



Wisbech Grammar School is pleased to confirm that for the academic year 2017-18 Childcare Vouchers will continue to be accepted for payment of that element of school fees qualifying as wrap-around care for pupils under the age 15.

Childcare vouchers can save parents working for employers who have signed up to the scheme over £1,000 a year as they enable you to pay for childcare out of your pre-tax and national insurance income, reducing the national insurance contributions.

For 2017-18 fees	Termly fee	Element of fee payable in Vouchers
Senior School	£4,333	£1,233
Prep Five and Prep Six	£3,099	£1,138
Reception to Prep Four	£2,999	£1,101

Example of National Insurance savings available

If a parent who is a basic rate tax payer chooses to purchase the £243 of vouchers each month (maximum amount allowed), over four months they could save £972 in vouchers which could all be redeemed against the termly invoice (as below the qualifying element) and over the course of a year save £933 in National Insurance contributions.

You give up £2,916 of salary over the year ...but after tax & NI that's only worth £1,983 in your pocket. In return, you get £2,916 of vouchers... so you're £933 better off. If both parents can take advantage of the Scheme the savings are even greater!

Next Steps

- The first step is to determine if your employer offers Childcare Vouchers as part of your remuneration package.
- If they do, then you can sign up through your employer and start saving into the scheme as soon as you like. Please be aware that there is a limit to the amount that you can save, and it varies by tax band. If you are on tax credits or near the minimum wage please take advice to ensure that this is the right course of action for your specific circumstance.
- If you are self-employed, or work for a small employer, there may be a way for them to opt into the Scheme on a basic level. Please contact the Accounts team for more information (accounts@wisbechgrammar.com).
- Please let the School Accounts team know of your intention to use Childcare Vouchers, and the name of the scheme that you are using, as the School will need to register with them (accounts@wisbechgrammar.com).
- When the 2017-18 invoices are issued, the element qualifying as eligible for payment using Childcare Vouchers will be clearly stated.
- When it comes to paying your termly invoice, you will need to release the vouchers from the provider (any value up to the maximum for the term as stated on the invoice) and pay the balance in the normal way.
- Please remember that Childcare Vouchers can be saved by more than one person with parental responsibility and settled against a single pupil.

Background information

Childcare vouchers have been made available through a special Government scheme using a number of different issuers, but they are operated through employers on the basis of salary sacrifice. This means that you are purchasing vouchers from your gross salary (pre-tax and national insurance), which can lead to significant savings.

There are a number of different providers approved to offer Childcare Vouchers including Busy Bees, ComputerShare Vouchers, Kiddivouchers. Employers sign up to a single provider, so there is no choice for the parent but the School can accept vouchers from any official provider with a little notice to enable registration.

Further information is available online including at the following sites:

<http://www.moneysavingexpert.com/family/childcare-vouchers>

<http://www.computersharevoucherservices.com>

You should be aware that in March 2016 the Government advised their plans for a Tax-Free Childcare scheme (TFC) to be rolled out gradually from early 2017.

Tax-Free Childcare (TFC) will provide working parents and now self-employed workers with another option for tax savings on their childcare direct through the Government. Childcare Vouchers schemes will be closed to new entrants from April 2018, however parents already within a scheme can remain on the beyond 2018 and for as long as they require.