



Ein cyf/ Our Ref: MA - L/HID/0471/18

Lynne Neagle AM
Chair
Children, Young People and Education Committee
National Assembly for Wales
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Dear Lynne,

26 November 2018

Childcare Funding (Wales) Bill – Revised Explanatory Memorandum

The National Assembly for Wales agreed the General Principles of the Childcare Funding (Wales) Bill on 18 September 2018 and Stage 2 proceedings took place on 18 October.

In line with Standing Order 26.27, a revised Explanatory Memorandum has been prepared and I would like to bring the changes, which have been made to the Explanatory Memorandum and Explanatory Notes, which accompany the Bill, to the committee's attention.

The main material changes to note in the Explanatory Memorandum are:

Explanatory Memorandum – Section 3 (Purpose and intended effect of the legislation)

Under the heading “Testing of the scheme” I have outlined the latest developments in relation to the early implementation of the offer and explained the move to a different model of delivery, based on stakeholder feedback during the first year.

Explanatory Memorandum - Section 4 (Evaluation)

This section has been updated to reflect the confidential briefing to members of the Children, Young People and Education Committee on 24 October about the key findings of the evaluation of the first year of implementation. The revision states it is anticipated the evaluation report will be published on or around 22 November 2018.

Explanatory Memorandum – Section 5 (Consultation)

Paragraph 5.9 has been updated to reflect that government amendments were tabled during Stage 2 of the Bill in light of feedback from the Department for Work and Pensions with a view to ensuring the provisions in section 4 of the Bill relating to the provision of “qualifying information” to Welsh Ministers by third parties were consistent.

Summary of powers to make subordinate legislation in the provisions of the Childcare Funding (Wales) Bill

This table has been updated to reflect the powers in the Bill as amended after Stage 2 proceedings.

Regulatory Impact Assessment (RIA)

The RIA has been updated to include a new option five. This reflects a partnership approach to early implementation of the offer and has become the new baseline (“do nothing”) option. Local authorities are working in partnership – one authority is accepting and processing applications on behalf of others and making the relevant payments. This is different from the baseline option set out in the RIA when the Bill was introduced in April 2018, which reflected the position whereby each local authority was undertaking the full process themselves, including the assessment of applications and processing of payments to childcare providers. It is envisaged the partnership approach will continue for the remaining period of early implementation.

A new section has been added to the RIA, exploring the costs and risks and benefits of option five.

Specific Impact Assessments

The impact assessments relating to equality and human rights, rights of the child and the Welsh language have been reviewed and will be published on the Welsh Government’s website ahead of Stage 3.

Explanatory Notes

The Explanatory Notes, which accompany the revised Explanatory Memorandum, reflect the amendments to the Bill made at Stage 2. The notes have also been amended in response to the Constitutional and Legislative Affairs Committee’s recommendation that the Explanatory Notes make clear the intention and effect of the wording “to confer a discretion on any person”.

Additionally, the Bill timetable has been updated to reflect the timetable set out by Business Committee.

I am copying this letter to the chairs of the Finance and Constitutional and Legislative Affairs committees.

Yours sincerely



Huw Irranca-Davies AC/AM

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