

Tax-Free Childcare Webinar Questions & Answers

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Providers and Tax-Free Childcare

How do I sign up to Tax-Free Childcare?

Information on how to sign up can be found on Gov.uk - [Tax-Free Childcare - Provider sign up guidance](#).

How can I promote Tax-Free Childcare to my customers?

Visit the [Communications toolkit](#) on the [Childcare Choices](#) website for further information on Tax-Free childcare where you can access a wide range of free and downloadable promotional material, including [social media assets](#) and parent and provider ‘how to guides’.

How do we get in touch to change the named person on our Tax-Free Childcare account when buying a nursery/company?

If you want to change your address, email address or main contact on your account, you must tell your regulator e.g Ofsted/ [Care Inspectorate Wales](#). Once the changes have been made, your childcare account will update automatically with the new details and you will receive a new sign-up letter inviting you to join the scheme.

When do newly registered childminders receive their invitation letter to sign up as a TFC provider?

Once the provider information is received from the regulator, then a letter is generally issued within approximately 15 days.

Is there a time limit on the 11-digit user ID?

There is no limit and the user ID does not expire.

We operate out of several different childcare settings. How can we arrange for registration letters to be sent to our Head Office rather than the childcare setting?

Registration letters can only be sent direct to the childcare setting and not an alternative address. You would need to ask each setting to forward their registration letter to your Head Office for processing.

I've lost my user ID; how do I find it?

Please call the childcare service helpline on 0300 123 4097 and you can be provided with it again.

Is there a link to the Welsh Childcare Choices website?

Yes – the link for the Welsh version of the Childcare Choices website is Childcarechoices.gov.uk/cymraeg/

Regulators and Tax-Free Childcare

What type of childcare does Tax-Free Childcare cover?

Parents can use Tax-Free Childcare to pay for [approved childcare](#). This is regulated care or supervised activity not provided as part of the child's compulsory education; for example, by registered and approved childminders, nurseries, before and after-school clubs, play schemes and holiday clubs.

What do you mean by registered and approved?

To sign up for Tax-Free Childcare, the childcare provider must be registered with a regulator (such as Ofsted, [Care Inspectorate Wales](#) or a childminding agency) on a compulsory or voluntary basis (depending on the type of childcare provision). Regulatory bodies and their registration requirements differ in [England](#), [Wales](#), [Scotland](#) and [Northern Ireland](#). Click on the relevant link for more information about the registration requirements for your childcare setting.

Can Tax-Free Childcare be used for school activities, such as breakfast clubs and after-school clubs?

Yes. Activities run by the school which are not part of compulsory schooling are regarded as approved childcare. Childcare provision run and delivered by the school does not have to register separately with a regulator and is eligible to sign up to Tax-Free Childcare using the school Ofsted number. However, any external childcare supplier who run clubs or activities within a school would have to register with the appropriate regulator before they are able to sign up.

Parents and Tax-Free Childcare

Is there a step by step guide for parents on setting up and making payments for the first time? Information and how-to guides for Tax-Free Childcare are available via [Childcare choices - how to use Tax-Free Childcare](#) and [Gov.uk - get Tax-Free Childcare](#).

Is there a way through Childcare choices which advises if you're better off using Tax-Free Childcare, Universal Credit or Tax Credits?

The childcare choices website helps advise parents on the childcare offers which are available to them once they have entered in their details. Parents can also use the [Childcare calculator](#) on Gov.uk to identify what offers are available.

Do families search for the childcare via company name or postcode (or both)?

Parents can search for their provider in the 'Your Tax-Free Childcare account' section of the account homepage by name or postcode. If their provider is registered as sensitive with their regulator – perhaps because they're a childminder working from their home address – parents will need to search for them using their regulator ID and postcode.

Can a parent use Tax Free Childcare to pay for additional childcare costs?

Tax-Free Childcare payments can be used to pay for extras, such as lunches or trips, if they're included in the childcare costs they're paying. Tax-Free Childcare cannot be used for anything which is linked to the child's compulsory education, e.g. private school fees, school dinners, uniforms.

Is extra help available for parents of disabled children to pay for specialist equipment etc?

If a parent meets the eligibility criteria, they may be able to get up to £4,000 a year to help pay for childcare for a disabled child through Tax-Free Childcare. The parent can use the extra Tax-Free Childcare to pay for extra hours of childcare. They can also use it to help their childcare provider get specialist equipment for their child such as mobility aids. The parent would pay the provider for any additional equipment or support needed for their child through their Tax-Free Childcare account.

Can parents use Tax-Free Childcare if they are due to start/return to work soon?

Parents can apply if they're starting or re-starting work within the next 31 days

How do parents set up a gateway account?

Information regarding setting up a gateway account can be found here - [Setting up a Government Gateway User ID](#).

Can a parent pay two providers i.e., childminder for after-school care and wrap around care for school holidays?

Yes. Parents can use Tax-Free Childcare to pay a range approved childcare providers.

Can a Tax-Free Childcare account be backdated?

Tax-Free Childcare is not a benefit and cannot be backdated. It is a scheme which allows working parents to deposit money for childcare and receive a top-up e.g if a parent puts in £8.00 into their account, government will top up £2.00.

Is there a maximum amount that parents can put in the account?

There is no limit on the amount they can deposit into the account, but the maximum government contributions they will receive every 3 months is £500 for each child, or £1000 if their child is

disabled. Once they've reached the £500 contribution, they will need to wait until they enter their next eligibility period before they can get further government contributions.

Why does the parent have to reconfirm every 3 months?

Parents are asked to reconfirm to three months to make sure any changes to circumstances – e.g. earnings etc. are up to date and the parents are still eligible. Parents can reconfirm as soon as their 'reconfirmation window' is open, 4 weeks before their reconfirmation date. When they need to reconfirm, they'll receive an email/text message reminder. They simply click on 'reconfirmation' in their childcare account and follow the on-line instructions.

What happens to the top-up if the parent withdraws money from their account?

Parents can withdraw money from their Tax-Free Childcare account at any time. For every £8 they take out, the government will also take back its £2 contribution. They will need to confirm the details of the nominated bank account where their (portion) of funds will be returned.

Can the parents use childcare vouchers school payment systems such as Sodexo as well as Tax-Free Childcare?

Parents using childcare voucher providers such as Sodexo are not eligible for Tax-Free Childcare

Payments and Refunds

Once the registration number has been given to the parent, how do I receive the payment?

Parents open an online childcare account which they use to pay you directly for childcare. Each payment is accompanied by a reference number for each child so you can identify their payments. It is up to the parent to manage their account and make sure payments are made on time.

How do I identify a Tax-Free Childcare payment?

When a parent pays you using their childcare account, the transaction will appear on your bank statement as **National Savings A**.

This entry should also contain the child's:

- childcare reference number made up of 4 letters and 5 numbers. The letters are the first initial and the first 3 letters of the child's surname, for example, **AJON12345**
- Tax-Free Childcare account number. This will be 13 digits long and start with **1100**, and should contain the letters **TFC**, for example, **TFC 1100012345678**

If your bank displays payment information differently and you are unable to identify a parent's payment, you can submit a [payment reconciliation form](#) or call the childcare service helpline on **0300 123 4097**.

If a parent uses Tax-Free Childcare to pay for their childcare, and then leave the setting with a credit balance on their account. How do we refund this amount back to the family?

If you need to refund a payment back to a parent, you must pay the money:

- from the bank account that received the original payment
- back to the childcare account that the original payment came from

You must also include the parent's unique 13-digit childcare account number beginning with '1100' which can be found in their online account.

If you can't get this information from the parent, contact the [Childcare Service helpline](#).

Eligibility

Are the eligibility criteria for Tax-Free Childcare the same as 30 Hours Free Childcare?

Tax-Free Childcare is available throughout the UK and can be used year-round to help with the costs of all types of regulated childcare for children **aged 0 to 11 years (up to 17 years if the child is disabled)**. This includes childminders, nurseries, nannies, before and after-school clubs and holiday clubs.

It can also be used for any childcare costs above the government funded entitlements across the devolved nations

30 Hours Free Childcare offers 30 hours of free childcare per week for 38 weeks of the year (during school term time) for **3 and 4 year olds** in England. A parent may also get free childcare for up to 52 weeks if they use fewer than 30 hours per week. There are different schemes for 30 Hours Free Childcare available in England, [Wales](#), [Ireland](#) and [Scotland](#).

Visit the [Childcare Choices](#) website for further information on all government schemes available across the UK.

Eligibility Criteria for Tax-Free Childcare versus 30 Hours Free Childcare (England)

Tax-Free Childcare	30 Hours Free Childcare (England)	
The applicant (and their partner if they have one) needs to be earning at least the National Minimum Wage for 16 hours a week on average.	The applicant (and their partner if they have one) needs to be earning at least the National minimum Wage for 16 hours a week on average.	It is the same
The maximum income limit is £100,000 per annum (the £100,000 limit is per parent/carer not per household).	The maximum income limit is £100,000 per annum (the £100,000 limit is per parent/carer not per household).	It is the same
The child must be 11 or under and usually live with the parent or person responsible for the child. They stop being eligible on 1 September after their 11 th birthday. If the child is disabled, they are eligible up to their 17th birthday .	The child must be 3 to 4 years old . The child ceases being eligible for 30 Hours Free Childcare when they start reception class (or reach compulsory school age if later).	30 hours is for three- and four-year-olds only, where as TFC has a wider age range.
The parent can use Tax-Free Childcare at the same time as 15 hours free childcare and 30 hours free childcare. The parent cannot use Tax Free Childcare with Tax Credits, Universal Credit or Childcare Vouchers.	The parent can use 30 hours Free Childcare at the same time as Tax-Free Childcare. The parent can use 30 hours Free Childcare with Tax Credits, Universal Credit or Childcare Vouchers	The parent should visit the Childcare Choices website and also use the childcare calculator to work out which scheme they are eligible for.

Do both partners have to be working to be eligible?

In two parent families, both parents must usually be working. However, if one parent meets the work requirements and the other is unable to work, for example if they are on maternity, paternity or adoption leave or they are unable to work because they are disabled or have caring responsibilities, they could still be eligible. For more information see [Tax-Free Childcare - GOV.UK](#)

Would a family still be eligible if one parent meets the criteria, but the second parent has reached retirement age and receives the state pension?

They would only be eligible if the parent who is receiving the state pension is still working enough hours to meet the minimum eligibility criteria (at least the National Minimum Wage for 16 hours a week on average), or if they are disabled or have caring responsibilities. If this is not the case, they will not be eligible for Tax-Free Childcare.

What documentation does someone who has recently arrived in the UK need to be eligible for Tax-Free Childcare?

To be eligible for Tax-Free Childcare, the parent (and their partner if they have one) must have a National Insurance number and at least one of the following:

- British or Irish citizenship
- settled or pre-settled status, or they have applied and you're waiting for a decision
- permission to access public funds - their UK residence card will tell you if you cannot do this

Can a parent access Tax-Free Childcare if they are receiving 15/30 hours free childcare or a bursary or grant?

A parent can use Tax Free Childcare alongside the government funded 15/30 hours free childcare for any additional hours of childcare they need. However, if the parent or their partner get a childcare bursary or grant or expect to do so within the next 3 months, they cannot receive Tax-Free Childcare.

For more information on Tax-Free Childcare and eligibility visit [Tax-Free Childcare - GOV.UK](#)