



Morton Michel
The Childcare Insurance Specialist

The Rt. Hon. Gavin Williamson CBE MP
Secretary of State for Education
Department for Education
20 Great Smith St, Westminster, London
SW1P 3BT

19th March 2020

Dear Sir,

I am writing from Morton Michel. For over fifty years we have been the UK's leading childcare insurance provider. We work hard to support this vital sector and take pride in being on the side of our 40,000 policyholders.

I recognise that the government's recent announcement that the country's education providers, including the early years sector, must close their doors after Friday is an important step in fighting the coronavirus outbreak and saving lives. However, I must tell you that the majority of childcare loss of revenue/business interruption insurance policies will not cover their loss of income due to the pandemic. I am writing to you today to encourage you to do everything within your power to safeguard the livelihoods of this vital industry.

I urge you to immediately take steps to ensure that all childcare providers, including childminders, children's activity providers, preschools, out of school clubs and nurseries, are able to take full advantage of the support measures already announced by the government.

I welcome the decision to extend the business rates holiday to nurseries. This is a step that the sector has requested for some time and will provide a crucial lifeline. However, based upon what we are hearing from our customers, it does not go far enough.

I ask that you consider additional measures, taking into account the unique nature of this sector. Childcare providers are small businesses, typically operating in very constrained financial circumstances. As such, temporary disruptions to their cashflow have very serious implications for their sustainability. Very tight operating margins also mean that the prospect of taking out loans, even on very attractive terms, may well not be a practical option in many cases. It is therefore vital that substantial cash grants are immediately made available to all in this sector who need them.

If there is anything I can do to assist you in determining what support the sector requires or ensuring it is available where it is needed, please do not hesitate to ask.

I look forward to your response.

Yours sincerely

Sue Lee
Managing Director