




Help with childcare costs – free childcare and education in England



Early learning and childcare gives children the chance to explore the world around them, make friends, socialise, and be ready for school. Childcare also gives parents like you a chance to work, study, get things done at home or just have a break. Childcare can be expensive though, and many parents worry that they can't afford to use pre-school childcare. However, there is help available towards the costs of childcare.

Some two year olds and all three and four year olds in England can get 570 hours of free childcare, the equivalent of 15 hours a week for 38 weeks of the year. Some nurseries may allow you to spread fewer hours a week across the whole year. You can use these free hours at most schools and nurseries in the private and voluntary sector, or with a registered childminder. You should not be charged for these free hours. You cannot be forced to take up additional hours, or pay for extras but you can choose to pay for more time if you need it.

Eligibility

Three and four year olds: All children can take up these free hours in the term following their third birthday.

Two year olds: You can take up these free hours if your family is claiming certain benefits such as Disability Living Allowance or certain tax credits and have an annual salary of £16,190 or less. Two year olds are also entitled to a place if they're looked after by a local council, have left care (under a special guardianship order, child arrangements order or adoption order) or they have a current statement of special education needs (or an education health and care plan).

To check whether your child is eligible for a place or if you need further advice or information about the free places, speak to your local authority Family Information Service. Family Information Services hold local information about all registered and some informal childcare. They can advise you if you can't find suitable childcare, how to get help with your childcare costs as well as support you in finding childcare if your child has special educational needs or disabilities.

You can find details of your local Family Information Service by searching at:
www.familyandchildcaretrust.org/finder

For further information on the support available you can also speak to your nursery manager.

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The Family and Childcare Trust's annual childcare costs survey is the definitive report on childcare costs and sufficiency in the UK and its data are used by the Department for Education.

For further information, please go to www.familyandchildcaretrust.org

Registered charity number: 1077444. Registered company number: 3753345





**Family and
Childcare Trust**

Creating a family friendly UK

Help with childcare costs – for working parents

Early learning and childcare gives children the chance to explore the world around them, make friends, socialise, and be ready for school. Childcare also gives parents like you a chance to work, study, get things done at home or just have a break. Childcare can be expensive though, and many parents worry that they can't afford to use pre-school childcare. However, there is help available towards the costs of childcare.

Childcare element of Working Tax Credit

Working Tax Credit is paid to people in work to top up low wages. Working Tax Credit can include a childcare element, which gives help to parents with registered childcare costs. The childcare element of Working Tax Credit can pay up to 70% of eligible childcare costs up to set weekly amounts. Eligible childcare costs are set at £175 per week for one child and £300 per week for two children. This means you could receive up to £122.50 per week with one child in childcare, or £210 for two or more children. The amount you are awarded will depend on your family circumstances.

Can I claim the childcare element of Working Tax Credit?

To be able to claim the childcare element of Working Tax Credit, you must:

- ▶ be within the qualifying age categories
- ▶ use registered childcare; and
- ▶ be working at least 16 hours per week. If you are part of a couple, you must both be working at least 16 hours per week. If one of you is in hospital, prison, incapacitated or on Carers Allowance, the other parent must work at least 16 hours per week.

For all enquiries about tax credits including details on who can claim and any change in circumstances you need to inform the Tax Credits office about, visit:

www.gov.uk/working-tax-credit/overview or call the Tax Credit Helpline on 0345 300 3900

New funding being introduced to help with childcare costs 2016-17

Universal Credit

Universal Credit is a new benefit for people on low incomes both in and out of work. It will gradually replace a number of benefits, including Working Tax Credit. It includes a childcare costs element for those who are working and paying for childcare which is available to parents even if they only work a few hours a week. As Universal Credit is being introduced in stages, when you can claim depends on where you live and your personal circumstances.

If you currently claim the childcare element of Working Tax Credit, you will be told when you will be moving to Universal Credit and what you need to do.

How much Universal Credit can I claim for my childcare costs?

You will be able to claim back up to 85% of your paid out childcare costs up to a monthly limit of £646 for one child or £1,108 for two or more children.

There are new requirements for being able to claim Universal Credit depending on the hours you work, age of your child and your personal circumstances.

For full details visit: www.gov.uk/universal-credit

If you are eligible for Universal Credit, you will have to make your claim online at www.gov.uk/apply-universal-credit

Employer supported childcare

Can I get help from my employer with childcare?

Many employers offer help to their employees through childcare vouchers, directly contracted childcare or workplace childcare provision. If your employer offers these, you may be able to make savings through a reduction in the amount of tax and National Insurance Contributions (NIC) you pay on your childcare costs. Your employer also saves on NIC. The amount you save will depend on:

- ▶ the type of support that your employer offers;
- ▶ whether they offer this through salary plus or salary sacrifice; and
- ▶ the rate of tax and NIC you pay.

Types of employer supported childcare:

- ▶ **Childcare vouchers:** These are provided to you by your employer (often through a childcare voucher company), and you can use these to pay for some of your childcare. Your childcare provider claims the value of these back from your employer or the voucher company. Childcare vouchers will be phased out from 2018 and if you are planning to have more children, it is worth getting advice on the merits of entering the voucher scheme.
- ▶ **Workplace childcare:** This is nursery, after school or holiday care provided by your employer. It does not need to be on your work premises but your employer does need to fund it and manage it, wholly or partly for you to make savings. If your employer does offer this kind of childcare support, then any amount of your salary that you pay for workplace childcare will be free of tax or NIC.
- ▶ **Directly contracted childcare:** When your employer pays some of your costs directly to your childcare provider.

To find out more:

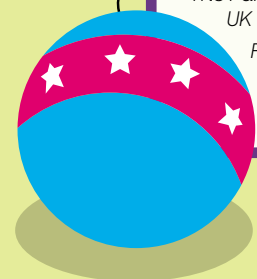
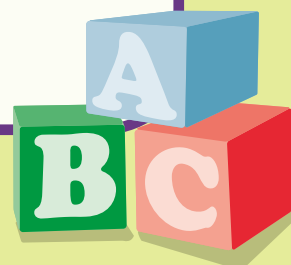
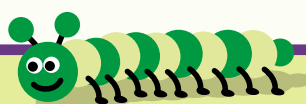
- ▶ Speak to your nursery manager for more information about the support available
- ▶ Speak to your employer to see if they run a scheme to help you with your childcare costs
- ▶ You can use a benefits calculator to see what benefits you are entitled to through www.entitledto.co.uk
- ▶ For more information, please visit: www.familyandchildcaretrust.org/childcare

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Help with childcare costs – for student parents in England

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Care to Learn

If you are aged under 20 at the start of your course, Care to Learn helps with the costs of your childcare so that you can continue your education or training.

You can get up to £160 per week per child in most places in England and up to £175 in London. Funding is also available to cover childcare deposits and registration fees. Care to Learn will only pay towards Ofsted registered childcare.

You can also call the Learner Support helpline on **0800 121 8989**
or visit www.gov.uk/care-to-learn

Further education students in England

Discretionary Learner Support Fund

If you are aged 20 or over and studying on a college course, the Discretionary Learner Support Fund may be able to help you with a variety of costs, including childcare. The amount of funding available will vary for each college.

You can apply for these funds at your college by speaking to the student support or welfare officer.

For further information about courses for which you could receive funding contact the National Careers Service on **0800 100 900**

16 – 19 Bursary Fund

You may be able to get a bursary to help with education-related costs if you're aged 16 to 19 and in further education. It can be used to pay for things like:

- ▶ clothing, books and other equipment for your course
- ▶ transport and lunch on days you study or train





What funding is available for higher education students in England?

Higher education includes courses such as BAs, BScs MAs and other postgraduate courses such as PhDs. It also includes HNDs, HNCs and DipHEs.

Childcare Grant

If you are eligible for student finance with dependent children aged under 15, (under 17 if your child is disabled), you may be able to get the Childcare Grant. It is paid in three instalments through the Students Loan Company and does not have to be repaid. The maximum grant award for 2015/16 is £155.24 per week for one child and £266.15 per week for two or more children. You cannot get this grant if you or your partner claims the childcare element of Working Tax Credit, Universal Credit or the new tax free childcare scheme.

Contact Student Finance England on **0300 100 0607** for further information.

The Parents Learning Allowance – for higher education students

Full-time students could get extra support with course-related costs such as travel, books, equipment and childcare, on top of the Childcare Grant (see above). The amount you are awarded will depend on your circumstances.

Contact Student Finance England on **0300 100 0607** for further information and an application form.

What funding is available to students on NHS-funded courses?

NHS Childcare Allowance

If you are a health professional student and receive an NHS Bursary, you can apply for help towards your childcare costs through the NHS Childcare Allowance.

The NHS Childcare Allowance can pay up to 85% of your childcare costs, up to a maximum amount. The amount you receive will depend on your personal circumstances.

For more information contact the NHS Student Bursary Helpline on **0300 330 1345**.

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