extra day/s accumulated through leap years and the fact that even non-leap years have 52 weeks plus 1 day. Costs (staffing etc.) are incurred for the additional charging week within that financial year - therefore the extra charge to parents/carers needs also to be made within the same financial year.
- 8.3 Charges are set for full weeks (TTO 39 weeks, AYR 10/11 weeks) even though terms sometimes begin and/or end halfway through a week. By the end of the academic year, part weeks charged as full weeks will balance out with part weeks not charged for.

## **9. Arrears Policy**

- 9.1 Childcare charges are crucial to each provider's budget. The Council operates a 'no arrears' policy to prevent parents/carers building up arrears which they may have difficulty meeting.
- 9.2 The arrears policy applies to all Local Authority early years' centres, children's centres, nursery schools, children's centres in schools and primary schools who offer subsidised childcare to Islington working or studying parents.
- 9.3 The arrears policy is available on request.

## **10. Non-Islington Residents; Keyworkers; Marketed places**

- 10.1 Non-Islington residents can only access out of borough/marked places in Islington children's and early years' centres, where no Islington resident wishes to take up a place.
- 10.2 However, Keyworkers (see Admissions Policy) can access marketed or community places where they are available. Keyworker places are allocated first to those who live in Islington, second to those who work in Islington, and third to keyworkers who live and work out of borough.
- 10.3 If an Islington resident in a community place moves out of borough, their childcare charges will be adjusted to the marketed rate.

## 11. Discounts

- 11.1 A 25% discount is applied where a child has an identified disability as set out in the disabled children policy (fuller details are shown on Section: 5 Disabled Children – (Definition).
- 11.2 The following discounts apply to Islington residents who pay childcare charges for a place for a child under five attending the same or another setting, subsidised by Islington Council. Please note, most primary school nursery classes using this charging policy do not receive further subsidy from Islington Council and therefore these discounts are not applicable.

Number of children	Percentage of reduction	Reductions for second and subsequent children
One	0%	First child 0%
Two	25%	First child 0%, second child 25%
Three	35%	First child 0%, second child 25% and third child 35%
Four	45%	First child 0%, second child 25%, third child 35% and fourth child 45%

  

Number of children	Percentage of reduction	Reductions for second and subsequent children of multiply births
Twins	30%	First child 0%, second child 30%
Triplets	40%	First child 0%, second child 30% and third child 40%
Quads	50%	First child 0%, second child 30%, third child 40% and fourth child 50%

## 12. Hours attended and amounts charged

- 12.1 The childcare charging schedules show the weekly charges for 8am to 6pm and 15 hours charges for each band in each age group.
- 12.2 Different charging rates apply for Term Time Only (TTO) and All Year Round (AYR) provision.

## 13. Days and hours offered

- 13.1 We aim to ensure nursery provision is sustainable whilst still offering flexibility to meet parents/carers needs. We do this through setting occupancy and income targets in order to maximise the use of council resources. **Places are therefore only offered in line with the agreed delivery models as below:**

- 13.1.1 Term Time Only (TTO) 9.30am to 3.30pm (core day 6 hours per day) – applies to children the term after the third birthday, which is when they are entitled to either the universal 15 hours FEEE or also a further 15 hours (a total of 30 hours FEEE per week (term time only) - providing they meet eligibility criteria (evidence is required).
- 13.1.2 Additional government support of 15 hours TTO for two year olds, the term after their second birthday – providing families meet eligibility criteria (evidence is required).
- 13.1.3 Working parents' entitlement of 15 hours TTO for two year olds, the term after their second birthday, and from September 2024 from the term after the child turns 9 months – providing families meet eligibility criteria (evidence is required).
- 13.1.2 All Year Round (AYR) 8am to 6pm (extended day 10 hours per day) – applies to all children of working or studying parents
- 13.1.3 The pattern of days within TTO or AYR can be taken as follows:
- 13.1.4 5 consecutive days
- 13.1.5 3 consecutive days at the beginning or end of the week: Monday, Tuesday and Wednesday or Wednesday, Thursday and Friday
- 13.1.6 2 consecutive days at the beginning or end of the week: Monday and Tuesday or Thursday and Friday
- 13.1.7 2.5 consecutive days with Wednesday as half day
- 13.1.8 5 mornings or afternoons
- 13.2 Paid for childcare is only available for parents who are working or studying and will only be offered on the days that are required to enable parents to work or study, within the delivery models above. All core day places are TTO.
- 13.3 In exceptional circumstances, at the discretion of the Head/Executive Head and in agreement with Early Years Finance or the relevant senior officer, an alternative delivery pattern may be agreed. This will be reviewed on a termly basis.

#### **14. Other Charges**

- 14.1 The cost of lunch for children under 3 is incorporated in the childcare charges (where applicable)

- 14.2 From 1 April 2020, 3 and 4 year olds in Children's Centres and Early Years Centres accessing free early education are not charged for lunch during term time.

There is a separate charge for lunch (when attended) during the holidays (10/11 weeks) for children accessing Free Early Education. This applies from the start of the term after the 3rd birthday.

- 14.3 No lunch charge is applied to children placed by the Priority Early Learning panel whose charges have been waived, or to children accessing the benefit-related free entitlement at age 2 on days where attended hours include the lunch period.
- 14.4 Dietary needs can be catered for on medical grounds only (allergies/intolerances etc.) for which proof is required.
- 14.5 Parents/carers may be asked for a contribution towards the cost of trips.
- 14.6 The cost of care products (nappies and wipes etc.) is not included in the childcare charges.

## **15. Deposits**

- 15.1 An advance payment (deposit) of £100.00 is required for Marketed places, which must remain in credit until the end of the contract
- 15.2 The deposit will need to be kept in credit at all times and will be deducted from the charge for the last week of attendance.
- 15.3 No deposits are paid for any other type of place.

## **16. Payment Methods**

- 16.1 London Borough of Islington's preferred method of payment is ParentPay.

## **17. Temporary offer of place – beginning of academic year.**

- 17.1 If there are vacancies at the beginning of the academic year and children require a place until they start school this will be charged at holiday rate.

## **18. Charging institutions and outside boroughs**

- 18.1 Borough and corporate sponsors paying for childcare are charged at the maximum band or full cost.
- 18.2 Where a corporate sponsor has a capped childcare contribution, all other parental income along with the sponsor's contribution must be assessed to determine the charging band applicable.

## **19. INSET Days and Bank Holidays**

- 19.1 There are 5 days per academic year known as INSET days when settings are closed for staff training. Charges are payable for these 5 days and for Bank Holidays. These charges are incorporated within the childcare charges.

## **20. Charging Principles**

- 20.1 London Borough of Islington applies its charges in line with the Government Statutory Guidance for FEEE (Free Early Education Entitlements).
- 20.2 The relevant dates (in relation to the age criterion) are as follows:
  - 20.2.1 Children born in the period 1 January to 31 March: the start of term beginning on or following 1 April after the child's second birthday
  - 20.2.2 Children born in the period 1 April to 31 August: the start of term beginning on or following 1 September after the child's second birthday
  - 20.2.3 Children born in the period 1 September to 31 December: the start of term beginning on or following 1 January after the child's second birthday
- 20.3 The above also applies to children at the start of the term after their third birthday

## **21. Charging Schedules**

- 21.1 Charges are based on the earned and unearned annual incomes available to both parents before any deductions – such as Tax, National Insurance, Pension/Pension sacrifices, Childcare Voucher schemes, Annual Leave Accruals/Sacrifice, Travel Ticket, Laptop, Student Loan repayments, Gym Memberships, collections of rent from second or more properties, inheritance, eBay (any other selling sites) social media accounts etc. Please note: this is not an exhaustive list.
- 21.2 The charging schedules display 50 hours (8am-6pm) 5 days per week for children under 2yrs (49/50 weeks per year September to August; see section 3 for charging weeks' explanation).
- 21.3 For children aged 2–3yrs with no FEEE for term time and the holidays. This is 50 hours per week x 49/50 weeks. This charge is also the holiday charge (10/11 weeks) for those children with an FEEE during the term time.
- 21.4 For children aged 2-3yrs who have a FEEE of 15 hours the charges displayed are for 50 hours (8am-6pm) 5 days per week and take into account the 15 hour additional government support entitlement this also displays the working parent entitlement of 15 hours during the term time (39 weeks September – August). The holiday charges for the working parent entitlement are as 21.3 above.

- 20.5 For children aged 3-4yrs who have a FEEE of 15 hours, the charges displayed are for 50 hours (8am-6pm) 5 days per week and take into account the 15 hour entitlement during term time (39 weeks September – August).
- 21.6 For children aged 3-4yrs and have a FEEE of 30 hrs, the charges displayed are for 50hrs (8am-6pm) 5 days per week and take into account the 30 hour entitlement during term time (39 weeks September – August).
- 21.7 During the holidays (10/11 weeks September - August) 3 and 4 year old children who are allocated an all year round place are charged for 50 hours (8am-6pm).

# Charging schedules from Monday 15th April 2024

For all children under five in Islington funded nurseries including early years and children's centres, nursery schools, primary schools (where applicable) and community nurseries.

## Weekly charges 5 days, 8am – 6pm

Please note: All 8am to 6pm places are all year round (AYR) 49/50 weeks per year. Charges for children who attend fewer than 5 days 8am to 6pm all year round are calculated using the examples following this table.

<b>Bands</b>  <b>Evidence of income earned and unearned including for both parents in a two parent family before deductions</b>	<b>Under 2's - No free entitlements 8am – 6pm AYR 49/50 weeks</b>	<b>2 year olds - No free entitlements 8am – 6pm AYR 49/50 weeks and Holiday charges for 10/11 weeks</b>	<b>2 year olds - entitled to 15 hours FEEE 8am – 6pm TTO 39 weeks *Refer to column 2 for holiday charges</b>	<b>3 and 4 Year Olds – entitled to 15 hours FEEE 8am – 6pm TTO 39 Weeks</b>	<b>3 and 4 Year Olds – entitled to 30 hours FEEE 8am – 6pm TTO 39 Weeks</b>	<b>3 and 4 Year Olds – holiday charges (10/11 weeks)</b>
<b>Income bands</b>	<b>Charges for 50 hours</b>	<b>Charges for 50 hours</b>	<b>Charges for 35 hours</b>	<b>Charges for 35 hours</b>	<b>Charges for 20 hours</b>	<b>Charges for 50 hours</b>
Band 1 (Up to £24,999)	£207.70	£203.39	£142.37	£142.53	£81.45	£162.89
Band 2 (£25,000 - £30,999)	£219.78	£215.47	£150.83	£150.83	£86.20	£172.38
Band 3 (£31,000 - £39,999)	£239.17	£234.49	£164.14	£164.14	£93.80	£187.59
Band 4 (£40,000 - £49,999)	£265.04	£259.84	£181.89	£181.89	£103.94	£207.87
Band 5 (£50,000 - £59,999)	£297.36	£291.53	£204.07	£204.07	£116.61	£233.32
Band 6 (£60,000 - £69,999)	£336.14	£329.55	£230.68	£230.68	£131.82	£263.65
Band 7 (£70,000 - £79,999)	£349.32	£342.47	£239.73	£239.42	£136.99	£273.98
Band 8 (£80,000 - £89,999)	£410.77	£373.42	£261.40	£261.40	£149.37	£298.74
Band 9 (£90,000 - £99,999)	£434.35	£394.86	£276.40	£276.40	£157.95	£315.88
Band 10 (£100,000 - £120,000)	£468.90	£426.27	£298.39	£298.39	£170.51	£341.01
Band 11 (above £120,000)	£495.50	£450.45	£315.32	£315.32	£180.18	£360.35
Out of Borough/Marketed	£522.40	£474.90	£332.43	£332.43	£189.97	£379.92

**Calculation example of charges:** - Please note; Lunch is charged separately for 3 and 4 year olds during the holidays, when attending

**Under two** - attending 2 days, 8.00 - 6.00, AYR, Band 3 =  $\text{£}239.17/5 \times 2 = \text{£}95.67 \times 49/50$  weeks

**Two year old** – attending 5 days, 8.00 – 6.00, AYR, Band 1, entitled to 15 hours FEEE =  $\text{£}142.37 \times 39$  weeks (TTO.) Holiday charge =  $\text{£}203.39 \times 10/11$  weeks

**Two year old** - allocated a Priority Early Learning place (PEL) – attending 5 days, 9.30-3.30 – Band 1 entitled to 15 hours FEEE =  $\text{£}61.02$  (see chart below for 2 year olds)

**Three and four year olds** – attending 3 days 8.00-6.00 AYR Band 8 entitled to 30 hours FEEE =  $\text{£}0.00 \times 39$  weeks (TTO). Holiday charge =  $\text{£}298.74/5 \times 3 = \text{£}179.24 \times 10/11$  weeks

**Three and four year olds** – attending 5 days, 9.30 – 3.30, TTO, Band 11, entitled to the universal hours of 15 only =  $\text{£}135.13$  (see chart below for 3 and 4 year olds)

## Weekly Charges for two year olds entitled to 15 hours per week FEEE, 39 weeks per year Term Time Only - 9.30am - 3.30pm

For all children under five in Islington funded nurseries including early years and children's centres, nursery schools, primary schools (where applicable) and community nurseries.

Bands	2 year olds – Entitled to 15 hours FEEE per week (39 Weeks) 9.30 – 3.30 Term Time Only
Band 1 (Up to £24,999)	£61.02
Band 2 (£25,000 - £30,999)	£64.64
Band 3 (£31,000 - £39,999)	£70.35
Band 4 (£40,000 - £49,999)	£77.95
Band 5 (£50,000 - £59,999)	£87.46
Band 6 (£60,000 - £69,999)	£98.86
Band 7 (£70,000 - £79,999)	£102.74
Band 8 (£80,000 - £89,999)	£112.03
Band 9 (£90,000 - £99,999)	£118.46
Band 10 (£100,000 - £120,000)	£127.88
Band 11 (above £120,000)	£135.13
Out of Borough/Marketed	£142.47

Weekly Charges for 3- and 4-year-olds entitled to 15 hours per week FEEE, 39 weeks per year Term Time Only - 9.30am - 3.30pm

Bands	3 and 4 year olds – Entitled to 15 hours per week (39 Weeks) Term Time Only
Band 1 (Up to £24,999)	£61.02
Band 2 (£25,000 - £30,999)	£64.64
Band 3 (£31,000 - £39,999)	£70.35
Band 4 (£40,000 - £49,999)	£77.95
Band 5 (£50,000 - £59,999)	£87.46
Band 6 (£60,000 - £69,999)	£98.86
Band 7 (£70,000 - £79,999)	£102.74
Band 8 (£80,000 - £89,999)	£112.03
Band 9 (£90,000 - £99,999)	£118.46
Band 10 (£100,000 - £120,000)	£127.88
Band 11 (above £120,000)	£135.13
Out of Borough/Marketed	£142.47

## Playscheme charges per week

For all children in Islington funded nurseries. Including early years and children's centres, nursery schools, primary schools (where applicable) and community nurseries.

### **Under 3s**

hours per day	8am to 6pm	50 hours – 5 days per week	£171.10
---------------	------------	----------------------------	---------

### **3 and 4 year olds**

10 hours per day	8am to 6pm	50 hours – 5 days per week	£154.84
------------------	------------	----------------------------	---------

Concessionary charges

### **Under 3s**

10 hours per day	8am to 6pm	50 hours – 5 days per week	£85.74
------------------	------------	----------------------------	--------

3 and 4 year olds

10 hours per day	8am to 6pm	50 hours – 5 days per week	£78.07
------------------	------------	----------------------------	--------

In addition, lunch is charged separately.

Playscheme places are available to children who have left the setting and to siblings.

Please note:

The council has a 'NO ARREARS' Policy.

All arrears must be cleared before a playscheme place can be offered and all playscheme charges must be paid in advance.

No refunds are given once a place has been accepted, this is due to staffing arrangements.