

# **Voluntary Approval Scheme FAQ's**

## **1. How has this situation arisen?**

This situation has arisen because of changes that have been made to the UK Government legislation, which is the legal basis for the Welsh Government's 'Childcare at Home Voluntary Approval Scheme' ("the Nanny Scheme"). This means we cannot approve new nannies under the scheme for the time being.

## **2. Why has this happened?**

The Department for Work and Pensions has introduced legislation as part of its Welfare Reform agenda, which has removed the legal basis for the Nanny Scheme in Wales. The Welsh Government was not expecting the changes to happen when they did and has therefore not been able to plan for the changes in the way it would have liked. The Government is working with the Department for Work and Pensions and HM Revenue and Customs to urgently look at what can be done to resolve the matter.

## **3. Why are Nannies in England not affected, why is it only in Wales?**

There are differences in the legislation that governs the way nannies are approved in England and Wales. The legislation introduced by the UK Government has removed the legal basis for the Nanny Scheme in Wales.

## **4. What is the timescale for this to be resolved?**

We cannot be certain about timescales at the moment. The Welsh Government, including its legal advisers, is looking into the possibility of establishing a replacement scheme as a priority but this requires considerable joint working with the Department for Work and Pensions and HM Revenue and Customs because of the links between the Nanny scheme and parents' ability to claim tax and benefit concessions. We will ensure that website information and communications with the sector are updated to reflect any developments.

## **5. My nanny is due for renewal – if they can't renew, what will happen to my payments?**

The effects of the changes that have been made to the UK Government legislation on renewals is unclear, but this is something the Welsh Government is trying to clarify with the Department for Work and Pensions and HM Revenue and Customs. In the meantime, we are unable to advise individuals in respect of UK Government tax and benefit concessions.

## **6. My nanny has been approved under the scheme within the last 12 months, am I still able to claim?**

It is possible that you will still be able to claim in these circumstances. However, this is something that needs to be clarified with the Department for Work and Pensions and HM Revenue and Customs and an update will be provided as soon as we know more.