



HM Government

Childcare
Choices

News Release

For the attention of **News and Personal Finance Desks**

No. of pages: 3

Date: **18 December 2017**

Ref:

WA SPEC 12/17

Welsh parents to benefit from Tax-Free Childcare roll out for under 6s

Tax-Free Childcare is now available to up to 50,000 families in Wales whose youngest child is under six.

Parents, including the self-employed, can apply online for Tax-Free Childcare – part of the government’s Childcare Choices offer – for children who were aged under six on 24 November 2017. It will cut childcare costs for working families by up to £2,000 per child per year, or £4,000 for disabled children.

Tax-Free Childcare will be gradually rolled out to parents with children aged under 12, with everyone who is eligible able to apply by the end of March 2018.

The money can go towards a whole range of regulated childcare, whether nurseries, childminders, after school clubs or holiday clubs. Parents can find out what help is available on the Childcare Choices website www.childcarechoices.gov.uk. This website includes a Childcare Calculator (www.gov.uk/childcare-calculator) that compares all the government’s childcare offers to check what works best for individual families.

Once eligible parents have opened their new account they can start paying their childcare provider straightaway, using the government contribution.

Gabrielle Davies, a mum of one from North Wales, who receives Tax-Free Childcare, said:

“Tax-Free Childcare has helped me go back to work - the 20% extra top-up makes a big difference. The process is much simpler than vouchers - I was having to make two separate payments previously, whereas paying through Tax-Free Childcare is much simpler. My provider had already signed up, so I just added them to my account and started paying them, it was really easy.”

Leanne, a mum from South Wales, who also receives Tax-Free Childcare, said:

“We've been using Tax-Free Childcare since June. We don't get any other support, so we were pleasantly surprised we could get Tax-Free Childcare. I found the system really easy to use, and it's nice to feel that you're getting something back to help you with childcare costs. We're definitely better off because of it.”

Liz Truss, Chief Secretary to the Treasury, said:

“Tax-Free Childcare will cut thousands of pounds from childcare bills for millions of families, making it easier for more parents to work if they want to. This is part of our commitment to support families, including helping them to earn more and keep more of what they earn by increasing the National Living Wage and cutting Income Tax for millions of people.”

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

- enhanced childcare support through Universal Credit
- tax credits for childcare
- childcare vouchers.