Dear X, [You can find details of your local MP by entering your postcode here - <https://www.writetothem.com/>]

I am [job title] of [name of setting] in [area/town/village] in your constituency and we currently have [xx] children aged between X to X attend our setting. We provide high quality early education and childcare which gives children an excellent start in life while also supporting working families.

[You may want to add some information here about what you think makes your nursery special]

I am writing to you because of the concerns I have about the disproportionate impact of the Government’s National Insurance Contributions (NICs) increase on early years providers and to ask you to write to the Chancellor to offer more support for our crucial sector.

We know the Government has had to make difficult decisions to balance public spending commitments, however, there are serious consequences of the measures announced in the Budget for the early education and care sector.

Firstly, early education and care is a very staff-intensive sector. This is because the staff in settings are crucial to keeping children safe and giving them the best start in life. The Department for Education’s Provider Survey 2023 showed that 75% of a private or voluntary settings’ costs are staffing. We are also bound by strict ratios so we are not able to adjust our staffing levels without reducing the number of children and families we offer places to. This means we are more exposed to any measure which increases staff costs than other businesses.

The National Day Nurseries Association (NDNA) estimates that for the average nursery with 18 members of staff, the increase in NICs and statutory minimum wages alone will add on average an additional £2,633 a year per employee and £47,000 in total. I have looked at my staffing situation and believe it will add an extra £XX,XXX to my operating costs. [add if calculated].

The funding rates for 2025-26 announced on 10 December show an increase between 3.3% and 4.1% for funded places which is below the % increase in statutory wages for next year. The Government has said it will not reimburse private and voluntary nurseries for NICs and has not factored this additional cost into the funding rates <https://ndna.org.uk/news/england-funding-rates-2025-26-wont-factor-in-national-insurance-contributions/>

Secondly, due to the amount of income which is dictated by Government funding decisions, we cannot pass on increased staffing costs to customers in the same way as a shop, restaurant or manufacturer. This has been repeatedly recognised by The Low Pay Commission.

As a consequence, we have a real concern that parents could face higher fees, more providers will close and the target of offering more funded places will be missed. If we are to deliver growth in every part of the UK, it is vital that families are able to work and that children get the best possible start in life that high-quality early education and care offers.

Thirdly, we continue to face the burden of business rates. This year, our business rates have increased to £XXXXX. This is a tax we have to pay on the space we provide our children to learn, grow and develop. As more hours in settings are Government funded, we are less able to cover costs like these due to historic underfunding.

While we welcome the protected funding for children’s crucial early years, if we are to be able to offer the places families need in a sustainable way we need support. I am asking you if you will do any of the following things to help my nursery and others like me: (Delete as appropriate)

* Please write to the Chancellor to ask her to ensure nurseries are protected from the increase in National Insurance Contributions in the same way schools are. It is vital that increases in funding rates are passed through to providers so we can cover higher National Living and National Minimum Wage increases as well as recognise the experience and qualifications of staff above that rate.
* Please ask the Chancellor to provide Business Rates relief to nurseries. The IFS estimates that the Government will soon be purchasing 80% of childcare hours and research from nurseries like mine. NDNA suggests that the average business rates bill is more than £21,000 a year. [Please add your own example if it helps] This is an additional financial burden, making it more difficult for my setting to operate and it is a disincentive to taking on more children or expanding my setting.
* Please urge the Secretary of State for Education to ensure future funding rates increase in line with the true cost of staffing a nursery as well as inflation. This means taking into account statutory minimum wage increases and the NICs costs on top of inflation and average earnings increases. If funding rates do not cover costs then it will be more difficult for us to offer the places that we want to at the quality our children deserve.

I really hope you will be able to speak up for nurseries like mine and the children and families across [constituency] who rely on us. If you aren’t able to do any of the actions above but would like to support us in other ways, please let me know what you will be able to do as any support would be greatly appreciated.

Sign off