

issue 18  
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# childwise

CHECK OUT CHILDCARE: NEWS AND VIEWS FOR PARENTS FROM DAYCARE TRUST



## Parents at Work

news on employer-supported childcare

Time Out: your rights to time off work

Facing the Childcare Challenge

Visit Daycare Trust's website at [www.daycaretrust.org.uk](http://www.daycaretrust.org.uk)

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# PARENTS AT WORK

Welcome to the latest edition of *Childwise*, Daycare Trust's newsletter for parents.

This edition focuses on childcare for working parents. Without affordable quality childcare, many parents struggle to balance work and family life. So Gordon Brown's announcement in December of more help with the cost of childcare is good news.

The Chancellor also made a historic promise to create a children's centre in every community. This is crucial to give every child a good start in life and help every family access the services they need. In the next few months we will hear more about how this will be turned into reality.

In the meantime both employers and working parents will be looking at the new tax breaks for employer supported childcare to see what extra help they might get from April 2005.

Please let us know what you think about these latest announcements and how they help you and your family.



Stephen Burke  
Director, Daycare Trust

welcome  
to *Childwise*

# TAX CREDITS UPDATE



If you are claiming Child Tax Credit or Working Tax Credit and your circumstances change, don't forget to let the Inland Revenue know as soon as possible, as certain changes could affect your claim. Changes might include:

- your childcare costs going up or down by more than £10 per week for more than 4 weeks in a row
- you change your childcare provider
- your income goes up or down by more than £2500
- you have a new baby
- your child leaves full time education

You may be entitled to more help and you'll need to let the Inland Revenue know within 3 months of the change or you could be missing out. If you are being over paid tax credits, letting the Inland Revenue know now will mean you'll avoid having to make repayments or a penalty at the end of the year.

To find out more about Tax Credits or to let the Inland Revenue know about any changes that might affect your claim visit [www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk) or call 0845 300 3900.

# time out

## your rights to time off work

As a working parent there will undoubtedly be times when you need time off from work, whether it be following the birth of a baby or to gain a better balance between your home and working life.

Here's our summary of the entitlements available to working parents and who is eligible to receive them:

### MATERNITY LEAVE AND PAY

Mothers are entitled to 26 weeks of Ordinary Maternity Leave (OML). This is regardless of how long you have worked for your current employer or the number of hours you work.

If by the 15th week before your baby is due, you have worked for your employer for at least 26 weeks you are entitled to receive Statutory Maternity Pay (SMP). SMP is paid at 90% of your average earnings for six weeks, and £100 per week for the remaining 20 weeks. If 90% of your average earnings calculate as less than £100 per week, you will continue to receive this reduced rate for the full 26 weeks.

You may also be entitled to Additional Maternity Leave (AML), which allows you an additional 26 weeks of leave, to be taken immediately after your OML, allowing you a full year off work following the birth of your baby. To be eligible for AML you will need to have worked for your current employer for 26 weeks by the 15th week before your baby is due. AML is not paid.

If you are not eligible to receive SMP through your employer or you are self employed you will instead be able to claim Maternity Allowance (MA). This is paid directly to you by the Inland Revenue rather than through your employer. MA is paid at varying rates depending on your income, but as a general guide MA is paid at £100 per week for 26 weeks. If your income is below the Lower Earnings Limit (currently £4615) you will receive a lower rate of MA for 26 weeks. If your income is on average below £30 per week, you are not entitled to MA.

### PATERNITY LEAVE AND PAY

Fathers are now entitled to up to two weeks paid Paternity Leave. To be eligible, you will need to have worked for your current employer for 26 weeks by the 15th week before your partner is due to give birth. If you earn above the Lower Earnings Limit (see above) you will receive Statutory Paternity Pay (SPP), which is paid at £100 per week.

### ADOPTION LEAVE AND PAY

The entitlements of parents adopting a child are now in line with Maternity and Paternity entitlements. An individual or one partner within a couple is entitled to up to 26 weeks paid Adoption Leave and up to 26 weeks unpaid Additional Adoption Leave. Levels of pay and the eligibility criteria for these match those for Maternity leave and pay. The partner within a couple who is not taking Adoption Leave is entitled to paid Paternity Leave (Adoption) as indicated above.



### TIME OFF FOR DEPENDENTS

There will inevitably be times when you need time off work unexpectedly, for example when your child is unwell or your childcare arrangements break down. Time off for Dependents allows employees leave to care for their dependents, including their children. The length of leave available to you is usually at your employer's discretion and generally allows you time to deal with an emergency and make any other appropriate care arrangements. By law this leave does not have to be paid, although some employers may offer paid leave.

### PARENTAL LEAVE

Parents of children under 5 or children under the age of eighteen if they have a disability are entitled to Parental Leave. To be eligible you will need to have worked for your current employer for one year. Parental Leave allows up to 13 weeks unpaid leave (18 weeks for parents of disabled children) to be taken before your child's 5th birthday. Leave can be taken in short or long blocks, but you can only take up to four weeks leave in any one year per child. You will need to give your employer notice of your intention to take Parental Leave and your request will need to be agreed by them. Employers are entitled to postpone Parental Leave for up to 6 months if it will disrupt business.

For more information and for details of the required procedures to request time off work speak to your employer or union or contact any of the useful organisations listed below.

### USEFUL ORGANISATIONS

- Daycare Trust – 020 7840 3350  
[www.daycaretrust.org.uk](http://www.daycaretrust.org.uk)
- Working Families – 020 7253 7243  
[www.workingfamilies.org.uk](http://www.workingfamilies.org.uk)
- Maternity Alliance – 020 7490 7639  
[www.maternityalliance.org.uk](http://www.maternityalliance.org.uk)
- Dept. for Trade & Industry - 08457 47 47 47  
[www.dti.gov.uk/er/workingparents.htm](http://www.dti.gov.uk/er/workingparents.htm)

## MONEY MATTERS - CUT OUT AND KEEP



This regular feature will keep you informed of financial support available to parents and childcare providers. Why not cut out and collect the series for future reference.

### New Deal for Lone Parents

Are you bringing up children on your own and thinking about getting back into or starting work? Perhaps you would prefer to train or study in order to kick-start a new career? New Deal for Lone Parents (NDLP) is designed especially to help lone parents find the job or training course to suit them.

Lone parents joining the programme will meet with a personal advisor, who will support you throughout the programme. Your personal advisor will discuss with you what jobs or courses interest you, calculate how much better off you could be in work, help you with job applications and help you find and organise registered childcare. If you choose to study, help may also be available towards the cost of registered childcare. Some benefits may also continue when you first start work to help ensure your return to work goes as smoothly as possible and from April 2005 NDLP can also pay towards registered childcare costs in the week before you start work.

If you are not currently in work or if you work less than 16 hours a week and you have a child under the age of sixteen, then you can join the New Deal for Lone Parents. For more information you can visit your local Jobcentre or Jobcentre Plus, visit [www.newdeal.gov.uk](http://www.newdeal.gov.uk) online or call the information line 0800 868 868.



### Facing the Childcare Challenge

Thank you to the hundreds of parents and children who have been involved in the Childcare Challenge project. Daycare Trust consulted them about the barriers they face in accessing childcare and the changes that would make a real difference to them.

The main findings from these discussions were highlighted during Daycare Trust's annual conference in November 2003 and the Childcare Challenge video, based on parents' experience of childcare was also launched. Conference chair, Reeta Chakrabarti, interviewed three parents from Cornwall, Sefton and Greenwich on stage about their experiences and their hopes, and dreams for better childcare. It was a successful day made all the more compelling by the voices of parents.

The 'Facing the Childcare Challenge' briefing paper is available from Daycare Trust for £5, on 020 7840 3350.

## Sodexho supports parents services

Daycare Trust is delighted to announce new sponsorship for its information services for parents from Sodexho Pass, one of the world's leading voucher suppliers. Sodexho Pass will support Daycare Trust's parents' services by donating a part of the management fee from its childcare voucher scheme, childcarepass. In turn, all employees receiving childcarepass vouchers can access Daycare Trust's childcare helpline and get a free subscription to Childwise.

Sodexho Pass offers a full range of corporate vouchers, including the childcarepass vouchers which can be exchanged for a variety of childcare services. Nancy Weeden, Head of Childcare at Sodexho Pass, said: "Sodexho Pass is delighted to support the valuable work undertaken by Daycare Trust to push childcare issues to the forefront of not only the business but the political agenda. We believe that by working together in this way, we are able to offer working parents not only a service that they can rely on, but the information that they need."

For more information on Sodexho Pass and their services visit [www.sodexhopass.co.uk](http://www.sodexhopass.co.uk) or call 01252 369791.



## dear childwise...

*I have recently returned to work after having my second child, but I'm not sure I can continue to work the long hours I have done in the past. How should I approach my boss to discuss my concerns?*

Although parents don't have a legal right to work flexibly or reduce their working hours, legislation introduced in April 2003 means that parents do have a right to request flexible working. Employers have a legal duty to consider the request and must provide a serious business case if they cannot agree it.

Parents with a child under the age of six, or under the age of 18 if the child receives Disability Living Allowance, and who have worked for their employer for at least 26 weeks are eligible to make a request for flexible working. Flexible working options could include reducing your working hours, alterations to the times you are at work to fit in with childcare and/or school hours, working from home or working compressed hours (eg working longer hours for four days a week, instead of 5 days per week).

There is a set procedure to follow when making a request for flexible working, and the request must be made in writing. It is important to carefully consider what changes you would like to make to your working hours and the likely effects to you, your colleagues and your employer. Parents cannot make two claims within a twelve-month period, so this type of planning will ensure that prospective changes to your working hours will be suitable in the long term and may also increase the likelihood of a successful application. Your employer will discuss the options with you and consider your request and will then confirm their decision in writing. If they are unable to meet your requests they will need to give details of the business reasons for doing so.

Working Families, an organisation which advises parents and employers on all work-life balance matters can provide more details and factsheets on this process - [www.workingfamilies.org.uk](http://www.workingfamilies.org.uk) or 020 7253 7243.

*Yours, Childwise*



## Childcare choices for employers

There are a number of ways employers can support the childcare needs of their staff and those that do also see the benefits including better recruitment and retention of staff, reduced absenteeism and a more motivated workforce. Here's just a few ways in which employers can achieve these benefits:

**INFORMATION** – providing current and new employees with basic childcare information is a great first step and is achievable by even the smallest company. Employers could provide contact details of the local Children's Information Services (CIS), who provide listings of local registered childcare or could incorporate a link to ChildcareLinks website on a company intranet ([www.childcarelink.gov.uk/](http://www.childcarelink.gov.uk/) 0800 096 02 96). Daycare Trust's free booklet 'Your Sure Start guide to Choosing Childcare' is also a useful resource.

**FLEXIBILITY** – offering flexible working options is another way employers can support work-life balance and staff's childcare needs (see Dear Childwise for more details). It can also be beneficial to businesses that might require more staff during busier core hours or who might wish to extend slightly beyond regular 9-5 hours.

**FINANCIAL SUPPORT** – Childcare vouchers and salary sacrifice (sometimes known as fee-direct) schemes allow employers to support their staff with the costs of childcare. These schemes are exempt from National Insurance Contributions (and in some instances Tax exemptions) which usually means savings to the employer too. You can download a copy of our Childcare Vouchers factsheet at [www.daycaretrust.org.uk](http://www.daycaretrust.org.uk) or call 020 7840 3350 to request a copy.

**WORKPLACE NURSERIES** – workplace nurseries (and/or playschemes run during school holidays) offer childcare for employees. If it is not suitable to set up such provision employers can also develop a contract with an existing local nursery. In this instance the employer needs to be wholly or partly responsible for financing and managing the provision of the care. Payments towards the workplace nursery on behalf of employees (possibly as part of a salary sacrifice) are exempt from tax and national insurance payments, making a saving for the employee.

### Pre-Budget news for employer-supported childcare

Changes to tax exemptions for employer-supported childcare are set to encourage more employers to support their staff with the costs of childcare. The new arrangements, announced in December's pre-Budget report, will extend the tax and National Insurance breaks currently available on workplace nurseries, to all forms of registered and approved childcare from April 2005.

Employers will be able to contract direct with a nursery, childminder or out-of-school club on behalf of their staff and a maximum of £50 per week for childcare costs will be tax and National Insurance exempt. The current requirement for employers to have some responsibility for financing and managing the childcare provision will also be lifted making it easier for employers to offer this kind of childcare benefit. Where employers do offer this type of benefit they will be required to make it available to all staff. The £50 per week tax and National Insurance exemptions will also be extended to childcare vouchers, which are currently only exempt from National Insurance payments.

More detailed information will be available in the lead up to April 2005. More general information is available online at [www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk)

## GET CHILDWISE

For your free subscription to Childwise please fill in the form and post it to Daycare Trust at 21 St George's Road, London SE1 6ES, or fax 020 7840 3355, e-mail [info@daycaretrust.org.uk](mailto:info@daycaretrust.org.uk) or phone our helpline on 020 7840 3350.

We may occasionally contact you about other publications and services offered by us. If you do not wish to be contacted please tick

Name \_\_\_\_\_

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Contact number \_\_\_\_\_

How did you hear about Daycare Trust? \_\_\_\_\_



Daycare Trust is the national childcare charity, campaigning for quality affordable childcare for all children aged 0-14 and raising the voices of children, parents and carers. We advise parents and carers, providers, employers trade unions and policymakers on childcare issues.

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