



1. **CHILD CARE SUBSIDIES: ELIGIBILITY AND CONDITIONS**

1.1 **Eligibility**

- (a) The employee's salary will be on scales up to and including the new Milton Keynes scale MK6.
- (b) The employee's child or children must be between the ages of 0 to 7 inclusive, requiring care as follows:
 - (i) Milton Keynes Council nursery for which payment of the fees, less the subsidy, is deducted from salary
 - (ii) Milton Keynes Council holiday scheme for which subsidy is reimbursed on production of receipts.
 - (iii) Other appropriately registered child care or out of school provision, for which child care vouchers are provided.
- (c) Before any subsidies are paid a copy of the child benefit book will be required for the file, confirming the address of the child(ren) and date(s) of birth.
- (d) Parents who will be starting to claim this benefit during the year or whose children will change their eligibility during the year should indicate this on the annual survey form. Any employee who fails to notify details of their children by the deadline, on 30th June each year, will not be eligible for benefit during the year commencing 1st September. The only exceptions will be in the case of new employees, children born during the year, or employees returning from maternity leave during the year and in respect of newly adopted children.
- (e) Where both parents/guardians are employed by the Council only the partner who would receive the highest level of contribution will be entitled to receive the subsidy.
- (f) Part-time staff will be eligible for subsidy calculated on a strictly pro-rata basis to the number of hours worked.

- (g) If the employee is promoted during the year to scale MK7 the employee's eligibility for child care subsidies under this scheme will cease forthwith.

However, in the case of employees who are subject to phasing in arrangements, child care subsidies will continue until the employee reaches the minimum of the new scale MK7.

- (h) Payment of child care subsidies will cease on the child's 8th birthday.

1.2 Subsidies Payable

- (a) The employee will receive a contribution towards the employee's child care costs based on an subsidy per child in accordance with the salary bands and age of child as follows:-

Gross earnings up to the equivalent of spine point 15

0 - start of full-time schooling	100% - basic subsidy	5 - 7 years inclusive	75% of basic subsidy
----------------------------------	----------------------	-----------------------	----------------------

Gross earnings equivalent to spine points 16 - 30

0 - start of full-time schooling	60% of basic subsidy	5 - 7 years inclusive	40% of basic subsidy
----------------------------------	----------------------	-----------------------	----------------------

- (b) The rate for the child care subsidy for 0 - full-time school age children will be applied to those in full-time or part-time nursery/childminder care. The rate of subsidy for children aged 5 - 7 years inclusive will apply to those in 'out of school clubs' or other out of school arrangements, and holiday play schemes or other holiday care. Where care arrangements are appropriate, the rate may change before the child reaches 5 years of age.
- (c) The rates payable will be subject to annual review and vary depending upon the number of eligible children. This will be calculated following an annual survey, in June of each year, of all eligible employees.
- (d) The weekly contribution that the employee will receive will not exceed the actual cost of the child care arrangements, subject to a maximum as outlined above.
- (e) Child care subsidies are deemed to be a taxable benefit by the Inland Revenue. Employees are responsible for any tax liability.

1.3 Child Care Administration

- (a) The employee will need to be prepared to enter into a contract with a registered child carer, nursery or bona fide 'out of school' provision. The Human Resources Assistant (Employee Relations) will be able to offer advice if

employees are in doubt about eligibility or a particular care arrangement. If employees require advice on behalf of a third party who wishes to become registered, they should contact the Registration and Inspection Unit in the Neighbourhood Services Directorate.

- (b) The employee's child care arrangements must follow a fairly regular pattern throughout the year so that standard weekly vouchers can be provided by the private company that will issue the child care vouchers where appropriate.
- (c) It will be possible to adjust arrangements and contributions where necessary when employees have to make different arrangements during school holidays to those that operate during school term time. In such circumstances, the employee would need to complete two model contracts, i.e. one in respect of school term time and one in respect of school holidays. Depending on circumstances a different rate of contribution for each period may be appropriate.
- (d) Any changes in child care provision will need to be notified to the Human Resources Assistant (Employee Relations) so that the appropriate steps can be taken to adjust or terminate the subsidy that the employee receives.
- (e) Copies of the contract will be held by the Human Resources Officer (Employee Relations) and the Human Resources Team.
- (f) The Council retain the right to recover any overpayment of child care subsidy from the employee's salary. The repayments will be withdrawn over a period set by the Payroll Manager. Alternatively, an invoice will be raised.

CHILD CARE SCHEME - PHASING IN PROPOSALS

2. Operative Date

- 2.1 The operative date for the introduction of the new child care scheme is 1 September 1998.
- 2.2 In order to assist those employees currently benefiting from the scheme, it is proposed that the new scheme be phased in and the old scheme phased out in line with the proposals below.

3. Currently in Benefit: earning up to and including MK6:

- 3.1 For employees in this category the existing scheme will be phased out over a three year period. If, during this time, the new levels of benefit exceed the level of protected benefit, then the employee will transfer to the new scheme.

3.2 The benefit levels will be phased out as set out below:

1.9.98 - 31.8.99	75% of existing benefit level
1.9.99 - 31.8.2000	50% of existing benefit level
1.9.2000 - 31.8.2001	25% of existing benefit level
From 1.9.2001	Under new scheme

4. **Currently in benefit: on new grade MK7 and above:**

4.1 It is proposed to cease payment to employees earning the equivalent of MK7 and above with effect from 1 September 1998.

4.2 If employees are able to demonstrate significant personal hardship, then employees could be awarded protected benefits as per item 3.2 above. This would be subject to the agreement of the Head of Human Resources or his/her representative and the Trade Union Co-ordinator or his/her representative.

5. **Overall benefit levels under the new scheme:**

5.1 Employees on salary scales up to and including MK6 will be eligible for the scheme.

5.2 The funds remaining, once protection has been funded as detailed in 4.2 above, will be distributed in accordance with the provisions set out in the Child Care Subsidies: Eligibility and Conditions, as they set out the new scheme, above.

5.3 No new children will go on the old scheme after 1 September 1998. Even parents with children eligible for protection under the old scheme will have new children brought into the new scheme.