

Human Resources
Royal Veterinary College
Hawkshead Lane
North Mymms
Hatfield
Hertfordshire
AL9 7TA

T: 01707 666401
F: 01707 666402
E hr@rvc.ac.uk
www.rvc.ac.uk

PROVISION OF CHILDCARE VOUCHERS

1. POLICY PURPOSE

Childcare vouchers (CCV) are a salary sacrifice scheme for all employees aimed at offering support to working parents. The scheme allows parents within the Royal Veterinary College to sacrifice up to a maximum of £55 per week / £243 a month of their salary for vouchers. CCV are exempt from both National Insurance contributions and Tax.

The RVC shares your concerns about balancing your working life and home life. By entering the Childcare Vouchers Scheme, you can sacrifice part of your salary for CCV and take advantage of important Tax and NI savings.

2. THE VOUCHERS

Childcare Vouchers can be used to pay for the care of children up to 1st September following their 15th birthday or 16th birthday if they're disabled for a wide range of choice including:

- home based care such as childminders, nannies and au pairs
- pre-school care such as nursery schools, play schools and crèches
- care for older children such as out of school clubs (breakfast clubs, afterschool clubs including activities, homework clubs and boarding, and holiday clubs)

You can use your Childcare Vouchers to pay more than one carer if you wish. The only condition is that your carer(s) will need to be registered with or approved by the appropriate body.

The current registration and approval bodies include:

- Ofsted Childcare Register – Compulsory (England)
- Ofsted Childcare Register – Voluntary (England)
- Local Health and Social Services Trusts (Northern Ireland)
- Social Care and Social Work Improvement Scotland (SCSWIS) (Scotland)
- Childcare Approval Scheme (Wales)
- The Care and Social Services Inspectorate Wales

3. ELIGIBILITY

To receive Childcare Vouchers, you must have an eligible child.

The child for whom the Childcare Voucher is provided must be:

- Your child or stepchild, or
- a child who lives with you for whom you have parental responsibility

A child is a qualifying child up to:

- 1st September following their 15th birthday
- 1st September following their 16th birthday, if they are disabled

You can only start receiving Childcare Vouchers after your child has been born.

4. FUNCTIONALITY

CCV are provided by Edenred. The scheme is a salary sacrifice scheme and therefore your monthly pay will be adjusted accordingly. The sacrificed pay is converted to equivalent electronic vouchers which will be credited to your personal account with Edenred on the 23rd of the month. Payment is then made direct to your childcare provider as authorised by you.

From 6th April 2011 any employee who joins the scheme on or after this date will be subject to a basic earnings assessment. The maximum amount of childcare vouchers that an employee can apply for will depend on the tax rate that they pay. The table below details the maximum rates that an employee can apply for depending on the tax rates that they pay.

	Basic rate	Higher rate	Additional Rate
Monthly	£243	£124	£110

An employee can request any amount of childcare vouchers up to the maximum amount quoted above, depending on the rate of tax that they pay.

Employees who have children in part time care where for example they need to pay for Easter, Christmas and summer holidays, it is advisable to budget over the course of the year in order that you have saved enough vouchers to pay for holiday care by the time holidays arrive.

It is a requirement that you are still earning National Minimum Wage after taking into account participation in all salary sacrifice schemes. Some part time members of staff may be affected.

5 HOW TO APPLY

Joining the Scheme

You will be required to complete Edenred Salary Sacrifice Agreement form and forward these to the Human Resources department. This information will be processed electronically. Edenred will then send a parent information pack containing membership details and further information.

Your carer will need to be registered with or approved by the appropriate body (such as Ofsted)

and be affiliated to the Edenred network in order to accept Childcare Vouchers as payment. Please contact your carer to find out whether they are already affiliated with Edenred. If they are, simply ask

them for their Edenred Account Number which you will need in order to transfer electronic vouchers to them online (this account number begins with a P and is issued to carers when they

affiliate with Edenred). If your carer is not already affiliated with Edenred, they should complete a carer application form online by visiting www.childcarevouchers.co.uk and clicking on ACCEPT VOUCHERS in the Childcare Providers area. You can download a printable carer application form from the same website if your carer does not have internet access. The scheme year runs from **1st May – 30th April** but you may join at any time during the year. Your start date with the Scheme would commence from 1st of the month following completion of the necessary documentation and run until 30 April the following year.

6. LEAVING THE SCHEME

The scheme operates for a 12 month period from 1 May until 30 April. If you wish to cease your contributions to the scheme part way through the year due to a change in your personal circumstances you must inform the scheme administrator within Human Resources. Conversion will only be actioned on complete months. You therefore must ensure you cancel your conversions with effect from the end of a month.

6.1 Leaving the Company

You may continue to sacrifice salary to CCV up to and including your final salary payment. Should you wish to not have your normal conversion within your final month's salary you must inform Human Resources by the last day of the previous month in order that the payroll department and Edenred can be informed.

6.2 Statutory Sick Pay

This will only be affected if you are not eligible or have exceeded your entitlement for Occupational Sick Pay. Please refer to your Contract of Employment for individual entitlements.

6.3 Statutory Redundancy Pay

This may be affected if you are earning less than £310 per week after deducting the salary sacrifice.

6.4 Changes in Life Style

The scheme does not permit monthly or annual changes of voucher allowance outside of the yearly renewal date. However, in exceptional circumstances you may be able to change this amount should you have significant change to your personal circumstances e.g. if your partner was to be made redundant. Please contact the HR Department for the Edenred Amendment and Cancellation to Contract form. Please note the form will need to be sent prior to the 1st day of the month to apply the change to the following month's conversion. You will not be able to make the change yourself direct with Edenred.

7 PENSION

The adjustment to pay will not have any effect on the calculations of your pension contributions and life assurance benefits.

8 TAX AND NATIONAL INSURANCE SAVINGS

Calculate how much you could save by using the Edenred Tax and NI Savings Calculator at www.childcarevouchers.co.uk.

9 CHILDCARE/WORKING TAX CREDITS

If you receive the childcare element of working tax credits, which provides specific support related to childcare costs, this will in most cases be affected, as the value of Childcare Vouchers you receive will reduce the value of the qualifying childcare costs you can claim in tax credits.

HMRC have a calculator that you can use to find out the impact of Childcare Vouchers on tax credits: <http://www.hmrc.gov.uk/calcs/ccin.htm>