Huw Irranca-Davies AC/AM Y Gweinidog Gofal Cymdeithasol a Phlant Minister for Children and Social Care



Ein cyf/Our ref: MA-P/HID/1640/18

Mark Reckless AM National Assembly for Wales Cardiff Bay Cardiff CF99 1NA

2 May 2018

Dear Mark,

Following my statement to Plenary on the laying of the Childcare Funding (Wales) Bill on 17 April, I thought it would be helpful to clarify a matter that you raised.

During my statement, you asked me how the Childcare Offer will link with the UK wide system for Tax-Free Childcare and the English Childcare Offer. Specifically, you asked why it is necessary to set up an account under the UK-wide Tax-Free Childcare to access the Welsh childcare offer. While it is the case that the Childcare Service operated by HMRC to assess parents eligibility for both the UK-wide Tax-Free Childcare offer and the Childcare Offer in England will hopefully be used to assess the eligibility for parents in Wales to access the Welsh Childcare Offer, parents in Wales will not have to open a Tax-Free Childcare account in order to access the Childcare Offer in Wales.

Tax-Free Childcare accounts are used to manage payments to parents in relation to that UK wide scheme. For the purposes of our offer, we intend for payments to go directly to providers rather than parents. Work is currently underway to scope how this will operate.

As I mentioned during Plenary, I am fully aware of the problems encountered by HMRC with the Childcare Service and my officials are working closely with HMRC to ensure that any such problems are fully addressed by the time we come on-board in 2020.

Yours sincerely,

**Huw Irranca-Davies AC/AM** 

Y Gweinidog Gofal Cymdeithasol a Phlant Minister for Children and Social Care

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.