

Factsheet for parents

A parent's guide to moving into work

This guide includes information about the help you are entitled to as you move from out-of-work benefits into work. It is divided into sections depending on whether you are looking for work, have found a job, or have started work. Each section includes information about financial help available to you, including help with childcare costs. The final section includes useful tips to make sure you get all the help you are entitled to.

LOOKING FOR WORK

I am a lone parent; can I claim Income Support instead of Jobseeker's Allowance?

As a lone parent, you can claim Income Support until your youngest child is aged seven. This means that you do not have to search for work, although you may still be able to get help from Jobcentre Plus if you are looking for work. Once your youngest child is aged seven, if you claim Income Support on the sole grounds of being a lone parent, your claim will be switched to Jobseeker's Allowance and you must be available for and actively seeking work, unless you are unable to work due to ill health.

Under welfare reform proposals, it is expected that lone parents will only be able to claim Income Support if their youngest child is four years old or younger, but dates for this change have not been confirmed yet.

I am a parent claiming Jobseekers Allowance; do I have to look for full time work?

If you have parental responsibilities for a child under the age of 16, you can limit your work availability from as few as 16 hours per week up to a maximum of as many hours as your caring allows.

If you are a lone parent and your child is aged under 13, you must:

- be available for work during your child's normal school hours (for at least 16 hours per week), and;
- be able to take up a suitable job offer with one week's notice – or if you can show that your caring responsibilities make this unreasonable, within 28 days (and attend an interview with 7 days' notice).

I am claiming Income Support/Jobseeker's Allowance; can I get any extra help whilst I'm looking for work?

You may be able to get extra help & support while you are looking for work from a Budgeting Loan or by accessing work preparation support, both of which are described on the next page.

Budgeting Loans can help with the costs associated with finding or moving into work if;

- you have been claiming Income Support, income-based Jobseeker's Allowance or income-based Employment and Support Allowance for at least 26 weeks; and
- you have savings of less than £1,000.

You can apply for a Budgeting Loan from Jobcentre Plus. They must be repaid, but you will not have to pay interest on the loan. Find out more about Budgeting Loans at www.direct.gov.uk.

Work preparation support is accessed through Jobcentre Plus or other employment services and includes a range of activities and intensive support for people who are out of work.

Eligibility for work preparation support is outlined in the table below.

Eligibility	
Work preparation support for Lone Parents	Lone parents aged 16 or over who are not in work or work less than 16 hours per week.
Work preparation support for Partners	People aged 16 or over who are working less than 24 hours per week (or less than 16 hours per week if their partner is claiming Working Tax Credit) and whose partner is claiming working age benefits, Working Tax Credit or Pension Credit.
Work preparation support for Carers	People aged 18 or over who are responsible for a child or adult with a disability or long-term illness, who don't work or work less than 16 hours per week, and who don't have access to any other work preparation support scheme.

Some areas may also offer support to disabled parents who are unable to work. Contact Jobcentre Plus for more information. You can find contact details on their website at www.direct.gov.uk/jobseekers, or ring 0800 055 6688.

The financial assistance that is available through work preparation support when you are looking for work is described below. (There is additional support once you have found a job or started work which is listed in other sections of this guide.)

To qualify for the help described below, you must:

- meet the criteria of the relevant work preparation support (see table above); and
- use registered childcare for a child under 16-years old (where the help is towards childcare costs).

Flexible Support Fund

Personal Advisers have access to the Flexible Support Fund to help individual claimants move into work sooner than would otherwise be possible. District Managers decide how best to maximise use of this fund and determine the circumstances in which awards may be granted to individuals in their district. The fund is available to Personal Advisers to use at their discretion where no other financial assistance is available.

Help with childcare costs

The Flexible Support Fund (see above) offers general help with childcare costs for parents looking for work. Up to £175 per week for 1 child or £300 per week for 2 or more children can be paid

towards childcare costs while you attend agreed interviews or training which has been approved in advance by your adviser.

Replacement Care

If you have specialist childcare costs for a child with a disability or long-term illness that exceeds the support offered above, the extra costs could be covered through the Replacement Care budget.

Support varies in different parts of the country, so always speak to your adviser about your options and how to apply for financial assistance. In some areas, you may be able to get help with paying a deposit for childcare, doing a work trial period, or claiming an in-work credit.

To find your local Jobcentre Plus office, call 0800 055 6688 or visit www.direct.gov.uk.

Tip

Think about starting to save while you're looking for work. Just putting a couple of pounds into a savings account each week could give you a safety net when you start work.

Find out about saving for your family at www.moneyadvice.service.org.uk/parents

FOUND A JOB

Is there any help I can get when I stop claiming benefits and start work?

If you have been claiming certain benefits for at least 26 weeks, you may be entitled to the following help when you stop claiming benefits in order to start work.

Extended Payments of Housing Benefit/Council Tax Benefit

Extended Payments of Housing and/or Council Tax Benefit are an extra four weeks of maximum help with your rent/council tax after your entitlement to out-of-work benefits stops. The work you are starting must be expected to last for at least five weeks.

You must have been getting Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance for 26 weeks prior to starting work.

Job Grant

The Job Grant is a tax-free payment of £250 available to eligible parents when you end your claim for working age benefits and start work. To qualify for the Job Grant you must:

- have been entitled to a qualifying benefit (for example, Income Support, Jobseeker's Allowance or Employment Support Allowance) for at least 26 weeks immediately before moving into work, and,
- be taking up paid work of at least 16 hours per week, or 24 hours if it is your partner who is starting work, which is expected to last at least 5 weeks.

The two payments above are made automatically when you sign off out-of-work benefits; there are no forms to fill in. You need to make sure you tell your Jobcentre Plus Office that you're starting work. You will be paid the Job Grant in the same way as you were paid your benefits.

Can I get any help with childcare costs when I start work?

The Job Grant (above) can be used on whatever you choose, so this may help you with some of the up-front costs of childcare. You may also be entitled to the following help if you have been participating in work preparation support (see page 2 for eligibility criteria):

Childcare Assist

This funding can cover childcare costs for the week before you start work. It can cover up to £175 for 1 child and up to £300 for 2 or more children.

Flexible Support Fund

Personal Advisers have access to the Flexible Support Fund to help with costs when moving into work, for example up-front childcare costs and travel costs until you receive your first wage. The fund is available to Personal Advisers to use at their discretion where no other financial assistance is available and awards must be made before you start work.

Financial help (including help with childcare) from the Flexible Support Fund will vary by area, so be sure to contact your Jobcentre Plus for information.

IN WORK

I am now working but it is for less than 16 hours a week. Are there any extra benefits I can claim?

If you start work of less than 16 hours per week, you may still be entitled to out-of-work benefits, for example, Income Support or income-based Jobseeker's Allowance. This will depend on how much you earn from work. Your adviser should be able to tell you whether you can get any help.

You may also be eligible for the support described below:

Childcare Subsidy (for work of less than 16 hours per week)

If you are participating in work preparation support (see page 2 for eligibility criteria), have a job offer of less than 16 hours per week, and receive a qualifying benefit (for example, Jobseeker's Allowance or Income Support), you may be able to access support through the Childcare Subsidy. The subsidy allows you to claim up to £87.50 per week for 1 child and up to £150 per week for 2 or more children. If you meet the criteria, you can claim the subsidy for up to 52 weeks.

I am now working full-time. What benefits can I claim?

Different benefits work in different ways, so some of the benefits you received whilst looking for work will carry on when you start work, some may still be paid but at a different amount and some will stop. See page 7 for a summary of how different benefits change when you move into work.

When you start working full time (16 hours per week or more), you may be entitled to:

In work credit

In work credit is a fixed, tax-free payment of £40 per week (£60 per week in London) paid for up to 52 weeks on top of salary or wages to lone parents who:

- are starting work of 16 hours per week, and
- have been getting Income Support, Jobseeker's Allowance or Employment Support Allowance for at least 52 weeks, and
- are starting work that is expected to last for at least five weeks.

Other Jobcentre Plus support

You may be able to get additional help is available in the first 26 weeks of work if you are a lone parent, are working for 16 hours or more per week and have a dependant child under age 16 living in their household.

You must also have been accessing work preparation support through Jobcentre Plus or been in receipt of Income Support, Jobseeker's Allowance, Incapacity Benefit/Employment and Support Allowance, Carers Allowance, Severe Disablement Allowance or Bereavement Benefits before starting work.

Personal Advisers have access to the Flexible Support Fund which can offer up to £300 to help lone parents with the cost of small emergencies in the first 26 weeks of work, for instance a car repair. As a discretionary fund this is not an automatic entitlement.

Lone parents also have access to a Personal Adviser for up to one hour per month for the first 26 weeks of work. Advisers can provide assistance in resolving initial or early barriers and help the lone parent to face the pressures associated with returning to work.

Working Tax Credit

If you (and/or your partner) work at least 16 hours per week, you may be eligible for help from Working Tax Credit. Working Tax Credit can top up your income if your earnings are low.

If you use registered childcare and both you and your partner (if you have one) work at least 16 hours per week, you may also be entitled to the childcare element of Working Tax Credit, which is paid in addition to the main element of Working Tax Credit.

The amount of help that you receive from Working Tax Credit will depend on your family income and circumstances. Many factors affect your entitlement, so it is recommended that you check your eligibility. You can do this by contacting the Tax Credit Helpline on 0845 300 3900 or by visiting www.hmrc.gov.uk/taxcredits.

Employer-supported childcare

Employer-supported childcare describes the help that is offered by employers with your childcare costs. Employers are not obliged by law to offer this support, so talk to your line manager/Human Resources department to find out if they offer a scheme and what this includes.

The benefit of employer-supported childcare is that you save money by not paying tax and National Insurance Contributions on some/all of the amount you receive for childcare and your employer saves by not paying National Insurance Contributions on the same amount.

Receiving employer-supported childcare may affect the amount of the childcare element of Working Tax Credit you are entitled to. HMRC have created a tool to help you decide whether you are better off receiving tax credits or employer-supported childcare. It is available on their website: www.hmrc.gov.uk/calcs/ccin.htm.

Make sure you tell your council (for Housing and Council Tax Benefits) and the Tax Credits Helpline about your change of income as soon as you can when you start work to avoid breaking your claim or owing money back for overpayment of benefit.
See page 8 for more tips about claiming benefits.

See Daycare Trust's 'Help with childcare costs for working parents' factsheet for more information.

USEFUL INFORMATION

Summary of benefit changes when you move into work

The table below shows which benefits and payments continue to be paid, change and stop when you move into full time work (i.e. 16 hours per week or more).

Benefit/Payments	Out of Work	Change period	In work full time
Jobseeker's Allowance	Paid	Stop	Stop
Income Support	Paid	Stop	Stop
Employment and Support Allowance	Paid	Stop	Stop
Healthy Start Scheme	May be paid *	Usually Stop *	Usually Stop *
Free school meals	May be paid *	Usually Stop *	Usually Stop *
Free healthcare (prescriptions/dental treatment)	May be paid *	Usually Stop *	Usually Stop *
Housing Benefit	Paid	Extended Payments for 4 weeks	May be paid *
Council Tax Benefit	Paid	Extended Payments for 4 weeks	May be paid *
Child Tax Credit	Paid	Change	May be paid *
Working Tax Credit	Not paid (unless partner works full time)	Change or start	May be paid *
In work credit for lone parents	Not paid	Paid	Paid for up to 52 weeks
Child Benefit	Paid	Paid	Paid
Disability Living Allowance	Paid	Paid	Paid
Carers Allowance	Paid	Only continues if you continue to care for at least 35 hours per week and earn less than £100 per week	

*Check with an adviser to see if you are eligible.

Tips for applying for benefits

- When you find a job, ask your adviser to do a 'better off calculation' for you. This will tell you about the in-work benefits you may be entitled to.
 - Make sure you also ask about any help available for one-off costs you have to pay when you start work, for example, childcare fees in advance.
- Claim immediately – don't wait or you could miss out on money you are entitled to!
- Answer all the questions on the claim form. Write outside the box if necessary.
 - Get help from your Housing Association, CAB or Jobcentre Plus if you don't understand the questions.
- Make sure you send all the evidence you are asked for with your application. Jobcentre Plus/HMRC won't pay you until they have had a completed form from you with all the proof they need.
 - For Housing and Council Tax Benefits, make sure you get proof of income from any adults (other than your partner) living with you and working or claiming benefits ('non dependents') or you could lose money.
- Hand in Housing and Council Tax Benefit claims in person at your local office and always get a receipt for everything you hand in.
- Tell Housing and Council Tax departments that you are starting work and that there may be a delay in your payments.
 - It is important to tell **all** departments (Housing and Council Tax Departments and Housing Benefit and Council Tax Benefit Departments) about your change of circumstance to make sure that you receive all the help you are entitled to.
- If you haven't heard about your claim within a couple of weeks of sending/handing it in, contact the benefits office to make sure they are dealing with your claim.
- If you are refused a benefit or payment, get advice quickly. You may be able to appeal the decision but there is a 28 day limit to do this.

Moving into work checklist

Looking for work?		
	Start saving now!	Find out more at www.moneyadvice.service.org.uk
	Is your child aged 3-4 years? Are they getting their free early years entitlement (15 hours per week free childcare)?	Find out more from your local Family Information Service, visit www.daycaretrust.org.uk/parentinformation
	Find out about different types of childcare you could use once you are working	Visit www.daycaretrust.org.uk/parentinformation
Found a job?		
	Ask your adviser for a 'better off calculation' which will tell you about the in-work benefits you may be entitled to.	Speak to your Jobcentre Plus adviser or use the online calculators at www.direct.gov.uk
	Find out about childcare in your area	Ask your local Family Information Service (FIS) for information about childcare in your area. Find your local FIS at www.daycaretrust.org.uk/findyourFIS .
	Find out about help with childcare costs	Visit www.payingforchildcare.org.uk
Starting work?		
	When you sign off JSA, ask about: <ul style="list-style-type: none"> • Extended Payments of Housing and Council Tax Benefit • Job Grant • Lone Parent In-Work Credit 	Speak to your Jobcentre Plus adviser
	Apply for Housing and Council Tax Benefit (based on your new income)	Visit your Council offices
	Report a change in circumstances to the Tax Credits Helpline, telling them: <ul style="list-style-type: none"> • When you start work • Your earnings • Your childcare costs 	Call the Tax Credits Helpline 0845 300 3900

Useful organisations

Find childcare/help with childcare costs

Daycare Trust www.payingforchildcare.org.uk / www.daycaretrust.org.uk
Tax Credits Helpline www.hmrc.gov.uk/taxcredits / 0845 300 3900
Family Information Service www.daycaretrust.org.uk/findyourFIS (to find contact details)

Benefits advice

Citizens Advice www.adviceguide.org.uk (for benefits information and to search for your local advice bureau)

Online benefits calculators:

Turn2Us www.turn2us.org.uk

Directgov www.direct.gov.uk ('Benefits Adviser' in the Do it online section)

Financial advice and information

Money Advice Service www.moneyadvice.service.org.uk (including the free 'Parents Guide to Money')

Daycare Trust is the National Childcare Campaign. We have been working since 1986 to promote high quality affordable childcare for all.

If you have any questions about the information provided in this factsheet, or other questions about childcare, you can email info@daycaretrust.org.uk. You can also access information on our website, www.daycaretrust.org.uk or www.payingforchildcare.org.uk.

The information in this factsheet refers to childcare in England. However, much of the information will be relevant throughout the UK. For information relating to Wales, see the Welsh version of this factsheet. For further information specific to Northern Ireland or Scotland, contact your local information service. Find details of your local Information Service by visiting www.daycaretrust.org.uk/findyourFIS or by searching in your phone book.

This factsheet provides general information only and was accurate at the time of publication. The information is not to be taken as legal advice. You are advised to seek independent advice if you need further assistance.

This factsheet was produced as part of the Childcare Advance project, supported by



CALOUSTE
GULBENKIAN
FOUNDATION