

# The Essential Guide to Money for Parents

**ASDA**

provided by



Home of the Child Trust Fund

# Useful Contact Details

**ASDA Child Trust Fund** – Call **0845 900 0920\*** for general enquiries  
or visit **[www.asdafinance.com](http://www.asdafinance.com)**

## **Citizens Advice Bureau**

Visit **[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)**

## **HM Revenue and Customs** – Tax Credit Helpline

Tel **0845 300 3900** or visit **[www.hmrc.gov.uk/taxcredits](http://www.hmrc.gov.uk/taxcredits)**

## **Directgov** – offers a wide range of public service information

Visit **[www.direct.gov.uk](http://www.direct.gov.uk)**

## **Department for Work and Pensions**

Visit **[www.dwp.gov.uk](http://www.dwp.gov.uk)**

**Jobcentre Plus** – government agency supporting people  
of working age from welfare into work

Tel **0800 055 6688** or visit **[www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)**

## **Healthy Start Vouchers**

Tel **0845 607 6823** or visit **[www.healthystart.nhs.uk](http://www.healthystart.nhs.uk)**

This guide has been prepared by ASDA and our partner The Children's Mutual to highlight some of the key issues relating to benefits and schemes affecting you and your child.

It is based on The Children's Mutual's understanding as at January 2009 and is not intended to be a full and authoritative statement of current law and practice. We have made every effort to ensure that the information contained herein is correct at the date of publication, however it may be affected by subsequent changes in law or practice.

This guide should not be viewed as a substitute for obtaining specific advice.

\*Lines are open Monday to Friday 8am to 8pm and Saturday 9pm to 1pm. Calls charged at a maximum of 5p per minute from a BT landline, other networks may vary. Please note calls may be recorded for training and security purposes.

# What's inside

page

Getting started

4

Money for parents and expectant mums –  
Child Benefit, NHS Prescriptions and Dental Care

6

Money for every new baby – Child Trust Fund

8

Money from the taxman – Tax Credits

9

Money for parents on a low income –  
Job Seekers Allowance, Income Support

12

Money for parents who have worked – Job Seekers  
Allowance, Employment and Support Allowance

22

Money for health – hospital fares, free milk, fruit, vegetables  
and vitamins

24

# Getting started

Welcome to your **Essential Guide to Money for Parents**. At ASDA we believe passionately that every child should have the best possible start in life. That is why we and The Children's Mutual have worked so hard to create this guide for you.

Inside you'll find all sorts of information and useful tips about the financial and health benefits that are there to help you care for your child, both while you are pregnant and as your child grows up. Whether your family is financially secure or struggling to make ends meet, we'll try to help you discover exactly what you're entitled to and how to claim those benefits to which you are entitled.

We hope you find this guide useful and informative and that it helps you make the most of the money that you're entitled to claim.

We have included a section on the Child Trust Fund scheme, which provides all babies born in the UK from September 2002 with a savings and investment plan – started off with money from the Government for parents and the wider family to invest for their child's future.

## If you come from abroad

If you are living in the UK but you are not a UK national, you'll need to check whether your immigration status prevents you from applying for benefits. Also, if you do apply, will it harm any application you've made to the Home Office? You can get this specialised advice from an immigration solicitor or from an advice centre such as the Citizens Advice Bureau. It is advisable to contact the Citizens Advice Bureau or similar advice centres as early as possible.

## If you're working

If you're employed – even for just a few hours a week – you could be entitled to maternity or paternity leave with pay. To find out how to get more information about this, please see the 'Any questions?' section on the opposite page.

## If you're receiving benefits

If you are already receiving Income-based Jobseeker's Allowance, Income Support or Child Tax Credit (but not Working Tax Credit) with a family income of less than £15,575 a year (for 2008/09) you will be entitled to extra help (Healthy Start Vouchers) while you are pregnant. To apply, call **0845 607 6823** and ask for Form HS01 to complete, or you can download it or fill it in online at **[www.healthystart.nhs.uk](http://www.healthystart.nhs.uk)**.

The earliest you can apply is when you are ten weeks pregnant.



### **If you are adopting**

Unless otherwise stated, all the information in this leaflet applies equally to families adopting a child.

### **Same sex couples and single parents**

All information in this booklet applies equally to same sex and heterosexual couples, as well as single parents.

### **How to make a claim**

If you'd like to apply for any of the benefits you read about in this booklet just fill in the appropriate forms, which you'll find by using the website [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk). The exception is the Tax Credit claim pack, which you must request from HM Revenue & Customs (HMRC) on **0845 300 3900**.

### **Any questions?**

If you'd like to find out more about benefits for pregnant women and new families, please visit the Department for Work and Pensions website at [www.dwp.gov.uk/lifeevent/famchild](http://www.dwp.gov.uk/lifeevent/famchild).



## Money for parents and expectant mums

### Child Benefit

If you've just given birth, or adopted a baby, you're able to claim Child Benefit. This is a tax-free payment to help you care for your child which parents can claim for every new child, no matter how much you earn or what National Insurance contributions you have paid. And if this is your second baby (or more!), you'll be glad to know you can claim for each child from birth until they're at least 16 years old.

### What you need to qualify

Every mother or father can claim this benefit for their child, as long as they are resident in the UK, and not subject to immigration control.

### Did you know?

Child Benefit can help protect your state pension if you decide to look after your child full-time. The way it works is that for every complete year you receive Child Benefit, but don't pay enough National Insurance contributions to count towards the basic state pension, you automatically get 'Home Responsibilities Protection' to cover the difference.

## What it's worth

For 2009/10 you'll receive £20 a week for your first child, and £13.20 a week for each of your other eligible children.

However, for a new child it's important that you start claiming Child Benefit within three months of your baby's birth or adoption, otherwise you may lose some of it.

## How to claim

1. If you haven't already got one, you'll need to call the Child Benefit helpline on **0845 302 1444** to request a Child Benefit claim pack.
2. Fill in the forms and send them, along with your baby's original birth certificate, to the Child Benefit Office. Your baby's birth certificate will be given to you free when you register the birth, and will be returned to you once your Child Benefit claim is sorted out.
3. Your benefit will then be paid directly into your bank or building society account. Or, if you request it, you'll be sent a cheque which you can cash at a Post Office® branch. It is usually paid every four weeks in arrears, although if you're a single parent or your family has a low income, you can choose to be paid weekly if it's more convenient.

**Tip!** If it's easier, you can also claim Child Benefit online by logging on to [www.hmrc.gov.uk/childbenefit/online.htm](http://www.hmrc.gov.uk/childbenefit/online.htm)

## Free NHS prescriptions

You are entitled to free NHS prescriptions while you're pregnant and for 12 months after your baby's born. Your child also qualifies for free prescriptions until they reach 16 (19 if they are still in full-time education). In Wales, all prescriptions are free.

To claim, just ask your doctor or midwife for Form FW8 which you need to complete and post to the address printed on the form. You will be sent a Maternity Exemption Certificate which lasts until a year after your due date. You then take this along to the pharmacy with your prescriptions and you won't be charged.

## Free dental care

When you're expecting your baby, and for 12 months after your child is born, you are also entitled to free NHS dental treatment. All you have to do to claim is present your MAT B1 Certificate or your Maternity Exemption Certificate at the surgery when you're treated. Your child qualifies for free dental care until they reach 18 (19 if they are still in full-time education).

For more information about the help available with meeting health costs, see the Department of Health leaflet HC11 which you can find in the publications area of their website [www.dh.gov.uk](http://www.dh.gov.uk).

# Money for every new baby

## The Child Trust Fund scheme

To help give children a financial head start in life, the Government is giving the parents of each newborn child (since September 2002) a voucher worth £250 when they register for Child Benefit. This must be used to open an account – called a Child Trust Fund (CTF) account – on the child's behalf. Those children in families who receive full Child Tax Credit or who are in Local Authority care will get a further £250 paid into their account by Government.

The Government will also make a second contribution when the child is seven; for most children this will be £250, but those in low-income families and children in Local Authority care will receive £500. It is also considering the possibility of a further top-up in the child's teen years.

The idea behind the Child Trust Fund is to help parents start saving for their child's future. Parents, family and friends can add to their child's Child Trust Fund account by up to £1,200 a year between them, with the aim of helping to build a lump sum payable to the child when they are 18 years old, which they can use for anything they choose. All investment growth in the account is free from both income tax and capital gains tax, and there's normally no personal tax to pay when the account finishes on the child's 18th birthday.

If a child becomes terminally ill before their 18th birthday, the parent (or child if they are over 16), may gain early access to the fund, on production of supporting medical evidence.

## More information

If you would like more information about the Child Trust Fund scheme please visit [www.childtrustfund.gov.uk](http://www.childtrustfund.gov.uk)

or call us on **0845 900 0920** for more information about the ASDA Child Trust Fund, provided by The Children's Mutual.

Lines are open Monday to Friday 8am to 8pm and Saturday 9am to 1pm.

Calls charged at a maximum of 5p per minute from a BT landline, other networks may vary. Please note calls will be recorded for training and security purposes or visit our website [www.asdafinance.com](http://www.asdafinance.com)

# Money from the taxman

## Child Tax Credit

More good news! Many parents are eligible for Child Tax Credit payments each month, even if they are higher-rate taxpayers. And this is in addition to any Child Benefit you receive.

If you are receiving benefits such as Income Support or Income-based Jobseeker's Allowance, you are entitled to the maximum amount of Child Tax Credit for your children.

## What you need to qualify

Families with children qualify for Child Tax Credit if their annual income is no more than £58,175 a year (for 2008/09) (up to £66,350 if you have a child under one). This is regardless of whether you're working or not. It's usually paid directly to the main carer and, if you have a child under one, you'll receive a little more.

## What it's worth

The amount you receive varies depending on factors such as the number of children, whether they have any disabilities and how much you earn. For more detailed information see the money, tax and benefits section of [www.direct.gov.uk](http://www.direct.gov.uk).

It's important to apply as soon after your child's birth as you can, as any claim can only be backdated by up to three months.

## Working Tax Credit

Working Tax Credit was created to provide a little extra help for working families on lower incomes. In fact, you don't have to have children to claim it, as you'll see below. However, you do have to be working or on maternity leave from paid employment.

It will be paid directly into your bank, building society or Post Office® account, and what's more, if you are a parent it can also help with the cost of registered childcare.

## What you need to qualify

If you are a parent, you can claim from the age of 16 provided you work at least 16 hours a week. If you're on maternity leave, you'll be treated as though you're working, as long as you were working at least 16 hours a week before your leave began.

## What it's worth

It depends on how much you earned during the tax year before you apply, how many children you have, how old they are, and whether you pay for registered childcare.

If your joint income changes once you've applied – perhaps due to maternity leave – you should contact HMRC on the Tax Credits Helpline to tell them. The basic element of £1,800 a year (for 2008/09) is paid to everyone who is entitled to receive Working Tax Credit. All other elements depend on your household income and circumstances.

The good news is that any Child Benefit, Maternity Allowance or the first £100 a week of any Statutory Maternity, Paternity or Adoption Pay you are receiving is not taken into account when HMRC works out your family income. Any child maintenance you receive is also left out, which means you won't have to fill in forms for the Child Support Agency, as you do with some other benefits.



## How to claim

1. Call the HMRC Tax Credit Helpline on **0845 300 3900**. They can confirm your eligibility, how much you will receive and send you an application form.
2. If you prefer, you can find more information by logging on to **[www.direct.gov.uk/en/moneytaxandbenefits](http://www.direct.gov.uk/en/moneytaxandbenefits)**.

## How to get help with childcare costs

The Working Tax Credit is also designed to help parents with the cost of a registered childminder, nursery, play scheme or out-of-school club. In some cases, paid care within the home may qualify.

To qualify for the Childcare element you have to be:

- a working single parent, or 'treated as working', for 16 hours or more a week, or
- part of a couple, both working, or 'treated as working', for 16 hours or more a week, or
- part of a couple, one of you being disabled and the other working for 16 hours or more a week.

If you meet these requirements, your Working Tax Credit may be increased to cover up to 80% of your weekly childcare costs, to a maximum payout of £175 a week for one child or up to £300 a week for two or more children.

If you are a working parent, you can elect to receive up to £55 a week of childcare free of tax and National Insurance, provided your employer offers childcare through an approved child-carer or provides vouchers for paying an approved child-carer. However, the value of these vouchers will be deducted from any childcare costs that are paid through Working Tax Credit. For further details, contact your local tax office or request Leaflet IR115 from HMRC at **[www.hmrc.gov.uk](http://www.hmrc.gov.uk)**.

## Q&A

**“Work is so uncertain for both of us at the moment, what happens if our circumstances change?”**

Susie and Max

The amount you receive is usually decided for a year at a time. However, HMRC can make adjustments at other times, and you must let them know within one month if your household circumstances change, and within one month if your childcare costs are reduced or stop. Any increase or reduction in your Working Tax Credit will then be backdated. Not telling HMRC about changes in circumstances can cause immediate cessation of payments, and a hefty reclaim bill in some circumstances.

# Money for parents on a low income

## Means-tested benefits

These are benefits for parents who simply don't have enough money coming in each month to live on, or to cover essential purchases. If this is the case, you may be able to get a means-tested benefit to top-up other benefits or earnings until they reach the amount the law says you need to live on. Tax Credits may also help – please see pages 9-11.

## A little extra help

Means-tested benefits are there as a safety net to help top-up your income to the minimum level required by law. If you receive Tax Credits, Jobseeker's Allowance or Income Support, or you're on a low income, you may also be able to receive other benefits such as help with mortgage interest payments, the Sure Start Maternity Grant, Housing Benefit and Council Tax Benefit. There are also health-related benefits, such as travel costs for hospital visits. The benefits you're given depend on your circumstances and your partner's, if you have one.

## Income-based Jobseeker's Allowance

If you're looking for work and don't qualify for Contribution-based Jobseeker's Allowance, or managing on a very low income, you can apply for Income-based Jobseeker's Allowance.

## What you need to qualify

You need to be available and actively looking for work or currently working less than 16 hours a week. If you have a partner, they must not be working more than 24 hours a week. You mustn't have savings amounting to more than £16,000. If you're single, you can claim Jobseeker's Allowance until 11 weeks before your baby is due. After that (or earlier if you're unwell) you can choose to claim Income Support for as long as you wish, while you have a child aged under 16. Unlike Contribution-based Jobseeker's Allowance, this benefit doesn't depend on previous National Insurance contributions.



## What it's worth

It depends on your age, what you're earning at the moment, and what savings you have. You will get a lower rate if you're under 25 or if you have savings from £6,000 to £16,000.

**Tip!** If you're 16 or 17 the rules about claiming Income-based Jobseeker's Allowance are slightly different. Ask for advice at your local Jobcentre Plus.

If you claim Income-based Jobseeker's Allowance as a couple, the benefit is to be shared between you and your partner. Their age and savings will be taken into account too when deciding how much you get. Don't forget that any financial help for your children will come separately, in the form of Child Benefit or Child Tax Credit.

## How to claim

1. Call the Jobcentre Plus free on **0800 055 6688**. The call will last approximately 30-45 minutes while you discuss your personal circumstances. You will need to have the following to hand: your employment history for the last 26 weeks, details of any savings you have and/or benefits you receive, your rent or mortgage details, and, if you have children, the Child Benefit reference number, details of any Child Tax Credit received and whether a childcare provider is used. You will then be sent the completed form to check, sign and return.
2. You will also be sent an appointment date to visit your local Jobcentre Plus to get your claim up and running. During this Work Focused Interview you'll be able to talk about the work you'd like to find, how you plan to go about looking for it and whether you'd like any further training. You'll be asked to sign a Jobseeker's Agreement confirming this.
3. Once your claim is in place you'll need to return to your Jobcentre Plus every fortnight to sign on, and to show how you're keeping to your Jobseeker's Agreement.
4. You'll be paid every two weeks directly into your bank, building society or Post Office® account.

## Did you know?

The Government's financial support for children has changed.

Since April 2004, instead of being part of Jobseeker's Allowance or Income Support, all financial support for children is now paid through Child Tax Credit and Child Benefit. This means that adults and children within the same family would each receive benefits specific to them.

## Income Support

If you'd like to continue working part-time, or you'd rather not have the pressure of looking for work while you're pregnant, or after your baby's born, Income Support can help.

### What you need to qualify

You need to be over 16 years of age and not required to sign on for work. This may be because you are pregnant and your baby is due in 11 weeks or less, it is less than 15 weeks since your baby was born, or you are sick. You can apply sooner than 11 weeks before your due date if you become too ill to work. And if you're a single parent who wants to carry on caring for your child at home beyond 15 weeks after the birth, you can continue to receive Income Support until you're ready to return to work, or your child reaches 16.

If you're part of a couple, only one person will have to sign on.

Other requirements are that you cannot work more than 16 hours a week, your partner cannot work more than 24 hours a week and any savings you have must not be more than £16,000.

### What it's worth

As with Income-based Jobseeker's Allowance, the amount you receive depends on your age and any other income and savings you have.

But as an example, if you are a single parent aged 18 or over with one baby and no savings, you would receive extra income of £60.50 a week (plus, of course, Child Tax Credit and Child Benefit). That means any weekly income you already have, such as Child Support or part-time earnings, would be topped up to the level the Government has set as the minimum we need to live on, in this case called your Income Support level.

Some of your income is ignored when working out your Income Support level. This includes the first £20 a week of your earnings if you work part-time and any Child Tax Credit or Child Benefit (if your claim was made after 6 April 2004) you are getting for your children. If you are separated or divorced and receive Child Support payments for your child, the first £10 a week of this is also ignored.

**Tip!** If you're ill or disabled, and have been unable to work for a continuous period of 364 days (or if you're receiving certain disability benefits) you can receive an extra amount of money called a Disability Premium. To claim this payment, all you have to do is send your doctor's certificate or disability award letter to your Jobcentre Plus.

## How to claim

1. Call the Jobcentre Plus free on **0800 055 6688**. The call will last approximately 30-45 minutes while you discuss your personal circumstances. You will need to have the following to hand: your employment history for the last 26 weeks, details of any savings you have and/or benefits you receive, your rent or mortgage details, and, if you have children, the Child Benefit reference number, details of any Child Tax Credit received and whether a childcare provider is used. You will then be sent the completed form to check, sign and return.
2. If you are a lone parent, you will also be sent an appointment date to visit your local Jobcentre Plus. During this Work Focused Interview you'll be able to talk about the work you'd like to find, how you plan to go about looking for it and whether you'd like any further training. You'll be asked to sign a Jobseeker's Agreement confirming this. If you cannot work due to illness, no interview is necessary.
3. Your Income Support will be paid directly into your bank, building society or Post Office® account.

## Q&A

“My partner and I are looking for work and want to know if we can both apply for Income-based Jobseeker's Allowance? We'd also like to know how things will change when our baby is born.”

Geeta

If you live with a partner, you can claim Income-based Jobseeker's Allowance as a couple. Only one of you will need to sign on once the baby is born. You should also let the Jobcentre Plus know when your baby arrives and they will help you claim Child Tax Credit for your child. Another option is to claim Income Support for you and your partner instead. You can claim from 11 weeks before your baby's due and for up to 15 weeks after the birth. In this case, neither of you would have to sign on, although the original claim would need to be made in the mother's name.





## The Social Fund

The Government has created this special fund to help you buy essential items or to take some of the financial strain if you're living on a low income and under exceptional pressure. This can be paid in the form of a grant that doesn't have to be paid back, or as an interest free loan with repayments that are agreed when you start the loan. There are four main types of help you could receive from the Social Fund, which are described here.

### 1. The Sure Start Maternity Grant

If you're receiving Income-based Jobseeker's Allowance or Income Support, or more than the family element of Child Tax Credit (or more than the family element plus the baby addition once your baby is born) you can request a Sure Start Maternity Grant from the Social Fund, which will provide you with a lump sum to help you buy essential items for your new baby.

#### What you need to qualify

You have to be expecting a baby within the next 11 weeks, or have given birth or adopted a child aged under one within the last three months, or claim Child Benefit for a dependent child who is having a baby.

#### What it's worth

A Sure Start Maternity Grant is worth £500 for each baby, including stillborn babies born after 24 weeks of pregnancy.

#### How to claim

1. You can find claim form SF100 (Sure Start) at your ante-natal clinic or on the Jobcentre Plus website [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk).
2. Ask your midwife or health visitor to complete the section that confirms when your baby is due, or was born, and that you have received advice about the health and welfare of yourself and your baby. If you have adopted a baby, you will need to send the adoption certificate as well.

3. Make sure your local Jobcentre Plus receives this completed form no later than three months after your baby is born.

**Tip!** If you're claiming Income Support when you're pregnant, remember to claim Child Tax Credit after the baby is born.

## 2. The Community Care Grant

This grant is given in special circumstances, for instance, to help cover the cost of transport to see your baby in hospital, or if your family is really struggling financially and needs some extra help to buy essentials.

### What you need to qualify

You can apply for a Community Care Grant if you receive Income-based Jobseeker's Allowance or Income Support.

### What it's worth

The minimum grant is £30, unless it's for travelling expenses and they are less than £30. There is no maximum limit. Any savings you have over £500 will reduce the amount you receive.

### How to claim

1. Contact Jobcentre Plus to find out if you qualify for this benefit.
2. You can find claim form SF300 on the Jobcentre Plus website [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk).
3. It will help with your claim if you can enclose a supporting letter from a professional, such as a health visitor, social worker or doctor, who can explain your difficulties.

## Q&A

**"I'm pregnant and receiving maternity pay. Can I still claim Income Support to help make ends meet?"**

Sandra

If you're pregnant, you cannot claim Income Support before your baby is born if you have other income – in your case your Statutory Maternity Pay or Maternity Allowance. But remember to apply again after your baby's born, or when your maternity pay goes down, or ends.

**Tip!** Remember, if you can't get a Maternity Grant before your baby arrives (because you're not getting a qualifying benefit), you can re-apply for up to three months after your baby's born if you become entitled to Income Support, Income-based Jobseeker's Allowance or Child Tax Credit of at least £20.90 a week.

### 3. Budgeting Loans

While you're on benefits it can be very difficult to save up for the things you and your growing family may need. The Social Fund offers special interest-free Budgeting Loans to help you buy furniture, household equipment or clothing, if your family has been on Income Support or Income-based Jobseeker's Allowance for over 26 weeks. However, it won't pay for maternity items, which would be covered by a Maternity Grant. To apply, download form SF500 from the Jobcentre Plus website [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk).

### 4. Crisis Loans

This interest-free loan from the Social Fund is available to anyone who needs money in an emergency, to avoid a serious threat to their health and safety or that of their family. You don't have to be receiving any other benefits to be eligible. You just need to contact the Jobcentre Plus free on **0800 055 6688**, or fill in Form SF401 which you can find on the website [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk).

#### Did you know?

Even if your Housing Benefit has been restricted, you can ask your local authority to make additional Discretionary Payments. They will carefully consider your personal circumstances before making a decision.

### Housing Benefit

If you are a council or private tenant you can get help paying the rent if you have a low income or are receiving other benefits.

#### What you need to qualify

Housing Benefit is for people who are on a very low income or receiving Income-based Jobseeker's Allowance or Income Support. You won't qualify if you have savings of more than £16,000, and if they are from £6,000 to £16,000 the amount you receive will be reduced.

#### What it's worth

The amount you get will depend upon a number of factors, such as your age, the size of your family, the rent you pay, average rents in your area, your income, savings and any other benefits you receive. The amount you receive may be less than the full rental amount you're paying.

So, for example, your benefit may be restricted if you rent from a private landlord and your rent is higher than average for a similar property in the same area, or if your rent is greater than the cost of a smaller property that would be suitable for your family.

## How to claim

1. You should find a Housing Benefit claim form inside your Jobseeker's Allowance or Income Support claim pack. If you're not claiming these benefits, you can pick up a Housing Benefit application form from your local council or download a claim form from the Department for Work and Pensions (DWP) website [www.dwp.gov.uk](http://www.dwp.gov.uk).
2. Once your claim has been accepted, your Housing Benefit will normally be paid directly to your landlord if you rent from a Registered Social Landlord, or into your bank account if you rent privately.

## Help with mortgage interest payments

If you're buying a house and have a mortgage to pay, and/or have a home improvements loan, you may be able to get help with your interest payments.

## What you need to qualify

You must be receiving Income-based Jobseeker's Allowance or Income Support.

## What it's worth

This will depend on the interest you're paying and when you took out your mortgage. Bear in mind that you will only get help with interest payments and not the repayment of capital, or with contributions to a PEP, endowment or insurance policy linked to your mortgage. The amount is based on a standard average interest rate, rather than the exact interest rate of your mortgage. Even so, the extra help can make a big difference if you're on a low income. There is an upper limit of £100,000 on which mortgage interests will be paid.



An adviser at your local Jobcentre Plus office will be able to talk to you about what you can expect, but as a guide:

- If you took out your mortgage before 2 October 1995, you won't qualify for help for eight weeks. You'll then get half the allowable interest for the next 18 weeks and all the allowable interest after that.
- If you took out your mortgage on or after 2 October 1995, you won't qualify for help for 39 weeks, you'll then receive all the allowable interest from the 40th week of your claim.
- If you claim benefit because of the death of your partner, or because your partner has left you and you have at least one child under 16, you will be treated as if you took out your mortgage before 2 October 1995 (see above).



## Q&A

“We started buying our house three years ago and we’re worried about what will happen when I stop work to have our baby in a few months’ time. Can we get any help before the 39-week waiting period is up?”  
Sarla

It’s possible that your mortgage lender may be able to help before the benefits office can, as some mortgage agreements allow for a few months’ ‘repayment holiday’ during the term of the mortgage. The important thing is to tell your lender as soon as you get into difficulties, explaining that you’d like to temporarily reduce your mortgage payments while you’re on maternity leave. If you have Mortgage Payment Protection Insurance, you’ll need to contact your insurer as soon as possible. Most insurance policies will still pay out if you are receiving Jobseeker’s Allowance but not if you are only receiving Statutory Maternity Pay or Maternity Allowance. Your insurer will be able to confirm this for you.

### How to claim

1. If you’re claiming Income-based Jobseeker’s Allowance or Income Support, your Jobcentre Plus should automatically send you Form M1 12, which is all about housing costs. If you haven’t received this form, you’ll need to request one.
2. Fill out your section of the form, and then send it on to your mortgage lender to fill out the rest.
3. The money will either be paid to you as part of your Income-based Jobseeker’s Allowance or Income Support, or directly to your mortgage lender.

### Council Tax Benefit

As well as receiving help with your rent or mortgage, you can also ask for help to pay part, or even all, of your Council Tax if your income is low, and you do not need to be getting other benefits to qualify. The amount you get will depend on your circumstances, income, savings and whether other adults live with you. If you haven’t already received a Council Tax claim form, you can request one from your local council.

**Tip!** If you are the only adult living in your home, you should be getting a ‘single occupancy discount’ on your Council Tax. If your bill doesn’t show this discount, just contact the council and ask them to update your information.

# Money for parents who have worked

## Contributory benefits

These are benefits paid to you if you've been paying National Insurance contributions, and now need help because, for example, you're out of work due to illness or maternity. The benefits are the Contribution-based Jobseeker's Allowance and Incapacity Benefit.

## Contribution-based Jobseeker's Allowance

If you're looking for work, or work for less than 16 hours a week, you could claim Contribution-based Jobseeker's Allowance, which lasts for up to 26 weeks.

## What you need to qualify

You need to have paid National Insurance contributions for the last two complete tax years, not including the current tax year, and have paid Class 1 National Insurance Contributions during part of one of those years. Tax years run from 6 April to the following 5 April. You must also be working less than 16 hours a week or, if you haven't got a job at the moment, you need to be actively looking for one. However, if you're a parent, it's fine to limit the amount of time you're available for work to 16 hours a week and to fit the work around your need to care for your child.

## What it's worth

The amount you get depends on your age and any part-time earnings. Your partner's income is not counted. If you are aged 16 to 24 you'll get up to £47.95 a week; and if you're 25 or over you'll get up to £60.50 a week.

## How to claim

1. Call the Jobcentre Plus free on **0800 055 6688**. The call will last approximately 30-45 minutes while you discuss your personal circumstances. You will need to have the following to hand: your employment history for the last 26 weeks, details of any benefits you're entitled to, your bank account details, and, if you have children, the Child Benefit reference number, details of any Child Tax Credit received and whether a childcare provider is used. You will then be sent the completed form to check, sign and return.
2. You will also be sent an appointment date to visit your local Jobcentre Plus to get your claim up and running. During this Work Focused Interview you'll be able to talk about the work you'd like to find, how you plan to go about looking for it and whether you'd like any further training. You'll be asked to sign a Jobseeker's Agreement confirming this.
3. You'll also need to sign on every 2 weeks to show that you're available for work.
4. Your benefit is paid fortnightly, either directly into your bank, building society or Post Office® account.

## Q&A

“I’m on maternity leave but not sure when I’ll feel ready to return to work. How could this affect my Contribution-based Jobseeker’s Allowance?”

Emma

In order to qualify for Contribution-based Jobseeker’s Allowance you need to be ready and willing to work up to 16 hours a week. You can claim for up to 6 months, but would be expected to accept a reasonable job if it came along, provided that it fits in with caring for your child. If you didn’t – or if you left your current employer without ‘just cause’ – your benefit could be stopped. However, the main carer of a child aged under 16 is not required to be available for work, and can claim Income Support instead, if the family are on a low income.

## Employment and Support Allowance

Because pregnancy and the early weeks of motherhood are so physically demanding, you could be entitled to claim Employment and Support Allowance (ESA), provided you have medical evidence (usually a certificate signed by your GP) to support your claim that you have limited capacity for work.

### What you need to qualify

You must have paid National Insurance contributions until the time of your claim. You cannot receive ESA at the same time as you receive Statutory Maternity Pay or Maternity Allowance.

### What it’s worth

If you qualify, and are over 25, you’ll receive £60.50 a week for up to thirteen weeks, after which you may be entitled to a higher amount.

### How to claim

1. Complete a Maternity Allowance claim form, MA1, which you’ll find at your local Jobcentre Plus or ante-natal clinic. Just ignore the questions that don’t apply to you and write on the form that you want to know if you’re entitled to ESA.
2. Return the form to the Department of Work and Pensions, along with your MAT B1 form, which you will get from your doctor or midwife when you are about 20 weeks pregnant.

## Did you know?

If you haven’t paid enough National Insurance contributions you may be able to claim Income-based Jobseeker’s Allowance instead (see page 12). If you’re a single parent, you could claim Income Support (see page 14). Whether you’re single or in a couple it’s worth checking to see if you qualify for Tax Credits too (see page 9).

# Money for health

## Be healthy, save money

Free NHS prescriptions and NHS dental treatment are available to all women – whatever their income or circumstances – while they're pregnant and for the first year after their baby's born. You can read more about this on page 7 of this guide. If you are on a low income, there are other health benefits for you and your baby too, as follows.

## Help with hospital fares

If your family receives Income-based Jobseeker's Allowance or Income Support you can claim help with paying for travel costs to and from hospital for NHS treatment under the care of a consultant. Some families who receive Tax Credits can also get this kind of financial help. If you are entitled, you should automatically be sent an NHS Tax Credit Exemption Certificate. This will cover normal public transport fares, estimated petrol costs or taxi fares (if there is no public transport alternative).

You simply claim at the hospital each time you have to visit, by showing your Exemption Certificate or proof that you are entitled to the benefit, and the money will be refunded when you fill out Form HC5 (T) (available from the hospital or your local Jobcentre Plus). Claims can only be backdated for three months. If you cannot afford to pay your fare to the hospital, you should make a claim in advance.

If your family is on a low income you may also qualify for help with travel costs to and from the hospital, even if you're not claiming Income-based Jobseeker's Allowance or Income Support. To claim, simply fill in Form HC1 which you can pick up at your doctor's surgery, hospital or local Jobcentre Plus office. Depending on how low your income is, you will be sent either certificate HC2, if you qualify for completely free services or certificate HC3 if you qualify for just some help. You should show the certificate each time you visit the hospital or, if you'd prefer, you can claim within three months by filling in Form HC5, which you can pick up at the hospital or your local Jobcentre Plus office.

## Free milk, fresh fruit and vegetables

Mums-to-be who are receiving Income-based Jobseeker's Allowance, Income Support or Child Tax Credit (but not Working Tax Credit) with a yearly family income of below £15,575 (for 2008/09) can claim free milk, fresh fruit and vegetables, as they will be entitled to Healthy Start Vouchers while they're pregnant. Until the age of four, children are also eligible. Mums-to-be under 18 receive one voucher a week irrespective of family income. Free formula milk is available for babies under six months old.

- Healthy Start Vouchers are worth £3.00.
- While you're pregnant you'll be entitled to one voucher a week.
- Once your child is born, you will receive two vouchers a week.
- For each child aged over one and under four, you will receive one weekly voucher.

To make a claim, you need to apply for Healthy Start Vouchers by calling **0845 607 6823** and asking for Form HS01 to complete. Alternatively you can download it or fill it in online at [www.healthystart.nhs.uk](http://www.healthystart.nhs.uk).

The earliest you can claim is when you are 10 weeks pregnant. You'll then receive your weekly vouchers, which you can exchange with your milkman or at most local shops, chemists and supermarkets.

### Free vitamins

Women who get Income-based Jobseeker's Allowance, Income Support or Child Tax Credit (but not Working Tax Credit) with a yearly family income of below £14,495 (for 2008/09) can also get free vitamins for themselves while they're pregnant and up to their baby's first birthday. Children can have free vitamins from the age of six months until they are four.

Ask your midwife or health visitor where to get your free Healthy Start vitamins. Your Primary Care Trust, Health Board or Health Trust is responsible for providing your free vitamins. Remember to take the letter attached to your vouchers with you to claim your free vitamins.

For more information, the Healthy Start Vouchers helpline telephone number is **0845 607 6823**.





---

ASDA Financial Services Limited is an introducer of The Children's Mutual. The Children's Mutual, PO Box 2067, Gloucester, GL4 3YU. Tel: 0845 077 1899 Email: [mail@thechildrensmutual.co.uk](mailto:mail@thechildrensmutual.co.uk)  
Website: [www.thechildrensmutual.co.uk](http://www.thechildrensmutual.co.uk)

The Children Mutual is a trading name of the Tunbridge Wells Equitable Group, which includes Tunbridge Wells Equitable Investments Company Limited, registered under the Companies Act 1985, registered no. 4315370. FSA registered no. 208027. Authorised and regulated by the Financial Services Authority and a member of the Financial Ombudsman Service

ASD-GD-0001-1008