



HM Revenue
& Customs

The new childcare service: Tax-Free Childcare and 30 hours

What's happening this year

- This year the government is introducing new support to help **working families** with the cost of childcare:
 - **Tax-Free Childcare** - will be available to around two million working households. For every £8 parents pay into an online account, the Government will pay £2 – up to a maximum annual contribution of £2,000 per child (£4000 for disabled children).
 - **30 Hours Free Childcare** - available from September 2017, on top of the existing 15 hours free entitlement.
- A **new childcare service** will allow parents to apply for both Tax-Free Childcare and 30 hours in one simple application.



A bit about Tax-Free Childcare – our aims

It replaces childcare vouchers over time to extend support to **more families**



The self-employed



Parents whose employers don't offer childcare vouchers

To take a **fairer** approach



Providing support for each child



It doesn't depend on whether your employer is in the scheme

With the **policy aim** of



Helping parents with the cost of childcare



Supporting parents to work, or more work, if they choose to



Tax-Free Childcare - Eligibility

Parents

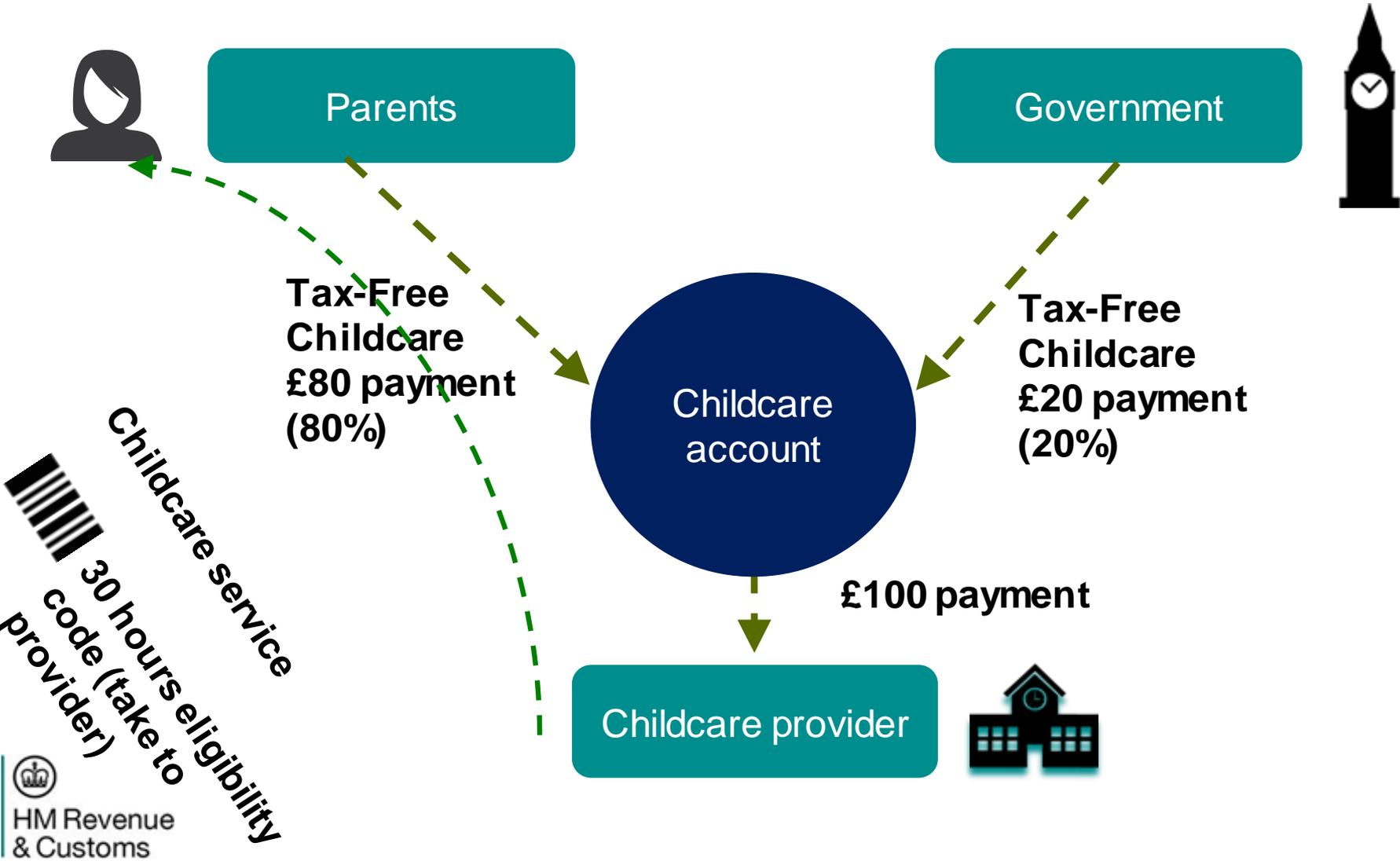
IN WORK		Both parents must be in work (or one parent for single parent households)
NOT CLAIMING UC, TC or childcare vouchers		Neither parent can be in receipt of tax credits or Universal Credit
£115 Equivalent of 16hrs*NLW		The minimum amount that parents must expect to be earning each week

Children

under 12	
under 17	
Lives with you	



The childcare service – at a very high level



Applying through the childcare service



1

Malcolm wants to know more about the Government's childcare offer



2

Malcolm looks online for more information.



3

Malcolm applies through the childcare service. First, he is asked to confirm his identity.



4

Once his identity is confirmed, Malcolm completes the application.



5

Malcolm gets his child's eligibility code for 30 hours. He can also pay money for Tax-Free Childcare into his childcare account.



6

Malcolm takes his 30 hours eligibility code to his childcare provider.



7

His childcare provider contacts to the Local Authority to check the eligibility code

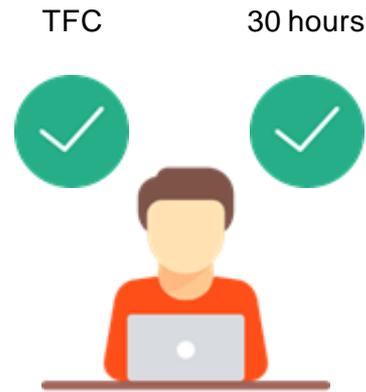


8

Every three months, Malcolm re-confirms eligibility through the childcare service



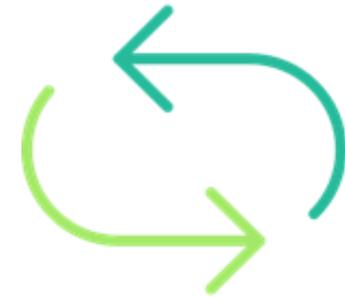
Key service principles: intelligent design



Streamlined eligibility requirements



Real-time eligibility checking



Reconfirmation every 3 months



How will we support customers who require additional support?



Telephone support



Paper letters



SMS messages



Representatives to run the online account



Supporting parents

We are developing a range of digital tools, including:



Childcare Calculator



Keep me updated –
email alerts for
parents



Check if my
childcare
provider is signed
up to Tax-Free
Childcare



Online advice about
government
childcare offers all in
one specially
designed website



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When is it happening?



- **July/Aug 2016:** Emails/letters sent to childcare providers to raise awareness
- **Sep/Oct 2016:** Childcare providers invited to sign up for Tax-Free Childcare
- **Autumn 2016:** Trial of childcare service began
- **Early 2017:** Reminder letters to providers about signing up for Tax-Free Childcare
- **Early 2017:** Childcare service roll out begins
- **Sep 2017:** 30 hours available to parents
- **End 2017:** All eligible parents able to access Tax-Free Childcare
- **April 2018:** Childcare vouchers closes to new entrants



Questions?

