

Childcare Vouchers can be a profitable product in the IFA's range

The uproar caused in September 2009 when the government announced plans to remove the tax savings on Childcare Vouchers, and the subsequent reversal of this policy after pressure from parents and businesses, is a clear demonstration of the high value placed on Childcare Vouchers as an employee benefit.

According to the latest UK Market Report by Laing & Buisson (2011), families pay on average £8064 a year for a full-time place at a private daycare nursery. Childcare costs are a topical and emotive subject and are often a principal driver in influencing an employee's decision when selecting and purchasing other financial products and services, or dictating the amount they can afford to pay into a pension scheme.

Despite this impact on wider benefit spend, for many intermediaries Childcare Vouchers often remain a benefit that is ignored, misunderstood, or seen purely as a direct to market product.

How Childcare Vouchers can add value to your client offering:

- Provide your clients with a benefit that can save their business over £300 per annum every time an employee joins the scheme derived through immediate savings on Employer National Insurance Contributions.
- A benefit that employees can use on a regular basis and cannot be bought on the high street.
- Creates an opportunity to use the National Insurance savings generated from Childcare Vouchers to promote other products and services, strengthen your client's cash flow or offset your fees.
- Childcare Vouchers can offer a softer door opening conversation when prospecting for clients compared to many traditional products.



kidsunlimited works with over 100 Intermediaries across the UK, ranging from the national and regional EBCs to the more localised IFAs with a small portfolio of corporate clients. We pay commission for the placement of business and again at each annual renewal. You are supported by a dedicated IFA team who provide client engagement material and assist you with scheme implementation.

One of the IFAs we work with who has benefited from introducing Childcare Vouchers to their clients is Mark Nind, Director of RJB Financial Services:

"Childcare vouchers are firmly established as one of the most important employee benefits. When many are struggling to make ends meet, Childcare Vouchers provide significant benefits to families who wish to lessen the financial blow of childcare costs. Many believe that Childcare Vouchers are just for nursery and child minding fees. They can however also be used for breakfast/after-school clubs, holiday clubs and summer camps. We recommend Childcare Vouchers for all our corporate clients."

To find out more about how Childcare Vouchers can add value to your client offering please visit

www.kuvouchers.co.uk/ifa

e-mail ifa@kidsunlimited.co.uk

or call 0845 365 2999.

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Childcare Vouchers