



CHILDCARE VOUCHERS

Parent Information Pack

Helping you save money on your childcare costs



CERTAINTY | INGENUITY | ADVANTAGE

Computershare
Voucher Services

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All figures and Her Majesty's Revenue and Customs (HMRC) childcare voucher scheme rules quoted in this booklet relate to Basic rate taxpayers joining their employer's childcare voucher scheme from 6 April 2011, unless specified otherwise,

Savings figures rounded to the nearest £.

To view all disclaimers in this Parent Information Pack, please go to section nine and see '**Caveats (The small print)**'.

All text in purple and bold has a definition in section nine '**Glossary of terms**'.

Please keep this booklet in a safe place for your future reference.

SECTION ONE

INTRODUCTION

We (Computershare) have been appointed by your employer to offer you a childcare scheme as an employee benefit.

We have designed this Parent Information Pack specifically for you, a working parent, to help you understand:

- > what childcare vouchers are;
- > how they work; and
- > how they can help you save up to **£933*** a parent, a year on your childcare costs.

CONTACT DETAILS

Computershare voucher services limited
The Pavilions
Bridgwater Road
Bristol
BS13 8AE

PARENTS:

visit: www.computersharevoucherservices.com

email: parent@computershare.co.uk

call: 0345 002 1111



blog: www.vouchersblog.co.uk



twitter: www.twitter.com/CCVouchers



facebook: www.facebook.com/computersharevoucherservices



youtube: www.computersharevoucherservices.com/videos

faqs: www.computersharevoucherservices.com/faqs

CARERS:

visit: www.computersharevoucherservices.com

email: carer@computershare.co.uk

call: 0345 002 1122



SECTION TWO

WHAT ARE CHILDCARE VOUCHERS?

Childcare vouchers are a Government approved, tax-efficient way of paying for childcare. You can use them for children of all ages (up to 15*) and for many types of childcare.

If you join, you can start to receive childcare vouchers in exchange for part of your gross salary (this is the pay you receive before any tax and **National Insurance contributions** are taken off). This is known as a **salary sacrifice**.

Because the value of the childcare voucher is taken from your gross pay and you don't pay tax or **National Insurance contributions** on it, you can make savings of up to **£933*** a year. It does not cost you anything to sign up for childcare vouchers and the scheme applies whatever rate of tax you pay.

AM I ELIGIBLE?

To be eligible for childcare vouchers, you must:

- > be employed (but not self-employed)
- > be a UK taxpayer
- > be the parent, legal guardian or have parental responsibility of at least one child or step-child aged between 0 to 15* years
- > use **registered childcare**
- > not earn less than the National Minimum Wage (NMW) (if under 25) or National Living Wage (NLW) (if 25 and over) after childcare vouchers are taken into account.

HOW DO I USE THEM?

You can use your childcare vouchers to pay more than one **carer**. You can pay in full using childcare vouchers or both vouchers and cash. Why not save up your childcare vouchers and use them when you need them most - for example, in the school summer holidays?

For more useful hints and tips, please see section six.



HOW MUCH CAN I SAVE?

The current Government allowance for childcare vouchers for each working parent is:

- > £243 a month or £55 a week for a Basic rate taxpayer
- > £124 a month or £28 a week for a Higher rate taxpayer
- > £110 a month or £25 a week for an Additional rate taxpayer.

These are the upper limits for the amount of tax-free and **NI**-exempt childcare vouchers a parent can ask for.

A small number of employers allow their employees to take more than the capped amount, but any vouchers above the capped amount are not exempt from tax and **National Insurance**.

The table below shows how much tax and **NI** you can save each month if you order the maximum amount for your tax band:

	If you pay Basic rate tax	If you pay Higher rate tax	If you pay Additional rate tax
Income tax rate	20%	40%	45%
Personal allowance	£11,850	£11,850 [*]	N/A
Income tax band	£0-£34,500	£34,500-£150,000	Over £150,000
Basic salary	Up to £46,350	£46,350-£150,000	Over £150,000
Maximum monthly voucher value	£243	£124	£110
Tax rate	20%	40%	45%
NI rate	12%	2%	2%
Tax savings	£48.60	£49.60	£49.50
NI savings	£29.16	£2.48	£2.20
Total monthly savings	£77.76 (£933 [*] a year)	£52.08 (£623 [*] a year)	£51.70 (£623 [*] a year)

^{*} The Personal Allowance reduces where income is above £100,000 - by £1 for every £2 of income above the £100,000 limit. You don't get a Personal Allowance on taxable income above £122,000.

HOW DO THEY WORK?

Once you have ordered your childcare vouchers, you will only pay tax and **National Insurance** on your remaining salary. The amount you take in childcare vouchers will be shown on your payslip. You will receive your childcare vouchers on or after your pay date, as they are part of your salary.

The examples shown below are for illustrative purposes only. The amount you save will depend on your circumstances.

The below example is based on a **Basic rate taxpayer**, paid monthly, who has an annual salary of **£20,000**. They have no other salary reductions and monthly **qualifying childcare** costs of **£243**.

FINANCES WITHOUT A CHILDCARE VOUCHER:

Pay & Allowances		Deductions		Balance & Totals To Date	
GROSS PAY	£1,666.67	Income Tax	£198.00	Childcare Voucher	£0
		N.I.	£123.92	Income Tax	£198.00
				N.I.	£123.92
				Taxable Gross	£1,666.67
TOTAL	£1,666.67	TOTAL	£321.92	Net Pay	£1,344.75

Childcare costs	- £243.00
Net	= £1,101.75

FINANCES WITH A CHILDCARE VOUCHER:

Pay & Allowances		Deductions		Balance & Totals To Date	
GROSS PAY	£1,666.67	Income Tax	£149.40	Childcare Voucher	£243.00
CHILDCARE VOUCHER	£243.00	N.I.	£94.76	Income Tax	£149.40
				N.I.	£94.76
				Taxable Gross	£1,423.67
TOTAL	£1,423.67	TOTAL	£244.16	Net Pay	£1,179.51

Childcare costs	£00.00
Net	= £1,179.51

Net Pay without childcare vouchers (childcare costs post tax)	£1,101.75
Net Pay with childcare vouchers	£1,179.51

THIS MEANS YOU GAIN £77.76 A MONTH!

Monthly Gross Pay

This is reduced by the value of childcare voucher you choose to receive.

Take Home Pay

(The amount that gets paid into your bank account)

This is also lower, but you have received a childcare voucher worth £243 too.

SECTION THREE

HOW DO I REGISTER FOR CHILDCARE VOUCHERS?

Before you register, please make sure you have read and understood the information in this pack.

Whether you join by phone or online, we will ask you to complete an **agreement**, to accept the terms and conditions, and fill in the details of your first childcare voucher **order**. The terms and conditions of your employment will change, as it allows your employer to give you childcare vouchers as part of your salary. The childcare vouchers will be the same value as the pay you agree to **'salary sacrifice'**.

When registering for the first time, you will need the following to hand:

- > your **employer's scheme ID** (your employer can give you this)
- > a recent payslip (as you will need both your payroll and National Insurance numbers)

To begin, visit our website: **www.computersharevoucherservices.com**

Select **'Parents'** and click **'Sign Up Now'**

Enter your **employer's scheme ID**.

Fill in the **agreement**, including information about your childcare voucher **order** and your **carer** details. You can also set up a recurring scheduled payment for any regular childcare arrangements.

If you **order** the maximum amount for your tax band, and you would like to always receive the maximum, select the **'auto increase'** option on your account. We will automatically increase your childcare voucher **order** if the Government raises the limit. This is called the **auto cap increase**.

Read the terms and conditions of the scheme and agree to vary your terms and conditions of employment. This allows you to **salary sacrifice** part of your salary for childcare vouchers.

Set up the security information for your online account.

Once you have completed your registration, your user name and password notifications for your online account will be sent to your email address.

If you need further guidance or instructions on how to register, we have produced a YouTube guide which will walk you through each step in your own time. The video can be found at **www.computersharevoucherservices.com/videos**.

BASIC EARNINGS ASSESSMENT (BEA)

When an employee joins the childcare scheme, an employer will need to know the maximum amount of childcare vouchers they can receive based on their income.

The BEA determines the employee's tax band in relation to their childcare voucher order.

The BEA is calculated for the current tax year, as long as the employee's contract remains the same. The amount is for the whole or remaining part of the tax year, and can't be changed.

As well as completing a BEA every time a new member joins the childcare scheme - an employer will need to repeat this on 6 April for each new tax year. This is only applicable for employees that do not have **protected rights**.

WHAT CAN I USE MY ONLINE ACCOUNT FOR?

Your online account is easy to use, giving you complete control and flexibility over your childcare payments to **carer(s)**:

- › You have the option to set up recurring scheduled payments and one-off payments to **carer(s)**.
- › Our e-Voucher is a guaranteed form of payment and is accepted by over **100,000 carers**.
- › You have access to your secure online account 24/7.
- › You can change your personal details online at any time.
- › You will be able to view full details of all your transactions.
- › You will be able to change the **order** amount.

You can still contact a customer service representative if you have any questions or you need more information.

"I use childcare vouchers to pay my nursery and wasn't aware of all the other types of childcare I could use them for. When my daughter gets older I'll definitely continue using them wherever I can."

Kristal, Mum to her one year old daughter



SECTION FOUR

WHAT HAPPENS ONCE I'VE JOINED THE SCHEME?

When you register for your employer's scheme, we will process your childcare voucher **order** on your next available pay date.

We usually receive payment from your employer on or around your pay date. We then credit your online account with the value of the childcare vouchers requested.

Check your payslip to make sure the correct amount has been deducted from your salary for childcare vouchers.

You can either set up a recurring payment to your **carer(s)** at intervals which suit you (much like a standing order), or arrange your payments for when they are needed.

Each time you update your account, an email confirmation will be sent.

We will email confirmation directly to your **carer**, to let them know they've been paid. You will be able to view this transaction and any previous transactions made to your **carers** on the '**My Transactions**' page. Please note, it can take three to five working days to reach your carers bank account.

YOUR CHILDCARE VOUCHER ORDER

- › If you have regular childcare arrangements you can **order** the same value of childcare vouchers every **pay period**, with no end date. You can arrange this on an ongoing basis or for a specific amount of time.
- › If you need childcare for a short period of time, for example, during the school holidays, you can **order** childcare vouchers from say, June to September and then stop. Or, you can spread the cost and **order** them throughout the year.
- › If your childcare arrangements are irregular, you may want to change your **order** each **pay period** online, or by contacting our Customer Service team. Remember your employer may not allow you to change your **order** frequently, so you should check if there are any scheme restrictions with them first.

AMENDING OR CANCELLING YOUR ORDER

You must make sure that we receive any changes or cancellations to your **order** by the cut-off date set by your employer. This is to make sure we process the amendment for the correct **pay period**. If you are not sure of the cut-off date, please contact our Customer Service team or your payroll department.

SECTION FIVE

WHERE CAN I USE CHILDCARE VOUCHERS?

CHILDCARE SETTINGS

You can use childcare vouchers to pay for any **Qualifying Childcare** in a wide range of childcare settings. The following forms of childcare can all accept childcare vouchers:

- › Independent nursery schools
- › Day nurseries
- › Playgroups
- › Crèches
- › Childminders
- › Out-of-school clubs
- › **Qualifying Childcare** in schools: breakfast clubs, after-school clubs, extra-curricular activities and boarding fees
- › Nannies
- › Au pairs
- › Holiday clubs or schemes
- › Activity holidays, for example, Activate, Barracudas, Camp Beaumont and XUK
- › Workplace or partnership nurseries

This is not a full list of childcare providers.

GOVERNING ORGANISATIONS

Your **carer** can accept childcare vouchers if they are registered with one of the organisations listed below. You can check if a childcare provider is approved or search for one in:

- › **England** through Ofsted
- › **Wales** through the Care Inspectorate Wales
- › **Scotland** through the Care Inspectorate
- › **Northern Ireland** through the local early years team register

For details of what constitutes **Qualifying Childcare** in England, Wales, Scotland and Northern Ireland, please see section nine 'Glossary of terms'.

Your **carer** must also be registered with us. If your **carer** isn't currently registered with us, it's a free and simple process to get them set up. We will also check their registration with the relevant governing body.

You can use childcare vouchers to pay your existing **carer** - there is no need to change your childcare provider.

You can use your childcare vouchers to pay more than one **carer** and for more than one child.

We pay all **carers** by BACS transfer. Payments, once authorised, take three to four working days to reach their bank account.

REGISTERING MY CARER

If your **carer** isn't registered with us, you can either register your **carer** online or ask your **carer** to register themselves online or by calling us. We will then send them our **carer** registration form to sign to complete the process.

Visit our website at www.computersharevoucherservices.com.

Select '**Carer**' and click on '**Sign Up Now**'.

Fill in as much of the online registration form as you can and click '**submit**'.

Your **carer** will receive a partially completed **carer** registration form by post, saying you have started the registration process for them.

After completing all of the other information required, your **carer** simply returns the signed form to us.

Once we have completed the process, we will send them a **carer** ID - you will need this to set up a payment to them.

HOW DO I PAY MY CARER?

- > All that you need to do is to log in to your online account (this is set up for you when you first registered for childcare vouchers), so that you can pay your **carer** using your vouchers.
- > You pay your **carer** electronically, using your secure online account to authorise payment. There are three ways to pay a **carer**:
 - > **Recurring scheduled payment**
When you want to make a regular payment to your **carer(s)**, you can set up a regular scheduled payment. Payments can be paid weekly, fortnightly, 4-weekly and monthly.
 - > **One-off scheduled payment**
When you want to make a one-off payment to your **carer(s)** at a future date, for example in July for a summer camp, you can set up a one-off payment in advance.
 - > **One-off payment**
When you want to make a one-off payment to your **carer(s)** immediately.
- > Paying your **carer** with e-Vouchers is a guaranteed form of payment. We transfer funds authorised by you into your **carer's** bank account by BACS transfer (which takes three to five working days). Your carer will have a set payment frequency date. This is the date this process begins and as such we highly recommend this is set to 'Daily'.

SECTION SIX

NOW YOU'VE GOT YOUR CHILDCARE VOUCHERS

USEFUL HINTS AND TIPS

1. You don't have to use your childcare vouchers immediately. You can save them up for when you need them most.
2. You can find childcare for older children by:
 - a. asking at your child's school about **'extended services'** available during the holidays
 - b. visiting your local authority website and searching on **'Family Information Service'**
 - c. visiting websites such as **www.netmums.com** or **www.mumsnet.com** and asking other parents about childcare in your area
 - d. logging in to your Computershare account and searching by postcode to see which carers are nearest to you and registered with us. If they don't appear, they can be added for free - just give us a call!
 - e. searching online for residential activity holiday and day camp providers, and holiday clubs and playschemes
3. Residential activity holidays and day camp providers include Activate, Barracudas, Camp Beaumont and XUK, and many more! For details of their offers and discounts visit **www.computersharevoucherservices.com/offers**.
4. You can use childcare vouchers during the **14 weeks** of school holidays to pay for day camps, residential activity holidays, holiday clubs and playschemes.
5. There are many types of **'wrap-around care'** for school-age children during the **38 weeks** of term-time, including breakfast clubs, after-school clubs, homework clubs, and childminders. You can use your childcare vouchers to pay for these.
6. Both working parents can claim childcare vouchers.
7. You can use your childcare vouchers for more than one child, and to pay more than one **carer** (providing the **carer** is registered with the appropriate governing body, and accepts childcare vouchers as a form of payment).
8. Reduce your childcare costs - a Basic rate taxpayer can save up to **£933*** a year in tax and **NI** (up to **£1,866*** if both parents join their respective employer's scheme).
9. If you don't currently **order** the maximum amount of childcare vouchers allowed for your tax band, you can increase your **order** to the maximum, and save the vouchers you don't use each month, for a time when your childcare costs are likely to be higher. For example, your child is no longer eligible for free early education or childcare, for childcare during the 14 weeks of school holidays, or your child is about to start nursery.
10. Always ask your school/**carer** if they accept childcare vouchers.
11. Childcare vouchers can be used in pre-school childcare settings such as, nurseries, playgroups, crèches, childminders, nannies, au pairs.
12. Childcare vouchers can be used for both pre-school and school-age children, up to 15[^] years old (**16[^]** if registered disabled).
13. Use your childcare vouchers as a top up to cover childcare costs over and above any free early education or childcare.

SECTION SEVEN

TAX-FREE CHILDCARE (TFC) UPDATE

The new TFC scheme - an alternative to childcare vouchers - has been rolled out by the Government.

Whilst some families may be better off with TFC, many will not. So we're here to help you understand the differences between TFC and childcare vouchers, so you can make the right choice for your family.

There are a number of eligibility criteria but, assuming you and your family are eligible for **both** schemes, a general rule of thumb is that childcare vouchers may be better for smaller families with lower childcare costs, and TFC better for larger families with higher childcare costs.

However, you can't switch back and forth between the two schemes, as your childcare needs change. Families who register for TFC can't switch to childcare vouchers at a later date, but parents who are registered for childcare vouchers can switch to TFC.

The childcare voucher scheme will close to new entrants in October 2018, but it will remain open for those parents already taking childcare vouchers, and who want to continue taking them (for as long as they remain eligible).

For more information, videos and news updates please visit **www.giveyourselfachoice.com** and the Government "Check what help you could get with childcare costs" **calculator** for a more personal illustration.



"My childminder costs each month are less than the voucher value I receive, this allows me to save up over the year and pay for my daughter's PGL school trip during the summer."

Jill, Mum to her 11 year old daughter

SECTION EIGHT

USEFUL LINKS

<p>Get help with your childcare costs For guidelines about salary sacrifice schemes, working tax credit and childcare vouchers.</p> <p>Childcare vouchers and tax credits Better off calculator</p> <p>Get an estimate of how much you could get to help pay for approved childcare with the “Check what help you could get” calculator.</p> <p>Childcare Choices</p> <p>Help paying for childcare</p> <p>Give Yourself A Choice</p>	<p>www.gov.uk/browse/childcare-parenting</p> <p>www.gov.uk/childcare-vouchers-better-off-calculator</p> <p>www.gov.uk/childcare-calculator</p> <p>www.childcarechoices.gov.uk</p> <p>www.gov.uk/help-with-childcare-costs</p> <p>www.giveyourselfachoice.com</p>
<p>Department for Education (DfE) Find out about current Government initiatives for children.</p>	<p>www.gov.uk/government/organisations/department-for-education</p>
<p>Finding childcare Local authorities have a duty to provide information, advice and assistance to parents and prospective parents of children and young people up to age 20. Your local authority may be able to help you find childcare in your area.</p>	<ul style="list-style-type: none"> > in your local phone book under “Local Government”; or > online: <ul style="list-style-type: none"> England www.gov.uk then search for: <ul style="list-style-type: none"> > childcare out of school hours > find free early education and childcare > Sure Start Wales www.gov.wales and search on ‘Family Information Services’ Scotland www.scottishfamilies.gov.uk Northern Ireland www.nidirect.gov.uk/childcare
<p>The Office for Standards in Education, Children’s Services and Skills (Ofsted) (England)</p>	<p>www.gov.uk/government/organisations/ofsted 0300 123 1231</p>
<p>Independent Schools Inspectorate (ISI) (England)</p>	<p>www.isi.net 020 7600 0100</p>
<p>Independent Schools Council (ISC) (UK)</p>	<p>www.isc.co.uk</p>
<p>Care Inspectorate Wales (CIW)</p>	<p>www.careinspectorate.wales</p>
<p>The Care Inspectorate (Scotland) The Care Inspectorate is the independent regulator of social care and social work services across Scotland.</p>	<p>www.careinspectorate.com 0345 600 9527</p>
<p>NI Direct government services</p>	<p>www.nidirect.gov.uk/information-and-services/parents/childcare</p>
<p>Family and Childcare Trust Aiming to make the UK a better place for families.</p>	<p>www.familyandchildcaretrust.org</p>
<p>Working Families The UK’s leading work-life balance organisation.</p>	<p>www.workingfamilies.org.uk Parent and Carer Helpline 0300 012 0312</p>

<p>Maternity Action UK's leading charity committed to ending inequality and improving the health and well-being of pregnant women, partners and young children - from conception through to the child's early years.</p>	<p>www.maternityaction.org.uk 0845 600 8533</p>
<p>National Childbirth Trust The UK's largest charity for parents.</p>	<p>www.nct.org.uk</p>
<p>Money Advice Service Free and impartial money advice, set up by Government.</p>	<p>www.moneyadviceservice.org.uk Search on 'Childcare'</p>
<p>Professional Association for Childcare and Early Years (PACEY) Promoting best practice and supporting childcare professionals.</p>	<p>www.pacey.org.uk</p>
<p>Find local childcare Promotes and supports quality childminding expertise.</p>	<p>www.childcare.co.uk</p>
<p>National Day Nurseries Association (NDNA) Charity and membership association for nurseries throughout the UK.</p>	<p>www.ndna.org.uk</p>
<p>English Outdoor Council An umbrella body for those involved in outdoor education, training and recreation.</p>	<p>www.englishoutdoorcouncil.org</p>
<p>The Association of Nanny Agencies (ANA)</p>	<p>www.anauk.org</p>

USEFUL READING

Please visit the GOV.UK website or read the following documents:

<https://www.gov.uk/government/publications/employer-supported-childcare>

<https://www.gov.uk/government/publications/paying-for-childcare-getting-help-from-your-employer-leaflet-ir115>

MATERNITY PAY AND LEAVE

Statutory Maternity Pay (SMP)

Statutory Maternity Pay (SMP) is paid for up to 39 weeks. You get:

- > 90% of your average weekly earnings (before tax) for the first 6 weeks
- > £140.98 or 90% of your average weekly earnings (whichever is lower) for the next 33 weeks

SMP is paid in the same way as your wages (eg monthly or weekly). Tax and National Insurance will be deducted.

Statutory Maternity Leave

Statutory Maternity Leave is 52 weeks. It's made up of:

- > Ordinary Maternity Leave - first 26 weeks
 - > Additional Maternity Leave - last 26 weeks
- You don't have to take 52 weeks but you must take 2 weeks' leave after your baby is born (or 4 weeks if you work in a factory).

PATERNITY PAY AND LEAVE

When you take time off because your partner's having a baby, adopting a child or having a baby through a surrogacy arrangement you might be eligible for:

- > 1 or 2 weeks paid Paternity Leave
- > Shared Parental Leave (SPL), if your child was due or placed for adoption on or after 5 April 2015

You may not get both leave and pay.

SHARED PARENTAL PAY AND LEAVE

You may be able to get Shared Parental Leave (SPL) and Statutory Shared Parental Pay (ShPP) if you're having or adopting a child. If you're eligible for SPL you can use it to take leave in blocks separated by periods of work, instead of taking it all in one go.

TAX CREDITS

Child Tax Credit (CTC)

A payment from HMRC to someone who is responsible for at least one child. Child Tax Credit is paid as well as any Child Benefit and Working Tax Credit you may be entitled to. This will be replaced over time with Universal Credit.

Working Tax Credit (WTC)

Payment from HMRC issued to working people who are on a low income. The payments you receive can vary depending on the hours you work and the amount of taxable income you receive. This will be replaced over time with Universal Credit.

Universal Credit

Universal Credit, which will include support for children and childcare, is being introduced in stages. Whether you can claim depends on where you live and your personal circumstances.

SECTION NINE

GLOSSARY OF TERMS

Agreement

The agreement will change your terms and conditions of employment. Allowing your employer to give you childcare vouchers with the same value as the salary you agree to 'sacrifice'.

Carer(s)

Any individual or organisation which provides registered childcare. Also known as a childcare provider.

Over **100,000** carers are registered with Computershare and accept our childcare vouchers as payment.

Caveats (The small print)

[^] 1 September following 15th birthday or 1 September following 16th birthday for children who are registered disabled.

^{*} Figures quoted are the maximum annual savings available for a Basic rate taxpayer ordering the full **£243** childcare voucher each month. If both working parents use childcare vouchers they can save up to **£1,866** a year in tax and NI-exemptions as a family. The savings you make will depend on your circumstances.

⁺ Maximum savings for a Higher or Additional rate taxpayer who joined their employer's scheme after 6 April 2011. The maximum childcare voucher value a Higher and Additional rate taxpayer can order is **£124** and **£110** a month respectively. The savings you make will depend on your circumstances.

[#] Maximum savings for a Higher or Additional rate taxpayer who joined their employer's scheme before 6 April 2011 and has **protected rights**. In this instance, the maximum childcare voucher value a Higher and Additional rate taxpayer may order is **£243** a month. The savings you make will depend on your circumstances.

Employer's scheme ID

The reference number you need to register online. This number is unique to each payroll. An employer with more than one payroll (for example, both a monthly and a weekly payroll) will be issued with separate scheme IDs for each one.

National Insurance contributions (NI)

You pay National Insurance contributions to build up your entitlement to certain social security benefits, including the new State Pension.

Order

The request you make to receive childcare vouchers.

Parent

To be eligible for childcare vouchers, you must be the parent, legal guardian or have parental responsibility of at least one child or step-child aged between 0 to **15[^]** years.

Pay period

The period of time you are paid by your employer, for example, monthly, 4-weekly, fortnightly or weekly.

Protected rights

The Government changed the rules for parents joining a childcare voucher scheme on or after 6 April 2011 to ensure that all new recipients of childcare vouchers receive approximately the same level of income tax exemption.

Today, if you are a Higher or Additional rate taxpayer who joined your employer's childcare voucher scheme before 6 April 2011, you have protected rights and will continue to receive higher levels of savings for as long as you remain eligible. This means you can continue to receive up to **£243** a month in childcare vouchers and make savings of up to **£1,224[#]** a year in tax and National Insurance payments.

If you are an Additional rate taxpayer, you can make savings of up to **£1,370*** a year for as long as you remain in your employer's scheme. If you let your protected rights lapse and rejoin your employer's scheme at a later date you will only make annual savings of up to **£623*** a year.

Basic rate taxpayers weren't affected by the change in the scheme rules and can save up to **£933*** a year in tax and National Insurance. If you joined your employer's childcare voucher scheme before 6 April 2011 you can keep your protected rights status, for as long as you remain eligible, should you start to pay a higher rate of tax in the future. This means you will be able to continue receiving childcare vouchers up to **£243** a month even if you become a Higher or Additional rate taxpayer in the future. If you let your protected rights lapse, you can continue to receive childcare vouchers up to **£243** a month, but only while you remain a Basic rate taxpayer. If you lose your protected rights but then start to pay a higher rate of tax in the future, you will only be able to receive childcare vouchers up to the maximum amount allowed for a Higher or Additional rate taxpayer.

Please note that whatever rate of tax you currently pay, you will only retain your protected rights if you:

- > have a child under **16^**,
- > remain in the same employment, and
- > order childcare vouchers at least once in any rolling 12-month period.

If you move employers or do not order at least once in any rolling 12-month period, you will lose your protected rights and only be able to receive childcare vouchers for the maximum amount allowable for your tax band.

Qualifying Childcare

Qualifying Childcare is for any childcare, until 1st September after a child's 15th birthday or 1st September after their 16th birthday if the child

is registered disabled, in a childcare setting as detailed below and on the following page:

IN ENGLAND ONLY

Anyone who cares for children under the age of eight for more than two hours a day in England must register with Ofsted (unless they are exempt).

In order to pay your childcare provider with childcare vouchers, they must be registered with Ofsted and be on:

- > the Early Years Register to look after children aged 5 and under
- > the compulsory part of the Childcare Register to look after children aged 5 to 7
- > the voluntary part of the Childcare Register to look after children 8 and above

The Early Years Register

This is for providers caring for children aged from birth to 31 August following their fifth birthday. Providers on this register must meet the 'Statutory framework for the Early Years Foundation Stage'.

The Childcare Register

The Childcare Register has 2 parts:

Part A: The compulsory part

This is for providers caring for children from 1 September after the child's fifth birthday up until their eighth birthday. These providers are usually childminders who care for children when they are not in school or those that provide wrap-around care at either end of the school day or in school holidays.

Part B: The voluntary part

This is for providers caring for children aged eight and over, and other providers who are exempt from compulsory registration, such as nannies. These providers mainly care for children aged 8 and over before and after the school day or in school holidays, or provide care in the child's home (nannies).

Free early education or childcare

15 hours free childcare: All children in England get 570 free hours per year. It's usually taken as 15 hours a week for 38 weeks of the year, but you can choose to take fewer hours over more weeks, for example. You can get it from the term after your child's 3rd birthday. Contact your childcare provider or **local council** to find out more.

Some **2-year-olds** are also eligible.

30 hours free childcare: You may be able to get up to 30 hours free childcare (1,140 hours per year, which you can choose how you take). If you're eligible for the extra 15 hours (you need to be in work and earn a minimum amount), you sign up online to get a code to give to your childcare provider to reserve your place. You'll get the extra hours once the next term starts. You must reconfirm your eligibility for the additional hours every 3 months.

Eligibility: You can get 30 hours free childcare at the same time as claiming childcare vouchers, Universal Credit or tax credits.

IN WALES ONLY

In order to pay your childcare provider with childcare vouchers, they must be registered with the Care Inspectorate Wales.

Free early education and childcare

From September 2017 some local authorities will be offering working parents of 3 and 4 year olds 30 hours a week of early education and childcare during term time. For 9 weeks of the year, outside of term time, parents will receive 30 hours per week of childcare. This will be rolled out in due course.

IN SCOTLAND ONLY

In order to pay your childcare provider with childcare vouchers, they must be registered with the Care Inspectorate. Services regulated by the Care Inspectorate include:

- > nursery classes, crèches, after school clubs and play groups
- > childminders
- > child care agency e.g. nanny agencies

Free early learning and childcare

The following children are eligible for 600 hours per year (the equivalent of around 16 hours per week during term time) early learning and childcare:

- > 3 and 4 year olds, starting from around the first term after their third birthday
- > 2 year olds from the point that they are looked after, under a kinship care order, or with a parent appointed guardian.
- > 2 year olds, starting from the first term after their second birthday, (where their 2nd birthday falls on or after 1 March 2014) with a parent in receipt of qualifying benefits; or, the first term after their parent starts receiving qualifying benefits.

IN NORTHERN IRELAND ONLY

Early Years Teams are specialist teams of social workers within Health and Social Care (HSC) Trusts who are responsible for the registration, inspection, monitoring and support of childminders and day care providers. Some types of childcare do not require registration and inspection, these include nannies/au pairs, services that cater for children over 12 years old, services which run for less than two hours a day or services which operate for less than six days per year.

TAX-FREE CHILDCARE

Parents can use Tax-Free Childcare (TFC) alongside the 15 and 30 hours free childcare schemes in England, or any free childcare hours provided by the Scottish, Welsh or Northern Ireland governments.

Parents can't use Tax-Free Childcare at the same time as they receive childcare vouchers, Universal Credit or tax credits.

Salary sacrifice

The process by which you 'divert' or 'sacrifice' part of your salary for childcare vouchers. This will change your terms and conditions of employment.

"My son is just entering full-time schooling which is great news for our bank balance; we'll still need childcare vouchers though so I'll be splitting our monthly vouchers between our childminder and out of school clubs."

Wade, Dad to his 8 year old daughter and 5 year old son



SECTION TEN

ABOUT US

We are the UK's largest childcare voucher provider with over 19 years' experience. We have vast experience in successfully implementing, managing and administering schemes to a diverse customer base. Reinforced by significant technology investments, we lead the way in childcare vouchers.

We operate schemes for a wide range of companies, spanning every sector, from some of the UK's largest corporations to SMEs. We are also a leading supplier to the public sector, operating childcare voucher schemes for universities, police forces, local authorities, NHS trusts, Government departments and charities.

We currently work with more around **12,000** organisations and have issued childcare vouchers to over **190,000** working parents in the 12 months. We have around **80** members of staff dedicated to the management and administration of childcare voucher schemes.

Our flexibility, dedication to service and focus on maximising participation rates brings both parents and employers the best possible savings.

ABOUT COMPUTERSHARE LIMITED (CPU)

Computershare (ASX:CPU) is a global market leader in transfer agency and share registration, employee equity plans, proxy solicitation and stakeholder communications. We also specialize in corporate trust, mortgage, bankruptcy, class action, utility administration, and a range of other diversified financial and governance services.

Founded in 1978, Computershare is renowned for its expertise in high integrity data management, high volume transaction processing and reconciliations, payments and stakeholder engagement. Many of the world's leading organisations use us to streamline and maximize the value of relationships with their investors, employees, creditors and customers.

Computershare is represented in all major financial markets and has over 15,000 employees worldwide.

For more information, visit www.computershare.com.



COMMITTED TO THE CHILDCARE VOUCHER SECTOR

We're a founding member of the **CVPA (Childcare Voucher Providers Association)**. The CVPA is an



industry association which represents the views of childcare voucher provider companies. It was established to promote self-regulation, ethical

practices, quality and technical assurance amongst childcare voucher providers. In March 2011 it launched the CVPA Code of Practice, a voluntary scheme which encourages providers to follow ethical standards in a bid to improve the transparency of their childcare voucher scheme. We comply with the CVPA Code of Practice.

For more information, please visit: www.cvpa.org.uk

We partner with **Working Families**, a leading work-life balance organisation that has dedicated more than 30 years to helping employers adopt family friendly work practices. Working Families helps working parents, carers and employers find a better balance between their responsibilities at home and at work.



Amongst other vital support, Working Families offer a free Legal Helpline which gives parents and carers advice on employment rights such as maternity and paternity leave, rights to time off in an emergency, and parental leave, as well as helping them to negotiate the flexible hours they want.

Families are at the heart of what we do and we're really proud to support the valuable work which Working Families undertakes. We are delighted to join forces to further our common goal - to promote a family-friendly workplace culture.

Parent and Carer Helpline 0300 012 0312

We support **Honeypot**, a charity that works to enhance the lives of vulnerable children and young carers by providing respite breaks and on-going outreach support. The charity supports around 1,000 children every year, all aged between 5 - 12 years.



The programme of long-term support that Honeypot provides gives young people a break from the demanding conditions at home - where some of them are carers 24 hours a day, 365 days a year - and provides a nurturing environment in which they can make new friends, develop their full potential and just be children for a few days.

E&OE. All figures and information correct as at April 2018.

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