

3 Childcare



This factsheet outlines the different types of childcare and help available to pay for it.

Finding Childcare

Childcare can be divided into two types: **Informal** care, which is usually provided by friends and family, and **registered** care, which is supplied by providers registered with the Scottish Commission for The Regulation of Care (Care Commission), and usually requires payment.

Informal Childcare

The simplest and usually cheapest option is to make an arrangement for a neighbour or someone in the family to look after your children. Many people spread the childcare around, so that the child is looked after by several different people during the week. This can help pre-school children become confident in different surroundings.

Sometimes two part-time workers or students can share childcare or help each other with dropping children at school. Another option is for an au pair or a friend who shares your home to undertake regular childcare as a contribution towards rent.

Providing this takes place in your home the carer does not need to be registered. It is up to you to check up on the background of the carer, and it is always a good idea to seek references and talk to someone who knows the person well. This form of childcare is not normally eligible for financial help.

Registered Childcare

There are many different kinds of registered, or formal, childcare. It normally has to be paid for but there are various sources of financial help. Each has its own advantages and disadvantages depending on the care required and the preference of the child and his/her parent. Some different kinds of provision are listed below.

Childminders usually look after children in the childminder's home in return for a

fee which is negotiated with the parent. Childminders can look after children in the child's home but they should contact the Scottish Childminding Association for insurance purposes. Your child may have the chance to play with other children while being minded as well as getting to know another adult.

Childminders are required to register with their local Care Commission. Registration ensures that they meet safety standards, have good facilities and comply with legislation regarding children. It also includes a police check on the background of the minder.

Advice and a draft childminding contract are available from the Scottish Childminding Association. (See Useful Addresses overleaf).

Private nurseries look after children from birth to five years of age and may also offer after school care. They also have to be registered with the Care Commission. Some offer lower rates for a second child or for lone parents. Some may offer free part-time places for 3 and 4 year olds.

School Nurseries - all parents of 3 and 4 year olds are entitled to 5 free half day, (2 ½ hours) places in a nursery. School nurseries are only open in term time. Some may offer extra wrap around care for longer days and holidays.

Workplace nurseries are provided by some large employers, often with rates depending on your salary level.

After School Clubs take care of children after school, in the holidays and on in-service days. Not every school has one, but they are usually the cheapest and easiest option for school-age children. Some childcare providers offer both nursery and after-school care.

Sitter Services are available in a number of local authorities, providing childcare in your own home. This can cover early morning/evening/weekends.

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All factsheets are available free to lone parents.

Ring 0808 801 0323 for copies or see www.opfs.org.uk

Nannies don't normally do housework and may live in your house or not. They will usually have qualifications (NNEB, SVQ etc.), and are likely to be the most expensive childcare option unless shared with another family. Nannies who belong to a registered nanny agency will now qualify for the Childcare Element of Working Tax Credit.

Finding Registered Childcare

Each local authority provides a Childcare Information Service, which gives information and guidance on a full range of services for children. By phoning 08000 960 296 you will automatically be connected to the service in the area from which you are calling.

Alternatively, you may visit their website (www.scottishchildcare.gov.uk) which lists childcare available in your area.

Help With Paying For Childcare

Childcare Element of Working Tax Credit

Tax Credits are means-tested. The amount you receive depends on your income. Child Tax Credit (CTC) can be claimed by the person with the main responsibility for children. Working Tax Credit (WTC) can be claimed by lone parents who work 16 hours a week or more. If you get WTC, you can include 80% of your eligible weekly childcare costs in the calculation, up to a maximum of £140 (80% of £175) for one child and £240 (80% of £300) for two or more children. You have to pay the remaining 20%

Freephone Helpline 0808 801 0323 Monday to Friday 9.30am-4.30pm

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yourself, plus any childcare costs that exceed the maximum.

If you earn above £6420 p/a, your WTC and childcare element of WTC will be reduced, so you may not receive the full 80% of childcare costs.

You can apply for childcare costs for children up to the September after their 15th birthday (16th if child is disabled and gets Disability Living Allowance, is registered blind or is partially sighted).

Tax Credits are paid by HM Revenue & Customs.

How do I apply?

To apply, you have to be a lone parent working 16 hours or more per week. The Tax Credit application pack asks about the type of childcare you are using, where it is provided and how often you pay (i.e. weekly, monthly or other frequency).

It also asks for details of your recent childcare payments. This is because an average weekly cost has to be worked out, allowing for any variation due to school holidays or other factors.

If you don't have all the details required for this part of the form or have only just started with a new childcare provider, you can inform HM Revenue & Customs about a change of circumstances (i.e. childcare costs) as long as the new costs are expected to last more than four weeks and increase by at least £10 a week. You must also inform HMRC if your childcare costs drop or cease otherwise you may incur a penalty.

The form only asks for your childcare provider's contact details. The information you provide will be used to calculate your childcare element of WTC. Changes which are expected to last over four weeks can be reported to HM Revenue & Customs and a new assessment will be made. This provision will not allow new assessments for childcare during the Easter/October holidays. If you know your childcare costs during these periods, they should be included when you first apply for WTC.

Note: Child Tax Credit and Working Tax Credit are claimed on the same form. If you are already receiving CTC and are now taking up employment, you should report this as a change of circumstances. Do not make a new claim for WTC.

Application forms from Tax Credit Helpline: 0845 300 3900 or forms can be obtained from Jobcentre Plus. For more informa-

tion see website: www.hmrc.gov.uk or www.childcaretaxcredits.info

Can my claim be backdated?

Claims for WTC can be backdated for three months.

Other sources of financial help

Childcare on New Deal Training Schemes

Childcare costs up to the limit of the Childcare Element of WTC should be available to lone parents on training organised by the New Deal Personal Adviser. Maximum payments for childcare are £140 for one child and £240 for 2 or more children (for courses where 5 days childcare/week are required). Where the training scheme is less than a full week, the following childcare costs apply: £27 per day for one child and £40 per day for two or more children. (See *Factsheet 10*)

Students

Although some lone parent students are eligible to claim welfare benefits during the summer holidays, they will not be eligible for the childcare element of WTC unless they are working 16 hours or more per week and expect their employment to last for at least 4 weeks. Students may be able to get help through their college or University Childcare Fund or from the Student Awards Agency Scotland.

Impact of Childcare Costs On Housing and Council Tax Benefit

Your childcare costs will be deducted from your income before calculating Housing and Council Tax Benefit. The maximum amount of weekly childcare costs that will be taken into account will be up to £175 for one child or £300 for two or more children. For those whose childcare costs are less than the maximum, their full relevant costs will be taken into account.

Childcare Vouchers

Some employers give their staff vouchers worth £50 a week, whatever their income. Employees will not have to pay Income Tax or National Insurance Contributions on the vouchers whilst employers will get National Insurance Contributions relief. However, employers are under no obligation to provide the vouchers.

Useful Addresses

Scottish Out of School Care Network

Level 2, 100 Wellington Street
Glasgow G2 6DH
Tel: 0141 564 1284
Open 9am - 5pm Mon-Fri
email: info@soscn.org
web: www.soscn.org

Scottish Childminding Association

Suite 3, 7 Melville Terrace
Stirling FK8 2ND
Tel: 01786 445377
Advice Line: 01786 449063
Tues & Thurs 10am- 4 pm Mon - Fri
Email: information@childminding.org
Web: www.childminding.org

Scottish Pre-school Play Association

21 Granville Street, Glasgow G3 7EE
Open: Mon-Fri 9am-4.30pm
Tel: 0141 221 4148
e-mail: info@sppa.org.uk
web: www.sppa.org.uk
Provides services to member groups, playgroups, nurseries and early years groups throughout Scotland.

Sitter Services

childcare@home Dundee

101 Whitfield Drive, Dundee, DD4 0DX
e-mail: dundee@childcareathome.org.uk
Tel: 01382 502 504

childcare@home Fife

101 Whitfield Drive, Dundee, DD4 0DX
e-mail: fife@childcareathome.org.uk
Tel: 01382 502 504

childcare@home Angus

101 Whitfield Drive, Dundee, DD4 0DX
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Tel: 0141 848 7880