



# CHILDCARE VOUCHERS

## INFORMATION PACK

Savings on childcare to benefit employees and employers

[www.busybeesbenefits.com](http://www.busybeesbenefits.com)



# CHILDCARE VOUCHERS - SAVE MONEY ON CHILDCARE BEFORE IT'S TOO LATE

## Scheme overview

Childcare Vouchers are part of a government initiative, allowing the purchase of vouchers for childcare costs directly from salary via salary sacrifice. Childcare Vouchers can be used to pay for registered childcare, enabling the parent and the organisation to save money on tax and National Insurance (NI) contributions.

### Key facts:

#### 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>

\*dependent on individual circumstances

- Vouchers can be used to pay for any registered childcare until 1st September after the child's 15th birthday and up to the age of 16 if the child is disabled.
- Both parents can register on the scheme
- Managed through a simple online account

## How does it work?

Setting up and administering the scheme is a quick and simple process.

1. Organisation registers to offer the scheme to employees
2. Employees register online using unique reference details sent out by Busy Bees Benefits
3. Deductions are made from employees wages. The employee saves on the tax and NI on the monies deducted. Organisations save on employers NI contributions
4. Invoice is issued to the organisation. When payment is made the vouchers are made available in the employee online account
5. Employee can transfer the funds to their childcare provider via their online account or schedule automatic payments





*Please note; the scheme can affect employees' Statutory Maternity, Paternity and Adoption pay. Please contact us for more information.*

## What does it cost?

The scheme is free for the organisation to set up and offer. Busy Bees Benefits will take a small service charge based on a percentage of the voucher value requested. As this is offset against the employers NI contributions the scheme is still cost neutral and the organisation will always come out better off.

## Benefits for employers:

- Low cost and admin-free
- Free bespoke marketing and PR support
- Simple online administration
- Funds held in trust account
- Dedicated account manager
- Savings of up to £402 per employee, per year
- Improves and enhances an organisation's benefit offering

## Benefits for employees:

- Employees save up to £933 per year
- Customer support via phone, social media and email
- Online access - 24/7 availability
- Savings calculator available online - enabling employees to see how much they will save. This can be accessed in the Employee Childcare Voucher section of the Busy Bees Benefits website

## Why you must act now

**In 2017 the Government will be slowly rolling out a new system for working parents to access savings on their childcare costs called 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, saving a maximum of £2,000 per child per year.

Whilst TFC will provide savings, the majority of parents will be better off with Childcare Vouchers. To make the maximum savings with TFC you have to be paying £10,000 of fees per year, which is not the case for many. To obtain maximum savings on Childcare Vouchers you need only to be spending £2,916 per parent.

TFC will be the only scheme available to new registrants from April 2018. However, anyone signed up to a Childcare Voucher scheme before April 2018 will be able to continue using them until their child is 15, regardless of the changes.

## MORE INFORMATION

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### **Busy Bees Benefits offers a range of other employee and employer benefits:**

Cycle to Work - Car Leasing - Retail Discounts -  
Employee Assistance Programme (EAP) - Will Writing -  
Employment Law - Emergency Childcare -  
Health Cash Plan - Hospital Treatment Insurance - Group Life -  
Group Income Protection - Group Critical Illness

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**If you would like more information and to discuss your organisation's individual needs, please contact us:**

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