



# Getting help with childcare costs

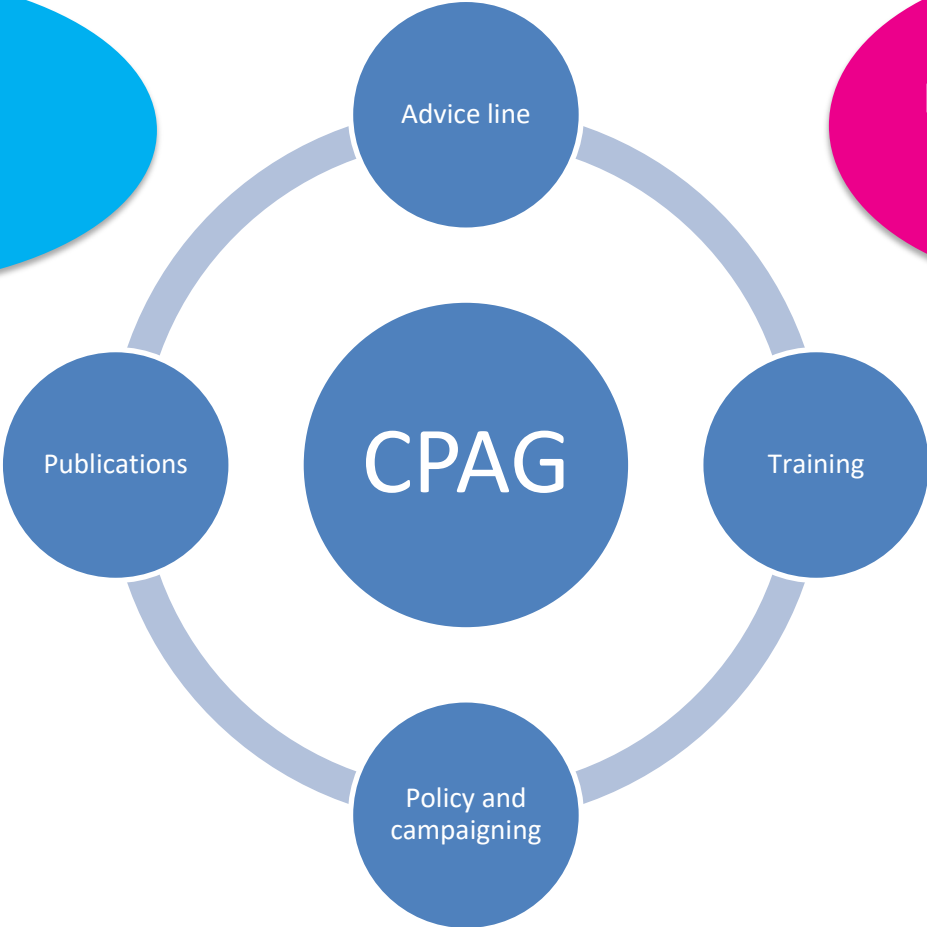
## SOSCN – 11/1/22

KIRSTY MCKECHNIE, CPAG IN SCOTLAND

# Who are we?

Reduce child poverty

Benefits and tax credits info



# Support to pay for childcare

Universal  
credit



Tax  
credits

Tax free  
childcare

Childcare  
vouchers

# Tax-free child care

- Parents pay into online account
- Government pay £2 for every £8 parents put in
- Max from Government £2000 per year (£4000 if child is disabled)
- Individual income must be less than £100,000
- **Must not be getting UC or tax credits**

# Childcare vouchers

- **Not open to new applicants**
- But can continue if already receive them
- Scheme offered by employers
- Salary sacrifice

# Working tax credit (WTC)



- Paid by the government to support people in low income work
- Can include help with childcare
- Continue to get until transferred to UC, unless change of circumstances that triggers claim for UC

# Universal credit

# Who can get UC childcare costs?

- **No minimum hours of work**
- Couples – both must be working unless one is a carer or recognised as being ill or disabled
- For ‘approved childcare’
- Can maintain childcare arrangements while sick or maternity leave.



# How is UC different to tax credits?

- No minimum hours work requirement
- Both partners must work (limited exceptions)
- Covers maximum of 85% of costs (70% in TC)
- Must be paid up front
- Must be reported on a monthly basis

# Help with upfront costs

**Flexible support fund**



**Budgeting advance**



# Gaps in provision

- Both parents must be in work
- Limited exceptions
- Don't go far enough



# Error and misinformation



- Underpaid
- Overpaid
- Incorrect info about entitlement
- Can lead to the loss of childcare places

# Childcare providers

- Childcare staff may be expected to increase their earnings or number of hours worked



# Resources

- Financial help in the early years factsheet

<https://cpag.org.uk/scotland/welfare-rights/earlyyears>

- Financial help for families online book

<https://askcpag.org.uk/publications/-231890/financial-help-for-families--what-you-need-to-know--3rd-edition->

Do you work with clients  
who have questions  
about **benefits**, **tax credits**  
or **universal credit**?

**CHILD  
POVERTY  
ACTION  
GROUP**  
IN SCOTLAND

Advice line for frontline advisers and support workers in Scotland

**0141 552 0552**

Monday–Thursday 10am–4pm

Friday 10am–12 noon

**[advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)**

# EARLY WARNING SYSTEM NEEDS YOU!

- The EWS gathers information about the impacts of welfare reform from frontline workers
- Identifies issues and trends
- Uses information to campaign, suggest good practice to mitigate impacts of welfare reform and inform the media

**Please give us your case studies!**

-on EWS training questionnaire

-sign up to submit more online

[www.cpag.org.uk/scotland/early-warning-system](http://www.cpag.org.uk/scotland/early-warning-system)