All about Family Vouchers

A guide for employers

We created Family Vouchers to provide a family-friendly way for employers to help pay towards their employees childcare costs through a government backed scheme. We believe our system is the most easy-to-use and will enable parents and employers to save time and money.

Our approach…

We do the right thing

It goes without saying that as a provider of a childcare voucher service we take ethics very seriously. We never share your data with anyone and ensure that payments flowing through our system are as prompt as they can be. Any enquiries or issues can be dealt with by speaking to one of us at the end of a phone – not an anonymous call centre.

We've made it easy for employers

Our system has been designed to be as easy as possible and we are always available by phone to help. Employers are fundamental to everything we provide in the business so we've taken steps to ensure their needs and expectations are well provided for.

We're real people

As a family-owned business we are approachable and helpful. There is always someone available to help you out with any aspect of the service and we're keen to hear your feedback and involve you in improving things as time goes on. We build good relationships with the people we work with, as in our experience – that's how you get the most benefit for everyone involved.

What are childcare vouchers?

Childcare voucher schemes are a Government initiative aimed at helping working parents. You can offer your employees up to £55 a week or £243 a month in childcare vouchers, free of tax and national insurance.

Childcare vouchers are usually provided via salary sacrifice, which means employees receive their vouchers instead of part of their salary. By swapping taxable salary for tax-free childcare vouchers, each parent can save up t o £1,196 a year.

With such high savings available for employees, childcare voucher schemes are an easy way to boost morale and to gain advantages in recruitment and retention.

Setting up a childcare voucher scheme can also directly help your bottom line, with employer national insurance savings of up to £373 a year per scheme member.

Our competitive administration fee offers outstanding value for money, leaving employers with a net saving of around £200 per scheme member.

How does Family Vouchers work?

Step 1

You and any parents working for you register at **familyvouchers.co.uk**. Parents can then make requests using the system for voucher credit on either a regular or a one-off basis. These requests are approved by you and then stored up for the next time there is a payroll run. Parents can check if their childcare service providers are registered with us and if not they can invite them.

Step 2

Five days before payroll is due, we issue an invoice for all of the voucher credit requests that you have approved. This single step gives you all of the information you need for amending the payroll as well as the official request for you to pay us.

Step 3

Once your invoice is paid and the payroll date arrives, we automatically provide voucher credit to all of your approved employees which they can use to pay for childcare.

Step 4

Parents can use the credit they have received to pay for childcare in one-off or regular amounts.

How to get started

Step 1 - Register

You can register online at **familyvouchers.co.uk**. You'll be asked to provide the following information:

- Your contact details (and administrator email addresses)
- Your payroll date and frequency

At this stage, we expect to be in contact with you to confirm any details you might be unsure of as well as to deal with any requirements which are specific to you.

Step 2 - Your account

After you have registered nominated administrators from your organisation will be able to log in and view all details relating to parents using the service, statements of account, forthcoming payments, change requests – in fact all activity around the running of your childcare vouchers provision.

The system has been designed to be very simple and straightforward – but as with anything new, it's always good to have someone to talk to which is why we can always help you out with any queries you have on 0161 850 6650.

Questions & answers...

Where can childcare vouchers be used?

Family Vouchers can be used for a wide range of childcare, for children up to age 15 (16 if registered disabled). You can pay for childcare from the following organisations using our vouchers:

- Nurseries, pre-school and play groups
- Registered childminders
- Nannies and au- pairs
- Out -of-school clubs and holiday clubs

What happens if an employee's childcare service provider isn't registered with Family Vouchers?

If any of your employees' childcare service providers aren't yet registered with Family Vouchers, they can simply register at **familyvouchers.co.uk**.

What payment facilities are available for parents?

Parents make their payments safely and securely online. Either by setting up a one-off or a repeating payment, they transfer voucher credit and never have to worry about handling the cash or the potential for losing paper-based vouchers.

Does Family Vouchers voucher credit expire?

No – the parent's balance of voucher credit stays with them until they are able to spend it with a childcare service provider, regardless of when the credit was issued to them.

How does salary sacrifice work?

Most employers provide childcare vouchers via salary sacrifice, with employees agreeing to swap part of their taxable salary for tax-free vouchers. Each employee's voucher order is formalised by a salary sacrifice agreement, which amends their employment contract.

Salary sacrifice agreements usually last for a fixed initial period, typically ranging from three months to a year. Unless an employee notifies us of a change in their voucher requirements, we automatically renew their voucher order.

Employees can change their voucher order or opt out of the scheme when their salary sacrifice agreement expires. They can also make changes if they have a significant lifestyle change, such as a new baby or a change in working hours.

Family Vouchers can be shown on payslips as a reduction in salary or a deduction from salary. They shouldn't be included in your year-end payroll forms such as form P35.

Family Vouchers adheres to HMRC guidelines and we provide full support in seeking HMRC approval for your scheme. We maintain all the records that HMRC may require in respect of your scheme and these are available on request.

Can my organisation switch an existing scheme to Family Vouchers?

Of course – and it will probably come as little surprise that we do everything we can to make this transition as smooth as possible. If you want to switch, the best thing to do is to give us a call to discuss your requirements and current set up.

To find out more about getting started, call us on 0161 850 6650 or email help@familyvouchers.co.uk.