



**Early Years Vouchers**  
*Making childcare affordable*

Employer Guide

**How you and your  
employees can  
benefit from  
childcare vouchers.**



## Early Years Vouchers Ltd make it simple and straightforward for you to offer your employees the childcare voucher benefit.

We are an innovative company that is small enough to be able to be flexible to meet your specific needs whilst being large enough to work with all types and sizes of organisations. We manage the voucher benefit for clients with multiple sites across the UK and we also work with companies where only one or two employees are using the childcare voucher benefit.

We provide you with all the documentation and promotional materials you will need to successfully launch and run the benefit for your employees. Should you need us, then we have a friendly and knowledgeable team waiting at the end of the phone.



### Sharon Russell, Group HR Manager for TBWA\Manchester

“Before we joined Early Years Ltd we had our reservations about offering childcare vouchers because we have multiple sites as well as a relatively young workforce. We sent an email to our employees explaining the benefits of EYVL vouchers and take-up started straight away. The number of sign-ons has increased consistently since then – with 12 per cent of the whole workforce joining in less than six months.”

# Why Offer Childcare vouchers?

## Benefits to the company

- With more and more parents working, than ever before, the childcare voucher benefit is quickly becoming a prized benefit by employees. As such, smart employers win the battle for talented staff by providing this benefit.
- Offering employees help with their childcare costs means that employees are more likely to return to work after maternity and paternity leave.
- Childcare vouchers have a positive impact on staff morale, productivity and ultimately on staff turnover. This means lower staff recruitment costs.
- Employers can save up to £373 per annum per employee, in employer's national insurance by offering staff childcare vouchers.  
Not only does the company make a saving but it also proves itself to be a caring organisation.

## Benefits to the employee

- Childcare vouchers are available to both female and male employees whether they are employed on a full or part-time basis.
- Vouchers can be used to pay for all forms of childcare from birth up to the age of 15 or 16 if the child being cared for, has a disability.
- Employees paying the basic rate of tax make a saving of £75.33 per month or £903.96 per annum. Higher rate taxpaying employees make a saving of £99.63 per month or £1195.56 per annum.

## The Benefits of choosing Early Years Vouchers Ltd?

1. We aim to provide a personal, efficient and prompt service to all our clients. We don't operate a huge call centre but instead we have a friendly and knowledgeable team ready and waiting to help you with any questions you may have.
2. We provide a service that is extremely flexible to suit your organisations particular requirements. You can choose either for us to manage absolutely everything for you, from voucher requests, changes and setting up of new employees or you can use our website to run your account and have as much or as little involvement as you wish.
3. There is no cost to a carer to set up an account with us as we have a Free-phone number for them to use.
4. We don't levy a set-up charge, a monthly usage charge or a "minimum number of employees" charge. We simply charge a fixed percentage of the value of any requests made from us. If for any reason, you don't purchase vouchers for a month, then we don't charge you anything! The charge is dependent on the level of service you require. The cost of purchasing the vouchers for your employees is more than offset by the saving in employer's national insurance, so the benefit also saves the company money!!.
5. You are free to set up an account with us, use our voucher service and then stop purchasing the benefit from us, whenever you choose. If you were to decide to leave, we ask that you give us 4 weeks notice so that we can make your account inactive.

## Simple, Flexible and Comprehensive – our service promise to you...

We work with all sizes of organisations from companies with just one or two employees who are weekly paid, to multi-site companies whose employees require vouchers by post, email and direct carer payment.

**Payroll dates** - Once the company is registered on our website, the company account can be set up to meet the needs of monthly paid, weekly paid or 4-weekly paid employees.

**Level of involvement** - We can create accounts for each of your employees, manage their voucher requests and any changes or you can use our website to manage the whole thing yourself. Vouchers are simple to order and can be set up as a repeat request, if required.

**Choose the date you wish employees to receive their vouchers** - Our system allows you to choose the date the vouchers are valid for use and this is usually the date your employees get paid.

**Automatic authorisation** - If you would like a completely “hands-free” service, we can set up your account so that our system automatically authorises your employees voucher requests and then emails you the invoice.

**Notifications and reminders** - We can email you to advise you that your employees vouchers are ready to be approved by you, on-line.

**On-line Employer account** - Your on-line account with us gives a summary of all the vouchers taken by each employee, provides statements and allows all invoices issued to be viewed on-line.

**On-line Employee account** - Each employee has an on-line account that they can use to view the vouchers they have received, those paid to their carer and those still available. Using their on-line account, they can release funds to pay any number of carers.

**On-line Carer account** - Carers can use this account to redeem vouchers at any time of night or day and can trace all payments made to them.

## Launching the benefit successfully

We provide you with all the promotional tools you will need to launch the benefit to your employees. We have a draft salary sacrifice letter, promotional leaflets containing frequently asked questions and posters to boost awareness around the organisation. We can also make presentations to your staff and undertake one-to-ones with them, if you feel it appropriate.

Once the benefit has been in place for a number of months, we will contact you to review the level of take up and assess whether further promotional activities are needed.

## Gillian Smith, Schawk

“ Childcare benefits and allowance schemes can be an administrative mine field for the HR department. And it can be equally as challenging for employees, who face a number of complicated forms to fill in.

EYVL has eliminated the complexity of childcare benefits and it has also helped everyone better understand childcare voucher incentives and tax implications, while raising the general awareness of childcare benefits. When you ring up EYVL, they are always there to offer advice and talk you through whatever query you might have. The scheme is very flexible and the feedback we have had from our employees has been extremely positive – in particular, they're impressed with the way they are always treated as individuals.. ”

## Claire Harrison, Endemol

“ From a company's perspective, the EYVL scheme takes away the headache of having to amend, update and track allowances, pay pack details and account balances – as this is all done for you. All you need to do is approve the final figure and sign it off!

“Our employees are also keen advocates of the scheme. No matter what their query is, they are always dealt with professionally by experts who take the time to consider their individual situations and advise them accordingly – providing that all important 'family feel' and personal service that other childcare allowance companies should aspire to. ”

It's easy as...



## Frequently asked questions....



### Are employees allowed to receive childcare vouchers, or other benefits, whilst on maternity leave?

The simple answer is yes they are. But you are not allowed as an employer, to deduct the value by way of a salary sacrifice from any statutory payments. You cannot salary sacrifice from statutory maternity or paternity pay. And this issue is not simply a childcare voucher issue, it applies to all benefits offered to your employees.

But you are allowed to deduct by way of salary sacrifice from any enhanced payments you make to them, over and above the statutory payment. But benefit legislation that has been in place for some time does state that all employees that receive benefits, including vouchers, have the right to continue receiving them if they wish whilst on maternity leave, up to a period of 12 months. The period was extended from 6 months this year (2008). It is also noted that companies must comply with any discrimination legislation as well.

### Do the Inland Revenue require any actions from us?

The Inland Revenue do not require notification from you, it is a purely voluntary process if you wish to inform them. You are required to offer the benefit to all staff equally, to adhere to the minimum wage consideration and to ensure your staff are aware of any gross pay issues and statutory pay issues.

Voucher amounts of £2916 or less per annum are not included on the P11D.

You may be asked for evidence the carers are registered, we hold that information for you but it is the employees responsibility to ensure they are. Should you offer the vouchers as part of a salary sacrifice scheme then you should always have a written amendment to their contract of employment.

### How much time do I need to run this benefit?

We have made the scheme very easy to run from all sides. There is a great deal that can be automated in the scheme and we can also take on the administration for you. You can choose to do as much or as little as you need, the least you will need to do is authorise the vouchers every month! In some cases that is ALL you will need to do, we will have done the rest for you.

## Considerations

Will you be offering the benefit to employees with one window of opportunity for joining or will employees be able to opt into the scheme and as when they require?

Do you require employees to agree the amount they wish to take in childcare vouchers each month/week, for a set period or are you allowing employees to change the amount they request, on a monthly/weekly basis?

If employees join the scheme after the start of the tax year, are you allowing them to take their allowance that has accrued? HMRC allow employees, if they join in September of a tax year, to then take the allowance from April, May, June, July and August over the remaining months of the tax year.



## Any Questions?

For more information please call an Early Years Vouchers advisor on **0845 0945 805**  
or visit [www.childcare-vouchers.net](http://www.childcare-vouchers.net)

## About Early Years Vouchers

Early Years Vouchers Ltd is a privately owned company working in the niche market of childcare vouchers enabling parents, carers and employers to benefit financially from current childcare legislation. The company entered the childcare voucher arena in early 2005 when the new voucher legislation came into force. Early Years Vouchers Ltd work with all sizes and types of clients, from large nationwide organisations with staff of thousands down to small companies with only two or three employees.

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