



# Computershare Voucher Services

## CHILDCARE VOUCHER GUIDE

### FROM A TODDLER TO A TEEN WE CAN HELP WITH YOUR CHILDCARE COSTS

As a parent or legal guardian, the most valuable thing in your life is likely to be your children and no doubt you've spent a great deal of time deciding on the carer to look after them whilst you're at work.

With the cost of caring for your children continually on the rise, you could save almost **£78\* a month** by joining our childcare voucher scheme. That's a saving of up to **£933\* a year**, until your children are all grown up. Over 15<sup>+</sup> years that's a whopping **£14,000\***.

What's more, if both **you and your partner** sign up to a childcare voucher scheme, you could benefit from even greater savings.

### HOW DOES IT WORK?

Your employer offers a childcare voucher scheme as part of its employee benefits package.

The value of the childcare voucher is taken directly from your gross salary before any deductions so you won't pay tax or National Insurance (NI) contributions on the voucher. As a result, you can save up to **£48.60\*** in tax and **£29.16\*** in NI each month and will only pay tax and NI on your remaining cash salary.

On or around your pay date, your employer will arrange for Computershare Voucher Services (CVS), to send a childcare voucher to your online account (similar to online banking), and you then simply pay your carer/s with the e-Voucher. With an online account you can either set up a scheduled payment (similar to a standing order) to your carer or pay them as and when you need to.

## WHERE CAN I USE CHILDCARE VOUCHERS?

You can use childcare vouchers for all types of registered childcare, including:

- › Activity holidays through companies such as PGL and Camp Beaumont, and many other national and regional providers;
- › Holiday schemes;
- › Out of school clubs;
- › Qualifying childcare provided by schools such as extra-curricular music lessons, sports clubs and boarding fees;
- › Nurseries, playgroups, childminders, nannies, crèches and au pairs;
- › As a top up to cover fees over and above any free early years education entitlement.

You don't have to use your childcare voucher straight away either - you can save them to use when you need them most, such as childcare cover over the school holidays or for an activity holiday.

"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

To be able to accept childcare vouchers as payment your carer (childminder, nursery, playgroup, holiday scheme, school or out of school club provider) must hold valid registration with Ofsted in England, or with the equivalent authorities in Wales, Scotland and Northern Ireland, or the Independent Schools Inspectorate (ISI).

If your carer is exempt from Ofsted registration (activity holiday company, crèche, nanny, au pair), they would require a voluntary registration in order to accept childcare vouchers.

So that CVS can pay the value of your childcare voucher into your carer's bank account, your carer must also be registered with CVS, but this is free and easy to set up. Over **65,000** carers are already registered with CVS but if your carer isn't registered, they can either register online at [www.computersharevoucherservices.com](http://www.computersharevoucherservices.com) or by phone by calling the Carer Relations team on **0845 002 1122**.



## CAN ALL PARENTS SAVE WITH CHILDCARE VOUCHERS?

Every UK tax-payer can save with childcare vouchers but the level of your savings will depend on the rate at which you pay tax and NI.

The maximum voucher value available each month is **£243** for a Basic rate tax-payer (£55 a week), **£124** for a Higher rate tax-payer (£28 a week) and **£97** for an Additional rate tax-payer (£22 a week).

For an idea of how much you could save please see the table below, or visit the CVS online eligibility and savings calculator at [www.computersharevoucherservices.com/savings](http://www.computersharevoucherservices.com/savings).



### Annual Salary ★

<b>Basic rate</b> £0 - £42,475	Monthly childcare voucher order	£55	£100	£150	£200	£243
	Annual savings	£211	£384	£576	£768	£933
<b>Higher rate</b> £42,476 - £150,000	Monthly childcare voucher order	£28	£50	£75	£100	£124
	Annual savings	£141	£252	£378	£504	£623
<b>Additional rate</b> £150,000+	Monthly childcare voucher order	£22	£50	£75	£97	
	Annual savings	£137	£312	£468	£606	

For use as general guidance only

Minimum voucher value £20 per month (or £5 if weekly paid)

“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

## PLEASE NOTE

The HMRC legislative changes that took effect in April 2011 only affect parents who join the childcare voucher scheme on or after 6 April 2011. If you are a Higher or Additional rate tax-payer who joined the scheme before 6 April 2011, and you have received a childcare voucher in the last rolling 12 month period, you have protected rights. This means that you can continue to order up to **£243** in childcare vouchers each month - the same as a Basic rate tax-payer - and you will save at previous levels (up to **£1,224** and **£1,516** a year respectively, in tax and NI exemptions), until you leave the scheme or the company, or it's been more than 12 months since your last childcare voucher order, or you are no longer eligible to participate.

## HOW DO I REGISTER FOR THE SCHEME?

You can register online at [www.computersharevoucherservices.com](http://www.computersharevoucherservices.com) or by calling the CVS Customer Service team on **0845 002 1111**, but please make sure that you have read and understood all the information on our website.

Before you start make sure you have your employer's scheme ID (your employer will be able to give you this) and a recent payslip to hand as you will be asked for your payroll number and National Insurance number.

As part of the registration process you will agree to receive part of your salary as cash and part as childcare vouchers. This is known as a 'salary sacrifice'. This agreement will change the terms and conditions of your employment. You will need to confirm the details of your first childcare voucher order (this can be a date in the future), your chosen registered carer (if known) and accept the terms and conditions of the childcare voucher scheme.

"Having twins means double the expense so my wife and I both claim childcare vouchers to maximise our savings"

**Rich**, Dad to his 5 year old twins

If you register with CVS before the payroll cut-off date your employer has agreed with CVS, your employer will take the value of your childcare voucher order from your next salary (or the date you have specified in the future). You will receive your childcare voucher from CVS on or around your pay date as part of your salary; make sure to check your payslip to confirm that the correct deduction has been made from your salary. If you miss the payroll cut-off date your request will be effective from the following pay period.

Once you have registered with CVS, we will send you a link to our Parent Information pack, which you can bookmark for future reference. The pack contains additional important information such as how to amend or cancel your childcare vouchers.

### How to register online

- › Visit [www.computersharevoucherservices.com](http://www.computersharevoucherservices.com)
- › Click on 'Register Now' in the 'Parents' section
- › Enter your employer's scheme ID
- › Fill in the agreement
- › You will set the security information for your online account
- › CVS will send you a confirmation of your parent user ID by email.

## HOW DO I PAY MY CARER?

You can choose to pay your carer with e-Vouchers through your online account in one of three ways:

- › A one-off immediate payment
- › A scheduled ongoing payment (similar to a standing order)
- › A one-off scheduled payment for a future date.

You can save your vouchers to use when you need them most, but it's good practice to always use the oldest one first.

### How to use your online account

- › You have full control of your carer payments
- › You can keep CVS informed of any changes to your personal details
- › You can view full details of all your transactions
- › You can set up scheduled ongoing payments to your carer (similar to a standing order), or make a one-off payment either immediately or for a future date
- › You will find your online account easy to navigate and user-friendly, with access at any time to suit you.



"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

## IMPORTANT THINGS TO CONSIDER

- > If you currently receive the childcare element of Working Tax Credits, childcare vouchers may not be for you. Visit the HMRC Better Off Calculator at [www.hmrc.gov.uk/calcs/ccin.htm](http://www.hmrc.gov.uk/calcs/ccin.htm) or call the Tax Credits Help line on **0845 300 3900** to find out what's best for you.
- > Your employer will work out a new hourly rate of pay for you after the value of the childcare voucher and any other salary sacrifice arrangements have been deducted. Your new hourly rate must not drop below the National Minimum Wage (NMW) for your age bracket. If it does, you will need to lower the value of the voucher you want.
- > The minimum voucher value you can receive is £20 per month or £5 if weekly paid.
- > If you have a student loan your loan repayments may reduce because your total gross salary on which National Insurance is paid has been reduced by taking a childcare voucher.
- > Pensions, redundancy pay, Statutory Maternity Pay (SMP) and Statutory Paternity Pay (SPP) may be affected if you receive childcare vouchers. Please contact HR for more information.

### Frequently asked questions

Go online at [www.computersharevoucherservices.com/FAQs](http://www.computersharevoucherservices.com/FAQs) to see the full range of FAQs about childcare vouchers.

## FOR MORE INFORMATION

- > Visit the CVS website at [www.computersharevoucherservices.com](http://www.computersharevoucherservices.com)
- > Email CVS at [parent@computershare.co.uk](mailto:parent@computershare.co.uk)
- > Call the CVS Customer Service team on **0845 002 1111**
- > Read the CVS blog: [www.vouchersblog.co.uk](http://www.vouchersblog.co.uk)
- > Follow CVS on twitter: [www.twitter.com/ccvouchers](http://www.twitter.com/ccvouchers)
- > "Like" CVS on facebook [www.facebook.com/computersharevoucherservices](http://www.facebook.com/computersharevoucherservices)
- > Download the CVS Parent Information Pack at [www.computersharevoucherservices.com/parentpack](http://www.computersharevoucherservices.com/parentpack)
- > Download useful HMRC documents at [www.hmrc.gov.uk/leaflets/ir115.pdf](http://www.hmrc.gov.uk/leaflets/ir115.pdf) and [www.hmrc.gov.uk/thelibrary/esc-qa.htm](http://www.hmrc.gov.uk/thelibrary/esc-qa.htm)

## THE SMALL PRINT

\* Subject to individual circumstances. Uses rates for a Basic rate tax-payer taking the full £243 allowance each month.  
^ 1 September following 15th birthday or 1 September following 16th birthday for children who are registered disabled.

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