

TAX FREE CHILDCARE

Julia's Journey - Nanny Tax-Free Childcare Process



Can parents use Tax-Free Childcare to pay their nanny?

Yes, as long as their nanny is registered or approved, eligible parents will pay most, if not all, of their nanny's salary via Tax-Free Childcare.

How will I be paid?

Similar to Childcare Vouchers, the Tax-Free Childcare scheme will pay directly to your bank account. Exactly how this process will work is not yet known.

Will I still need to be registered with Ofsted?

Yes. If you are currently in England and registered with Ofsted as a Home Childcarer (nanny) then you will need to continue being registered with Ofsted.

Does this new scheme replace Ofsted?

No. It is in addition to registration with the childcare regulator. It is similar to registering with a Childcare Voucher provider. Tax-Free Childcare just handles the payment between parents and nanny.

Will the cost of Ofsted registration increase?

We do not anticipate any change to the current cost of Ofsted registration. However registration fees can be reviewed by Government.

Can all parents use this new scheme?

No. Parents will need to meet eligibility criteria. They must earn less than £100,000 each and they must both be in work earning at least £115 per week. They must have a child who is eligible, that is a child aged under 12, or under 17 if disabled.

My boss is self-employed, they can't get Childcare Vouchers. Will they be able to use this new scheme?

Yes. Parents who are self-employed can use Tax-Free Childcare. This new scheme does not rely on employers, unlike the Employer Supported Childcare (Childcare Vouchers) scheme.

My boss currently claims tax credits, can they use this new scheme and claim tax credits as well?

No. Parents who receive Tax Credits / Universal Credit will not be able to use this scheme.

My boss currently uses Childcare Vouchers, are they better staying with those or changing to Tax-Free Childcare?

Direct parents to the Childcare Calculator at <https://www.gov.uk/childcare-calculator> to help them determine which of the schemes is best given their individual family circumstances.

Why have I been sent a letter to my work address?

Tax-Free Childcare (TFC) has taken a snapshot of the Ofsted database and has sent letters to all registered childcare providers so that they can register on the new system. As of May 2017 Ofsted are using your Home Address.

Why have I not got a letter?

Letters are being sent out in batches so as not to overload the online registration system. Ofsted may have the wrong address for you, or a letter may have gone to a current or previous work address. Check your address detail shown on the Ofsted portal. If that is incorrect, update it and that should trigger a new letter to be sent within three weeks. If the address is correct, call the Tax-Free Childcare helpline on 0300 123 4097 who will ask you to confirm some details relating to your registration and once verified they will send you a new letter. Confirm with them the address to which they are sending the letter.

How do I know the letter is genuine?

The back of the envelope shows the following address: PO Box 26555, Glasgow, G58 1AE It also contains a reference code relating to the batch. For example: TFC 1 (2016/02)

What do I do with the letter?

Follow the instructions given to sign up with TFC. The letter contains a unique User ID. When prompted for your Business Postcode, enter the postcode to which the letter was sent. By signing up you will enable parents in the future to pay you using this new scheme. If you do not sign up, parents will be unable to benefit from the new scheme should they wish to use it.

How do I check that Ofsted has my correct address?

You can check details held by Ofsted by using Ofsted Online if you have a login for Self-Service. <https://online.ofsted.gov.uk/onlineofsted/Default.aspx>

I already get Childcare Vouchers, why do I need to join this new scheme?

Parents may change from using Childcare Vouchers to using Tax-Free Childcare. If you change job, the new family may want to use Tax-Free Childcare. There is no charge to join this new scheme as a childcare provider. You just need to keep paying your registration fee with your regulator, such as Ofsted.

I was an Ofsted registered nanny but I am now registering as a childminder. Does this new scheme also apply to childminders?

Yes. Tax-Free Childcare applies for all registered or approved childcare providers, so this includes nurseries, pre-schools, childminders and approved/registered nannies.

I live in Scotland, will I need to register with a nanny agency?

Yes. At the moment we are only aware of nannies in Scotland being able to register with nanny agencies and not the Care Inspectorate directly.

When will this new scheme start?

The scheme started at the end of April 2017 and is being rolled out over the year, starting with parents who have children under age four.

I care for more than one child, will I get multiple payments each month?

Yes. It is our current understanding that there will be an account for each child, so there will be a payment from each child to you.