Childcare Vouchers & Tax Free Childcare

On 28th April 2017 the Government introduced Tax Free Childcare. As a result, Employer Supported Childcare Schemes (Childcare Vouchers) will no longer be available to new joiners from April 2018. If you are enrolled and receiving Childcare Vouchers before April 2018, you can continue to receive Childcare Vouchers.

What is Tax Free Childcare?

Tax-Free Childcare is a new government run scheme that works like an online account to help working parents with the cost of childcare.

For every 80p a parent pays in, the government will pay in an extra 20p. This is equivalent of the tax most people pay - 20% - which gives the scheme its name, 'tax-free'. Parents can receive up to £2,000 per child, per year, towards their childcare costs, or £4,000 for disabled children.

Who is eligible?

- The scheme will be available to parents with children under the age of 12, or under 17 for children with a disability.
- To join, parents will have to be in work, and each expecting to earn at least £120 a week. Each parent must not have income over £100,000 per year.
- Tax-Free Childcare has been launched to parents of children born on or after 1st April 2013, and parents of disabled children (aged under 17) and will be gradually rolled out over the course of 2017 to all eligible. All eligible parents will be able to join the scheme by the end of 2017.
- The childcare must be Ofsted registered childcare.

You can check your eligibility or join the scheme here.

How do I know which scheme is best for me?

Our childcare Voucher Scheme provider, Edenred, have put together a <u>guide</u> to help you determine which scheme is best for you and your family;

Can I continue to receive Childcare Vouchers?

If you are enrolled and receiving Childcare Vouchers through the Childcare Voucher Scheme before April 2018, you can continue to receive Childcare Vouchers until;

- You change employer;
- Your child reaches their 15th birthday (16 for a child with a disability);
- You do not make a contribution into your account within a 12 month period;
- You open up a Tax Free Childcare account.

Eligibility for Childcare Vouchers?

- Your child must be under 15 years old or 16 years old if your child has a disability. The cut-off date for both these ages is the 1st September following the child's 15th or 16th birthday.
- You must be the parent, legal guardian or have parental responsibility for the child.
- The childcare must be Ofsted registered childcare.

How do I apply for Childcare Vouchers?

• To apply for Childcare Vouchers, you will need to log onto Edenred by clicking here and using the ID: UNIV2982.

- You will need input your employee number and details of your children, including dates of birth
- If you have any queries on how to apply please contact HR.

Next Steps

Tax Free Childcare will be more beneficial for some than others, so it's important to check which scheme will work better for you given your personal circumstances.

If you are signed up to receive childcare vouchers before April 2018, you will be able to choose which scheme is better for you. From April 2018, if you have opted to leave the Childcare Voucher Scheme, you cannot re-join.

Further Information

How Do I Find out Further information on Tax Free Childcare?

Tax Free Childcare is not administered by the University. Further information on the Scheme can be found here.

Can I claim Childcare Vouchers and Tax Free Childcare?

No, you can only choose one scheme. From April 2018 the childcare voucher scheme will be closed to new joiners. If you sign up to Tax Free Childcare you will be not be able to re-join the Childcare Voucher scheme.

I've been approved for Tax Free Childcare what do I need to do now?

If you choose to use Tax Free Childcare you will need to stop receiving Childcare Vouchers through the University's scheme. Please log onto your Edenred Account and change your voucher value to 0 to stop using the Childcare Voucher Scheme.