

# Help with the cost of childcare

If you have children, you will know that sometimes paying for childcare can be expensive, however there is help available with the cost of registered childcare (childcare providers registered with Ofsted) including tax credits.

## **Free nursery education places for 2 year olds**

Some families may be able to claim 15 hours of free early learning or education for their two-year-old children. This funding is not available to everyone and families must receive one of the following;

- Universal Credit
- Income support
- Income based Jobseekers Allowance
- Income related Employment and Support Allowance (if you are unable to work due to illness or disability)
- Support under Part VI of the Immigration and Asylum Act 1999
- The guaranteed element of State Pension Credit
- Child Tax Credit and earn £16,190 or less per year
- Working Tax Credit and earn £16,190 or less per year
- The Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)

Or your child:

- Has a current statement of special educational need (SEN) or an Education, Health and Care plan
- Receives Disability Living Allowance
- Has left care through special guardianship, adoption or residence order
- Is looked after by the local authority

If you do receive any of the qualifying benefits please contact Luton Family Information Service on telephone number 01582 548888 or apply online at [www.luton.gov.uk/timefor2s](http://www.luton.gov.uk/timefor2s)

## **Free nursery education places for 3 and 4 year olds**

Starting the term after your child's third birthday they are entitled to 15 hours free early education a week. To be funded by Luton Borough Council, children need to attend an early years setting in Luton, if your child attends a setting outside of Luton the funding will be provided by that Local Authority. This funding is also available with certain (not all) childminders.

Your early years' provider will give you a parental declaration form to complete. Please note that you do not need to pay anything to access the funded hours and can access only the funded hours without being pressured to take additional hours.

<b>If your child was born between...</b>	<b>Their funded place will start...</b>
1 January and 31 March	April after their 3 <sup>rd</sup> birthday
1 April and 31 August	September after their 3 <sup>rd</sup> birthday
1 September and 31 December	January after their 3 <sup>rd</sup> birthday

### ***Will the funding affect my tax credits or benefits?***

Claiming Two Year Old Funding will not affect your tax credits or benefits unless you are receiving the Childcare Element of Working Tax Credit.

If your childcare costs stop, or your average weekly costs go down by £10 or more you will need to notify HMRC as soon as possible (within one month) as they may need to adjust their payments to you as you cannot claim for the hours provided under the Two Year Old Funding entitlement.

You do not need to notify HMRC if your cost does not change, for example if you use the free childcare to increase the number of hours your child attends.

You will be financially better taking up a two year old funded free place as tax credits only contribute to part of the full cost of childcare, not all of it.

### **Free school meals**

You may be able to get free school meals for your child if you are currently getting certain benefits, free school meals can only be awarded if you or your partner are claiming either;

- Income Support
- Jobseekers Allowance – income based
- Employment and Support Allowance - income related
- support under part V1 of the Immigration and Asylum Act 1999
- Child Tax Credit, provided you are not entitled to Working Tax Credit and have an annual income that does not exceed £16,190
- guaranteed element of state pension credit

Children must be in education before and after lunch to qualify for free school meals.

To apply for Free School Meals please visit [www.luton.gov.uk/freeschoolmeals](http://www.luton.gov.uk/freeschoolmeals)

## **Working Parents:**

### **Childcare Vouchers**

This scheme involves you giving up a portion of your salary, which is paid to you in the form of Childcare vouchers or paid directly to the childcare provider. To join this scheme you have to formally (by a change to your employment contract) agree to a reduction in your salary and instead receive that amount in childcare vouchers.

To get in depth information about the possible effect of a salary sacrifice on benefit entitlement, please visit <https://www.gov.uk/childcare-vouchers-better-off-calculator>

### **Extended Free Entitlement**

From September 2017, eligible families will be able to increase their 15 hours of funding for 3 and 4 year old children up to 30 hours per week (if taken during the term time only). Parent's eligibility will need to be reconfirmed every three months online through the HMRC website.

**Single parent:** earns the equivalent of 16 hours a week at the national minimum or living and earns less than £100,000 per year

**Two parent families:** both parents are working, and each parent earns the equivalent of 16 hours a week at the national minimum or living wage, and earns less than £100,000 a year.

### **Tax Free Childcare**

From early 2017, working parents with children under 12 (under 17 for disabled children) can set up an online childcare account to pay their childcare providers directly. For every £8 parents pay in, the Government will add £2, up to a maximum contribution of £2,000 per child, per year (£4,000 per year for disabled children).

To qualify, parents must be in work and earning at least £115 a week and not more than £100,000 per year.

- In two parent families this applies to both parents
- Where one parent works and the other is getting benefits because they can't work or they are looking after a disabled person, they will still be eligible

For more information on this scheme please visit [www.gov.uk/childcaresupport](http://www.gov.uk/childcaresupport).

## Studying Parents:

### **Care to Learn**

If you are a teenage parent the Care to Learn scheme can help pay for some of your childcare costs so that you can continue your education or training. This training can be in a school, college or with a work-based learning provider that receives public funding, and includes young parents continuing with compulsory education. For more information contact the Student Bursary Support Service:

Email: [c2l@studentbursarysupport.co.uk](mailto:c2l@studentbursarysupport.co.uk)

Telephone: 0800 121 8989

Textphone: 0800 917 6048

Monday to Friday, 9am to 5pm

### **Childcare Grant**

Some studying parents can claim help with their childcare costs through the Childcare Grant, the amount you get will depend on your income and childcare needs. The grant does not have to be paid back and is given on top of your other student finance. To be eligible for the grant, you need to be in your first year as a full time higher education student and have a child who is under 15 years old (or 17 years old if they have a special educational need) and be entitled to Student Finance. For more information visit <https://www.gov.uk/childcare-grant>

### **Discretionary Learner Support Fund**

If you are aged 20 or over and are attending a further education college studying on a course funded by the Skills Funding Agency, the Discretionary Learner Support Fund may be able to help you with a variety of costs, including childcare. To apply for this funding you will need to speak to your college student support team or welfare officer. For further information about the Discretionary learner support fund contact the National Careers Service on 0800 100 900 or visit <https://www.gov.uk/discretionary-learner-support>

### **NHS bursary – Childcare Allowance**

You might be able to get the Childcare Allowance from the NHS to help with your studying and living costs if you are studying a dental, medical or healthcare course, and are entitled to the NHS bursary and Dependants Allowance. How much you get will depend on your household income and your family circumstances. This allowance can be used to help pay for registered childcare if your child is under 15 years old (or under 17 years old if they have a special educational need) on the first day of the academic year. For more information on the NHS bursary visit <https://www.gov.uk/nhs-bursaries> for information on the childcare allowance please see the 'Further information' section.

### **Parent's Learning Allowance**

If you are a student from England with dependent children you may qualify for the Parents Learning Allowance if you are taking a full-time undergraduate course or an Initial Teacher Training (ITT) course. How much you get depends on your household income, The allowance does not have to be paid back, is paid on top of your student finance and will not affect your benefits or tax credits. For more information visit <https://www.gov.uk/parents-learning-allowance/overview>

## **Tax Credits:**

There are two types of Tax Credits; Child Tax Credit and Working Tax Credit. This document contains some general information about both types of Tax Credits, for the most up to date information you should visit [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits) or [www.gov.uk/browse/benefits/tax-credits](http://www.gov.uk/browse/benefits/tax-credits). Alternatively you can telephone the Tax Credit helpline on 0345 300 3900.

### ***Child Tax Credits***

You may be entitled to Child Tax Credit if you have children whether you are working or not. The amount you can claim will depend on;

- the number of children you have
- your weekly childcare costs
- your annual household income – this will include any other state benefits you may receive

### **Working Tax Credit**

Working Tax Credit supports those that work and are on a low income by topping up your earnings and is based on the hours you work and are paid for. To claim Working Tax Credit, your paid work must be for at least four weeks.

You can be employed or self-employed but unpaid work will not count when claiming tax credits. You can claim help with childcare costs through the Childcare Element of Working Tax Credit.

If you're responsible for children you need to be aged at least 16, and work the following hours to get Working Tax Credit:

- if you're single, you need to do paid work of at least 16 hours a week
- if you're in a couple, your joint paid working hours need to be at least 24 a week, with one of you working at least 16 hours a week

If you do not have children you may still be able to claim Working Tax Credit:

- if you're aged 25 or over, you need to do paid work of at least 30 hours a week
- if you have a disability and are aged 16 or over, you need to do paid work of at least 16 hours a week
- if you're aged 60 or over, you need to do paid work of at least 16 hours a week

### **The Childcare Element**

The Childcare Element is intended to assist working parents with the cost of registered or approved childcare - you must be at least 16 years old to make a claim.

#### **Single parents**

If you are a single parent you must work at least 16 hours of paid work per week to be able to claim the Childcare Element of Working Tax Credit

#### **Two parent families**

In a two parent family both of you need to work at least 16 hours of paid work per week to claim.

If only one parent works 16 hour or more per week and the other does not work but is in hospital, in prison, entitled to Carer's Allowance or incapacitated for childcare purposes they may still be able to claim. You are treated as incapacitated if you receive any of the following:

- Disability Living Allowance
- Attendance Allowance;
- Severe Disablement Allowance
- Incapacity Benefit at the short-term higher rate or long-term rate
- Contributory Employment Support Allowance (ESA) as long as you have been and receiving it or a combination of Statutory Sick Pay and contributory ESA for at least 28 weeks
- as a couple you receive Industrial Injuries Benefit with Constant Attendance Allowance
- War Disablement Pension with Constant Attendance Allowance or Mobility Supplement
- you or your partner receive Council Tax Benefit or Housing Benefit with a Disability premium or Higher Pensioner Premium

#### **Making a claim**

If you think you might be entitled to Child Tax Credit or Working Tax Credit you will need to make a claim by requesting a form from the Tax Credits helpline on 0345 300 3900. To get an application form you will need your National Insurance number and details on your household income for the last tax year; this runs from 6 April to the 5 April the next year and your weekly childcare costs. You can use an online calculator available at [www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits) to check if you might be eligible.

## **Useful websites:**

### **Help with childcare costs calculator**

The Government website has an online calculator that can give you an estimate of how much you could get to help towards the cost of 'approved childcare'. You will need information for yourself and your partner if you are a couple including; how much you currently spend on childcare, benefits you or your child get and your income. Please visit <https://www.gov.uk/childcare-calculator>

Approved child care includes: Ofsted registered childminder, playscheme, nursery or club, a childminder with an Ofsted-registered childminding agency, a registered school or a home care worker working for a registered home care agency

### **Student Parents**

The website includes an online calculator that can estimate your student finance entitlement. <https://www.studentparents.org>

### **Turn 2 US**

An online Benefits Calculator for 'means tested benefits'. Contributory Benefits are not calculated but are featured in the calculation results when you have informed us that you are getting such benefits. The Benefits calculator does not work out entitlement to benefits for students, people who are under 18 years old, people in hospital/residential care, prisoners, people on strike or not a British or Irish Citizen and UK Nationals living abroad. <https://www.turn2us.org.uk/Find-Benefits-Grants>