



**Vicky Ford MP**

Parliamentary Under-Secretary of State for Children and Families

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24<sup>th</sup> March 2020

Dear colleague,

### **LETTER TO EARLY YEARS AND CHILDCARE PROVIDERS IN ENGLAND**

The early years and childcare sector is vital to the country's response to the COVID-19 outbreak. On behalf of the Prime Minister and the entire Government, I want to thank you for all you are doing to care for the youngest children in our country, as part of the fight against COVID-19.

I recognise that you will have the same concerns as the rest of the country about your health and that of your families. I am deeply grateful for the civic spirit and dedication of everyone working in early years and childcare, and I will continue to provide my full support throughout this challenging time. As the Prime Minister made clear on Wednesday 18<sup>th</sup> March, the coming weeks will require a community effort to deal with a challenge greater than most of us have ever faced in peacetime. The childcare sector is full of resourceful, ingenious and resilient people and I am confident that together we will overcome this challenge.

**As a country, our priority must be to reduce the spread of the COVID-19 virus.** Last week it became clear that the spike of the virus was increasing at a faster pace than anticipated and it was crucial to implement the right measures to arrest this increase and to relieve the pressure on the health system. To do this, and provide parents, children and staff with the certainty they need, we announced that schools, colleges and childcare settings (including nurseries, pre-schools, childminders and wrap around childcare for school aged children) would close to everyone except children of critical workers and vulnerable children from Friday 20 March, as part of the country's ongoing response to COVID-19.

This decision was made to limit the spread of the virus. That is why the Government has asked parents to keep their children at home, wherever possible. **Keeping as many children at home as possible is essential to protect the NHS and save lives and I ask for your support in ensuring this advice is understood and followed by families in your communities.**

We have asked you to continue to provide care for a limited number of children - children who are vulnerable, and children whose parents are critical to the COVID-

19 response and cannot be safely cared for at home. **Childcare settings should not provide care for children who do not meet these criteria.** Guidance for childcare providers to follow on this can be found [here](#).

I recognise that we have asked a lot of the sector at very short notice, and that you will be thinking carefully about how you might provide high quality and safe care for a smaller number of children than usual. I understand that some of you may be unable to do so, especially if you are experiencing severe staff shortages due to ill-health or self-isolation. Your local authority will be assessing the needs of your community and talking to you about how to best organise childcare for vulnerable children and children of key workers. The Emergency Bill we published on Thursday 19 March seeks temporary powers to make changes to childcare regulations in order to help local authorities respond to pressures from this outbreak, without being in breach of regulatory requirements, as well as addressing the legal issues around closures of school and other education settings.

The health, safety and well-being of children must be our first consideration. I continue to expect childcare to take place only within existing registered early years and childcare settings. In line with its duties as a regulator, Ofsted will consider legal enforcement action against those who set up unregistered childcare.

I know that many of you will be concerned about the future of your childcare businesses and the jobs that depend on them in these uncertain times, and I have set out below some of the measures Government has already announced to support businesses during this period. We are working hard to mitigate the impacts of COVID-19 on all parts of our society, including individuals and business and I strongly urge all providers to be sensitive to the financial burden that you are passing on to parents, given the great uncertainty that they will be facing too.

Last week the Secretary of State for Education announced that entitlements funding will not be clawed back from local authorities, even where settings close or children were not able to attend due to COVID-19. I know that local authorities will want to honour this position and pass funding onto providers as if things were 'usual' – I have made clear that this is my firm expectation.

In addition, the Chancellor has announced a package of support for workers and businesses, this includes:

- Childcare providers will be eligible for a business rates holiday for one year. That means non-local authority providers of childcare (registered with Ofsted and providing EYFS) will pay no business rates in 2020-21, from 1 April. Local authorities are working to implement this and guidance has been [published](#).
- Nurseries in receipt of small business rate relief or rural rate relief will benefit from small business grant funding of £10,000. This includes nurseries who are eligible for a charitable status relief – they will also pay no business rates at all in 2020-21.
- Some settings operate from shared spaces which may now benefit from a 100% rates relief. I strongly encourage those settings in shared spaces to request that any business rate savings be reflected in their rent charge.

- The Coronavirus Job Retention Scheme means that for employees who are not working but kept on payroll, the Government will contribute 80% of each worker's wages of up to £2,500, backdated to 1 March 2020. Providers can access this scheme while continuing to be paid the early entitlements funding via local authorities. For many pre-schools and nurseries we know that staffing is their largest expense, so this will make a significant contribution to help manage their outgoings.
- The Business Interruption Loan Scheme will now be interest-free for 12 months (rather than six).
- VAT payments due with VAT returns between now and end June 2020 will be deferred, meaning UK VAT registered businesses will not need make those payments until the end of the financial year.
- Working tax credit has been increased by £1,000 a year.
- £20 per week increase to the Universal Credit standard allowance and Working Tax Credit basic element has been increased by £20 a week.
- Local Housing Allowance rates for Universal Credit and Housing Benefit have been increased so that it covers the cheapest third of local rents
- The minimum income floor for Universal Credit will be temporarily relaxed.
- The Government is also supporting the self-employed by deferring income tax self-assessment payments due in July 2020 to January 2021. This is also an automatic offer with no applications required.

More details are can be found [here](#).

The Department for Education has set up regular contact meetings with representatives from across the early years sector, including Early Years Alliance, the National Day Nurseries Association, the Professional Association for Childcare and Early Years, as well as with local authorities. This is to ensure we continue our close work with the sector to rapidly identify the most effective ways to mitigate the negative impact of these closures. The Government is committed to supporting settings through this pandemic. The vital service that you provide will be key to supporting families and the wider economy to get back to work once we have beaten the pandemic.

Yours sincerely

A handwritten signature in black ink that reads "Vicky Ford". The signature is written in a cursive, flowing style.

**Vicky Ford MP**  
**Parliamentary Under Secretary of State**

