



## Do you pay for childcare and want to save money?

**Do you have children under the age of 16?**

**Would an annual saving of up to £1066 help?**

**If you have answered YES, then *childcarepass* could save you money!**

### Your questions answered...

#### What are Childcare Vouchers?

Childcare voucher schemes are a government led initiative designed to support working parents with their childcare costs.

Childcare vouchers are an alternative method of payment for childcare. The vouchers you order can be used to pay for all types of registered or approved care. The vouchers are available in both paper and e-voucher formats – the choice is yours.

#### How does the scheme work?

You register on a form which alters the Terms and Conditions of your employment allowing your employer to pay part of your salary in vouchers.

Vouchers are sent to your home address or credited to your on-line account on payday. Simply pay your carer with the vouchers and they redeem them through Sodexo Pass. Carers receive payment directly into their bank account within 3-5 working days

#### Why should I order Childcare Vouchers?

You save money as you do not pay Income tax or National Insurance contributions on the part of the salary you take in vouchers.

#### How much can I save?

The amount you save depends on the level of tax and NI you pay – With NI at a rate of 9.4% and £50 of your salary per week taken as vouchers you will save up to £816 p.a. as a 22% tax payer, and up to £1066 p.a. as a 40% tax payer. With NI at a rate of 11% and £50 of your salary per week taken as vouchers you will save up to £859 p.a. as a 22% tax payer, and up to £1066 p.a. as a 40% tax payer. As voucher schemes are run through payroll you will see an immediate increase in your net salary each pay period.

#### Is there a limit to the amount of vouchers I can have?

The amount of vouchers you can take is capped at £50 per week (£217 per calendar month). Your net pay after vouchers should also remain above £407.33 per month (£94 per week). This is to ensure you always pay the minimum amount of NI on which a number of state benefits, including Statutory Sick Pay, are dependent.

#### Will taking childcare vouchers affect my Statutory Maternity Pay?

SMP is calculated on salary on which NI is payable so your SMP will be reduced if you take childcare vouchers. For this reason we advise you to come off the scheme 23 weeks before your baby is due.

#### Will my pension be affected?

Most pension companies are happy to accept vouchers as notional pay. If you are contributing to a personal pension scheme you are unlikely to be affected. The impact on S2P (formerly SERPS) of a single year's reduction in NI contributions is likely to be negligible.

#### How will my overtime be calculated?

Most employers calculate all work benefits on gross salary, so your overtime/other benefits should not be affected. Your HR department can confirm this.

#### Will my claim for Working Tax Credit be affected?

There may be an effect on the childcare tax credit element of the WTC. It is advisable to contact the WTC helpline on **0845 300 3900** prior to applying for childcare vouchers.

Alternatively visit

[http://www.hmrc.gov.uk/specialist/salary\\_sacrifice.htm](http://www.hmrc.gov.uk/specialist/salary_sacrifice.htm)

for more information.

#### Can my partner and I both have vouchers?

Yes, the amount of vouchers that each parent or legal guardian can take is up to £50 per week (£217 per month), so you could maximise your savings by ensuring that you both take part in a childcare voucher scheme.

If your partner's employer is not currently running a scheme, call 01276 687094 and ask for more information.



## Where can I use my childcare vouchers?

- Registered childminders, nurseries and play schemes
- Out-of-hours clubs on school premises run by a school or local authority
- Childcare schemes run by school governing bodies under the 'extended schools' scheme
- Childcare schemes run by approved providers, for example, an out-of-hours scheme or a provider approved under a Ministry of Defence accreditation scheme
- In England only, childcare given in the child's own home by a person\* approved to care for your child or children
- In England only, childcare given in the child's own home by a domiciliary worker or nurse\* from a registered agency who cares for children
- In Scotland only, childcare given in the child's own home by (or introduced through) childcare agencies, which must be registered
- Approved foster carers (the care must be for a child who is not the foster carer's foster child)

NB Childcare provided in the child's own home will not qualify if the person approved to give that care is a relative of the child

All carers in England must be either registered by Ofsted or approved under the government's Sure Start approval scheme in order to qualify to accept childcare vouchers.

If your carer is not currently approved, information on how to qualify is available at [www.childcareapprovalscheme.co.uk](http://www.childcareapprovalscheme.co.uk)

**For further information on registered care available  
throughout the UK please visit  
[www.childcarelink.gov.uk](http://www.childcarelink.gov.uk)**



### **How do I use Childcarepass vouchers?**

E-vouchers allow you to pay your carer directly from your own on-line account. By ticking this option on the salary sacrifice form you will receive a welcome email to enable you to log on and generate your own personal ID and password. Once on-line you choose when and how much to pay your carer.

Paper vouchers can be used like cash to pay your carer. The vouchers can be redeemed by email, freepost or Freephone.

### **What if my carer doesn't know about the scheme?**

Most carers do know about voucher schemes. If not already registered, they simply provide their details to Sodexo Pass who set up automatic payment into their bank account. There is a useful leaflet available to explain the scheme to your carer.

### **What if my childcare costs vary every month?**

You can keep the vouchers for when you have a more expensive month e.g. during the school holidays.

### **What if I have more than one carer?**

Paper vouchers come in various denominations to allow you to split payment to as many carers as you use. With e-vouchers you have complete flexibility on who to pay and when.

### **Can the vouchers go out of date?**

Yes, however, Sodexo Pass undertakes to replace any Childcarepass voucher up to 18 months after the expiry date.

### **Can I change my childcare provider?**

Yes.

Simply email [customercare@sodexopass.co.uk](mailto:customercare@sodexopass.co.uk) and request a new childcarer registration form, get your carer to complete it and then send it to Sodexo Pass with their carer certificate.

Alternatively ring the Childcarepass helpline on **Freephone 0800 328 7411**

**NB** Please note that under the new HMRC guidelines for childcare vouchers you have a responsibility to inform Sodexo Pass of any changes to your provision of childcare.

### **Can I leave the scheme at any time?**

To qualify for the Tax and NI savings you must stay in the scheme until the renewal date, except under exceptional circumstances e.g. separation, divorce, marriage, birth, death or pregnancy. Other exceptional circumstances may be agreed on an individual basis with your HR department.

### **What happens if my vouchers are lost or stolen?**

You can call **Freephone 0800 328 7411** for advice.

## **What do I do next?**

To join the Childcarepass voucher scheme simply ask for a copy of a Salary Sacrifice form and Carer Agreement form provided by your HR department.

The Salary Sacrifice form alters the Terms & Conditions of your employment allowing your employer to pay part of your salary in vouchers.

Complete the Salary Sacrifice agreement form in full.

Ask your carer to complete the Carer Agreement form. All carer forms must be accompanied by a valid registration/approval certificate at time of application. Ask your carer to return the documents to you.

All completed documentation should be returned to your HR department for processing. You will receive your Childcarepass vouchers on the next available payday.

To avoid delays in processing your order it is important to complete the documentation in full.



## Annual childcare costs savings

			Voucher amount	Voucher amount	Voucher amount	Voucher amount	Voucher amount
			£217 per month	£200 per month	£150 per month	£100 per month	£50 per month
<b>Current Annual Salary</b>	<b>£40,000</b>	9.4%	£1066	£984	£738	£492	£246
		11%	£1066	£984	£738	£492	£246
	<b>£30,000</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198
	<b>£25,000</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198
	<b>£20,000</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198
	<b>£15,000</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198
	<b>£10,000</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198
	<b>£7,500</b>	9.4%	£816	£754	£565	£377	£189
		11%	£859	£792	£596	£396	£198

**For further information please contact your HR Department**

**For general voucher queries email**

**[customercare@sodexhopass.co.uk](mailto:customercare@sodexhopass.co.uk)**

**or call**

**Sodexo Pass on Freephone 0800 328 7411**