

## How to work out your Occupancy Guide

It is important for any childcare business to understand and monitor occupancy levels.

You should work out what the actual take-up is and compare it with what your occupancy level could have been, if every single place had been full all the time. This should be done as best practice at the end of the month.

Monitoring occupancy allows you to identify trends and take prompt action if occupancy starts to impact on sustainability.

### To calculate occupancy levels:

1. Calculate the actual number of Sessions or Full Time Equivalent (FTE) places being taken each week **(A)**
2. Calculate the capacity of the setting each week (Number of places x two sessions per day x five days per week = capacity) **(B)**
3. Calculate the occupancy figure (Actual number of sessions taken divided by capacity of setting x 100 = % occupancy) **(C)**

$$\text{Calculation (A) divided by (B) x 100 = (C)}$$

*For example working out Occupancy based on a 3 Place Baby Room*

|                                  | Place 1 |         | Place 2 |         | Place 3 |         | 15 FTE places to sell |
|----------------------------------|---------|---------|---------|---------|---------|---------|-----------------------|
|                                  | AM      | PM      | AM      | PM      | AM      | PM      | FTE places sold       |
| Monday                           | Child A | Child A | Child A | Child B | Child B | Child B | 3                     |
| Tuesday                          | Child C | Child C |         | Child C |         |         | 1.5                   |
| Wednesday                        | Child D |         | Child D |         | Child D |         | 1.5                   |
| Thursday                         | Child E | Child F | Child E | Child F | Child E | Child F | 3                     |
| Friday                           |         | Child G |         |         | Child G | Child G | 1.5                   |
| Total Sessions sold<br><b>21</b> | 4       | 4       | 3       | 3       | 4       | 3       | 10.5 FTE places sold  |

**Calculation 1 using number of Sessions sold** 21 divided by 30 x 100 = 70% Occupancy

**Calculation 2 using number of FTE places sold** 10.5 divided by 15 x 100 = 70% Occupancy