



The Barn Nursery School

Greenstead Green Farm, Church Road, Halstead,
Essex CO9 1QY

Jess Allen & Victoria Percival

0744 478 1027

www.thebarnnurseryschool.com thebarnnurseryschool@hotmail.com



A little bit of information about Government Funded Hours and Salary Sacrifice childcare Vouchers...

We accept 15 hours FEEE - The Universal Entitlement

As a parent/carer of a child aged 3-4 years old, you can take up to 15 hours of free early years provision per week. This is known as your child's Free Early Education Entitlement (FEEE). Your child is funded the term *after* they turn 3.

We accept 30 hours FEEE - The Extended Entitlement for Working Parents

Please note that we do offer 30 hours childcare to those that solely use our service.

Am I eligible for the 30-hours childcare offer?

You will be eligible for the 30-hours offer if:

- You earn more than the equivalent of 16 hours at the national living wage or minimum wage per week: for example, £120 per week if you are 25 or older. There is no requirement to work a certain amount of hours per week – it is all about how much you earn.

AND

- You earn less than £100,000 per year per parent.

If you are self-employed or on a zero-hours contract: You are still eligible as long as you expect to meet the earning criteria *on average* over the three months after you have applied for the 30-hours.

If you are an apprentice: You are eligible as long as you earn the equivalent to 16 hours at the apprentice minimum wage.

If you are starting up your own business: You will not be expected to meet the minimum earning criteria in your first year of trading.

If you are not working but you expect to take up paid work within 14 days: You can still apply for 30 hours, as long as you expect to meet the income criteria over the coming three months.

If you are a single parent: If you meet the above criteria, you will be eligible for the 30 hours.

If you live with a partner: You must both must meet the above criteria. This still applies if one of you is not the child's parent – for example, if you have remarried or have started living with a new partner.

If you are separated/divorced from your child's parent: The eligibility rules will only apply to the parent the child normally lives with (and their new partner if they are part of the same household).

Exceptions

You will NOT have to meet the minimum earnings criteria if:

- You and your partner are employed but one or both of you temporarily on parental, maternity or paternity, adoption leave, or on statutory sick pay.
- You are employed but your partner either has **substantial caring responsibilities**, or is **disabled or incapacitated**, or vice versa. This is dependent on you or your partner being entitled to specific benefits.

Salary Sacrifice Schemes | UK Childcare Vouchers Scheme

A salary sacrifice provides tax savings by deducting an amount of money from an employee's earnings using a salary sacrifice in order to pay for childcare using childcare vouchers for example, means that the amount of money sacrificed is free from income tax and national insurance contributions (NIC's).

Salary sacrifice guide for working parents

This guide provides important information relating to salary sacrifice and Childcare Vouchers.

1. What is salary sacrifice?

A salary sacrifice happens when an employee gives up the right to receive part of the cash pay due under his or her contract of employment. Usually the sacrifice is made in return for the employer's agreement to provide the employee with some form of non-cash benefit. The "sacrifice" is achieved by varying the employee's terms and conditions of employment relating to pay. Salary sacrifice is a matter of employment law, not tax law. Where an employee agrees to a salary sacrifice in return for a non-cash benefit, they give up their contractual right to future cash remuneration.

2. When is salary sacrifice effective?

Salary sacrifice arrangements are effective when the contractual right to cash pay has been reduced. For that to happen two conditions have to be met: The potential future remuneration must be given up before it is treated as received for tax or National Insurance Contributions (NICs) purposes; and The true construction of the revised contractual arrangement between employer and employee must be that the employee is entitled to lower cash remuneration and a benefit.

3. When is salary sacrifice not effective?

A salary sacrifice is ineffective if, in practice, the arrangement enables the employee to continue to be entitled to the higher level of cash remuneration. In other words he/she has merely asked the employer to apply part of that cash remuneration on his behalf.

4. Key considerations for employees

When entering a salary sacrifice arrangement to replace part of cash pay with a benefit that is tax and/or NIC's exempt it is essential to understand what the sacrifice will mean in practical terms. Employees should consider carefully the effect, or potential effect, that a reduction in their pay may have on:

- Their future right to the original (higher) cash salary
- Any pension scheme being contributed to
- Entitlement to Working Tax Credit or Child Tax Credit
- Entitlement to State Pension or other benefits such as Statutory Maternity Pay

5. Where is there more information about Child Tax Credits?

Support with the costs of childcare is available through the childcare element of Working Tax Credit. See the HM Revenue & Customs website to view the Tax Credit guidance notes.

How to apply?

To set up an account to apply for tax free childcare please follow the link below.

<https://www.gov.uk/apply-for-tax-free-childcare>

FAQ

<https://www.justchildcare.co.uk/storytimes-atherton/30-hours-free-childcare-faqs/#1533200849858-caa2f542-23ae>