

Your simple guide to Childcare options

Childcare Vouchers

Parents contribute money direct from their salary to their childcarer so they don't have to pay tax or NI on the value of any contributions

Savings are made per parent

Open to anyone whose employer offers the benefit

All managed for you by your employer

Currently working for hundreds of thousands of UK parents

Tax-Free Childcare

Parents set up accounts with the government for childcare; for every £8 they put in the government will top it up £2 up to £2000 topped up per year

Savings are made per child

Both parents must be in full time work and neither can earn more than £100,000 a year

Self managed through government account that must be reconfirmed every 12 weeks

Only 30,000 have been able to sign up in the UK



www.rewardgateway.com

When deciding what's right for you

- Use the Childcare calculator on {your RG programme?}.
- Consider if both you and your partner will be taking any time off - Tax-Free Childcare is only open for parents in full time work.
- Consider how long you'll need support. Tax-Free Childcare support is only available for children under the age of 12 as opposed to 15 with Childcare Vouchers.
- Consider if you have time to manage the account yourself rather than having funds go automatically from your pay.
- When you join Tax-Free Childcare you need to let your employer know within 90 days after which you cannot receive any more Childcare Vouchers. If you change your mind before the 90 days, however you can stay in the current scheme. We recommend you don't opt out of Childcare Vouchers until you're sure Tax-Free Childcare is right for you.

If you are in any doubt about Tax-Free Childcare, make sure you sign up to Childcare Vouchers while you can before the 6th April 2018 - it's free to join and simple to use. You can always change over to the Tax-Free Childcare scheme later, but if you miss out on signing up for Childcare Vouchers you'll be locked out for good!



RGChildcare™

**Fact vs. Fiction:
Decode Childcare
Vouchers with our
Ultimate Childcare
Mythbuster!**





Myth

Childcare Vouchers are disappearing so there's no point in signing up.

Fact

Childcare Vouchers are staying open to anyone who is signed up to the scheme by 6 April 2018. As long as you're in, you can keep on using the benefit.



Myth

Tax-Free Childcare will save me more money.

Fact

While some families will benefit under the new scheme, 66% of families will be worse off under Tax-Free Childcare, so will save less money. It depends on how much you're earning, how many children you have and what your childcare costs are. Check out our calculator online to see what's best for your family.



Myth

Tax-Free Childcare is easy to use.

Fact

Due to technical issues, only 30,000 out of a projected 415,000 possible users have been able to successfully set up accounts as of December 2017.

You'll also need to login to reconfirm your details every 12 weeks or your payments will stop.



Myth

All the same nurseries will be available under Tax-Free Childcare.

Fact

Nurseries have also been struggling to get registered with the new scheme, so you should check availability before you consider switching over as they may not be available under the new scheme.



Myth

I'll get the same savings through Tax-Free Childcare as I did through Childcare Vouchers.

Fact

The two systems operate in completely different ways, check out the back of this document for a side-by-side comparison. It's important to check what will work best for your family.



Myth

If I use Tax-Free Childcare and it doesn't work out as cost effective for me, I can just rejoin Childcare Vouchers since my employer still offers them.

Fact

After April 2018 only existing members in the Childcare Voucher scheme can continue to use them. If you opt out to try Tax-Free Childcare you won't be allowed to rejoin.



Myth

My kids are at school now and I only use childcare in the holidays and/ or for wrap around care, so I can't use Childcare Vouchers anyway, right?

Fact

Wrong! You can use both Tax-Free Childcare and Childcare Vouchers for any registered childcare including holiday programmes and after school clubs, helping out with those extra childcare costs. Keep in mind that Tax-Free Childcare can only be used for children under the age of 12, whereas Childcare Vouchers can be used right up until your youngest child turns 15.



Myth

My childcare provider will stop accepting Childcare Vouchers.

Fact

It's business as usual for Childcare Vouchers. All registered carers will continue to accept the vouchers and you can still add any new carers to the scheme.

