



## All Party Parliamentary Group for Nursery Schools, Nursery and Reception Classes

**Early Education**  
The British Association for Early Childhood Education

*Chair: Lucy Powell MP, Vice-Chair: Theresa Villiers MP, Treasurer: Steve Brine MP, Secretary: Jack Dromey MP*

11 November 2020

The Rt Hon Stephen Barclay MP  
Chief Secretary to the Treasury  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

Dear Stephen

### **The implications of a one-year spending review for maintained nursery school funding**

The APPG officers and MPs recently wrote to the Chancellor to call for additional funding to allow maintained nursery schools' funding to be put on a long-term basis. They are the only part of the education system whose funding has to be negotiated on a term-by-term and year-by-year basis, despite their outstanding track record in delivering high quality early childhood education, supporting social mobility and caring for some of England's most disadvantaged children and families. These stop-gap measures have been in place for four years, in part due to the last two one-year spending reviews. [Early Education's research](#) shows that the current situation is unsustainable. The one-year timeframe of the spending review must not cause further delays. Maintained nursery schools need long-term certainty about funding if they are to continue to provide vital services to disadvantaged communities during the pandemic and beyond.

The vast majority of MNS remained open during the pandemic and took in children from other settings which were closed. By remaining open to meet the needs of vulnerable communities they have incurred additional costs and lost vital fee income. As a result, 64% expect to be in deficit in the current financial year, compared to 33% which were in

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deficit at the end of 2019-20. Nursery schools have already made extensive cuts: for example, pupil:teacher ratios have increased from 16 to 23 pupils per teacher between 2010 and 2018. Significant further efficiency savings are simply no longer possible. Funding reform is needed now.

We urge the Chancellor to ensure that education ministers are able to replace the temporary arrangements for supplementary funding with a new strand of the Early Years National Funding Formula for maintained nursery schools for 2020-21. This must end the historical anomalies of the supplementary funding and provide a fair and viable national system for funding the distinct role and costs of maintained nursery schools. It is vital that this long-term financial settlement includes schools in boroughs such as Barnet, Camden and Harrow which are currently excluded from supplementary funding.

We fully understand that government is dealing with vast financial pressures as a result of the pandemic. Rising levels of poverty, the lack of access to the usual support services for new parents during 2020 and the impact of lockdown on the most disadvantaged children will increase the number of children in the next few years who need the expert support of maintained nursery school staff to help them recover from any adverse impact on their learning and development. Investing in maintained nursery schools now, given their specialist role, is more important than ever and a wise long-term investment.

Yours sincerely

Jack Dromey MP, Secretary APPG Nursery Schools  
Theresa Villiers MP, Vice-Chair APPG Nursery Schools  
Steve Brine MP, Treasurer, APPG Nursery Schools