

SMALL BUSINESS WORKERS MISS OUT ON CHILDCARE SAVINGS

Millions of parents working for small businesses are missing out on financial help which could save them up to £1,195 a year.

Only one out of every hundred working parents who pay for childcare and are employed by a small or medium sized enterprise¹ which offers childcare vouchers, has signed up for their entitlement of childcare vouchers, according to new research.

The research, carried out by childcare voucher specialist Childcare Choice (www.childcarechoice.co.uk/findoutmore.html), also reveals that parents have no idea how much money they could be saving. A quarter believe the vouchers would save them less than £500 a year.

Iain McMath, managing director of Childcare Choice, said: “We’ve long suspected that the uptake of childcare vouchers in small firms was pretty minimal, but I’m concerned by the findings of this research. For the first time we have some hard and fast numbers, and there are millions of parents who either haven’t got access to, or who aren’t taking advantage of, the benefits.”

Childcare vouchers were introduced in their current form in 2005 by the Government to help working parents. Most parents who pay for childcare are entitled to the savings, and if both parents are working, they could be saving as much as £2,400 a year – the equivalent of a two week family holiday to the Canary Islands.

Parents aren’t the only ones missing out. Business bosses who offer vouchers can also save up to £373 per year for each employee that takes advantage of the scheme. However, when asked if their bosses had a voucher scheme in place, eight out of ten parents working for small and medium sized businesses either said ‘no’ or ‘I don’t know’.

Also, the vast majority (95 per cent) of parents working for small businesses who pay for childcare and are aware of the scheme, don’t know how much money they could save by using childcare vouchers.

¹ Businesses with less than 250 employees

Mr McMath added: “Most working parents are unaware of how much they could be saving each year so it’s no wonder they don’t put more pressure on their bosses to provide childcare vouchers. Setting up the scheme doesn’t cost anything for employers or employees and, using our website, it’s very easy and straightforward.”

Parents can find out how much of their childcare costs they could save by logging on to www.childcarechoice.co.uk/findoutmore.html. The website also outlines everything bosses need to know about setting up and managing a childcare voucher scheme.

Notes to editors

About Childcare Choice

Childcare Choice is provided by Sodexo Pass UK – a leading provider of voucher services in the UK.

In September 2001 the company launched ‘Childcarepass’, bringing fresh innovation and much needed customer service to the childcare voucher market. In November 2004, the company launched Childcare Choice – a second childcare voucher scheme aimed at small to medium sized companies.

Sodexo Pass UK was voted ‘Childcare Voucher Provider of the Year’ at the annual Employee Rewards and Benefits Magazine gala dinner in February 2006. The award was given in recognition of Sodexo Pass UK bringing innovation and customer focussed development into the childcare voucher industry.

About childcare vouchers

Childcare vouchers which allow parents to save money on their income tax and National Insurance Contributions were introduced by the Government in 2005. Childcare vouchers offer significant savings to both employers and employees. The maximum each parent can now save is £1,195 per year. Employers operating the scheme pay reduced Employer National Insurance Contributions, resulting in savings of up to £373 per year for every employee who is signed up to the scheme.

About the research

The research was conducted by TNS, the world’s largest research agency, using their face to face Consumer Omnibus service and gained from a sample of 1189 working parents.

For more information contact:

- Netta Sjodin at Sodexo Pass on 01276 687059; or
- Richard Chapman or Crispin Slee at Grayling on 020 7255 1100

