News story: UK families will soon see bills cut as date announced for the launch of Tax-Free Childcare

Millions of parents can pre-register from today for the government's new childcare offers, with the launch of a new Childcare Choices government website.

The introduction of the government's Tax-Free Childcare scheme will begin on 28 April, for parents of the youngest children. It will be gradually rolled out over 2017 — cutting childcare costs for working families across the UK by up to £2,000 per child per year, or £4,000 for disabled children.

On top of this, from September this year parents of three and four year old children living in England will be able to apply for a new 30 hours free childcare offer, worth around £5,000 per child.

The Childcare Choices website includes a <u>Childcare Calculator</u> for parents to compare all the government's childcare offers and check what works best for their families.

Through the site parents can also pre-register for email alerts that will notify them when they can apply, as well as providing details of existing government childcare offers.

Chief Secretary to the Treasury, David Gauke, said:

This Government is on the side of working families and our childcare support will cut thousands of pounds off bills for millions of households, as well as supporting parents to return to or remain in work.

The new Childcare Choices website provides busy families with options that suit their needs, so they can clearly see which childcare offer works best for them. For the first time, we have brought all the childcare options together to make the process easier and simpler for families and childcare providers.

Education Secretary, Justine Greening, said:

Affordable childcare and early years education are a vital part of how we can get our children on the right path, whilst also helping parents to be back at work, if that is what they want. Many parents are struggling to balance the cost of childcare against the benefits of being in work and this government wants to help.

From today, parents can use the Childcare Choices website to find out what support is available for their family. Whether that's our 30 hour free childcare offer, Tax-Free Childcare or Universal Credit, the website is a quick and easy way for parents to choose the offer that's best for them and their children.

Two million working families will be eligible for Tax-Free Childcare. It will be gradually rolled out, with parents of children under two invited to enter the scheme first. By the end of the year, all eligible parents will be able to receive government top-ups of £2 for every £8 that a parent pays into their Tax-Free Childcare account. This will be open to all working parents across the UK with children under 12, or under 17 if disabled.

The new 30 hours free childcare offer for working parents of three and four year olds in England doubles the current 15 hours of free childcare currently available, saving eligible working families up to £5,000 a year.

Parents will be able to apply for Tax-Free Childcare and the 30 hours offer in one go through the government's new digital childcare service. Eligible parents can benefit from both Tax-free Childcare and 30 hours free childcare at the same time.

Both of these new offers have been run as trials over recent months, to test the new digital services.

More than 4,000 parents are already benefiting from the 30 hours offer in eight 'early implementer' councils, with thousands more set to follow suit, as four new areas launch the 30 hours offer in April. And over 2,000 parents are cutting their childcare costs with the Tax-Free Childcare trial.

These offers build on the childcare support already available to thousands of families, including:

- 15 hours free childcare for all three and four year olds
- 15 hours for disadvantaged two year olds
- enhanced childcare support through Universal Credit
- childcare vouchers.

How Tax-Free Childcare works

Working parents will be able to apply, through the childcare service, to open an online childcare account. For every £8 that families or friends pay in, the Government will make a top-up payment of an additional £2, up to a maximum of £2,000 per child per year (or £4,000 for disabled children). This top up is added instantly and parents can then send electronic payments directly to their childcare providers.

All registered childcare providers — whether nannies, nurseries or after school clubs — can sign up online now to receive parents' payments through Tax-Free Childcare. Once childcare providers have signed up they will appear on the Childcare Provider Checker. This allows parents to check whether childcare providers have already signed up for Tax-Free Childcare.

How 30 hours free childcare works

Eligible parents will be able to apply online through the childcare service. They will receive a code — this will allow parents to arrange their childcare place ahead of September 2017. Parents can take their code to their provider or council, along with their National Insurance Number and child's date of birth. Their provider or council will check the code is authentic and allocate them a free childcare place.