

FAQs on Childcare Vouchers

Please find below some frequently asked questions and answers that you may find supportive for employers and employees using the Childcare Voucher Scheme.

My childcare provider has closed under the current guidelines, how can I stop my scheduled payments?

The employee is able to log into their childcare voucher scheme through our website at www.flexiblebenefits.coop. The employee will then be able to select the 'Standing Order' option to show the current standing order transaction that they have previously set up. They will then need to select the 'Delete' option at least 24 hours before the next payment date to stop the transaction. If the last transaction has been sent and not required, please contact our Customer Support Team on our freephone number 0800 458 7929.

The employee will now be able to set up a new standing order to the required childcare provider for future payments. The current salary sacrifice childcare vouchers will continue to be released to the employees account and will accrue on the account.

How long can I accrue Childcare Vouchers through the scheme on my account?

Childcare Vouchers accrued and held onto an employees account through Co-operative Flexible Benefits must be used for payment by the 1st of September after the child's 15th birthday or 16th birthday if the child is disabled.

Can I use my Childcare Vouchers to pay for another child?

Employees can use the Childcare Vouchers that they have available in their online account balance to pay for any child that they have parental responsibility. This does not require the child to live with you.

Can I make a single payment to my current or new childcare provider?

Employees can make individual payments from their online scheme accounts to any approved registered childcare provider. When a transaction is completed confirmation will be provided to the employee and childcare provider within 24 hours. The payment will take up to 3 working days to clear through the banking systems, after which the funds will be deposited directly into the childcare provider's bank account.

Single payments can be very useful when paying childcare providers, a different amount each period. Also, if the date is different each period a single payment is the best option for an employee to use.

How easy is it to change the value of Childcare Vouchers an employee salary can sacrifice?

Employers will have their own scheme policy to determine how frequently, or under what circumstances they allow changes to be submitted and approved. Please check with your own employer's Childcare Voucher Scheme Policy for local arrangements.

What is the process to make a change in the value of Childcare Vouchers that an employee can salary sacrifice?

After checking the employer's scheme policy, the employee will need to complete a Contract Variation Form request. The employee will be able to locate this on their online account to select and complete (or on the employer's portal if they use their own form and process). Upon selecting the 'Contract Variation' option the employee can select to change to the value from the original registered scheme amount to the new value. Upon completing the online request and confirming, the details will be electronically sent to the employer's administration account to review and approve when they access the scheme. After approval the salary sacrifice will be amended going forward for all future orders until a new change is submitted and approved.

However, if the employee cannot access the link or the link is not available please contact the helpdesk on 0800 458 7929 or by e-mailing info@flexiblebenefits.coop so a form can be e-mailed to them, which will need completing and sending to the employers payroll or HR Department for approval.

Please ensure the requests are submitted in time for the employer's payroll cycle cut off.

What is the lowest value that an employee can salary sacrifice?

The Childcare Voucher scheme does not have a lower limit set for salary sacrifice. It is up to the employer and their system at what level the lowest value can be salary sacrificed. The typical amounts that are allowed by employers using Co-operative Flexible Benefits are either £1 or £10, but this is only for guidance.

What else should I consider if I change the salary sacrifice value?

If an employee selects to increase or decrease the value that they salary sacrifice it can have a direct impact on any standing order that they have set currently active on the scheme. If the employee decreases the salary sacrifice amount but does not change the existing higher standing order value the payment will not transact until the balance reaches the standing order value.

How do I change a standing order active on my account?

If the employee needs to alter an active standing order, they will need to firstly create a new standing order on their online account. When this is showing on the account, they can delete the existing standing order to stop any further transaction that they do not require. By following this step, they will be able to use the existing standing order as reference to complete the details required in each box.

The Customer Support Team are available to assist on 0800 458 7929 if required.

Can I reduce the salary sacrifice amount down to zero?

It is possible to allow an employee to reduce the salary sacrifice down to zero for the childcare voucher scheme. However, the employee is only able to have a temporary period of zero salary sacrifice of up to 52 weeks to remain active within the scheme. If the employee exceeds the 52 weeks of salary sacrifice, they will no longer be allowed to salary sacrifice. They will continue to have full access to their scheme account to continue to make childcare payments using any available balance and review historical payments.

Can I join the scheme if I change employment but have an active childcare voucher scheme?

Since the closure of the current Childcare Voucher scheme on the 4th of October 2018 to all new entrants it is not possible for an employee to rejoin the scheme through their new employer. Unless the employee is moving under a TUPE agreement with the new employer they would only be eligible for the governments Tax-Free childcare scheme. Employees are still however able to use any childcare vouchers that they have held in the existing scheme through their previous employer.

Will I be able to receive Childcare Vouchers after returning from Maternity Leave?

If you were in the Childcare Voucher scheme but are not currently receiving Childcare Vouchers because you are on maternity leave, you can receive them again when you go back to work.

This will depend on the length of time you are not receiving Childcare Vouchers and the timing of that period. Provided you do not have more than 52 consecutive weeks without receiving Childcare Vouchers you will not be considered as leaving your employer's scheme and you can resume receiving vouchers upon your return to work with the same employer. If you opt out for more than 52 weeks you will be considered as leaver and be unable to re-join as the Childcare Voucher scheme closed to new entrants from the 4th of October 2018.

How does the Childcare Provider know the payment is from the employee?

When a transaction is completed by an employee through their online scheme account, they complete a reference for the transaction. An email remittance is sent to the provider within 24 hours of the transaction being completed by the employee. The remittance confirms the amount, reference and date that has been selected by the employee. Additionally, on the childcare providers online scheme account the statement page will be updated to also show the date, amount, reference and employees name.

The childcare provider will then be able to see these details to allocate the payment to the parents/child's account when the payment reaches their bank account in the next 3 working days.

Can I use Childcare Vouchers and Tax-Free Childcare at the same time?

No, parents must decide which scheme they wish to opt in for. It is not possible for one parent to be on Childcare Vouchers and for the other to be on Tax Free childcare. However, initially you have a period of 3 months whereby you can be a part of both schemes, but by the end of the 3 months you must choose which scheme you want to continue using.

Can I use 30 hours free childcare with Childcare Vouchers or Tax-Free Childcare at the same time?

You can use 30 hours free childcare with either the Childcare Voucher or Tax-Free Childcare scheme; however, you are not allowed to use Tax Free Childcare and Childcare Vouchers at the same time (except for the first 3 months, as detailed above).

What is Tax Free Childcare?

The Tax Free childcare scheme is a Government initiative that allows eligible working families to claim 20% of their childcare costs, up to £2,000 per child per year (or £4,000 for a child with a disability).

Who is eligible for the Tax-Free Childcare scheme?

Both parents, or one parent in a single-parent household must be in employment, earning between £120 per week and £100,000 per year. Children must be aged 12 or 17 if registered disabled.

The scheme has also been opened to self-employed parents.

We recommend parents to visit the Childcare Choices website so that they can get a more accurate response on what schemes are available and best suited to their personal circumstances. The link to the site is <https://www.childcarechoices.gov.uk/>