

Your Right to Free Childcare

If you have a 2 year-old child you can get free childcare if you get one or more of:

- Income Support
- income-based JSA
- income-related ESA
- Universal Credit, if you (and your partner) earn less than £15,400 a year, *after tax*
- Tax Credits and your (joint) annual income is under £16,190 *before tax*
- the guarantee element of Pension Credit
- support through part 6 of the Immigration and Asylum Act
- Working Tax Credit 4-week run on (which you get if you stop qualifying for Working Tax Credit)

If you have a 3 or 4 year-old and:

- you earn the equivalent of at least 16 hours a week at the National Minimum Wage for your age and,
 - You earn less than £100,000 a year,
- you qualify for 30 hours a week free childcare until your child goes into Reception class.

If you have a partner, they have to meet these earnings rules too.

If you or your partner do not earn enough to meet the earnings rules, you can get up to 570 hours per year (15 hours a week) free childcare for your 3 or 4 year-old, until your child goes into Reception class.

If you live in Stoke-on-Trent, you can apply online via the Council's website for free childcare for 2 year-olds and for the 30 hour a week childcare scheme. See: www.stoke.gov.uk/beststart

Tax-Free Child Care

You cannot apply for this scheme if you are on UC. If you get Tax Credits, your Tax Credits award will end if you apply for this scheme.

There is a Tax-Free Childcare Scheme for children under the age of 12 (under 17 if child is disabled). The Government can pay 20% of your childcare costs of up to £2,000 a year for each child (or £4,000 a year if you child is disabled).

You can apply for Tax-Free Childcare if you and your partner both earn at least the national minimum wage for 16 hours per week, but under £100,000 a year.

For more information go to www.citizensadvice.org.uk or contact our Citizens Advice Helpline: 0800 144 8848



Potteries Gold is a Citizens Advice Staffordshire North & Stoke-on-Trent project to help people in Stoke-on-Trent cope with changes to the benefit system www.snsCab.org.uk/about-us/potteries-gold Follow us on Facebook and Twitter: search for **Potteries Gold**

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Universal Credit and help with Childcare Costs

Means-tested Benefits No. 5



Universal Credit is...

A means-tested benefit replacing:

- Income Support
- Income-based JSA
- Income-related ESA
- Child Tax Credit
- Working Tax Credit
- Housing Benefit

The DWP call these **Legacy Benefits**.

You cannot make new claims for these benefits.

When do I have to claim UC?

If you currently get legacy benefits, you do not have to claim UC straight away. It will take **several years** for everyone to move onto UC.

You may have to claim UC after a **change of circumstances**. In this case, your benefit could increase, decrease or stay the same.

You can **choose to change over** sooner if you will be better off. If you have to pay childcare costs and get help with these through Tax Credits, you may find UC more generous.

Get advice before you decide to swap and remember that, unlike Tax Credits, UC has a **£16,000 capital limit**.

Universal Credit is paid **calendar monthly** and **in arrears** so you need to claim for childcare costs after you have paid them.

Who can claim childcare costs?

You can claim help with childcare costs as part of your Universal Credit claim even if you are only working a few hours a week, but you have to meet **the work condition** and the **childcare costs condition**.

The Work Condition

To meet the work condition, you have to be in **paid work** or been offered paid work.

If you are part of a couple, your partner must also be in paid work, or unable to work because of ill-health or disability, or could be a carer (but not for the child you wish to claim childcare costs for).

Childcare costs condition

The childcare is for a child who has not reached the **1st September** following their **16th Birthday**.

What childcare costs are allowed?

The childcare needs to be provided by:

- A registered child minder (including nurseries); or
- A school or local authority on school premises, out of school hours; or
- A domiciliary care worker
- A foster carer

You cannot claim for childcare provided by a close relative of your child in your child's home.



How much can I claim?

You can claim **up to 85%** of your child care costs.

The **maximum** you can claim is:

- **£646.53 a month for one child** (£149.16 per week)
- **£1,108.04 a month for two or more children** (£255.70 per week).



How do I claim?

If you are working when you make your UC claim, include details of your childcare costs when you first claim UC.

If you are **starting a new job**, use your Universal Credit **online journal** to tell the DWP that you have had a change of circumstances.

You cannot claim the costs until you have paid for the first month of childcare and have a receipt from the childcare provider.

You must take or sent the receipt to your local jobcentre before the end of your monthly assessment period to make sure you get your childcare costs for that month.