**FAQs Childcare Vouchers**

**Should parents reduce or cancel their vouchers if their childcare setting is closed?**

Most childcare providers and nurseries will continue to take payments from parents whether their services are used or not, even when the Government has asked them to close. Nurseries will generally give two weeks per year holiday but parents still have to pay for the rest of the year.

Each provider is different so employees should check with their provider regarding contracts and/or agreements before reducing their voucher deductions, as they may be obliged to pay the fees.

**Note:**

* If the childcare provider is not expecting payments while the child is in isolation because of the virus, then parents may wish to consider reducing their order value. The minimum value that can be ordered is £20 per month. They need to check with their provider before making any reduction.
* Parents should talk to their childcare provider about whether they must continue to pay fees. This may be covered in any contract they have in place with the provider. For example, a contract may state that no refunds will be given should the provider forced to close for reasons beyond its control.
* Some childcare providers may refund fees, or not require payment, if these exceptional circumstances are covered by their insurance, or if they receive funds from the Government.

**What’s the benefit of keeping childcare voucher salary deductions?**

If an employee pays basic rate tax and takes the maximum voucher deduction of £243, they make savings of £77.76 per month. If they pay higher rate tax and take the maximum voucher deduction of £124, you make savings of £52.08 per month.

**What if their childcare provider is no longer in business. What can they do with their vouchers?**

The vouchers may be transferable, employees would need to search for other registered providers to see if they will accept their vouchers. Vouchers don’t expire until the 1 September after the youngest child’s 15th birthday (16th birthday if the child is registered disabled).

**Can parents get their vouchers refunded?**

This depends on whether the employer allows refunds. All voucher refunds must be processed back through the employer’s payroll so that the appropriate NI and tax is paid.

**Can parents get a refund on any advance payments made to a childcare provider who has since closed down?**

Parents should first check with their voucher provider and will need to make contact with their childcare provider to return the funds to the voucher provider who can then return the money to their account.

**Can parents request to stop receiving childcare vouchers?**
Parents can ask to stop receiving childcare vouchers through their employer scheme temporarily without having to leave the scheme, providing they re-start taking their vouchers within 52 weeks – for example, if they don’t need the childcare vouchers for a while or they need to stop their salary sacrifice arrangement for a while.

The temporary break from the employer’s scheme must not last more than 52 weeks, otherwise they won’t be able to re-join and may need to look for other types of support towards childcare costs.