

Jane Hutt AC / AM  
Y Gweinidog Cyllid a Busnes y Llywodraeth  
Minister for Finance and Government Business



Llywodraeth Cymru  
Welsh Government

Rt Hon Greg Hands MP  
Chief Secretary to the Treasury  
1 Horse Guards Road  
London SW1A 2HQ

27 October 2015

Dear Greg,

The Apprenticeships Levy causes us concern in that it is developing without due consideration of the implications for devolved administrations. We have not been able to gauge the impact of the Levy in the absence of details of how it will operate, but it will both claw back funding allocated to the devolved public sector, and significantly undermine our apprenticeship and skills policies. While the taxation burden is as unwelcome for us as it is the private sector, the expected distortion to devolved responsibilities is contrary to the principle of devolution. It is also unclear how the operation of the scheme will function in the context of our current funding arrangements.

Imposing a UK-wide tax to support an English programme appears unnecessary, and the ramifications should be discussed by us prior to the details being finally decided.

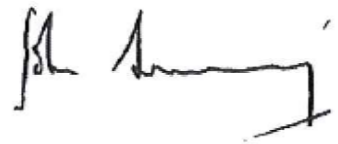
Yours sincerely



**Jane Hutt AC / AM**  
Y Gweinidog Cyllid a Busnes  
y Llywodraeth  
Minister for Finance and  
Government Business



**Arlene Foster MLA**  
Minister of Finance and  
Personnel



**John Swinney MSP**  
Deputy First Minister and  
Cabinet Secretary for Finance,  
Constitution and Economy