



Our ref: MA - L/HID/0359/18

Elin Jones, AM
Presiding Officer
National Assembly for Wales
Cardiff Bay
CF99 1NA

9 July 2018

Dear Elin,

Childcare Funding (Wales) Bill

During March, and in accordance with section 110(3) of the Government of Wales Act 2006, the First Minister for Wales provided for your consideration the Childcare Funding (Wales) Bill to determine whether it was within the competence of the National Assembly.

At the time of introduction on 16 April 2018, the consent of the Chief Secretary to the Treasury to the provision in section 8 of the Bill relating to the amendment to section 18 of the Commissioners for Revenue and Customs Act 2005 and to the relevant provisions relating to data sharing and onward transmission of data had been secured. However, consents of the Home Secretary and the Secretary of State for Work and Pensions to the relevant provisions in sections 4 and 5 of the Bill were outstanding.

I am pleased to inform you that these outstanding consents have now been secured and I attach, for information, a copy of a letter of confirmation from the Secretary of State for Wales.

A copy of this letter and enclosures is also being sent to the Chairs of the Children, Young People and Education Committee, Constitutional and Legislative Affairs Committee and the Finance Committee.

Yours sincerely

Huw Irranca-Davies AC/AM

Y Gweinidog Plant, Pobl Hŷn a Gofal Cymdeithasol
Minister for Children, Older People and Social Care

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

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.

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HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Professor Mark Drakeford AM,
Cabinet Secretary for Finance,
5th floor
Ty Hywel
Cardiff Bay
Cardiff
CF99 1NA

14 March 2018

Dear Mark,

WELSH 30 HOURS FREE EARLY EDUCATION AND CHILDCARE OFFER

1. I wrote to the then Cabinet Secretary for Communities and Children on 26 July 2017, regarding the Welsh Government's (WG) 30 hours free early education and childcare (30 hours) offer. I agreed that HMRC could continue to explore options with Welsh Officials to integrate the offer into the existing childcare service, and for HMRC to conduct parent eligibility checks on WG's behalf.
2. I am pleased that these conversations have progressed and that WG have agreed to align key parent eligibility criteria with the existing English 30 hours offer. I am therefore happy for the Welsh offer to be integrated into the childcare service before national rollout is complete in September 2020.
3. I understand HMRC will act as an agent of WG in conducting these checks, and carrying out ancillary tasks, as allowed for under the Commissioners for Revenue and Customs Act 2005 and the Government of Wales Act 2006. The relationship between WG and HMRC will be defined in a Memorandum of Understanding (MoU).
4. I am content for WG to amend section 18 of the Commissioner for Revenue and Customs Act 2005 through a clause in the Childcare (Funding) Wales Bill. When passed this will make provision for the data gateways necessary to allow HMRC data to be used in conducting eligibility checks. Gateways will be created

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through Welsh regulations subject to Treasury consent. Those regulations will cover the onward transmission of this information by WG for the purposes of the Welsh childcare scheme.

5. The present agreement to integrate the Welsh offer into the service is based on the current plans from WG. I must make clear that any changes to the operation of the 30 hours childcare scheme or eligibility criteria would generate further costs and will affect the timelines for delivery. These changes would also necessitate separate agreements and would need to be covered by a new MoU.
6. WG will be responsible for funding all costs associated with the delivery and on-going support for the Welsh 30 hours offer. HMRC have provided high-level estimates of these costs, however, these are subject to change once delivery begins.
7. Whilst HMRC are keen to begin work as soon as possible, I must stress that the department's immediate focus will continue to be stabilising and improving the childcare service for existing customers. HMRC officials have also discussed service performance levels with WG and these will be agreed as part of the MoU.
8. I look forward to HMRC supporting WG in the delivery of your 30 hours offer and trust that this letter provides the assurance you need for your Childcare (Funding) Wales Bill to begin passage through the Assembly on 16 April. I am copying this letter to the Secretary of State for Wales.

Best wishes,

RT HON ELIZABETH TRUSS MP



UK Government
Llywodraeth y DU

Rt Hon Alun Cairns MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru

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Huw Irranca-Davies AC/AM
Minister for Children and Social Care
National Assembly for Wales
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27 June 2018

Ref: 263 Sub 18

Dear Huw,

Childcare Funding (Wales) Bill

You wrote to me on 22 December 2017 regarding the Childcare Funding (Wales) Bill and your request for Secretary of State consent for the data sharing for the purposes of operating and administering the application and eligibility checking system required to facilitate the delivery of the offer across Wales.

I have sought the views of the affected Secretaries of State who have confirmed they are content for me to provide consent for these provisions.

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Rt Hon Alun Cairns MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru