
Foreword

The *Handbook* is published in the run up to a general election, in which the balance between safeguarding a fragile recovery and cutting vital services on which poorer families rely is being hotly contested by politicians and economists alike. On the one hand, all three main political parties are now agreed that child poverty is morally and economically reprehensible, and have committed to its eradication as enshrined in the Child Poverty Bill. On the other, none are promising the investment needed to reach either the 2010 or the 2020 targets on child poverty.

But failing to tackle child poverty and reduce inequalities is itself a false economy. The Joseph Rowntree Foundation calculates that poverty costs society around £25 billion a year, increasing the need for costly interventions and for the very services that are now under threat, damaging children's and parents' health and wellbeing, and reducing opportunities to participate and contribute. Tackling child poverty should be seen as an integral part of the economic recovery, not as something that can be postponed until fiscal circumstances allow.

For the moment, all three parties continue to argue that work is the best route out of poverty, and support (or are proposing to strengthen) a Welfare Reform Act that requires most claimants, including those who are sick or disabled and those with childcaring responsibilities, to move towards paid work or risk having their benefits sanctioned. And yet research suggests that the imposition of sanctions increases poverty and damages the health and wellbeing of children, and that punitive programmes are unlikely to increase employment for the most disadvantaged groups – particularly in a contracting labour market.

Furthermore, according to *Monitoring Poverty and Social Exclusion* (a report published annually by the New Policy Institute and the Joseph Rowntree Foundation), the number of poor children in working families is now over two million, the highest figure in its 30-year series. A report from the Office for National Statistics reveals that long-term unemployment (those out of work for more than a year) has increased to its highest levels since 1997, as has the claimant count of those receiving jobseeker's allowance. Given that 59 per cent of poor children have a parent in work, and the risk of a child being in poverty is 79 per cent in households in receipt of jobseeker's allowance, reducing in-work poverty and increasing support for families who are not in work are both vital if child poverty is to be eradicated.

Meanwhile, changes to the benefit system as part of the wider 'welfare to work' agenda – such as the introduction of employment and support allowance – are generating problems for decision makers and claimants alike. Statistics suggest

that only a small minority of claimants qualify for the support element of employment and support allowance. Those who fail the work capability assessment will, in effect, be obliged to claim jobseeker's allowance and satisfy jobseeking conditions – something that may well be problematic for many. The fact that a punitive assessment process is driving many others out of the system completely is also a source of concern.

To meet its 2020 commitment to end child poverty, the Government needs to improve the quality of benefit decision making, processing and take-up. And yet a report on decision making from the Work and Pensions Committee of the House of Commons identifies an increase in administrative and claimant error. A combination of complexity, increasingly punitive policies and stigma is also taking its toll on benefit take-up. Around £16 billion of benefits and tax credits go unclaimed by some of the poorest and most disadvantaged people in society.

And this is where this *Handbook* comes in. It provides vital information that enables advisers, administrators, politicians and service providers to navigate their way around an increasingly complex system, and to maximise take-up of benefits and tax credits. The *Handbook* is particularly relevant for those involved in advising on complex new regulations and changes to the benefits system at a time when delivery is being contracted out to private and voluntary sector providers who may lack experience and knowledge.

The *Handbook* is also essential for those responsible for implementing the Child Poverty Bill, which requires the UK government to publish a UK child poverty strategy, establishes a Child Poverty Commission to provide advice on strategies, and places duties on local authorities and other 'delivery partners' in England to work together to tackle child poverty. The *Handbook* is a vital tool for local service providers aiming to enhance family income by maximising benefit and tax credit take up

Given that increased conditions and the threat of sanctions are being attached to benefit entitlement, it is more important than ever that those advising on the system fully understand how it works. The *Handbook* contains the information needed to ensure that they do.

Shan Nicholas

Chief Executive, Child Poverty Action Group

Means-tested benefit rates

Income support/income-based jobseeker's allowance

Personal allowances		£pw
Single	Under 25	51.85
	25 or over	65.45
Lone parent	Under 18	51.85
	18 or over	65.45
Couple	Both under 18	51.85
	Both under 18, certain cases	78.30
	One under 18, one 18–24	51.85
	One under 18, one 25 or over	65.45
	One under 18, certain cases	102.75
	Both 18 or over	102.75
Premiums		
Carer		30.05
Disability	Single	28.00
	Couple	39.85
Enhanced disability	Single	13.65
	Couple	19.65
Severe disability	One qualifies	53.65
	Two qualify	107.30
Pensioner	Single (jobseeker's allowance only)	67.15
	Couple	99.65
Children (Pre-6 April 2004 claims with no child tax credit)		
Child under 20 personal allowance		57.57
Family premium		17.40
Disabled child premium		52.08
Enhanced disability premium (child)		21.00
Capital limits		Lower Upper
Standard		6,000 16,000
Care homes		10,000 16,000
Tariff income £1 per £250 between lower and upper limit		

Means-tested benefit rates

		£pw	
Pension credit			
Guarantee credit			
Standard minimum guarantee	Single	132.60	
	Couple	202.40	
Severe disability addition	One qualifies	53.65	
	Two qualify	107.30	
Carer addition		30.05	
Savings credit			
Threshold	Single	98.40	
	Couple	157.25	
Maximum	Single	20.52	
	Couple	27.09	
Capital disregard			
Standard/care homes		10,000	
No upper limit			
Deemed income £1 per £500 above disregard			
Income-related employment and support allowance			
		Assessment phase	Main phase
Personal allowances			
Single	Under 25	51.85	65.45
	25 or over	65.45	65.45
Lone parent	Under 18	51.85	65.45
	18 or over	65.45	65.45
Couple	Both under 18 (max)	78.30	102.75
	Both 18 or over	102.75	102.75
Components			
Work-related activity		–	25.95
Support		–	31.40
Premiums			
Carer		30.05	30.05
Severe disability (one qualifies)		53.65	53.65
Severe disability premium (two qualify)		107.30	107.30
Enhanced disability	Single	13.65	13.65
	Couple	19.65	19.65
Pensioner	Single, no component	67.15	–
	Couple, no component	99.65	–
	Single, work-related activity component	–	41.20



		Assessment phase	Main phase
	Couple, work-related activity component	–	73.70
	Single, support component	–	35.75
	Couple, support component	–	68.25
Capital limits			
As for income support			
Housing benefit and council tax benefit			
Personal allowances			
Single	Under 25		51.85
	Under 25 (on main phase ESA)		65.45
	25 or over		65.45
Lone parent	Under 18		51.85
	Under 18 (on main phase ESA)		65.45
	18 or over		65.45
Couple	Both under 18		78.30
	Both under 18 (claimant on main phase ESA)		102.75
	One or both 18 or over		102.75
Dependent children	Under 20		57.57
Pensioner over qualifying age for pension credit	Single under 65		132.60
	Single 65 or over		153.15
	Couple both under 65		202.40
	Couple one or both 65 or over		229.50
Components			
Work-related activity			25.95
Support			31.40
Premiums			
Carer			30.05
Disability	Single		28.00
	Couple		39.85
Disabled child			52.08
Enhanced disability	Single		13.65
	Couple		19.65
	Child		21.00
Severe disability	One qualifies		53.65
	Two qualify		107.30

Means-tested benefit rates

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Family	Ordinary rate	£pw	17.40
	Some lone parents		22.20
	Baby addition		10.50

Capital limits	Lower	Upper
Standard	6,000	16,000
Care home (housing benefit only)	10,000	16,000
Over qualifying age for pension credit	10,000	16,000
Tariff income £1 per £250 between lower and upper limit, £1 per £500 for those over qualifying age for pension credit		
No upper limit or tariff income for those on pension credit guarantee credit		

Social fund payments

Maternity grant		500.00
Cold weather payment		8.50
Winter fuel payment	Under 80	250.00
(over qualifying age for pension credit)	80 or over	400.00
	Care home (under 80)	125.00
	Care home (80 or over)	200.00
(rates to be confirmed for winter 2010/11)		

Non-means-tested benefit rates

	£pw
Attendance allowance	
Higher rate	71.40
Lower rate	47.80
Bereavement benefits	
Bereavement payment (lump sum)	2,000
Bereavement allowance/widow's pension (55 or over)	97.65
Bereavement allowance/widow's pension (45–54)	29.30–90.81
Widowed parent's allowance/widowed mother's allowance	97.65
Carer's allowance	53.90
Adult dependant (some existing claimants only)	31.70
Child benefit	
Only/eldest child	20.30
Other child(ren)	13.40
Child dependant (some existing claimants only)	
Only/eldest child	8.10
Other child(ren)	11.35
Disability living allowance	
Care component	
Highest rate	71.40
Middle rate	47.80
Lowest rate	18.95
Mobility component	
Higher rate	49.85
Lower rate	18.95
Contributory employment and support allowance	
Assessment phase	
Under 25	51.85
25 or over	65.45

Non-means-tested benefit rates

	£pw
Main phase	
16 or over	65.45
Work-related activity component	25.95
Support component	31.40
Guardian's allowance	14.30
Short-term incapacity benefit (under pension age)	
Lower rate	68.95
Higher rate	81.60
Adult dependant	41.35
Short-term incapacity benefit (over pension age)	
Lower rate	87.75
Higher rate	91.40
Adult dependant	51.10
Long-term incapacity benefit	91.40
Age addition (under 35)	15.00
Age addition (35–44)	5.80
Adult dependant	53.10
Industrial disablement benefit	
Under 18	20%: £17.87 to 100%: £89.35
18 or over	20%: £29.16 to 100%: £145.80
Contribution-based jobseeker's allowance	
Under 25	51.85
25 or over	65.45
Maternity allowance	
Standard rate	124.88
Adult dependant (some existing claimants only)	41.35
Retirement pension	
Category A	97.65
Adult dependant (some existing claimants only)	57.05
Category B (widow(er)/surviving civil partner)	97.65
Category B (spouse/civil partner)	58.50
Category D	58.50
Severe disablement allowance	59.45
Age addition (under 40)	15.00
Age addition (40–49)	8.40
Age addition (50–59)	5.45
Adult dependant	31.90



	£pw
Statutory maternity, paternity and adoption pay	
Standard rate	124.88
Statutory sick pay	79.15
National insurance contributions	
Lower earnings limit	97.00
Primary threshold	110.00
Employee's class 1 rate	11% of £110.01 to £844 1% above £844
Class 2 rate	2.40

Tax credit rates

		£ per day	£ per year
Child tax credit			
Family element	Basic	1.50	545
	Baby element	1.50	545
Child element		6.31	2,300
Disability element		7.44	2,715
Severe disability element		3.00	1,095
Working tax credit			
Basic element		5.27	1,920
Couple element		5.18	1,890
Lone parent element		5.18	1,890
30-hour element		2.17	790
Disability element		7.05	2,570
Severe disability element		3.00	1,095
50-plus element	Working 16–29 hours	3.62	1,320
	Working 30 hours or more	5.39	1,965
Childcare element	80% eligible childcare costs to a weekly maximum of:		
	One child		weekly maximum 175
	Two or more children		weekly maximum 300
Thresholds			
First income threshold	Working tax credit only or with child tax credit		6,420
	Child tax credit only		16,190
First taper			39%
Second income threshold		min. 50,000	
Second taper			6.67%
Income disregard			25,000

Chapter 1

Introduction

This chapter covers:

1. The benefit and tax credit system (below)
2. Which benefits and tax credits should you claim (p6)
3. Financial help when starting work (p14)
4. Other financial help (p15)

1. The benefit and tax credit system

The government department responsible for the overall administration and policy work for most social security benefits, other than housing benefit (HB) and council tax benefit (CTB), is the **Department for Work and Pensions (DWP)**. Tax credits, child benefit, guardian's allowance and health in pregnancy grants are dealt with by **Her Majesty's Revenue and Customs** (referred to in this *Handbook* as 'the Revenue'). HB and CTB are administered by **local authorities**.

An executive agency of the DWP, called **Jobcentre Plus**, administers most benefit claims for people under state retirement age (referred to by the DWP as people of working age). The **Pension Service** deals with retirement pension and pension credit, and the **Disability and Carers Service** deals with disability benefits and carer's allowance. **Note:** these two agencies merged on 1 April 2008 to create a new DWP agency, the **Pension, Disability and Carers Service**. However, claimants still see the Pension Service and Disability and Carers Service as two distinct organisations and the contact details for each remain the same.

An executive agency of the Ministry of Justice, the **Tribunals Service**, is responsible for administering benefit and tax credit appeals.

The main types of benefit and tax credit

Some benefits are paid only if you have limited income and capital. These benefits are known as **means-tested benefits** because there is an investigation into your means before you can be paid them. You do not have to satisfy any national insurance (NI) contribution conditions (see Chapter 31). See pxiii for a list of means-tested benefits.

Child tax credit (CTC) and **working tax credit** are also means tested (see Chapters 47 and 48).

Some other benefits (known as ‘passported’ benefits) are payable if you qualify for particular means-tested benefits or tax credits (see p5). Some benefits are paid on a ‘discretionary’ basis even if you satisfy a means test (eg, social fund community care grants, budgeting loans and crisis loans).

Non-means-tested benefits do not involve a detailed investigation of your means. You qualify if you satisfy certain basic conditions such as being available for work, disabled or bereaved. It may still be relevant to ask whether you have any earnings or an occupational pension because many of the benefits are designed to compensate for your loss of earnings, but normally your income or capital does not affect your entitlement. You have to satisfy the NI contribution conditions for some non-means-tested benefits (see Chapter 31). See pxvii for a list of non-means-tested benefits.

Jobseeker’s allowance (JSA) and employment and support allowance (ESA) are benefits that are both means tested and non-means tested.

- *Income-based* JSA is means tested and *contribution-based* JSA is non-means tested (although some earnings-related income can reduce the amount you are paid) – see Chapter 15 and p868. A third type of JSA, *joint-claim* JSA, is a kind of income-based JSA, but has some special rules about claiming for certain couples.
- *Income-related* ESA is means tested and *contributory* ESA is non-means tested (although some earnings-related income can reduce the amount you are paid) – see Chapter 7 and p871. A third type of ESA, ESA in *youth* is similar to contributory ESA, but has neither NI contribution conditions nor a means test.

If you qualify for the non-means-tested element of either JSA or ESA you may also qualify for the means-tested elements if:

- you qualify for any of the premiums that can be added to your basic personal allowance (see p786); *or*
- you need help with your mortgage interest or other types of housing costs (see Chapter 34).

This *Handbook* also covers the rules for **statutory sick pay**, **statutory maternity pay**, **statutory paternity pay** and **statutory adoption pay**, which are paid without any means test by your employer, rather than by the DWP or the Revenue.

You may be entitled to a combination of non-means-tested and means-tested benefits. For example, you might receive retirement pension topped up by pension credit. In addition, you might also qualify for help with your rent (HB) and your council tax (CTB).

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Passported benefits

Some benefits and tax credits act as a 'passport' to other benefits. These are:

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<i>Passported benefit</i>	<i>Passports</i>
Free school lunches	Income support Income-based jobseeker's allowance Income-related employment and support allowance Some recipients of child tax credit Guarantee credit of pension credit (England and Wales only)
Health benefits	Income support Income-based jobseeker's allowance Income-related employment and support allowance Some recipients of child tax credit Some recipients of working tax credit Guarantee credit of pension credit
Sure Start maternity grant	Income support Income-based jobseeker's allowance Income-related employment and support allowance Pension credit (either or both credits) Some recipients of child tax credit (see p531) Some recipients of working tax credit (see p531)
Social fund funeral expenses payment	Income support Income-based jobseeker's allowance Income-related employment and support allowance Pension credit (either or both credits) Some recipients of child tax credit (see p533) Some recipients of working tax credit (see p533) Housing benefit Council tax benefit
Social fund cold weather payment, community care grant and budgeting loan	Income support Income-based jobseeker's allowance Income-related employment and support allowance Pension credit (either or both credits)

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2. Which benefits and tax credits should you claim

You may be able to claim a combination of non-means-tested benefits, means-tested benefits and tax credits. You should check to see:

- if you are entitled to any ‘earnings replacement’ benefits – these are non-means-tested benefits to compensate you for your inability to work, such as carer’s allowance and retirement pension; *then*
- if you can get any benefits because of your circumstances – eg, because you are disabled or are looking after children; *and finally*
- whether you qualify for any means-tested benefits or tax credits to top up your benefit and other income.

Qualifying for some of the non-means-tested benefits means you qualify for some of the means-tested benefits at a higher rate. It is worth getting help to ensure you are claiming all the benefits to which you are entitled. See Appendix 2 for information about where you can go for advice and assistance. See the table on p7 for ideas of benefits you might claim, depending on your circumstances. You may find that more than one of the circumstances applies to you – eg, you may have a child, a disability, a mortgage or work part time. Refer to each separate circumstance that applies.

Remember:

- when you claim, ask for your claim to be backdated if relevant (see p1000);
- if getting one of the non-means-tested benefits you are claiming qualifies you for another benefit, claim the other benefit at the same time (see p1003).

Summaries of the rules for each benefit and tax credit are provided on pp8–14. Refer to the relevant chapters for full details.

Whatever category you are in, you might get the following benefits/tax credits if you do not have enough money to live on. These can be paid on their own, or in addition to other benefits:

- income support (IS) or income-based jobseeker’s allowance (JSA) if not in full-time paid work;
- income-related employment and support allowance (ESA) if you have limited capability for work;
- working tax credit (WTC) if in full-time paid work;
- pension credit (PC) if in or out of full-time paid work.

2. Which benefits and tax credits should you claim

Your circumstances

Benefits/tax credits to which you may be entitled

Bereaved

- Bereavement payment
- Widowed parent's allowance
- Bereavement allowance
- Funeral expenses payment

Carer

- Carer's allowance

Responsible for a child

- Child tax credit
- Child benefit
- Guardian's allowance
- Statutory maternity pay
- Statutory paternity pay
- Statutory adoption pay
- Maternity allowance
- Health benefits

Disabled

- Cold weather payment
- Disability living allowance
- Attendance allowance
- Industrial injuries benefits

Incapable of work

- Cold weather payment
- Employment and support allowance
- Incapacity benefit
- Statutory sick pay
- Severe disablement allowance

Have a mortgage

- Cold weather payment
- Income support
- Income-based jobseeker's allowance
- Income-related employment and support allowance

Pension credit

Not enough money to meet certain needs

- Council tax benefit
- Community care grant
- Budgeting loan
- Crisis loan

Pensioner

- State retirement pension
- Pension credit
- Winter fuel payment
- Cold weather payment

Part 1: Introduction**Chapter 1: Introduction****2. Which benefits and tax credits should you claim**
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Pregnant	Statutory maternity pay Maternity allowance Sure Start maternity grant Health benefits Health in pregnancy grant
Tenant	Housing benefit Council tax benefit
Unemployed and seeking work	Jobseeker's allowance

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Attendance allowance

Attendance allowance (AA) is not means tested and is for those aged 65 or over when they claim who need help with personal care (see Chapter 6).

If you receive this benefit you may also be entitled to disability-related premiums if you claim housing benefit (HB) or council tax benefit (CTB) or both, or your partner claims IS, income-based JSA or ESA, or an additional amount if you claim PC (see Chapter 33).

If you get AA at any rate, your carer may qualify for carer's allowance (CA) (but your carer should check whether this will affect any IS/income-based JSA/income-related ESA/HB/CTB or PC you or your partner may be getting).

Bereavement allowance

Bereavement allowance is paid for up to 52 weeks for people who were 45 or over but under pension age when their spouse or civil partner died.

You cannot get bereavement allowance and widowed parent's allowance at the same time (see Chapter 2).

Bereavement payment

Bereavement payment is a one-off lump-sum payment for people who were under pension age when their spouse or civil partner died or whose late spouse or civil partner was not entitled to state retirement pension (see Chapter 2).

Budgeting loan

You may get an interest-free loan to help you with particular expenses. You have to be in receipt of a qualifying benefit when you claim and throughout the previous 26 weeks (see Chapter 21).

Carer's allowance

CA is paid if you are providing care for 35 hours or more a week for a person who is entitled to disability living allowance (DLA) care component at the middle or highest rate, or AA (see Chapter 3).

If you get CA you qualify for a carer premium if you claim IS, income-based JSA, income-related ESA, HB or CTB, or a carer's additional amount if you claim

2. Which benefits and tax credits should you claim

PC, but the CA counts as income for these benefits. However, before you claim CA check whether this will affect the person for whom you are caring – if s/he gets a benefit that includes a severe disability premium or additional amount, this could be stopped if you claim CA (see Chapter 33).

Child benefit

Child benefit is not means tested and is paid regardless of whether you are in or out of work (see Chapter 4).

Child tax credit

Child tax credit (CTC) is paid whether you are in or out of work. The amount you may get depends on a means test (see Chapter 47).

Christmas bonus

You qualify for a Christmas bonus of £10 if you receive any of the following qualifying benefits for at least part of the ‘relevant week’ (even if the benefit is paid later):

- AA;
- DLA;
- CA;
- disablement benefit (only if it includes unemployability supplement or constant attendance allowance);
- long-term incapacity benefit (IB);
- severe disablement allowance;
- retirement pension;
- PC;
- widowed mother’s allowance, widowed parent’s allowance or widow’s pension;
- industrial death benefit for widows or widowers;
- mobility supplement;
- war disablement pension (only if you are at least 65 before the end of the relevant week);
- war widow’s or surviving civil partner’s pension;
- contributory ESA which includes either the support or the work-related activity component.

The ‘relevant week’ is usually the week beginning with the first Monday in December.

You may also claim an extra bonus for your partner (a further £10) if s/he has not received a bonus in her/his own right, and:

- you are both at least pension age (see p487) and you are entitled, or may be treated as entitled, to an increase of one of the qualifying benefits in respect of her/him; *or*

Part 1: Introduction**Chapter 1: Introduction****2. Which benefits and tax credits should you claim**
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- you are both at least the qualifying age for PC (see p465) and the only qualifying benefit you get is PC.

The bonus is not taxable and has no effect on other benefits or tax credits.

It is paid automatically. However, you should contact the DWP if you have not obtained your bonus within a year. Otherwise, your right is lost.

Cold weather payment

Social fund cold weather payments are paid automatically if you are getting IS, income-based JSA or income-related ESA that includes a qualifying premium/component or you have a child under five, or you are getting PC (see Chapter 22).

Community care grant

You may get a grant specifically to help you live independently in the community. You have to be in receipt of a qualifying benefit when you claim (see Chapter 21).

Council tax benefit

If you are liable for council tax and are on a low income you may get CTB. It is paid whether you are in or out of work (see Chapter 5).

If you are the only person liable for council tax on your home and you have an adult on a low income living with you, you might be able to get a type of CTB known as 'second adult rebate', no matter how much income or capital you have.

Crisis loan

A crisis loan may be payable if you have had an emergency or disaster and you do not have enough money to meet immediate short-term needs. A crisis loan may also be payable for rent in advance. You do not have to be in receipt of a benefit to get this loan but have to be likely to be able to repay it (see Chapter 21).

Disability living allowance

DLA is not means tested and is paid if you need help with your mobility, your personal care or both. You must be under 65 when you first claim (see Chapter 6).

If you receive this benefit you may also be entitled to disability-related premiums if you claim IS, income-based JSA, income-related ESA, HB or CTB, or an additional amount if you claim PC (see Chapter 33).

If you get DLA care component at the middle or highest rate your carer may qualify for CA (see p8), but your carer should check whether this will affect any IS/income-based JSA/income-related ESA/HB/CTB or PC you or your partner are getting.

Employment and support allowance

ESA is a benefit for people who have 'limited capability for work' because of ill health or a disability. ESA replaced IB and IS on the grounds of disability for new claimants from 27 October 2008.

2. Which benefits and tax credits should you claim

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Contributory ESA is paid if you satisfy the national insurance (NI) contribution conditions, but you do not have to pass a means test. However, some earnings-related income can reduce the amount you are paid – see Chapter 7 and p871.

Income-related ESA is paid if you pass the means test, but you do not have to satisfy NI contribution conditions.

Some mortgage payments and other housing costs can be met by this benefit, but you may have to serve a waiting period before you get this assistance (see Chapter 34).

ESA in youth is neither contributory nor means tested but you must be aged under 20 (or in some circumstances aged under 25) when the period of limited capability for work began.

It is possible to receive contributory ESA (or ESA in youth) topped up with income-related ESA (see Chapter 7).

Funeral expenses payment

To get help with the cost of a funeral through the social fund you have to receive a qualifying benefit (see Chapter 22).

Guardian's allowance

Guardian's allowance is paid to you if you are looking after a child who is effectively an orphan (see Chapter 8).

Health benefits

Health benefits include free prescriptions, sight tests and dental treatment. If you get a qualifying benefit you have a 'passported' entitlement to health benefits. Alternatively, you may qualify on low-income grounds (see Chapter 9).

Health in pregnancy grant

You may qualify for a one-off payment of £190 if you are pregnant. You must have reached the 25th week of pregnancy and have received advice from a health professional about your maternal health (see Chapter 9). There is no means test for a health in pregnancy grant; it does not matter how much income or capital you have.

Healthy Start

If you get a qualifying benefit (or you are pregnant and under the age of 18) you are 'passported' to help under the Healthy Start scheme. Help includes food vouchers for milk, fresh fruit and vegetables as well as vitamins (see Chapter 9).

Housing benefit

If you have rent to pay and are on a low income you may get HB. It is paid whether you are in or out of work (see Chapter 10).

Incapacity benefit

You have to satisfy the NI contribution conditions to be paid IB unless you became incapable of work in youth (see Chapter 12). IB is not means tested (although some earnings-related income can reduce the amount you are paid – see p858).

In most cases, you cannot make a new claim for IB and have to claim ESA instead. See p288 for information.

Income support

You have to fit into one of the groups of people who can claim IS (see Chapter 13).

IS can be paid in addition to other benefits to top up your income to a certain level.

Some mortgage payments and other housing costs can be met by this benefit, but you may have to serve a waiting period before you get this assistance (see Chapter 34).

Industrial injuries benefits

Industrial injuries benefits are paid if you are disabled as a result of being injured or contracting a disease at work (see Chapter 14).

If you receive this benefit you may also be entitled to disability-related premiums if you claim IS, income-based JSA, HB and/or CTB (see Chapter 33).

Jobseeker's allowance

To qualify for JSA, you must show that you are available for and actively seeking work, and you must have a current jobseeker's agreement with Jobcentre Plus. You cannot qualify if you are in full-time paid work. If you work less than 16 hours a week you may be required to take up a full-time job. See Chapter 15 for further information.

Contribution-based JSA is paid for 26 weeks if you satisfy the NI contribution conditions. It is not means tested but some earnings-related income can reduce the amount you are paid (see Chapter 15 and p868).

Income-based JSA is means tested and non-contributory. It is paid for as long as you satisfy the conditions of entitlement. It can be paid in addition to contribution-based JSA if you have any additional needs – eg, a disability. Some mortgage payments and other housing costs can be met by this benefit, but you may have to serve a waiting period before you get this assistance (see Chapter 34).

Maternity allowance

If you are pregnant or have recently had a baby and you are not entitled to statutory maternity pay (SMP) you may be eligible for maternity allowance (MA) – eg, if you are self-employed (see Chapter 17).

2. Which benefits and tax credits should you claim

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Pension credit

If you are at least the qualifying age for PC (see p465) you may qualify for the guarantee credit of PC to top up a low income. It is means tested. The savings credit of PC is paid to men and women aged 65 or over (or whose partner is 65 or over) and acts as a reward for making provisions for retirement, such as savings, above the basic state pension (see Chapter 18).

Some mortgage payments and other housing costs can be met by this benefit (see Chapter 34).

Severe disablement allowance

Severe disablement allowance (SDA) was abolished for new claimants on 6 April 2001 but some claimants entitled before that date remain eligible to receive it (see Chapter 20).

State retirement pension

When you reach pension age (see p487) you may qualify for state retirement pension. It is based on the amount of your NI contributions (or your partner's in the case of a Category B pension) (see Chapter 19).

Statutory adoption pay

Statutory adoption pay is paid if you are, or have been, an employee who satisfies the continuous employment and earnings conditions. It is paid when a child is placed, or is expected to be placed, with you for adoption (see Chapter 23).

Statutory maternity pay

Statutory maternity pay (SMP) is paid if you are, or have been, an employee who satisfies the continuous employment and earnings conditions. It is paid if you are pregnant or have recently given birth.

If you are not entitled to SMP you may be eligible for MA – eg, if you are self-employed (see Chapter 17).

Statutory paternity pay

Statutory paternity pay is paid if you are, or have been, an employee who satisfies the continuous employment and earnings conditions. It is paid if your partner has just given birth or you have adopted a child (see Chapter 23).

Statutory sick pay

Statutory sick pay (SSP) is paid to employees for the first 28 weeks of incapacity (see Chapter 24).

Sure Start maternity grant

To get a Sure Start maternity grant you or your partner must have been awarded a qualifying benefit (see Chapter 22).

Widowed parent's allowance

Widowed parent's allowance is for widows, widowers and surviving civil partners with children, and for widows or surviving civil partners who are pregnant.

You cannot get both widowed parent's allowance and bereavement allowance at the same time (see Chapter 2).

Winter fuel payment

Social fund winter fuel payments are for people who are at least the qualifying age for PC (see p465), regardless of their means (see Chapter 22).

Working tax credit

Working tax credit is paid if you or your partner work 16 hours or more a week (or in some cases 30 hours or more a week) and have a low income (see Chapter 49).

3. Financial help when starting work

If you or your partner start working full time, you might be entitled to some financial support to help your transition into work after a period of time on benefit.

If you or your partner start to work full time (16 hours or more a week) or increase your earnings and, as a result, stop claiming certain benefits, you might qualify for:

- **mortgage interest run-on** if you have a home loan or other housing costs (see p850);
- **extended payments of housing benefit and council tax benefit** if you pay rent or council tax (see p239 and p94).

Jobcentre Plus administers a number of other types of financial support for those starting full-time work. The aim is to ensure you are better off in work than on benefits. In most cases, you must start to work at least 16 hours a week, having been receiving specified benefits or payments, or a combination of these (or, in some cases, having been on a New Deal scheme or other scheme/programme), for a set period of time. In some cases, you must expect the work to last at least five weeks. The types of support are added to and changed from time to time, as are the rules of entitlement. You should check with your Jobcentre Plus office to see what is available. Do this *before* you start work because you may have to apply for the financial support before your job starts. Some information is available at www.direct.gov.uk.

At the time this *Handbook* was written, the financial support available included the following. You may qualify for one or more of them, depending on your circumstances:

- **job grant** of £100 if you are single or a member of a couple without children, or £250 if you are a lone parent or a member of a couple with children;
- a payment from the **Adviser Discretion Fund** of up to £100 (or more if the cost of need is higher), at the discretion of your personal adviser at the Jobcentre Plus office, to help overcome barriers to work – eg, initial travel and childcare costs or the cost of work clothes;
- **return-to-work credit** of £40 a week for the first 52 weeks in a new job if you earn no more than £15,000 a year;
- **in-work credit** of £40 a week (£60 a week in London) for the first 52 weeks in a new job.

Note: the Government intends to introduce a **better-off-in-work credit** for those who have been receiving benefit for six months to ensure your in-work income is greater than your income on benefit.

The New Deal schemes also provide help with costs such as childcare and training. For further details of the various financial incentives to move into full-time work see Inclusion's *Welfare to Work Handbook* or contact your local Jobcentre Plus office.

4. Other financial help

This *Handbook* is mainly concerned with information about social security benefits and tax credits. However, there is other financial help to which you may be entitled, especially if you are on a low income, have children, have an illness, disability or other special needs, or are an older person.

See CPAG's *Paying for Care Handbook* and the *Disability Rights Handbook*, published by Disability Alliance, for help for those with care needs.

Education benefits

Free school lunches

Children are entitled to free school lunches if their families receive:

- income support (see Chapter 13), income-based jobseeker's allowance (see Chapter 15) or income-related employment and support allowance (see Chapter 7);
- child tax credit (CTC), and have annual taxable income of £16,190 or less. However, this does not apply if the family is receiving working tax credit (WTC) unless;
 - this is during the four-week 'WTC run-on' period (see p1278); *or*
 - in Scotland only, the WTC award is based on annual taxable income of £6,420 or less – ie, the family gets maximum WTC;
- guarantee credit of pension credit (PC) (England and Wales only). PC claimants in Scotland may qualify if they receive CTC, as above.

Also entitled are:

- 16–18-year-olds receiving the above benefits or tax credits in their own right;
- asylum seekers in receipt of support provided under Part VI of the Immigration and Asylum Act 1999.

In Scotland there is a commitment to make free school lunches available to all Primary 1 to Primary 3 pupils (ie, for the first three years of primary school) from August 2010. At the time of writing, however, one Scottish local authority had introduced this from August 2009, so it is worthwhile checking with your local authority.

Note: the Government intends to extend free school lunches to working families who have annual taxable income of £16,190 or less, starting from September 2010. In some areas in England, there are pilots of universal free school lunches. The Government plans to extend these so that there is a pilot in each English region.

Education maintenance allowance

Education maintenance allowances are means-tested payments for young people aged 16 to 19 who stay on in further education. The payments are made direct to the young person and are conditional upon regular course attendance. They are payable for two to three years (to four years in Scotland if there are additional support needs). The young person may receive a weekly allowance of either £10, £20 or £30 during term time depending on the household income. S/he may also receive bonuses if s/he remains on her/his course and does well against learning objectives set out in her/his education maintenance allowance contract. A further bonus may be payable if s/he returns to study for a second year.

Education maintenance allowances do not count as income for any benefits or tax credits the parent may be getting, so the young person can get an allowance and the parent's child benefit and CTC are unaffected. The education maintenance allowance is also not affected by any income the young person has from part-time work.

For further details, see <http://ema.direct.gov.uk>, www.emascotland.com or www.studentfinancewales.co.uk. **Note:** in Wales, young people aged 19 or over in further education may qualify for an Assembly learning grant (see www.studentfinancewales.co.uk).

Clothing grants

Local authorities can give grants for school uniforms and other school clothes. Each authority determines its own eligibility rules. Some school governing bodies or parents' associations also provide help with school clothing.

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School transport

Local authorities must provide free transport to school for pupils under 16 where it is considered necessary to enable that pupil to get to the 'nearest suitable school'.

Other support for students

To find out what help is available to finance your studies, contact your local authority or college. Also see Chapter 25 and CPAG's *Student Support and Benefits Handbook* for England and Wales and *Benefits for Students in Scotland Handbook*.

Housing grants

Your local authority may be able to provide you with a grant to help with the cost of improving your home. The main types of grant available are:

- home improvement grants;
- disabled facilities grants.

You may be able to get assistance to repair, improve, maintain or adapt your home from a home improvement agency (a local not-for-profit organisation). For information see wwwFOUNDATIONS.UK.COM/about_home_improvement_agencies, www.careandrepair.org.uk and www.careandrepairsotland.co.uk.

For more details, see CPAG's *Paying for Care Handbook*.

Home energy efficiency schemes

There are grants available for help with insulation and other energy efficiency measures in your home. Different schemes operate in England, Wales and Scotland.

For more details, see CPAG's *Paying for Care Handbook*, or contact the Energy Action Grants Agency at Archbold Terrace, Jesmond, Newcastle upon Tyne NE2 1DB (freephone 0800 316 2805) or visit www.eaga.com.

Help from social services

Local authority social services departments have statutory duties to provide a range of practical and financial help to families, children, young people, older people, people with disabilities and asylum seekers.

If you are an asylum seeker, see Chapter 57.

For more details, see CPAG's *Paying for Care Handbook*.

Special funds for sick or disabled people

A range of help is available for people with an illness or disability to assist with things like paying for care services in their own home, equipment, holidays,

furniture and transport needs, and for people with haemophilia or HIV contracted via haemophilia treatment.

For more information, see CPAG's *Paying for Care Handbook* and the *Disability Rights Handbook*, published by Disability Alliance.

Charities

There are many charities that provide various types of help to people in need. Your local authority social services department or local advice centre may know of appropriate charities that could assist you, or you can consult publications, such as *A Guide to Grants for Individuals in Need* and the *Charities Digest*, in your local library. The organisation turn2us has a website (www.turn2us.org.uk) with an A-Z of all the charities that can provide financial help. In many cases, applications for support can be made directly from the website.