Jane Hutt AC/AM
Y Gweinidog dros Fusnes a'r Gyllideb
Minister for Business and Budget

Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Ein cyf/Our ref:
SF/HL/0032/11

Lord Dafydd Elis-Thomas AM
Presiding Officer
National Assembly for Wales

29 March 2011

Dear Dafydd

The Tax Credits (Approval of Child Care Providers) (Wales) (Amendment) Scheme 2011

In order to meet an urgent deadline to enable Care and Social Services Inspectorate Wales (CSSIW), acting on behalf of the Welsh Ministers, to assume responsibility for administering the Childcare Approval Scheme Wales from 1st April 2011, it has become necessary to breach the 21 day rule. This has arisen due to protracted negotiations on the way forward for the Scheme post 31st March 2011, when the existing contract with Nestor Primecare Services Ltd expires.

The contract for the scheme was awarded to Nestor in 2007 following a competitive tendering exercise. The scheme enables those providing childcare in the parents' own home (nannies) to gain approval for 1 year at a time, enabling parents (the employer) to benefit from tax and national insurance savings, making childcare more affordable.

Ministers have more recently agreed to the development of a wider voluntary approval scheme that would encompass care provided to children aged eight and over, which is currently unregisterable and, therefore, parents are unable to benefit from assistance towards the costs of such care.

It is anticipated that the new, wider, scheme will be in place by the end of 2011. In the meantime, to ensure that there is no loss of service to those currently benefiting from Childcare Approval Scheme Wales, it is agreed that CSSIW will administer the scheme on behalf of the Welsh Ministers from 1st April 2011. The Tax Credits (Approval of Child Care Providers) (Wales) (Amendment) Scheme 2011 makes the necessary changes to replace Nestor with the Welsh Ministers as the specified approval body for the Scheme.

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Should this change not be made until after this date, there would be a period during which no further approvals (or renewals of existing approvals) could be made. This loss of service would present difficulties for CSSIW in terms of managing complaints from both parents and nannies, particularly where there is a resultant delay to the payment of financial assistance towards the cost of care. There would also be a reputational risk to CSSIW should they not be able to assume seamlessly the running of the Scheme from 1st April 2011. For these reasons it is considered necessary to breach the 21 day rule in this instance.

A copy of this letter goes to Janet Ryder, Chair of the Constitutional Affairs Committee and to Stephen George, Clerk to the Constitutional Affairs Committee.

Yours,

Jane

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Minister for Business and Budget

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Yr Arglwydd Dafydd Elis-Thomas AC
Llywydd
Cynulliad Cenedlaethol Cymru

29 Mawrth 2011

Annwyl Dafydd

Y Cynllun Credydau Treth (Cymeradwyo Darparwyr Gofal Plant) (Cymru) (Diwygio) 2011

Er mwyn cyrraedd dyddiad cau brys fel y gall Arolygiaeth Gofal a Gwasanaethau Cymdeithasol Cymru (AGGCC), sy'n gweithredu ar ran Gweinidogion Cymru, fod yn gyfrifol am weinyddu Cynllun Cymeradwyo Gofal Plant Cymru o 1 Ebrill 2011 ymlaen, bu'n rhaid torri'r rheol 21 diwrnod. Mae hyn wedi digwydd oherwydd trafodaethau maith ynghylch y ffordd ymlaen ar gyfer y Cynllun ar ôl 31 Mawrth 2011, pan fydd y contract presennol gyda Nestor Primecare Services Ltd yn dod i ben.

Dyfarnwyd y contract ar gyfer y Cynllun i Nestor yn 2007 ar ôl proses dendro gystadleuol. Mae'r cynllun yn galluogi'r rheini sy'n darparu gofal plant yng nghartref y rhieni (nanis) gael eu cymeradwyo am flwyddyn ar y tro, er mwyn i'r rhieni (y cyflogwyr) arbed ar dreth ac yswiriant gwladol, a thrwy hynny wneud gofal plant yn fwy fforddiadwy.

Yn ddiweddar, mae Gweinidogion wedi cytuno i ddatblygu cynllun cymeradwyo ehangach a gwirfoddol. Bydd hwn yn cynnwys y gofal a roddir i blant wyth oed a throsodd. Ni ellir cofrestru'r plant hyn ar hyn o bryd ac felly ni all rhieni gael budd o'r cymorth tuag at gostau'r cyfryw ofal.

Rhagwelir y bydd y cynllun newydd ac ehangach ar waith erbyn diwedd 2011. Yn y cyfamser er mwyn sicrhau na fydd y rhai sy'n cael budd o Gynllun Cymeradwyo Gofal Plant Cymru yn colli gwasanaethau, cytunwyd y bydd AGGCC yn gweinyddu'r cynllun ar ran Gweinidogion Cymru o 1 Ebrill 2011 ymlaen. Mae'r Cynllun Credydau Treth (Cymeradwyo Darparwyr Gofal Plant) (Cymru) (Diwygio) 2011 yn gwneud y newidiadau angenrheidiol i ddisodli Nestor gyda Gweinidogion Cymru fel y corff cymeradwy penodedig ar gyfer y Cynllun.

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Pe na fyddai'r newid hwn yn cael ei wneud tan ar ôl 1 Ebrill, byddai hynny'n golygu na fyddai modd cymeradwyo darparwyr (nac adnewyddu cymeradwyaeth darparwyr cyfredol) am gyfnod. Byddai colli gwasanaeth fel hyn yn achosi anhawster i AGGCC o ran rheoli cwynion oddi wrth rieni a nanis, yn enwedig os bydd oedi wrth dalu cymorth ariannol tuag at gost gofal. Hefyd, byddai perygl y gallai AGGCC golli ei henw da oni fyddai'n medru cymryd cyfrifoldeb am y Cynllun yn ddi-fwlch o 1 Ebrill 2011 ymlaen. Am y rhesymau hyn felly, bernir bod angen torri'r rheoli 21 diwrnod yn yr achos hwn.

Anfonir copi o'r llythyr hwn at Janet Ryder, Cadeirydd y Pwyllgor Materion Cyfansoddiadol ac at Stephen George, Clerc y Pwyllgor Materion Cyfansoddiadol.

Yn gywir,

Jane