

# Help with Childcare costs



Your guide to financial  
assistance for childcare



South Tyneside Council

**SureStart**



Help with childcare costs is available from different sources. This information is for parents who are very young, lone parents, students, parents who are entering training or work and those already in work who want to use childcare.

This leaflet will outline all of the support available and give details of how to get further information.

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## Early Education Places (Nursery Education Grant)

The government funds local authorities to ensure a free part-time early education place is available for every 3 and 4 year old in settings that have been inspected by Ofsted and found satisfactory in terms of quality.

From 1st April 2006, 3 and 4 year old children are entitled to free early years education, comprising 12.5 hours per week for 38 weeks of the year (expected to rise to 15 hours per week in South Tyneside by March 2010).

## Contacts and Resources

Call your local Family Information Service on Freephone 0800 783 4645 and ask for a copy of their leaflet entitled 'Your guide to free nursery education in South Tyneside' or go to [www.direct.gov.uk](http://www.direct.gov.uk)

## Child Tax Credit

Nine out of ten families with children are eligible for tax credits.

Child tax credit is paid into the bank account of the main carer – the person who is mainly responsible for looking after the children. Families on incomes of up to £58,000 a year (or £66,000 a year if there is at least one child who is less than a year old) can benefit from the new Child Tax Credit whether or not they are working. This money acknowledges and support the costs of bringing up children.

## Childcare element of Working Tax Credit

To apply for the childcare element of Working Tax Credit:

- Lone parents must work at least 16 hours a week
- Both members of a couple must work 16 hours a week or more
- Or one member of a couple must work 16 hours a week or more and the other member must be incapacitated

Parents must also use one of the following types of qualifying childcare:

- Care registered by Ofsted (e.g. childminders, nannies, nurseries, activity clubs, playschemes or out-of-school clubs)
- Care provided outside of school hours by a school on the school site
- Carers approved on the Childcare Approval Scheme\*
- An approved foster carer (unless the child is the foster carer's foster child)
- A domiciliary worker or nurse from a registered agency providing care in the child's home

\* The Childcare Approval Scheme is a voluntary scheme for approving childminders who meet essential criteria around qualifications, training and criminal record checks.

The childcare element of Working Tax Credit will be paid into the bank account of the main carer alongside the Child Tax Credit. The amount payable will depend on levels of income.

## Relatives

Care provided by a registered childminder who is related to the child is not considered to be qualifying care for the purpose of tax credits if it is provided in the child's own home. Registered childminders should inform Ofsted of any change in their childminding status, for example if they no longer look after non-related children.

If the childcare provider is approved under the Childcare Approval Scheme and provides care to a related child outside of the child's own home, for example in other domestic premises, it is not qualifying childcare unless the childcare provider is also looking after non-related children.

## Contacts and Resources

Parents can follow a simple guide on [www.direct.gov.uk](http://www.direct.gov.uk) website to see whether they are eligible. Further information is also available on the HM Revenue & Customs website : [www.hmrc.gov.uk](http://www.hmrc.gov.uk) including a number of leaflets which can be viewed online or downloaded as PDFs

You can also pick up a Child Tax Credit form from your nearest HM Revenue & Customs Enquiry Centre or Jobcentre Plus.

The Tax Credit helpline is open from 8am – 8pm every day (except Christmas Day, Boxing Day, New Year's Day and Easter Sunday) : 0845 300 3900. For people with hearing or speech difficulties call 0845 300 3909.

For further information about the Childcare Approval Scheme go to [www.childcareapprovalscheme.co.uk](http://www.childcareapprovalscheme.co.uk) or call 0845 767 8100

## New Deal for Lone Parents

New Deal is a government strategy for getting people back into work. A lone parent, whose youngest child is under 16, and is either not working or is working under 16 hours a week, can get help under the New Deal for Lone Parents scheme. A Personal Advisor, who will be there as a contact throughout the whole New Deal programme, will advise what funding is available towards course fees, travel and childcare.

The Scheme can help with childcare costs by :

- Offering a subsidy, in some cases, to childcare providers who employ someone on the New Deal scheme (up to £60 a week for 6 months for a person aged between 18 and 24 and up to £75 for a long-term unemployed person aged 25 or over)
- Offering young people the chance to work in the voluntary sector for 6 months
- Providing free full-time education and training for up to a year (up to £750 towards training a young person aged between 18 and 24)
- Helping with childcare costs for single parents who want to return to work or take up training courses

## Contact and resources

Contact your local Jobcentre Plus on 0191 451 4444 or go to [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk) or [www.direct.gov.uk](http://www.direct.gov.uk)

## Help from Employers

Large local employers, like the NHS and Local Authority, can often help towards childcare costs through schemes like childcare vouchers, childcare subsidies and workplace provision.

From April 2005 the government reformed National Insurance exemptions to support the National Childcare Strategy with the focus on employer-supported childcare.

### • Childcare Vouchers

Childcare vouchers, which are usually administered by a voucher provider, are a way of paying for childcare through sacrificing a proportion of salary for vouchers. Savings in tax and national insurance payments can amount to approximately £920 a year for the average tax payer and the employer will make voucher payments direct to the childcare provider.

### • Childcare subsidies

This is an amount paid to a childcare provider to subsidise the cost of care for staff. An example would be a £5 a day subsidy for a holiday play scheme.

### • Workplace provision

Workplace or in-house provision is where the employer is wholly or partly responsible for financing and managing the provision or the care is provided on premises, which are made available solely by the employer.

## Contact and Resources

South Tyneside Family Information Services have prepared a leaflet entitled 'A Guide to the Childcare Voucher Scheme for Working Parents'. To obtain a copy call 0800 783 4645.

## Care to Learn

Support for young parents in further education can be obtained through Care to Learn, which pays for registered childcare for parents aged under 20 who attend training or a course at a school or college.

Childcare costs of up to £155 per week, which includes travel expenses to and from a registered childcare provider, can be claimed. The childcare provider will receive payment direct from Care to Learn. Any funding to help with travel costs will be paid directly to the learning or training provider regularly and they will reimburse you.

## Contact and Resources

You can visit the Care to Learn website : [www.dfes.gov.uk/caretolearn](http://www.dfes.gov.uk/caretolearn) or call their helpline : 0845 600 2809. Alternatively you could speak to an advisor at South Tyneside Connexions service on 0191 424 6334.

## Childcare Grant

Full-time students with dependent children up to age 14 (or 16 where they have special needs) can apply for help with their childcare costs, as long as they are using registered or approved provision.

Students with dependent children may also receive an income-assessed Parents' Learning Allowance of up to £1,400 per year regardless of the type of childcare used.

The Childcare Grant and the Parents' Learning Allowance do not affect entitlement to benefits. However, the parent cannot apply for the childcare element of Working Tax Credit if they are receiving this grant.

## Contacts and Resources

Student Finance information line :  
0845 300 50 90

[www.studentfinance.direct.gov.uk](http://www.studentfinance.direct.gov.uk)

## NHS Childcare Allowance

Trainee health care professionals can apply for help towards their childcare costs through the NHS Childcare Allowance. The allowance is means-tested and offers up to 85% of registered or approved childcare costs. Parents cannot apply for the childcare element of Working Tax Credit if they are receiving this allowance.

## Contact and Resources

NHS Student Bursaries helpline :  
0845 358 6655

Website : [www.nhsbsa.nhs.uk/students](http://www.nhsbsa.nhs.uk/students)

## Career Development Loans (CDL)

Anyone aged 18 or over can apply for a Career Development Loan for vocational courses that last no longer than two years. You can apply for a CDL if you are employed, self-employed or unemployed. CDLs are available through an arrangement between the Learning and Skills Council (LSC) and three high street banks.

Your CDL can be used to pay for more than just course fees. Before you apply, think carefully about what you need your loan to cover. This will help you decide how much you need to borrow. There are three areas that a CDL can cover:

- course fees - 80 per cent of your course fees, or 100 per cent if you have been out of work for three months or more at the time of application
- other course costs - including, books, equipment, tools, childcare, travel expenses and some costs associated with disability

- living expenses - for food, ordinary clothing or footwear, household fuel, rent, housing costs and council tax; these costs must not be covered by any other grant or state benefit and you must not undertake work involving more than 30 hours per week

Your loan can cover one or more of these elements, but cannot exceed £8,000 in total.

## Contact and Resources

For more information call 0800 585 505 or go to [www.direct.gov.uk](http://www.direct.gov.uk)

## Help for parents with disabled children

Following an assessment, if you have parental responsibility for a disabled child, direct payments can be used for a variety of services which offer your child stimulation, new experiences and independence.

These include:

- short breaks
- nursery placement providing specialist support for your child
- assistance to attend an activity, for example a youth club
- personal care

South Tyneside Council is also in the process of developing the Aiming High Programme, which aims to improve the provision of short breaks for disabled children; this will be available as a resource from April 2009.

## Contacts and Resources

The 'Every Child Matters' website has a parents' guide to direct payments for disabled children as well as a list of answers to frequently asked questions :

[www.everychildmatters.gov.uk](http://www.everychildmatters.gov.uk) Alternatively contact South Tyneside Council's Direct Payments officer on 0191 424 4644

For more information about South Tyneside's Aiming High Programme, call 0191 424 4635 or visit : [www.southtyneside.info/cwd](http://www.southtyneside.info/cwd)



## South Tyneside Council Families Information Service

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