

Frequently Asked Questions

What is the Tir Na Nog Nursery' Salary Sacrifice Scheme?

1. Under the Tir Na Nog Nursery Salary Sacrifice Scheme, an employee of Bangor University signs an amendment to their Contract of Employment to receive a lower salary – a 'salary exchange' – in return for payment of childcare provided by the University's Tir Na Nog Nursery.
2. The nursery fee values are deducted from your gross salary, before tax and National Insurance is applied. This is how you make savings on your University nursery fees.

Eligibility

1. Any full or part-time employee (holding a Contract of employment) of Bangor University using a full or part-time place at the Tir Na Nog Nursery is eligible..
2. You can use the Tir Na Nog Nursery Salary Sacrifice Scheme for as many children as you wish. Where both parents are employed by the University, you can split the salary sacrifice between you. However, you should consider the split in order to maximise tax savings as there is a greater benefit for a higher-rate taxpayer.
3. You can only use the Nursey' Salary Sacrifice Scheme at Tir Na Nog.
4. Students are not eligible to join the Tir Na Nog Nursery Salary Sacrifice Scheme

Are there any circumstances in which I cannot join the Scheme?

1. Your salary must be greater than the cost of your nursery fees/proposed salary sacrifice.
2. The exchanged amount must not reduce your salary to below the National Minimum Wage. Be aware that **all** Salary Sacrifice Schemes you are part of will be taken into account including pension, cycle scheme, annual leave etc.
3. It is University policy that membership in the salary sacrifice scheme may only commence from the second month of nursery occupancy. Fees for the first month must be settled by bank transfer or card payment at the centre.
4. You must be able to commit to a minimum of one year's membership in the Tir Na Nog Nursery Salary Exchange Scheme; see 'How Long do I have to stay in the Tir Na Nog Nursery Salary Sacrifice Scheme?'
5. You cannot use the government's Tax-Free Childcare scheme if you are using the University's Tir Na Nog Nursery Salary Sacrifice Scheme, so you need to consider which scheme would bring you the greatest benefit.

How do I apply for the Workplace Nurseries' Salary Exchange Scheme?

Tir Na Nog Nursery Salary Sacrifice Scheme - **Application Form**

1. Download and complete the above form and return it to Tir Na Nog Nursery who will share it with the benefits@bangor.ac.uk, before the 10th of the month preceding the month (earlier dates apply in December / April) in which you wish to start using the scheme. This complies with HMRC regulations and allows time for the payroll deduction to be set up, for the nursery accounts department to be notified, for the verification of application data and to issue a change of contract letter.

2. Your salary will then be reduced from the agreed date and the nursery fees will be invoiced directly to the University. You will receive written confirmation regarding the contractual change to the terms and conditions of your employment.
3. If you are about to take up a nursery place, note that nursery management requires that the first month's fees must be settled directly with the nursery. Therefore, any salary exchange arrangement may only commence from the start of the second month. It is important not to apply for membership in the Tir Na Nog Nursery Salary Sacrifice Scheme too early.
4. If you already have a nursery place and wish to join the scheme, in addition to ensuring that your application reaches the Bangor Benefits team by the 10th of the month (earlier dates may apply in the month for December / April) preceding that in which membership is to commence, you should ensure you cancel any Instruction you have set up for the payment of the nursery fees.. For further information on this, please contact the Nursery.
5. **Your salary exchange deduction value will appear on your payslip in the month you indicate as the date you wish to participate in the scheme. This deduction will pay the fees for that month i.e. the November deduction pays for Novembers nursery fees.**

How much can I save?

1. The Tir Na Nog Nursery Salary Sacrifice Scheme enables you to save tax and National Insurance contributions on your nursery fees. The higher your nursery fees, the more savings you make.

Length of time in the Scheme

1. Due to HM Revenue & Customs (HMRC) conditions, the scheme depends on a commitment of membership for a period of one year or up to the scheme period final month (our scheme period operates from September to August). Once you have opted to join, you cannot leave the Tir Na Nog Nursery Salary Sacrifice Scheme or change the amount you have agreed to exchange for nursery fees except at the Annual Renewal Date in September **unless** your child leaves the nursery **or** if there is a significant personal Lifestyle Change.
2. Acceptable lifestyle changes are:
 - Annual Renewal (1 September each year)
 - Marriage or civil partnership
 - Notification of pregnancy or commencement of/return from maternity leave
 - Birth or at key stages in adoption of a child
 - Change in formal custody arrangements
 - Moving House
 - Commencement of/return from long-term sick leave, or starting receipt of long-term disability benefit
 - Redundancy, loss of job or change in working pattern of partner
 - A significant change in working hours (20% or more)
 - Commencement of/return from unpaid leave of greater than 3 months (paternity, career break, etc.)
 - Decrease in Reference Salary of 20% or more (University staff member only)
 - Commencement of or return from an overseas secondment
 - Divorce/legal separation/dissolution of a civil partnership
 - Death of a partner or dependant
 - Sibling starting nursery/sibling starting school
 - Early Years Funding applies
 - National Minimum Wage issues

3. You will be liable for any differences between nursery fees and the amount exchanged through the scheme and these should be discussed with the Nursery directly.

Change in membership

1. You cannot change the amount you have agreed to salary exchange except at the Annual Renewal Date (1 September) unless your child leaves the nursery or if there is a significant personal Lifestyle Change. See 'Length in Scheme' - above - for the list of acceptable Lifestyle Changes.
2. To apply for a change in membership, complete and return a Tir Na Nog Nursery Salary Sacrifice Scheme [Renewal/Request for Change](#) form by the 10th of the month (earlier date may apply for December / April) before you wish the change to begin. Employees are advised to note that because any changes, amendments or variations in membership entail a change to the terms and conditions of employment, you must actively initiate the process of applying for a change in membership.
3. No changes will be made automatically, nor can the nursery management affect changes on your behalf. It is your responsibility to take the initiative in reviewing membership of the scheme, and in formally and explicitly requesting any necessary changes.

What if my childcare requirements change?

1. If you undergo a significant Lifestyle Change (see [Length of time in the Scheme](#)) which results in the need to alter your nursery booking pattern, you can modify the amount you salary exchange. However, if you increase and/or decrease your child's booking pattern for any other reason, you cannot alter Tir Na Nog Nursery Salary Sacrifice Scheme membership due to HMRC regulations.
2. If you currently do not have the booking pattern you want and are looking to **increase** your place over the next year, you should consider salary exchanging your current monthly fees and cover any future additional hours by bank transfer or card payment..
3. If you are planning to **decrease** the hours you use in the nursery over the next year, consider salary exchanging at the amount you expect to reduce to and cover additional fees in the short-term by bank transfer or card payment
4. If your childcare requirements are likely to change frequently, the Tir Na Nog Nursery Salary Sacrifice Scheme may not be appropriate.

Will my overtime pay or any salary increase be affected if I join the Scheme?

No. Although you agree to receive a lower gross pay by entering into a salary sacrifice arrangement, both overtime rates and pay review policies are based on reference pay* so as not to disadvantage those employees participating in the scheme.

*Initial pay' prior to the deduction of 'sacrifices'.

Additional Voluntary Contributions to my pension

As the maximum Additional Voluntary Contributions (AVCs) you can pay are calculated on the amount of taxable salary received, the amount of AVCs you can purchase may be affected. You should contact the [Pensions Section](#) if you require advice about your particular circumstances.

Maternity or Sickness Leave considerations

During Maternity or Sickness Leave, where monthly pay permits the deductions can continue. Where any adjustments are made to pay as part of Maternity or Sick pay arrangements, individuals will need to review the deduction amount to ensure they do not impact monthly pay, and take them below the National Minimum Wage threshold.

The University will reserve the right to request that individuals vary any deductions where required to ensure minimum wage requirements are fulfilled. The Individual will have to arrange alternative means of paying any remaining Nursery fees with Tir Na Nog.

Do I need to declare my participation in the Tir Na Nog Nursery Salary Sacrifice Scheme to the HMRC?

No, as the cost of your childcare under this scheme is not a tax liability to you.

Does membership with the Scheme have any effect on state benefits I receive?

1. When you exchange pay in return for a benefit that is exempt from National Insurance (NI) contributions you do not pay NI on the exchanged portion, only the actual earnings. As your entitlement to some benefits is based on the amount of NI contributions that you pay and others are based on the amount you earn, joining this scheme may affect your current or future entitlement to benefits including:
 - Incapacity Benefit
 - State Pension
 - Statutory Maternity Pay
 - Shared Paternity Pay
 - Statutory Sick Pay
 - Working Tax Credit
 - Child Tax Credit
 - Universal Credit
2. For more information about how these benefits would be affected by a salary exchange arrangement, contact the relevant benefit provider.

Withdrawing from the Scheme

Download and complete a Tir Na Nog Nursery Salary Sacrifice Scheme: Membership Withdrawal Form. You must confirm any changes with the Tir Na Nog nursery and then return this form to the HR to action any withdrawal of your salary sacrifice arrangement – Bangor Benefits before the 10th the month (earlier dates of the month if December / April) preceding the month in which you wish to withdraw from the Scheme.

Where can I get independent advice?

1. The University cannot offer independent advice and can only provide information about the scheme.

2. You may want to consider seeking independent advice before making a decision—you can get advice from a variety of sources, such as your Union, the Citizens' Advice Bureau, an independent financial adviser, your accountant, or your solicitor/legal adviser.

Contact for further advice

1. For further questions about your participation in the Tir Na Nog Nursery Salary Sacrifice Scheme, please contact benefits@bangor.ac.uk
2. For information relating to Early Years Funding at the nursery or to change your nursery booking pattern/book extra sessions, contact the Tir Na Nog Nursery directly.
3. For queries on tax matters, contact the HMRC relevant tax section.
4. Questions on pensions should be directed to the [Pensions Section](#).

Forms

Please read the relevant information about the scheme before downloading an application form.

- Tir Na Nog Nursery Salary Sacrifice Scheme: [Application](#)
- Tir Na Nog Nursery Salary Sacrifice Scheme : [Renewal/Request for Change](#)
- Tir Na Nog Nursery Salary Sacrifice Scheme: [Membership Withdrawal](#)