



# CHILDCARE VOUCHER SCHEME

FREQUENTLY ASKED  
QUESTIONS (**FAQS**) FOR  
**EMPLOYEES**

### 1. Why does my employer offer Childcare Vouchers?

The Childcare Voucher Scheme was introduced in the late 90s as a way for employers to help working parents save money on their childcare costs.

### 2. How do Childcare Vouchers work?

Operated via salary sacrifice, employees can choose to exchange up to £243\* per month (£55\* per week) which is deducted from their salary in return for the same amount of Childcare Vouchers. Tax and National Insurance is then taken from the remaining salary.

### 3. How much can I have?

The maximum amount an employee can sacrifice from their salary each month depends on the tax bracket they fall into. When you register for the scheme, you'll complete a Basic Earnings Assessment to determine how much you can have. You'll need to have to hand details of any pension contributions, other salary sacrifices or bonuses that may affect your salary.

The Busy Bees Benefits' registration process includes an intuitive minimum wage check to ensure that by taking Childcare Vouchers you do not fall below the National Minimum Wage/Living Wage levels.

Factors such as Working Tax Credits, Child Tax Credits, Universal Credits, Statutory Maternity Pay and other employee benefits can also affect how much an employee is entitled to have in Childcare Vouchers.

### 4. How much can I save?

You can save up to £933\* per year, per parent, dependent on your tax bracket:

#### Childcare allowances and savings\*

Total Earnings	Weekly Allowance	Monthly Allowance	Annual Savings
Basic Rate	£55	£243	<b>£933</b>
Higher Rate	£28	£124	<b>£624</b>
Additional Rate	£25	£110	<b>£620</b>

### 5. What if I've had Childcare Vouchers before?

If you've had Childcare vouchers with your current employer before, have been in the scheme since before April 2011 and have had at least one deduction per tax year then you have Protected Rights – this means you can have up to £243 per month/£55 per week regardless of your tax bracket. Current employer includes an employer you were transferred to under TUPE or COSOP arrangements or an employer than acquired your previous employer and your terms and conditions of employment remained unchanged.

### 6. Do I get any other benefits if I receive Childcare Vouchers?

With Busy Bees Benefits Childcare Vouchers, employees receive an additional 5% credit on top of their voucher value if the child goes to a Busy Bees Nursery.

Childcare Voucher users also get free access to the Busy Bees Benefits Emergency Childcare service. This enables parents to take their child to one of the 267 Busy Bees nurseries when they experience childcare problems with no registration or membership fees, and they will even receive the discount for paying with the Childcare Vouchers.

Parents and carers even get free access to our Discount Card scheme, where they can purchase gift cards at up to 50 different retailers with up to 20% off the face value.

### 7. Do all employees benefit from the scheme?

The scheme is available to all employees however some working parents may not be eligible to use Childcare Vouchers if:

- You are already claiming working tax credits.
- Your children aren't in qualifying childcare (i.e. you are not using a registered childcare but have a more informal childcare arrangement - grandparents are looking after the children or other family member etc.).
- Your salary would fall below the National Minimum Wage/Living Wage if you paid for the vouchers via salary sacrifice.

### 8. I understand that Tax-Free Childcare is now available?

The government is starting to slowly roll out a new system to working parents during 2017 - Tax-Free Childcare (TFC). TFC will see the government subsidising 20% of a child's childcare costs on fees of up to £10,000 per year per child. This scheme will be available in full from April 2018.

Research has shown that 80% of parents will be better off using Childcare Vouchers – please see the table below which shows the winners and losers for both schemes:

Circumstances	Maximum benefit to family using Childcare Vouchers	Benefit to family using Tax-Free Childcare	Difference
One parent working (basic rate taxpayer), one parent not working	£933	Not eligible	+£933 with Childcare Vouchers
Two parents working - both basic rate taxpayers. Childcare spend of £4,000 per year on one child.	£1,866	£800	+£1,066 with Childcare Vouchers
Two parents working - both basic rate taxpayers. Childcare spend of £8,000 per year on two children.	£1,866	£1,600	+£266 with Childcare Vouchers
Two parents working - both basic rate taxpayers. Childcare spend of £10,800 per year on one child.	£1,866	£2,000	+£134 with Tax-Free Childcare
Two parents working - both higher rate taxpayers. Childcare spend of £6,000 per year on one child.	£1,246	£1,200	+£46 with Childcare Vouchers
Two parents working - both higher rate taxpayers. Childcare spend of £1,000 per year for a child aged between 12 and 15.	£1,246	Not eligible	+£1,246 with Childcare Vouchers
Two parents working - both additional rate taxpayers. Childcare spend of £6,000 per year on two children.	£1,246	Not eligible	+£1,244 with Childcare Vouchers
Self employed single parent spending £10,800 per year on childcare for one child.	Not eligible	£2,000	+£2,000 with Tax-Free Childcare

Childcare Vouchers will continue to be available to new entrants until April 2018. After this point the scheme will no longer be available to new joiners. However, those parents that join the Childcare Voucher scheme before April 2018 can remain on the scheme as long as they need it, and if parents find that they are better off with TFC they can then move across to this scheme. But, once a parent moves across to TFC they can't then move back to the Childcare Voucher scheme, so parents need to be certain that TFC is the right scheme before they move across.

### **9. Who can receive Childcare Voucher payments?**

Working parents can use Childcare Vouchers as full or part payment for any registered childcare, including:

- Nurseries
- Registered Child minders
- Playgroup and pre-school pre-schools
- Crèches
- Play schemes
- Before and after school clubs
- Holiday clubs/camps
- Activity camps
- Independent schools
- Private school fees\*\*

All childcare providers must be registered with Ofsted or the equivalent governing body.

### **10. Can Childcare Vouchers pay for children of any age?**

Childcare Vouchers can be used for children up to the age of 15 years, or 16 if the child is disabled.\*\*\*

### **11. Can my partner receive Childcare Vouchers as well?**

If your partner also works for a company that offer a Childcare Voucher scheme, you can double your savings if you both join the scheme – both parents are allowed to claim Childcare Vouchers.

### **12. Can Childcare Vouchers pay for more than one child?**

Yes, vouchers are not specific to any one child - the voucher allowance is per parent, not per child.

### **13. Can I use the vouchers to pay for other people's children?**

No, you need to be the parent or have 'parental responsibility' for the child in order to use Childcare Vouchers for payment.

Please Note: Parental responsibility means that you have the same legal rights, duties, powers, responsibilities and authority as a parent for a child and the child's property.

### **14. How do I get Childcare Vouchers?**

To join the scheme, you just need to use the following link and password:

Website: <http://bbblogin.com/Register/ZJXZSBVW>  
Password: **Twila15**

The first time you register you will need to have a copy of:

- NI number and payroll number
- Details of the childcare provider (i.e. name and postcode)

Our step by step guide makes registration easy and once you have registered you will receive an

e-mail confirming your own password and login details. You can access your on-line account at any time and can set-up how and when you would like your childcare provider(s) to be paid.

### **15. What type of vouchers will I receive?**

Busy Bees Benefits electronic vouchers with an option to print your own if you carer prefers to receive a physical voucher – these can be printed in any denomination. Most childcare providers accept the electronic vouchers as these are paid direct into the childcare providers account.

### **16. What happens if my pay goes up?**

We will email you each March and ask you to reconfirm the Basic Earnings Assessment you completed when you registered. Any changes that happen throughout the year won't come into effect until the following tax year, so you'll still keep be allowed the same amount in Childcare Vouchers until then.

### **17. What happens if I go on maternity leave?**

Childcare Vouchers can affect your SMP calculations if taken during weeks 17-25 so you will need to talk to your employer if you become pregnant whilst taking childcare vouchers.

### **18. Am I able to accumulate vouchers if I'm not using childcare right now?**

Yes you are able to accumulate vouchers and use these at a later date as long as your child is still eligible for registered childcare at the time of use. Electronic vouchers don't have a time limit but paper vouchers are valid for 12 months from date of issue.

### **19. What if my chosen carer has not accepted Childcare Vouchers before?**

If your chosen carer does not already accept Busy Bees Benefits Childcare Vouchers they can join to take our vouchers even if they are receiving vouchers from another scheme. We can contact your childcare provider directly and we will take care of setting up their payment details so your vouchers can then be paid direct to them via BACS.

### **20. Can I use vouchers for more than one childcare provider?**

Yes. Childcare Vouchers can be used to pay any carer as long as they are registered.

### **21. Can I change my childcare arrangements while in the scheme?**

Yes if you need to make any changes you can simply go onto your on-line account and update your details. You can add on or change carers, change your order or your payment amounts and there is a messaging function if you wish to get in touch.

\*subject to individual circumstances

\*\*Childcare Vouchers can be used for Private school fees up until the term before the child's 5th birthday.

\*\*\*A child qualifies for Childcare Vouchers up to the end of the week containing the 1st September following each child's 15th birthday (16th birthday for children with a disability)