

KiddiVouchers

Your Questions Answered



What are childcare vouchers?

Childcare vouchers are a Government scheme aimed at helping working parents to afford quality childcare. Each parent who takes part in the scheme can save up to £1,196 a year on the cost of childcare.

KiddiVouchers is an independent company which your employer has appointed to run your childcare voucher scheme. If you have any questions about the scheme, please contact us on 0800 612 9015 or look online at www.KiddiVouchers.com.

What can childcare vouchers be used for?

Childcare vouchers can be used for a wide range of childcare, including nurseries, playgroups, pre-school, after-school care, play schemes, holiday clubs, nannies and au-pairs. Childcare providers which are registered with one of the following authorities are eligible to accept childcare vouchers, as are schools which provide out-of-hours care.

England	Ofsted (www.ofsted.gov.uk)
Wales	Care Standards Inspectorate for Wales (www.wales.gov.uk/csiw) or the Childcare Approval Scheme for Wales (www.childcareapprovalschemewales.co.uk)
Scotland	The Care Commission (www.carecommission.com)
Northern Ireland	Health and Social Services Trust (www.dhsspsni.gov.uk)



Are there any restrictions?

Childcare vouchers must not be used to pay for private education, although payments to pre-school childcare providers which are attached to private schools are permitted. It is not usually possible to use childcare vouchers to pay for residential children's holidays or for activity based care such as sports clubs. You can't normally use childcare vouchers to pay a relative for looking after your child.

How can I use vouchers to pay my childcare provider?

When you sign up for KiddiVouchers, you'll be allocated a secure online voucher account. Your vouchers will be credited to this account around your normal payday. Don't worry if you haven't got internet access – you can easily take part by phone.

Most parents ask us to pay their vouchers straight into their childcare provider's bank account, either by setting up a regular instruction or by making ad-hoc payments from their voucher account. Others choose to receive vouchers by post or email, which they then hand to their childcare provider.

KiddiVouchers

Will my childcare provider accept childcare vouchers?

Most carers are happy to accept childcare vouchers. If your childcare provider isn't yet registered with KiddiVouchers, we'll send them a simple registration pack when you sign up for the scheme.

How much of my childcare will my vouchers cover?

You can order childcare vouchers of up to £243 per month (or £55 per week if you are paid weekly). Your vouchers won't expire until your children are age 15, so you can save up your vouchers for times when you need more childcare.

Will my child's free nursery place be affected?

Children aged three or four may be eligible to receive a free part-time nursery place through the Government's early education policy. Using childcare vouchers won't affect your child's entitlement to a free place. If your child does receive some of their care free of charge, you can still use vouchers to pay for the balance of your child's care.



How do childcare vouchers save me money?

Childcare vouchers work through a system known as 'Salary Sacrifice'. This means that you receive the childcare vouchers instead of part of your salary. Unlike your salary, you don't pay any tax or national insurance on childcare vouchers. The saving in tax and national insurance is worth up to £1,196 a year per parent.

How much will I save?

Your savings will depend on the amount of childcare vouchers you order and the amount of tax and national insurance you normally pay. Basic rate taxpayers who order £243 a month in vouchers can save up to £903 a year, while higher rate taxpayers save up to £1,196 a year. If you'd like to know exactly how much you will save, we can do a calculation for you.

Can my partner also sign up for vouchers?

Childcare vouchers are available to any employee who has parental responsibility. Both parents are eligible to use childcare vouchers, as long as their employers both run a childcare voucher scheme.

If both parents sign up, families can save up to £2,392 a year. If your partner's employer doesn't yet offer childcare vouchers, we can provide an employer information pack for them.

KiddiVouchers

What if my circumstances change?

When you sign up for childcare vouchers, you will be asked to commit to the scheme for either one month, three months, six months or a year, depending on your employer. However, if you have a significant change of circumstances, such as a new baby or your child starting school, you will normally be able to change your voucher order. More details can be found in your scheme rules.

What if I am a low earner or if I work part-time?

All employees are eligible to join the scheme. However, when you swap part of your salary for childcare vouchers, your remaining salary mustn't fall below the national minimum wage. This sometimes restricts the amount of vouchers that low paid and part-time employees can order. Your employer will override your voucher order if this restriction applies, and we will then notify you of the change. However, if you'd like us to check before you sign up, please call 0800 612 9015.

Will my tax credits be affected?

If you receive more than £45 a month in tax credits (or £90 a month if you have a child aged under one), using childcare vouchers may affect your tax credits. Please call us on 0800 612 9015 so that we can do an individual calculation for you.

Will my other employee benefits be affected?

In most cases childcare vouchers don't affect other employee benefits. Employers normally keep a record of your full pay and use this to calculate pension benefits, non-statutory maternity and sick pay, overtime, pay rises and bonuses. Full details of your employer's policies can be found in your scheme rules.

Statutory benefits, such as statutory maternity and redundancy pay, are automatically based on reduced salary (ie your full pay less your childcare vouchers). Some employers choose to top-up these benefits so that they are based on full pay. If you expect to receive any statutory benefits, please contact us if you would like some advice.



Any Questions?

For more information, phone 0800 612 9015 or email info@kiddivouchers.com. There is also more information online at www.KiddiVouchers.com.

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