



HM Revenue
& Customs

Jon Thompson
Chief Executive

The Rt Hon Nicky Morgan MP
Chair of the Treasury Select Committee
House of Commons
London SW1A 0AA

2/75
100 Parliament Street
London
SW1A 2BQ

17 August 2017

Tel 03000 586349

Email Chief.executive@hmrc.gsi.gov.uk

Dear Ms Morgan,

Thank you for your letter of 24 July regarding the reports of parents facing problems with the childcare service website. Thank you as well for the extended time to reply, and I apologise for the delay in responding. I am very sorry that some parents have experienced problems and have not received the service we aim to deliver.

The childcare service enables parents to apply for both Tax-Free Childcare and 30 hours free childcare through a single, digital application. This avoids the need for parents to provide the same information twice and means that many parents receive an eligibility result in real time.

Please find below a response to the specific questions you asked in your letter. I thought it might be helpful to begin with a brief summary.

At the time of writing, from 244,000 parent applications, 208,000 have been found eligible for Tax-Free Childcare, 30 hours free childcare, or both and have their codes and accounts. The vast majority of the remainder are undergoing additional eligibility checks by HMRC as part of the normal process, or are ineligible. 2,600 parents – 1% of applications – need a technical issue to be resolved before we can confirm eligibility. We have emailed all these parents and are working to resolve these issues as quickly as possible, and those that have requested a code to access 30 hours free childcare have been issued with one. Take up of 30 hours free childcare is on track to meet the Department for Education's estimate that successful parental applications will have generated 200,000 valid 30 hours eligibility codes by 31 August.

With regard to the problems that some parents have experienced, we are working to improve the way the service works and in the meantime, where necessary, we are issuing 30 hours free childcare codes manually, and are paying parents the government top up for Tax-Free Childcare when they've had difficulty accessing the service because of technical issues. Parents who have experienced issues can contact our helpline on 0300 123 4097.

Please find the answers to your specific questions below. The in-depth analysis required for these means that all numbers, other than the headline number of applications, are as at 8 August unless stated otherwise.

Information is available in large print, audio and Braille formats.
Text Relay service number – 18001

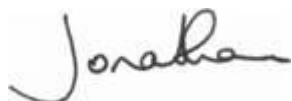


- As of 16 August, 208,000 parents have successfully applied for an account: 100,000 for 30 hours free childcare only; 21,000 for Tax-Free Childcare only; and 87,000 for both.
- There are 2,023 applications that parents have not completed and that are less than a week old; there are 2,102 such applications that are 1 week old; there are 2,116 that are 2 weeks old; there are 1,794 that are 3 weeks old; and there are 10,257 that are 4 or more weeks old. We have designed the service so that it will automatically save partially completed applications for parents to return to later. Many parents exit the service, and do not complete their application, at the point it becomes clear to them that they will be ineligible.
- 4,227 parents have closed their accounts. Over 2,000 of these have done so because they have decided they would prefer to remain on tax credits (parents cannot claim Tax-Free Childcare and tax credits at the same time).
- Some parents encounter 'technical difficulties' screens. This typically happens when the next page cannot immediately be loaded. Our analysis indicates that just under 5% of users were experiencing at least one such screen at some point during their application. However, this does not necessarily mean they cannot continue with their application – many will be able to continue after refreshing the page.
- As this is a new digital service, we sometimes need to take the system down for updates and maintenance. At these times, all users see 'site unavailable' screens. The website has been down for 160 hours and 8 minutes, including for planned updates and maintenance, since 21 April when the service was launched. Of this downtime, approximately 50% was between 10pm and 8am to limit the impact on parents. Overall system availability has been 94%. Please find the full breakdown in Annex A.
- Of the parents who opted to provide feedback at the end of their application: i) 34% said they were very satisfied with the service; ii) 42% said they were satisfied; iii) 16% said they were neither satisfied nor dissatisfied; iv) 5% said they were dissatisfied; and v) 3% said they were very dissatisfied.
- We have received 1,507 complaints – this represents less than 1% of all customers. Over 90% of complaints have been concerned with technical issues; 1% are about eligibility; and 1% are about customer service. We have issued 30 hours codes manually to many of these customers, so they can book their 30 hours places whilst we are resolving the issues with their digital application.
- There have been 257,407 calls to the helpline. The figure includes general eligibility queries, as well as parents experiencing technical difficulties, parents calling about 30 hours codes and parents responding to letters requesting more information. 45% of callers have called more than once (including those who we would expect to call more than once, like local authorities or childcare providers); and 4% of calls have been abandoned.
- The average wait-time for accessing the helpline is 1 minute 17 seconds. The average length of answered calls is 6 minutes and 31 seconds.

- We are unable to say definitively how many parents have experienced intermittent difficulties at some point when trying to access their childcare account. When parents report difficulties accessing their account, we are able to issue all eligible parents with their 30 hours code manually or, for Tax-Free Childcare applicants, make a manual payment to their childcare provider on their behalf. We have issued 1,138 codes manually and made 373 payments to childcare providers on behalf of parents. Parents who are unable to access their childcare account can phone our helpline on 0300 123 4097.
- A total of £45,687 has been paid as compensation in lieu of the government top-up parents would have received if they had been able to access their accounts and as redress.
- The latest RAG status of the Programme remains at Amber.

I hope this is helpful. I would be very happy to discuss the implementation of the childcare service further.

Yours sincerely,



JON THOMPSON
CHIEF EXECUTIVE

ANNEX A

Breakdown of system downtime

Date Began	Downtime Began	Date Ended	Downtime Ended	Duration
21-Apr	14:56	21-Apr	15:27	00:31
27-Apr	11:45	27-Apr	13:10	01:25
03-May	22:00	04-May	02:00	04:00
04-May	11:36	05-May	10:47	23:11
09-May	14:20	09-May	23:20	09:00
10-May	22:00	11-May	02:00	04:00
11-May	23:00	12-May	01:00	02:00
15-May	14:29	15-May	16:48	02:19
16-May	23:00	17-May	02:00	03:00
17-May	22:00	18-May	02:00	04:00
21-May	19:30	21-May	22:16	02:46
22-May	07:59	22-May	11:33	03:34
23-May	11:38	23-May	12:01	00:23
24-May	22:00	25-May	02:00	04:00
25-May	07:55	25-May	10:46	02:51
31-May	08:20	31-May	09:22	01:02
31-May	22:00	01-Jun	02:00	04:00
02-Jun	22:00	03-Jun	02:00	04:00
04-Jun	22:00	05-Jun	05:00	07:00
12-Jun	22:00	13-Jun	02:00	04:00
14-Jun	22:00	15-Jun	02:00	04:00
16-Jun	22:00	17-Jun	02:00	04:00
22-Jun	22:00	23-Jun	02:05	04:05
23-Jun	23:20	23-Jun	00:00	00:40
24-Jun	08:20	24-Jun	14:20	06:00
27-Jun	14:57	27-Jun	17:47	02:50
06-Jul	12:03	06-Jul	14:34	02:31
06-Jul	18:00	07-Jul	09:00	15:00
07-Jul	10:40	07-Jul	14:22	03:42
11-Jul	14:18	11-Jul	17:30	03:12
12-Jul	02:15	12-Jul	07:50	05:35
19-Jul	22:00	20-Jul	02:00	04:00
24-Jul	17:01	24-Jul	18:48	01:47
28-Jul	17:47	28-Jul	20:31	02:44
03-Aug	22:00	04-Aug	04:00	06:00
04-Aug	22:00	05-Aug	02:00	04:00
06-Aug	22:00	07-Aug	01:00	03:00