



# UNIVERSAL CREDIT & CHILDCARE

MAGGIE SIMPSON, SCOTTISH CHILDMINDING ASSOCIATION

MARK WILLIS, CHILD POVERTY ACTION GROUP IN SCOTLAND

11 MARCH 2016



# IS YOUR 2-YEAR-OLD ELIGIBLE FOR FREE EARLY LEARNING AND CHILDCARE?



The benefits of early learning and childcare

Who qualifies?

How to claim a free place

600 hours free early learning and childcare

Further help for families

## VIDEO

A quick guide to free childcare for you

Early Learning and Childcare in Scotland

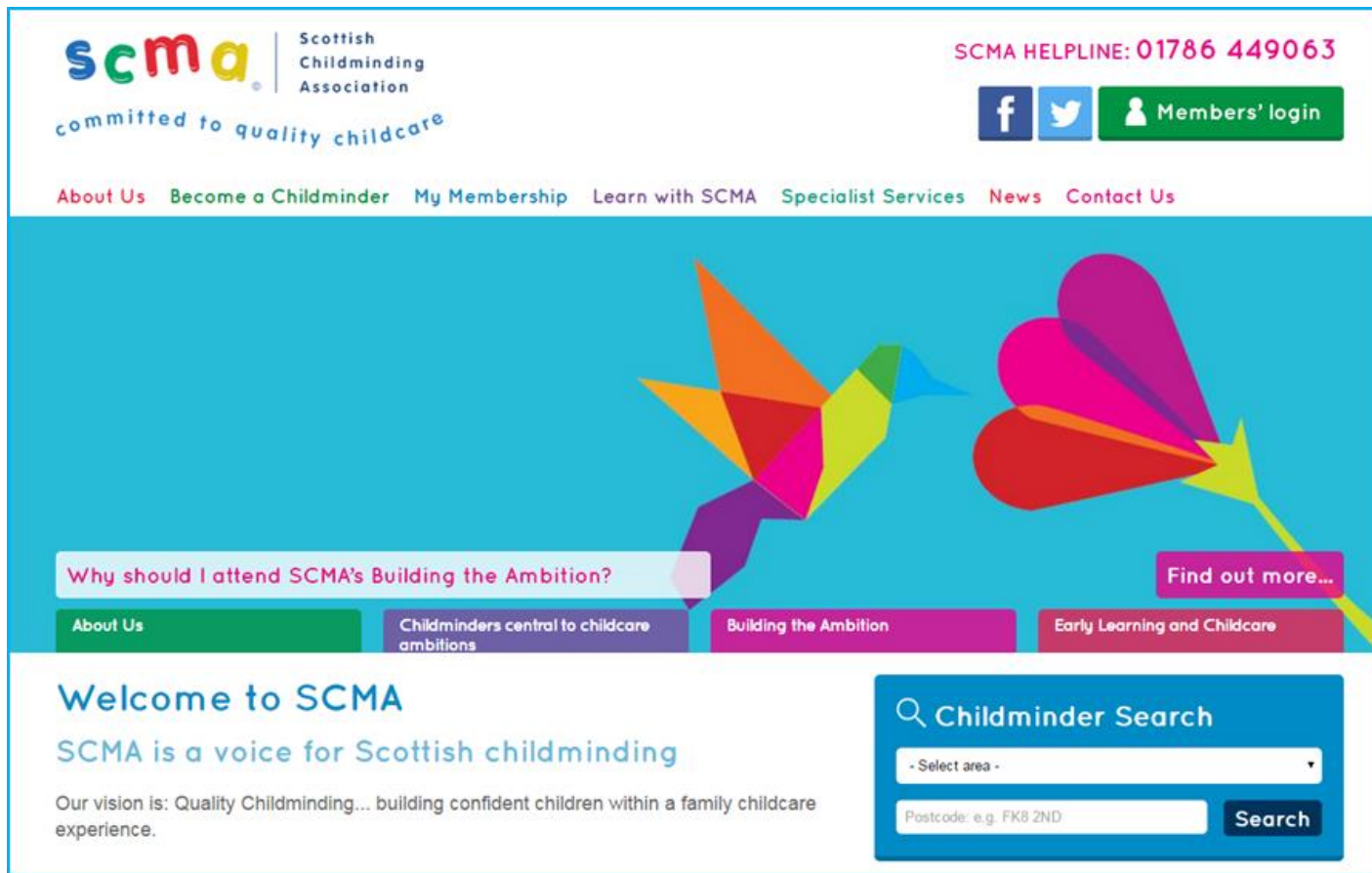
## FREE EARLY LEARNING AND CHILDCARE IN SCOTLAND.



## Are you eligible?

[FIND OUT NOW >](#)

# GETTING HELP



The screenshot shows the SCMA website homepage. At the top left is the SCMA logo with the text 'Scottish Childminding Association' and 'committed to quality childcare'. To the right is the SCMA Helpline number '01786 449063' and social media icons for Facebook and Twitter, along with a 'Members' login' button. A navigation menu includes 'About Us', 'Become a Childminder', 'My Membership', 'Learn with SCMA', 'Specialist Services', 'News', and 'Contact Us'. The main content area features a colorful illustration of a bird and a flower. Below this is a call-to-action box with the text 'Why should I attend SCMA's Building the Ambition?' and a 'Find out more...' button. A row of four buttons is visible: 'About Us', 'Childminders central to childcare ambitions', 'Building the Ambition', and 'Early Learning and Childcare'. The footer contains a 'Welcome to SCMA' message, the tagline 'SCMA is a voice for Scottish childminding', the vision statement 'Our vision is: Quality Childminding... building confident children within a family childcare experience.', and a 'Childminder Search' form with a dropdown menu for 'Select area', a text input for 'Postcode: e.g. FK8 2ND', and a 'Search' button.

01786 449063 • [childminding.org](http://childminding.org)

- New means-tested, working age benefit
- Payable in or out of work
- Replaces child tax credit and working tax credit
- One payment for adults, children, housing costs, childcare
- Claim online
- Paid monthly

# Universal credit: introduction



- All areas of Scotland by 25 April 2016
- When first introduced in an area, UC is only available to single jobseekers without children
- Inverness Job Centre extended to people with children since January 2015
- Full service to be available to people with children and in work (Musselburgh Job Centre from April 2016)
- Existing claimants stay on tax credits – unless circumstances change
- ‘Managed migration’ from 2018-2021

# Universal credit: changes

- If move area = stay on UC
- If start work, become responsible for a child = stay on UC
- If a tax credits claimant with children becomes partner of UC claimant = joint UC claim
- When full service introduced in an area = no new claims for tax credits

# Universal credit childcare element

- Childcare available for *any hours* worked
- Costs must not be 'excessive' in relation to hours worked
- Couples – both must work or non-working partner has limited capability for work or is a carer or temporarily absent
- Must usually report actual childcare costs by the end of the month after they are paid
- Late report up to 13 months in exceptional circumstances

# UC childcare element: getting paid

- UC is paid monthly in arrears, direct to claimant's account
- Can include deposit, upfront fees and costs in month before starting work
- Can include payments for arrears of childcare costs
- But usually 7 waiting days + 1 month + 7 days before first UC payment
- Can request *short-term advance* if in financial need
- Can request *budgeting advance* if expense necessary to obtain or retain work



# UC childcare amounts

- 70% of actual costs, up to £532.29 a month for one child or £912.50 a month for two or more children.
- UC increasing to 85% from April 2016: up to £646.35 for 1 child, or £1,108.04 for 2 or more children
- WTC childcare element stays at 70%
- But could still be worse off compared to tax credits (reduced work allowance)

# DISCUSSION

- From what you have heard today, what **positive** and **negative** impacts do you foresee as a result of universal credit?
- Write up on flipchart

# GETTING HELP

Do you work with clients  
who have questions  
about **benefits**, **tax credits**  
or **welfare reform**?

Advice line for frontline advisers and support workers in Scotland

**0141 552 0552**

Monday – Thursday 10am – 4pm  
Friday 10am – 12 noon  
[advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)

CHILD  
POVERTY  
ACTION  
GROUP  
IN SCOTLAND

CHILD  
POVERTY  
ACTION  
GROUP  
IN SCOTLAND