April 2009

What to claim for a new child

When you have a baby or adopt a child it can be very confusing to know what financial help is available. This factsheet is a basic guide to what you can claim. It doesn't cover all the detailed rules, so if you need more information, you should get specialist advice, for example from your local Citizens Advice Bureau, or see www.adviceguide.org.uk.

There may also be payments you can claim for yourself while you are on maternity or adoption leave. For more information see our factsheets called *Maternity leave and pay*, *Benefits for families* and *Tax Credits for families.*

If you have come to this country from abroad, you may not be able to claim all the benefits listed here; you must seek advice before you apply.

£190 Health in Pregnancy Grant

This is a one-off payment for pregnant women whose baby is due on or after 6 April 2009. Most pregnant women are entitled, but if you have come to live in the UK from another country you may not be able to claim, depending on your immigration status; you should get specialist advice. To get the Health in Pregnancy Grant you must:

- be pregnant
- have reached the 25th week of your pregnancy
- have received advice from a health professional, for example, a midwife or GP, about your maternal health
- have a due date on or after 6 April 2009

It does not matter how much money you have and you do not have to have paid national insurance contributions. The grant is administered by the Revenue (Her Majesty's Revenue and Customs or HMRC), but you should ask your midwife or doctor for a claim form as a health professional will need to confirm that they have advised you.

The grant is intended to help you maintain your health during pregnancy and meet your additional costs as you prepare for the birth of your baby. You need to return the form to the Revenue within 31 days of the health professional's signature.

Child Benefit

This is the simplest benefit and the one you should claim first when you have your baby. Most people who have children are entitled, but if you have come to live in the UK from another country you may not be able to claim, depending on your immigration status; you should get specialist advice.

Child Benefit is a benefit for people who are responsible for children. It doesn't matter how much money you have, and it doesn't depend on national insurance contributions. It is administered by the Child Benefit Office, which is part of the Revenue.

How to claim

You are entitled to Child Benefit as soon as you have your baby. There is a claim form in the Bounty pack which you should normally get from your midwife. Alternatively, you can claim by phoning the Child Benefit Office, or you can claim online: see under Useful Contacts at the end of this factsheet for details. You should claim within three months of your child's birth. This is because Child Benefit can only be backdated (paid for a period before you claim) for three months, so you will lose money if you claim any later.

If you are adopting a child, you can claim as soon as you adopt. You can claim for

- a child under 16, or
- a young person under 20 if they are at school or college up to A level or equivalent, or in certain types of training, and they started the education or training before they were 19.

You may also be able to claim Child Benefit in other circumstances when a child or young person comes to live with you or you contribute to the cost of supporting a child. You should get specialist advice if you think this applies to you.

How much you get

Child Benefit is £20 a week for your eldest child, and £13.20 a week for any other children. (If you have twins, you can only get the higher rate for one of them – the one who is born first). If you live with a partner who has children from another relationship, and the children also live with you, you can only get the higher rate of Child Benefit for the oldest of all the children. Child Benefit cannot be split: if you and your partner, or the other parent of a child, cannot agree about who should claim Child Benefit, you should get advice.

If your child goes into care

You cannot usually claim Child Benefit if your child is in the care of the local authority. If this happens and you are already claiming, you should get advice because the rules are complicated.

If you are under 16

You can claim Child Benefit at any age. This means that if you have a baby when you are under 16, Child Benefit is the only benefit you can claim in your own right. However, if you are living with your own parents, or someone else who gets benefit for you, you should get advice. Your family may be able to get more money if your parents claim Child Benefit for your baby, but you should find out what the figures are and then decide what suits you best.

Child Tax Credit and Working Tax Credit

Tax credits will usually be the second thing you claim when there is a new child in your family. If you are already claiming tax credits, you need to let the Tax Credit Office know about the addition to your family. Tax credits are administered by the Tax Credit Office, which is part of the Revenue. Child Tax Credit is for people who are responsible for children. Working Tax Credit is for people who work.

Tax credits are means-tested (which means that they depend on your income) and you claim them together. Most families are able to get some Child Tax Credit. However, as with Child Benefit, if you have come to live in the UK from another country, you may not be able to claim tax credits at all. You should get specialist advice.

Although tax credits are not directly connected to how much tax you pay, they are based on annual income over the tax year, which runs from April to April. Income means your earnings and other money coming in and that of your partner, if you have one. When you first claim, your award will be worked out using your income for the previous tax year.

Children and the tax credit calculation

When you have or adopt your first child, you may become entitled to Child Tax Credit because you are responsible for a child for the first time. You may also become entitled to Working Tax Credit for the first time. This is because people without children usually have to be at least 25 years old and working at least 30 hours a week to get Working Tax Credit (there are exceptions for some disabled people and some people over 50). Even then you will only get help if your income is very low. But once you have a child, you or your partner only have to be working at least 16 hours a week (and be aged at least 16) to be eligible for Working Tax Credit. However, whether you get any help, and how much, still depends on your income.

Working Tax Credit and Child Tax Credit are worked out together. There are different tax credit elements for different circumstances. These are added up to give your maximum possible amount – which is then reduced according to your income. Once you have a child, you are more likely to get some help, because extra elements will be included in your claim. If you have a child under one in your family, you get an extra element equivalent to £10.50 a week (sometimes called the baby element or baby addition).

You will lose this when your child has their first birthday (unless another child under one has joined your family), so you should expect your tax credits to go down at this point. You only get one baby element, even if you have twins under one. There is more information about how tax credits are worked out in our factsheet *Tax Credits for Families*.

You don't have to wait until you go back to work to claim Working Tax Credit. This is because the Revenue will treat you as if you are working during

- the first nine months of Maternity Leave, or
- the first nine months of Adoption Leave, or
- Paternity Leave, or
- any period when you get Statutory Maternity Pay, Maternity Allowance, Statutory Paternity Pay or Statutory Adoption Pay.

You will be treated as working the same number of hours a week as you were immediately before your leave or the period of payment began. This also means that you can claim the childcare element of Working Tax Credit to help with the costs of registered or approved childcare if you are single (or if your partner also works 16 hours or more a week or is getting disability or sickness benefits). Again, whether or not you will get this help depends on your income.

All your Maternity Allowance and £100 a week of any Statutory Maternity Pay, Statutory Paternity Pay or Statutory Adoption Pay is ignored as income for tax credits. This means you may either get an underpayment at the end of the tax year (because your income is less than expected), or you could ask the Tax Credit Office to base your award on an estimate of the current tax year's income (see below). You should tell the Tax Credit Office when MA/SMP/SPP/SAP stops and/or you take more than 39 weeks of maternity leave. There is more information about maternity leave and types of payment in our factsheet *Maternity Leave and Pay*, and more information about adoption leave in our factsheet *Adoption*.

How to claim

You claim Working Tax Credit and Child Tax Credit on the same form. You can call the Tax Credit Helpline to ask for a claim form or you can get a form from your local Revenue enquiry office, or Jobcentre Plus: see under Useful Contacts at the end of this factsheet for details. (It is not possible to claim online at the moment.)

If you are already claiming, let the Tax Credit Office know that there is a new child in your family. You can do this over the phone, or in writing. If you telephone, it is a good idea to make a note of the date and time you call, and if you send a letter, make sure you keep a copy.

When to claim

As with Child Benefit, you should claim tax credits within three months of having a new child in your family, or if you are already claiming, let the Tax Credit Office know within three months. This is because tax credits can only be backdated (paid for a period before you claim) for three months, so you will lose money if you tell them any later.

Revising your award to reflect your current income

If you know that your income for the current tax year is going to be significantly lower than your income for the previous tax year, you might want to ask the Tax Credit Office if they can revise your award so it is based on an estimate of the current tax year's income. This means that you get more money at a time when you are likely to need it, and may also mean that you are entitled to other help like the Sure Start Maternity Grant (see below) more quickly. Remember that annual income for the tax year means your income and the income of a partner who lives with you (same sex and opposite sex partners are treated in the same way). If you are on maternity or adoption benefits, and especially if you are going to have a period of unpaid leave, your current tax year's income is likely to be a lot lower. Income for the tax year is not necessarily the same as your annual salary.

The problem is that you may find it difficult to estimate your current tax year's income, because, for example, you do not know when or if you are going to go back to work, and if so, how many hours a week you will be doing. You should bear in mind that if you give the Tax Credit Office an estimate which turns out to be too low, and they use this to calculate your tax credits, you will probably be overpaid and will have to pay them back. There is more information about overpayments in our leaflet *Tax Credits for Families*. If you decide not to have your award revised, so it continues to be based on the previous tax year's income, then you may be owed an underpayment at the end of the tax year.

If you are under 16

If you are under 16, you cannot claim tax credits in your own right. If you still live with someone who gets Child Benefit for you, they can claim Child Tax Credit for you too. When you have your baby, they can claim Child Tax Credit for you and your baby.

Changes of circumstances

It is important to report changes of circumstances to the Tax Credit Office as soon as possible to avoid being overpaid and to make sure you get all the correct money you are entitled to. Changes which increase your entitlement, for example, starting to pay eligible childcare costs for your baby, should be reported within three months to make sure you don't lose any money. Changes which decrease your entitlement, for example, someone in your family stops getting Disability Living Allowance, should be reported as soon as possible because otherwise you could be overpaid. There are some changes which you **must** report within one month, or you may have to pay a penalty as well as pay back any overpayment, for example, if you split up with a partner or move in with someone (when you must also make a new claim), or you stop caring for your child because they go to live somewhere else. There is more information about changes of circumstance, overpayments and how your tax credit award is calculated (including childcare costs) in our factsheet *Tax Credits for Families*.

Sure Start Maternity Grant

This is a one-off payment of £500 to help you with the costs of a new child. You can only get it if you are getting a "qualifying benefit". The benefits are:

- Income Support
- income-related Employment and Support Allowance
- income-based Jobseeker's Allowance
- Child Tax Credit of **more than the family element**
- Working Tax Credit with a disability or severe disability element.
- Pension Credit (guarantee and/or savings credit)

When to claim – the three month time limit

You can claim from 11 weeks before your baby is due up until three months after your baby is born. If you are adopting, you can only claim the grant if the child you are adopting is under 12 months when you claim. You can also claim a grant if you have a residence order for a child under 12 months, or if you have a parental order for a child by a surrogate mother. In these cases you cannot claim any later than three months after the adoption, parental order or residence order. If you are entitled, you get a grant for each child or expected child, so for example if you have twins, you would get £1000. You will be entitled to the grant if you meet the other conditions and you have a stillbirth after the end of the 24th week of your pregnancy, or if you have a baby which is born alive, even if the baby dies very soon after birth (we also have another factsheet which may help you, called *Stillbirth, Miscarriage and Neo-natal Death*).

Young parents

If you are under 16, then someone who has parental responsibility for you (for example, your mother or father), can claim the Sure Start Maternity Grant on your behalf, provided they are on one of the qualifying benefits.

If you are 16 or over but under 20, and your parents still claim Child Benefit for you, they may also be able to claim the grant for you if they are on one of the qualifying benefits. However, if you are claiming a qualifying benefit in your own right, then you will need to claim the grant yourself.

Qualifying benefits

If you are on Income Support, income-related Employment and Support Allowance or income-based Jobseeker's Allowance, it should be straightforward to make a claim.

If you claim Working Tax Credit and you or your partner are disabled and get disability benefits, you may be entitled to the grant. Entitlement depends on whether disability element and/or the severe disability element are included in your tax credit calculation. If you are not sure, it is advisable to claim anyway as you will lose out if you don't claim within the three month time limit. If you need help understanding what is included in your tax credit calculation, you should get specialist advice, for example, from a Citizens Advice Bureau.

Many families will qualify for the Sure Start Maternity Grant through Child Tax Credit, but it can be difficult to work out if you are eligible.

"Child Tax Credit of more than the family element" means, in effect, more than £10.50 a week or, if you have a baby under one, more than £21 a week. (These are the rates for 2009-2010.) If you are about to have your first child, the complication is that you will be claiming Child Tax Credit for the first time after the birth (or adoption), so you will not yet know how much you will get. On the other hand, if you already get Child Tax Credit for another child, but you have been overpaid and are paying back money to the Revenue, entitlement to the grant depends on what your Child Tax Credit would be if you were not paying them back.

If you want to check whether you can claim the grant, you should get specialist advice. It is advisable to claim the grant anyway as you will lose it completely it you don't claim within the three month time limit. Then when your award comes, check whether your Child Tax Credit is high enough. If it is, you should reclaim the grant. Remember, you will not be able to do this if you did not first claim within three months of the child's birth or adoption.

You may need to ask the Tax Credit office to revise your Tax Credit award so that it is based on **current** tax year income. This is because it is likely to be lower than your previous tax year's income, due to your maternity or adoption leave. So, if your current year income is used in the tax credit calculation, your Child Tax Credit is more likely to be more than the family element.

You must still claim the Sure Start Maternity Grant within three months of your child's birth. You can then reclaim within three months of a tax credit award which gives you Child Tax Credit of more than the family element and covers the date you made your original Sure Start Maternity Grant claim.

If you want to, you can wait until the end of the tax year, when your tax credit award is finalised, to make your second Sure Start Maternity Grant claim, if it is then clear that your entitlement to Child Tax Credit was higher than the family element for the period you made your first claim. This means you do not have to give an estimate of the current tax year's income and you avoid the risk of being overpaid. But remember that claiming the grant once your tax credit award is revised or finalised will only work if you make your first claim for the grant within three months of the child's birth (or adoption). There is more information about how Tax Credits are worked out in our *Tax Credits for Families* factsheet.

How to claim

Claim on form SF100 from Jobcentre Plus: see under Useful Contacts at the end of this factsheet for details. You can also download the form from the DWP website, but it is advisable to contact Jobcentre Plus to make sure that your date of claim is registered.

The Sure Start Maternity Grant claim form needs to be signed by a health professional. Usually this will be your midwife, or if you are adopting a child under 12 months, a health visitor or GP. This is to confirm that you have received health and welfare advice about your new child or your maternal health. Although the Sure Start Maternity Grant is intended to help you buy the things you need for a new child, it does not matter what you spend the money on and you do not have to state what you need it for.

How to claim Sure Start Maternity Grant – a summary

If you are on Income Support, income-related Employment and Support Allowance, income-based Jobseeker's Allowance, Pension Credit, or Working Tax Credit with a disability element, claim from 11 weeks before the baby is due to three months after birth, or three months after the adoption, parental or residence order.

If you can only qualify for the Sure Start Maternity Grant via Child Tax Credit, then:

- Check whether you already get Child Tax Credit of more than £10.50 a week (or more than £21.00 if you have a child under one in your family). If so, you can claim from 11 weeks before the birth or within three months of the birth, adoption or residence order; OR
- If this doesn't apply, claim Child Tax Credit (or inform the Tax Credit Office if you already get tax credits) when the new child arrives, and claim the Sure Start Maternity Grant within three months. You may be turned down if your tax credits haven't been decided by then AND

- If necessary, ask for your Child Tax Credit award to be revised based on your current tax year's income to make sure it will be high enough (or wait your award is finalised at the end of the tax year if you prefer) AND
- Once your Child Tax Credit award decision arrives and is more than £10.50/£21.00 a week for the period when you made your first Sure Start Maternity Grant claim, reclaim the grant.

Healthy Start

Healthy Start is a scheme to help expectant mothers, new parents and their children to eat healthily. If you qualify, you can get free vitamins, and a voucher towards the costs of milk, vegetables and fruit (or infant formula milk if you have had your baby). You qualify for the help if you (or a member of your family who can claim benefits for you) are on:-

- Income Support
- Income-related Employment and Support Allowance
- Income-based Jobseeker's Allowance
- Child Tax Credit, and you do not qualify for Working Tax Credit (unless it is during the four week run-on period after you stop working or after your hours drop below 16 a week) and your income for Tax Credits is no more than £16,040.

If you are pregnant and under 18 it doesn't matter whether you are on any benefits or not, you will still qualify.

Once you are ten weeks pregnant, you are entitled to one Healthy Start voucher a week for yourself, worth £3.10. When your baby is born you get another voucher, worth another £3.10. You are entitled to these two vouchers each week until your baby is one (or until it is a year since the expected date of birth, if your baby was premature). Then you are entitled to one voucher a week until your child is four. You need to make sure you claim Child Tax Credit before your baby is four months old to make sure you get all your vouchers and they do not stop after your baby is born.

If you have more than one child, you get a voucher for each, so, for example, if you have one child under one and one under four you would get three vouchers a week.

You claim Healthy Start help by completing form HS01. You can get this from some doctor's surgeries, maternity clinics or by ringing 0845 607 6823.

You can also download a form from the website www.healthystart.nhs.uk. You will need to get the form signed by a health professional (your midwife or health visitor) to say that you have been given advice about your pregnancy or looking after your child. If you are under 16, you will also need to get the form signed by a parent or carer. You don't have to make a separate claim for vitamins; you can get these from maternity or child health clinics, or health centres, and some pharmacists. Your midwife or health visitor will be able to tell you where to go.

Child Trust Fund

The Child Trust Fund (CTF) is a scheme where everyone who is entitled to Child Benefit for a child born on or after 1 September 2002 gets a voucher to put in a savings or investment account for their child. The scheme is run by the Revenue. If you are on a low income, you may be entitled to an additional payment when your child is born and a further payment when your child is seven. You are not allowed to touch the money yourself. Your child will have access to the money when s/he is 18.

You don't have to do anything to get the vouchers. They should be sent to you automatically if you have claimed Child Benefit. However, you do have to take action to choose an account for your child. There is advice about this on the Child Trust Fund website. If you do not open an account, then a year after the voucher is sent out, the Revenue will open an account for you. If you have adopted a child, s/he may already have a CTF account. You will need to get in touch with the CTF provider to find out how you can become the registered contact for the account.

They may need to see a copy of the adoption order. There is more information about this on the Child Trust Fund website, and in the Working Families *Guide to the Child Trust Fund*.

If your child is disabled

If you have a disabled child under 16, you may be able to claim a benefit called Disability Living Allowance. Disability Living Allowance has two components. The mobility component may be paid if your child has problems with mobility and the care component may be paid if they have care needs which are more than most children of their age. You cannot get the mobility component for a child under three. There is no age requirement for the care component, but you cannot usually claim it for a baby under three months old. This is because your child must have had care needs or mobility problems for at least three months before they can be entitled to Disability Living Allowance, unless they are terminally ill. It can be difficult to claim Disability Living Allowance for a young child and it may help to get specialist advice, for example, from a Citizens Advice Bureau or disability support group.

Help with rent and council tax

If you pay rent, you may be able to get some help through Housing Benefit. If you are liable for Council Tax (whether you rent or own your home), you may be able to get help through Council Tax Benefit. Both these benefits are paid by the local authority or council and depend on your income. Even if you were not entitled before you had your baby, having a child (or another child), means you are more likely to qualify. This is because the calculation takes into account how many children you have, as well as your income. There is more information about Housing Benefit and Council Tax Benefit in our factsheet *Benefits for Families.*

What can I claim for myself and my partner?

As well as help for your new child, you (and your partner) may be able to claim money for yourself. You may already be claiming Statutory Maternity Pay or Statutory Adoption Pay, Maternity Allowance, Incapacity Benefit or Employment and Support Allowance, or Income Support.

There is more information about these some of these benefits in our factsheets *Maternity Leave and Pay*, and *Benefits for Families*. If having a child means that you have become a single parent, you may be able to claim Income Support. However, if you are getting some form of maternity or adoption benefit (for example, Statutory Maternity Pay, Statutory Adoption Pay, Maternity Allowance or Employment and Support Allowance), you may not be entitled to any Income Support on top.

Partners/fathers

Your partner (same sex or opposite sex) and/or the father of the new child may be entitled to Statutory Paternity Pay, and/or could possibly claim Income Support during Paternity Leave, but this will depend on your other income and may also depend on what benefits you were getting immediately before the leave started. A partner who is not the father, your spouse or your civil partner will need to be living with you and the child. There is more information about managing financially during paternity leave in our *Fathers* factsheet.

Unpaid Maternity/Adoption Leave

If you are going to take more than 39 weeks of Maternity/Adoption Leave this will usually be unpaid. If you are a single parent with a child under 12 (under 10 from 26 October 2009), you may be able to claim Income Support, as long as you are not working or working under 16 hours a week. If you are claiming tax credits, it is a good idea to let the Tax Credit Office know that you are taking more than 39 weeks leave, or that your Statutory Maternity Pay, Statutory Adoption Pay or Maternity Allowance has stopped, if you were getting these payments. This is because you are no longer treated as working after 39 weeks of Maternity/Adoption Leave or after you stop getting these payments, and this may affect the tax credits you are entitled to. For example, if you are a single parent and you take more than 39 weeks of Maternity Leave, you will no longer be entitled to Working Tax Credit (unless you work for another employer for at least 16 hours a week).

Useful contacts

Working Families

1-3 Berry St, London, EC1V 0AA

Helpline: 0800 013 0313

E-mail

advice@workingfamilies.org.uk or

edads@workingfamilies.org.uk or text 07800 004722

Orderline for free factsheets: Kate Aresti on 020 7253 7243

Waving not drowning project for parents of disabled children: Janet Mearns on 020 7017 0072

www.workingfamilies.org.uk

Registered Charity No 1099808

Company No 4727690

Child Benefit

Telephone: 0845 302 1444

Textphone: 0845 302 1474

Northern Ireland 0845 603 2000

www.hmrc.gov.uk/childbenefit

Citizens Advice Bureau

In England and Wales, you can find out where your nearest Citizens Advice Bureau is through Citizens Advice at www.citizensadvice.org.uk.

In Scotland, see www.cas.org.uk

In Northern Ireland, see www.citizensadvice.co.uk

The CAB advice website is at www.adviceguide.org.uk for advice on a whole range of issues from employment to benefits and debt advice.

Disability Alliance

www.disabilityalliance.org

Information on disability benefits.

Jobcentre Plus

You can find your nearest Jobcentre Plus office in England, Wales and Scotland by looking on www.jobcentreplus.gov.uk

You can ring them to make a claim for benefits on 0800 055 6688

In Northern Ireland, contact your local office of the Social Security Agency.

Gingerbread

Advice for lone parents in England and Wales

255 Kentish Town Road, London NW5 2L

Helpline: 0800 018 5026

www.gingerbread.org.uk

One Parent Families Scotland

Advice for lone parents in Scotland

13 Gayfield Square, Edinburgh EH1 3NX

www.opfs.org.uk

Helpline: 0808 801 0323

Gingerbread Northern Ireland

Advice for lone parents in Northern Ireland

169 University Street, Belfast BT7 1HR

www.gingerbreadni.org.uk

Helpline: 0808 808 8090

Tax and Benefits Confidential

Telephone: 0845 608 6000

Revenue helpline for those who have been working "cash in hand" but want to get their tax and national insurance affairs in order.

Tax Credits Helpline

Telephone: 0845 300 3900

Textphone: 0845 300 3909

Northern Ireland telephone: 0845 603 2000

Northern Ireland textphone: 0845 607 6078

www.hmrc.gov.uk/taxcredits

The advice given in this factsheet is accurate at April 2009. It may not be accurate after that date.

Working Families operates a complaints procedure to ensure any complaints are dealt with thoroughly and fairly. If you would like to have details of the procedure or to make a complaint please contact the Chief Executive at Working Families.

If you require a copy of this leaflet in large print, please call 020 7253 7243