

# Factsheet



## **In and Out of Work**

Make Every **£** Count

The information and benefit rates in this leaflet are correct at April 2009

# BENEFITS IN AND OUT OF WORK

## Introduction

The information in this factsheet is divided into five sections:

- redundancy rights
- benefits you can claim if you are unemployed or working under 16 hours a week
- benefits if you are working 16 hours or more a week
- benefits you can claim if you are either in or out of work
- back to work help.

Claiming benefits can be quite complicated. The information in this factsheet is intended as a general guide. In particular, there are special rules for some people from abroad who should seek advice before making a claim for benefit. If in doubt, seek advice from one of the organisations listed at the end of the factsheet.

## REDUNDANCY RIGHTS

If you are made redundant and have at least 2 years continuous service with your employer you are entitled to a redundancy payment. You may be entitled to contractual redundancy pay (this is where their employer agrees to pay you more than the statutory levels) or statutory redundancy pay (a minimum amount required by law).

Statutory redundancy pay is based upon your length of time with your employer (up to 20 years service), your age, and the maximum earnings limit provided for by law. It was announced in the 2009 budget that the maximum earnings limit would rise from £350 to £380 per week.

The amount of statutory redundancy pay you will receive will be:

- half a week's pay for each year of continuous service below the age of 22
- a full week's pay for each year of continuous service between the ages of 22 and 40
- a week and a half's pay for each year of continuous service above the age of 41.

As well as a redundancy payment, your employer should pay you through your notice period, or payment in lieu of notice depending on your circumstances. Pay in lieu of notice is money paid to you by your employer as an alternative to being given your full notice. Details of the notice period will be in your contract.

You do not have to claim redundancy pay from your employer - they should automatically pay it to you. If your employer does not give you redundancy pay when you are entitled to it you should write to them asking for payment. If your employer still refuses to pay, or cannot make the payment, you can appeal to an Employment Tribunal.

For further information about redundancy rights see <http://www.direct.gov.uk>.

Free advice about employment rights is also available from ACAS on 0845 7474747.

# BENEFITS WHEN YOU ARE OUT OF WORK OR WORKING LESS THAN 16 HOURS A WEEK

## Jobseeker's allowance

Jobseeker's allowance (JSA) is a benefit for unemployed people who are able to work and are actively seeking work. If you are a lone parent, carer, or are sick you may be able to claim income support or employment and support allowance. If you were receiving working tax credit (WTC) before you stopped working this should continue for a further 4 weeks. If you are getting the WTC 'run on' and have mortgage costs you should seek advice about the timing of your JSA claim.

If you are reclaiming JSA within 26 weeks of a previous claim, you may be treated as making a "rapid reclaim" and only have to fill in a shortened form.

### There are 2 types of JSA:

- **contribution-based JSA** - this is paid for up to 6 months if you have paid enough national insurance contributions when you were working. You can get it even if your partner works, or you have savings;
- **income-based JSA** – this is a means tested benefit which you can get instead of contribution-based JSA if you haven't paid enough national insurance contributions or when your contribution-based JSA stops. It can also top up contribution-based JSA if you do not have enough money to live on. It can be paid for as long as you keep meeting the rules for it.

## Who can claim JSA?

### For both types of JSA you must:

- be unemployed or work less than 16 hours a week
- be available for, and actively seeking, work
- have a "jobseeker's agreement"
- be aged 16 or over - but see below if you are aged 16 or 17
- be under pension age (65 for men and 60 for women)
- be in Great Britain (although contributory JSA can be paid if you are looking for work in another European Economic Area country)

### For income-based JSA you must also:

- not have a partner working 24 hours or more a week
- be "habitually resident" in Great Britain
- have combined savings (with your partner if you have one) of £16,000 or less
- not be entitled to income support (some groups can choose to claim JSA instead of income support, for example lone parents)

### Joint claims

If you are a couple aged 18 or over, one of you was born after 28 October 1947, and you wish to claim income-based JSA then you must claim jointly unless you are responsible for a child or young person. You may also be exempt from claiming jointly if one of you is a full

time student, carer, or disabled.

### **What if I left work or was sacked?**

If you left your last job voluntarily without a good reason, or you were sacked, you may be refused JSA for up to 26 weeks. Get advice if this happens to you. If you were made redundant (including most voluntary redundancy), this rule does not apply to you, and you can get JSA. It also doesn't apply to you if you were self-employed and stopped trading.

### **How much is JSA?**

**Contribution-based JSA** is paid at one of 2 rates:

Aged 16 - 24	:	£50.95
Aged 25 and over	:	£64.30

Your contribution-based JSA will be reduced pound for pound by any pension you get over £50 a week. It can also be affected by earnings – see page 5.

### **Income-based JSA**

The amount of income-based JSA you get will depend on your circumstances and whether you have any other money coming in. It is worked out by adding together personal allowances for you (and your partner if you have one). Extra amounts, called premiums, may be added to the personal allowances. These depend on your individual circumstances (e.g. if you are disabled you may get a disability premium). You may also get an amount towards mortgage interest. For more information about this see our factsheet '**extra money for your housing costs**'.

If you are responsible for a child or young person you may be entitled to child tax credit (CTC) for them. If you get income-based JSA you should be entitled to maximum CTC. To make a claim for child tax credit, or to notify the Tax Credit Office that your circumstances have changed, you should contact them by telephoning 0845 300 3900.

If you (and your partner if you have one) have combined savings of more than £16,000, you cannot get income-based JSA. If you are under 60 and have between £6,000 and £16,000 in savings, the amount of income-based JSA you get will go down by £1 a week for every £250 (or part of £250) you have over £6,000. It can also be affected by earnings – see page 5.

Any occupational pension you get will be taken off in full from your income-based JSA. Disability living allowance and attendance allowance are ignored as income.

If your employment ends before your entitlement to benefit begins, any statutory redundancy pay your employer pays you is treated as capital. Any contractual redundancy pay over and above statutory redundancy pay, ex gratia payment, payment in lieu of notice, or holiday pay is ignored when assessing your claim for jobseeker's allowance. However, any holiday pay received more than four weeks after your employment ends is counted as capital.

If you are claiming benefits before your employment finishes the rules are different– seek further advice.

### **Available for work**

You must be available for work at least 40 hours a week and be able to start work immediately. Some people, such as carers, or parents, or people with a disability are allowed to say they will work for less than 40 hours a week. However, you must be available for at

least 16 hours a week and have a reasonable chance of finding a job.

You must be able to attend an interview for a job immediately. If you are a carer or volunteer you must be able to attend an interview within 48 hours. If you are a parent with caring responsibilities for a child under 16 you must be able to attend an interview within 7 days of being notified of an opportunity.

You must normally be able to start work immediately, if you are a volunteer or carer you must be able to start work within 7 days. If you are a parent with caring responsibilities for a child under 16, then you must be able to start work within 28 days.

You must be willing to accept a job for less than 40 hours a week, but you cannot be asked to take a job of less than 24 hours a week, unless a jobseeker's direction is made (see page 6).

You can restrict the type of work you say you will take to your usual job for up to 13 weeks after you claim. You can set the wage level you will accept for up to 6 months from when you first claim - but you must show that you still have a reasonable chance of finding work.

You do not have to take a job that offends a sincere religious or conscientious belief.

You can be treated as available for work during short periods of illness (a maximum of 2 two-week periods in any 12 months) and in emergencies, e.g., following bereavement, or if it is unreasonable for you to find childcare during school holidays.

### **Actively seeking work**

Whilst claiming JSA, you must show that you are taking "reasonable steps" to find work. The sort of steps you will be expected to take will depend on things such as your skills, qualifications, capabilities, and the length of time you have been out of work. This includes checking newspapers for job advertisements, registering with employment agencies and approaching employers directly.

### **Jobseeker's agreement**

Before you can get benefit, a jobseeker agreement must be signed. The agreement contains information about the type of work you are looking for, any restrictions on your availability, and what steps you are taking to find work.

If you cannot agree about what should go in the agreement, you can ask for someone else, called a decision maker, to look at it. You can appeal against any part of the agreement that you think is unreasonable, but you will not get benefit until you and a member of the jobcentre plus staff sign the agreement.

Seek further advice if you want to challenge a jobseeker's agreement.

### **Capable of work**

You must be physically and mentally capable of work to get JSA. If the jobcentre say that you are not fit for work, and won't accept your claim, get advice.

### **Working and claiming JSA**

You cannot get JSA if you work 16 or more hours a week. If you have a partner you cannot claim income-based JSA if s/he works 24 or more hours a week. Contribution-based JSA is reduced by any part-time earnings you have over £5 per week (or £20 per week for part time

fire fighters, auxiliary coastguards, lifeboat crew, or members of the territorial army).

For income-based jobseeker's allowance, if you are treated as a carer, disabled person or lone parent, or you are a part time fire fighter, auxiliary coastguard, member of a lifeboat crew, or in the territorial army - the first £20 of your earnings is ignored. Otherwise you can only keep £10 of your earnings if you are part of a couple, and £5 if you are single.

### **16 and 17 year olds**

You can only claim contribution-based JSA if you have paid enough national insurance contributions and it is unlikely that many 16/17 year olds will have done this.

However, you may be able to claim income-based JSA for a short period after leaving school or college, or in some other limited circumstances. Otherwise, you will only be able to claim income-based JSA if you are in severe hardship.

You may be able to claim income support if you do not have to sign on e.g. you are a lone parent, a carer, or a young person in full time non advanced education who is estranged from their parents.

For more information about 16 and 17 year olds - see our factsheet 1 '**benefits for young people**' available on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits).

### **Jobseeker's directions**

If jobcentre plus has doubts about your efforts to find work, or thinks you would benefit from further training, they can make a jobseeker's direction. This is an instruction which could tell you to take a job or training course to improve your chances of finding work. If you do not do what the jobseeker's direction says, without a good reason, you might get a benefit penalty (see below).

### **Benefit penalties**

You can lose benefit for 2 weeks (4 weeks for a second penalty) if, without good reason, you

- fail to carry out a jobseeker's direction
- fail to take up a place on a training programme
- lose a place on a training programme through misconduct
- leave or fail to attend a training programme

You can lose benefit for up to 26 weeks if, without good reason, you

- lose a job through misconduct
- fail to apply for a job that you could have got
- refuse to take-up a reasonable job offer
- leave a job

Whether or not you had a good reason will depend on the circumstances e.g., where there would be a risk to your health, or where there would be too much travel time to work.

Your benefit may be stopped if:

- you don't satisfy the conditions for getting JSA, e.g., if jobcentre plus thinks you are not available for work or
- you fail to sign on correctly (see below).

Seek advice if your benefit is stopped for any reason.

### **Can I get any help if my benefit is stopped?**

If you get a benefit penalty, or payment of your benefit is delayed, you may be able to get a hardship payment from jobcentre plus. You will be interviewed by a decision maker. S/he will look at, for example, whether you have anything else to live on, whether anyone in your family has a disability, and whether there is a risk that you will not have food or heating if you do not get benefit.

You will not get a hardship payment during the first 2 weeks of any benefit penalty or waiting period unless:

- you are a lone parent (you may be able to claim income support instead if your youngest child is under 12 (or under 10 from 26 October 2009))
- you have dependant children
- you or your partner are pregnant
- you or your partner are disabled or have a long-term chronic medical condition
- you care for someone who gets attendance allowance or some rates of disability living allowance, and you cannot carry on caring for them unless you get a payment (you may be able to claim carer's allowance and/or income support instead – seek advice)
- you are aged 16-17

Hardship payments are paid at a lower rate than the normal rate of benefit.

### **Studying and JSA**

You can study part-time and get JSA if:

- it is accepted that you are still available for work and actively seeking work and
- you are studying less than 16 hours a week (12 hours if you are under 20).

You must be able to re-arrange your course hours, or give up the course, to take up work.

If you are thinking of studying and claiming JSA, get further advice.

### **Failing to sign on**

Benefit will usually stop immediately in the following circumstances:

- you fail to sign on
- you sign on at the wrong time but on the right day, for the second time and you have already received a warning letter
- you sign on, on the wrong day.

However you have 5 days to show you had a good reason for not signing on, signing at the wrong time or on the wrong day. If the decision maker decides that you do not have a good reason or you do not contact jobcentre plus within 5 days, you may lose benefit and should make a fresh claim immediately. Backdating the claim may be possible in some circumstances.

Seek further advice if your benefit is stopped for any reason.

## How JSA is paid

JSA is paid fortnightly in arrears. It is not paid for the first 3 days of unemployment, unless in the previous 12 weeks you have been entitled to JSA, income support, incapacity benefit, carer's allowance, income-related employment and support allowance, or you are aged 16/17 and getting severe hardship payments.

## New deal

There are a number of new deal programmes organised by the jobcentre to help you return to work. These provide intensive help to find training or employment. If you fail to participate in the new deal, you could lose your benefit. The government is introducing a number of new measures to help people back to work over the coming year. See [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk) for more information.

Seek further advice if your benefit is stopped for any reason.

## How to claim

Claim JSA by phoning your local jobcentre plus contact centre on 0800 055 6688 or on line at [www.dwp.gov.uk/eservice](http://www.dwp.gov.uk/eservice).

## Carer's allowance

If you care for someone who receives either attendance allowance, or the middle or higher rate care components of disability living allowance, you may be able to claim carer's allowance. You must be providing care for at least 35 hours per week which could be either physical assistance or emotional support.

Carer's allowance cannot be paid whilst you are receiving the same amount, or more, from some other benefits, including:

- state pension
- maternity allowance
- incapacity benefit
- contributory employment and support allowance
- contribution-based jobseeker's allowance
- bereavement benefits, widow's benefits

If you get one of the above benefits and claim carer's allowance then you will usually receive the higher benefit. If you cannot be paid carer's allowance because you get another benefit then you should receive a letter telling you that you have an underlying entitlement to carer's allowance. This means you satisfy all the criteria for carer's allowance but cannot receive it because you get another benefit.

If you either actually receive carer's allowance or have an underlying entitlement to it, it can help boost your entitlement to means tested benefits such as pension credit, income support, income-related ESA and housing and council tax benefit.

However, if the person you care for receives a means tested benefit that includes the 'severe disability premium' then your claim for carer's allowance may reduce their benefits. You should seek advice about this before making your claim.

## Working and claiming CA

You can work and still receive the full amount of carer's allowance providing your weekly income is £95 or less. Remember that you still need to be caring for 35 hours each week.

### How to claim

Claim by phoning the Benefit Enquiry Line on 0800 882200.

## Income support (IS)

Income support is a means tested benefit for people under 60 that brings your income up to a minimum level, depending upon your age and circumstances. Usually you cannot get income support if you (or you and your partner if you have one) have more than £16,000 in savings.

You can only get income support in certain circumstances, including where you are:

- a lone parent whose youngest child is aged under 12 (under 10 from October 2009)
- caring for someone who either gets attendance allowance, or the middle or higher rates of disability living allowance care component
- incapable of work and first made your claim before 27 October 2008
- entitled to a means tested benefit to top up your statutory sick pay (see our leaflet on SSP in our '**extra money if you are ill and disabled**' pack)

### Working and claiming income support

You can't get income support at all if you work 16 hours or more per week or have a partner who works 24 hours or more. People who get income support because they are incapable of work due to ill health or disability can only do certain exempt work and permitted work – see page 11.

If you or your partner do any part time work, most of your earnings will be taken into account and deducted off any income support you might be entitled to. If you are treated as a carer, a disabled person, or a lone parent, £20 of your earnings is disregarded. Otherwise you can only keep £10 of your earnings if you are part of a couple, and £5 if you are single.

Since 27 October 2008 you are no longer able to make a new claim for income support on the grounds of incapacity. You will need to claim income-related employment and support allowance (ESA) instead – see below. There are some exceptions to this - see our '**extra money if you are ill or disabled**' pack on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits) for more information. However, if you are currently getting income support on this basis, you will stay on this for the time being but are likely to be migrated across to the new allowance at some point in the future.

### How to claim

Claim income support by phoning the jobcentre plus call centre on 0800 055 6688 or on line at [www.dwp.gov.uk/eservice](http://www.dwp.gov.uk/eservice).

## Employment and support allowance

If you are under 65 and unable to work due to illness or disability you can claim employment and support allowance (ESA). If you have paid enough national insurance contributions you may get contributory ESA. This is worth £64.30 for the first 13 weeks (£50.95 if you are

under 25) and will increase after this depending on your level of incapacity. If you have not paid enough contributions, or are entitled to extra benefit to top up your contributory ESA, you may be able to get income-related ESA.

There are special rules for people aged under 20 (25 in some circumstances) which mean they may get contributory ESA without paying national insurance contributions – see leaflet 5 in our **'extra money if you are ill and disabled pack'** on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits).

If you claim ESA you will need to attend work focused interviews and undergo a work capability assessment. This will look at whether you have limited capability for work and whether you have limited capability for work related activity. If you are deemed to have a limited capability for work related activity you will be placed in the 'support group' and get a higher rate of ESA. If not, you will be placed in the 'work-related activity group' and have to participate in work focused activity as a condition of getting benefit.

People who were incapable of work prior to October 27 2008 may be able to reclaim incapacity benefit or income support on the basis of incapacity if they can link the new claim to a previous period of incapacity e.g. 'welfare to work beneficiaries' i.e. if you were on incapacity benefit for at least six months, worked, then became incapable of work again within a two year period.

For more information about benefits for people who are incapable of work, see our **'extra money if you are ill or disabled'** pack on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits).

### **How to claim**

Claim ESA by phoning your local jobcentre plus contact centre on 0800 055 6688 or via [www.dwp.gov.uk/eservice](http://www.dwp.gov.uk/eservice).

### **Working and claiming ESA**

Usually, if you start work, your employment and support allowance will stop. However the law allows you to claim ESA and do some types of 'exempt work' such as

- being a councillor
- doing domestic tasks in your home
- caring for a close relative
- work as a volunteer
- work while receiving assistance as a self employed person from the government's test trading scheme.

You can also undertake certain 'permitted work'.

### **Permitted work**

Permitted work allows you to try some paid work but you should tell the office that deals with your benefit. You do not need agreement from your doctor.

You can work for an unlimited period as long as your earnings do not exceed £20 per week.

You can also do work for an unlimited period as long as your earnings do not exceed £92\* pw if the work is:

- part of a treatment programme under medical supervision while you are in hospital or

similar institution or regularly attending hospital (or similar institution) as an out patient  
or

- 'supported permitted work' ie supervised by someone employed to help people with disabilities back into work e.g. Work Solutions at Hertfordshire County Council or
- less than 16 hours per week and you are in the ESA support group.

Otherwise you can earn up to £92 a week for up to 1 year as long as the work is less than 16 hours a week.

\*the permitted work earnings limit will rise to £93 from 1 October 2009.

### **What happens to my ESA if I do permitted work?**

You can keep all of your employment and support allowance, **whether income related or contributory**. However, if you earn more, these benefits will stop completely.

### **What happens to my housing and council tax benefit?**

Currently permitted work earnings will count as income for housing and council tax benefit unless you are passported to full benefit from income-related employment and support allowance. Earnings below £20 are ignored if you receive main phase contributory ESA. If you are in the assessment phase of ESA, seek further advice.

However the DWP has announced its intention to introduce a new permitted work earnings disregard in housing benefit and council tax benefit from April 2010.

### **What happens to my benefits if I was incapable of work before October 27 2008?**

If you are getting incapacity benefit, severe disablement allowance or income support on the basis of incapacity for work, the permitted work rules are similar to those outlined above except you can do work of less than 16 hours a week indefinitely for earnings of less than £92 a week if you are exempt from the 'personal capability assessment' because you have a severe condition.

### **Incapacity benefit and severe disablement allowance**

If the work falls within the permitted work categories you can keep all of your incapacity benefit or severe disablement allowance.

### **Income support**

If you work less than 16 hours in permitted work you may still be able to claim income support but your earnings will be taken into account minus £20. This could mean that you are no longer entitled.

### **Housing and council tax benefit**

Permitted work earnings will count as income for housing and council tax benefit unless you are passported to full benefit from income support. If you are getting long term incapacity benefit or are otherwise entitled to a disability premium, earnings below £20 are ignored. Otherwise £5 is ignored for a single person, £10 for a couple.

## **Other help**

If you work less than 16 hours a week and are on a low income you may also get help with

housing, health, education and children's costs - see relevant sections below.

## **BENEFITS IF YOU WORK 16 HOURS OR MORE A WEEK**

### **Working tax credit**

Working tax credit (WTC) is paid to workers on low wages. You can claim this from the age of 16 if you work at least 16 hours a week and you:

- have children or
- are treated as a disabled worker or
- are registered blind or
- are aged 50 plus and have been unemployed for the last six months.

Otherwise you must be aged 25 or over and work at least 30 hours a week.

**You will count as a disabled worker** if you have an illness or disability which makes it difficult for you to find work *and* you are getting, or recently received, certain disability benefits like disability living allowance, incapacity benefit or employment and support allowance – seek further advice.

**People aged 50+** - you can claim WTC if you work 16 or more hours and, in the 6 months prior to your claim, you were getting income support, jobseeker's allowance, incapacity benefit, severe disablement allowance, employment and support allowance or retirement pension topped up by pension credit.

Working tax credit contains extra elements if you work 30 hours a week or more, or you are treated as disabled, or aged 50 or over and have recently been unemployed. However the 50 plus element is only payable for a year.

WTC can include extra amounts for childcare costs which can pay up to 80% of eligible costs up to a maximum of £175 per week for one child (i.e. up to £140) and £300 per week for 2 or more children (i.e. up to £240).

#### **How to claim**

Claim by phoning the Tax Credit Helpline on 0845 300 3900. If you are already receiving tax credits when you return to work, make sure you notify the Tax Credit Office (TCO) as soon as you start employment.

**The amount of tax credits you get depends on a number of factors including your annual income, the size of your family, whether anyone is disabled, whether you work, the number of hours you work and the amount you pay in childcare.**

The disregard for increases in income between one tax year and the next is now £25,000. This means that many people returning to work, after a period on benefits, may get more tax credits in their first year of work than in subsequent years.

For more information on tax credits, see our '**extra money for families**' pack available on

## HELP IF YOU ARE IN OR OUT OF WORK

### Housing benefit

If you are on a low income, whether in or out of work, you might be able to claim housing benefit for help with rent or board and lodging payments. Unless you receive the guarantee credit part of pension credit you must not have more than £16,000 savings.

The amount of housing benefit you get depends on how much rent you have to pay, what the rent covers, and your circumstances, such as the size of your family and your income. People on income-based JSA, income related employment and support allowance and income support may get maximum housing benefit.

From April 2008 there has been a new way of working out new claims for housing benefit for tenants renting accommodation from a private landlord. This is called **local housing allowance**. However, if you live in council accommodation or other social housing these changes should not affect you.

#### How to claim

Claim housing benefit on a form from your district or borough council. If you claim income-based JSA, income-related ESA or income support, you should also fill in the housing form which comes with your claim pack.

If you are already getting housing benefit you must notify your local authority benefit department when you start work. You may also be able to claim 4 weeks extra housing benefit if you come off benefit because you (or your partner) start work or increase your hours. (See page 17).

### Council tax benefit

If you are on a low income you may get help to pay your council tax. You can claim council tax benefit, whether you are working or not. Unless you receive the guarantee credit part of pension credit you must not have more than £16,000 savings

The amount of council tax benefit you get depends on the amount of your bill, the size of your family, and your income. People on income-based JSA, income-related ESA and income support may get maximum council tax benefit.

#### How to claim

Claim on a form from your district or borough council. If you claim income-based JSA, income-related ESA or income support, fill in form HCTB1, which comes with your claim pack.

If you are already getting council tax benefit you must notify your local authority benefit department when you start work. You may also be able to claim **4 weeks extra council tax benefit** if you come off benefit because you (or your partner) start work or increase your

hours (see page 17).

## Other ways to reduce your council tax

You might be able to reduce your council tax bill by getting a:

- **disability reduction** - if someone living in your home is disabled, and your home is adapted or especially suitable for them, or a room has been especially set aside for their use, you may get the valuation band of your home reduced to the band below;
- **discount** - If there is only one adult in the property, the bill will be reduced by 25%. Some adults are “ignored” when counting how many adults are in the property e.g., people who are severely mentally impaired, students, and some carers;
- **second adult rebate** - you can claim this if there is a second adult living in your home who has a low income but is not responsible for the council tax bill. A second adult rebate is not affected by **your** income or savings.

For more information about housing benefit and council tax, see our factsheet E5 ‘**extra help for your housing costs**’ available on [www.hertsdirect.org/benefit](http://www.hertsdirect.org/benefit).

### How to claim

You can get claim forms from your local council.

## Help with the costs of children

There is a range of help available to families with children including

- child benefit
- child tax credit
- childcare costs
- free school meals
- Hertfordshire County Council education benefits
- education maintenance allowance

For more information see our ‘**extra money for families**’ pack available on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits).

## Disability living allowance

If you need help with your personal care, or supervision to make sure you are safe, or have difficulties with your walking, you may be able to get disability living allowance (DLA). This benefit is not means tested and should be paid on top of any other income you have.

It shouldn’t matter whether you are in or out of work. However, starting a job after a period of incapacity for work may suggest that your care or mobility needs have changed, so your benefit entitlement could be reconsidered. The DWP now views starting or leaving work as a potential ‘change of circumstance’ for DLA so you may be asked to explain your care needs in work. When doing this, give full information on the help you need to do your job.

For more information about DLA see leaflet 1 in our 'extra money if you are ill or disabled' pack on [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits).

### How to claim

Phone the DWP Benefit Enquiry Line on 0800 882200 for a claim pack or claim on-line on [www.dwp.gov.uk/eservice](http://www.dwp.gov.uk/eservice).

## Healthcare costs

People who get income support, income-related ESA, pension credit (guarantee credit) or income-based jobseeker's allowance can get free prescriptions, dental treatment, sight tests and help with glasses and fares to hospital for treatment. You also get this full help if your gross annual income is no more than £15,276 per year and you are getting child tax credit or child tax credit with working tax credit or working tax credit with a disability or severe disability element.

You should not have to apply as help should be automatic once proof of benefit or tax credit exemption is shown.

If you do not get one of these benefits but are on a low income, you may still be able to get some help towards health costs. Apply on form HC1, available from jobcentre plus.

If you are pregnant or have given birth within the last 12 months you can also get free prescriptions and free dental treatment by completing form FW8 available from your doctor, midwife or health visitor.

For further information about help with health costs see leaflet 7 in our 'extra money if you are ill or disabled' pack.

## BACK TO WORK HELP

There are a number of government sponsored 'back to work' incentives available throughout the country. However there are various pilot schemes running in different areas so you should contact your local jobcentre plus for full details of all incentives in your area. The following is a list of some of the schemes on offer but see [www.jobcentreplus.org.uk](http://www.jobcentreplus.org.uk) or [www.adviceguide.org.uk](http://www.adviceguide.org.uk) for more information.

## New deal

There are currently a number of new deal schemes to help people back to work including those for lone parents, disabled people, young people, long term unemployed people over 25 and the partners of unemployed people.

You may also be able to get:

- training allowances which may pay more than your benefit
- help with travel costs
- help with childcare costs
- help with other work-related expenses e.g., clothes for interview.

More information about all of these is available from your local jobcentre plus office or online on [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)

The Government is planning to streamline the various new deals into one jobseeker's regime and flexible new deal. This is unlikely to affect Hertfordshire until April 2010. See [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits) for up to date information.

## Job grant

If you return to work for at least 16 hour a week after having received income support, JSA, incapacity benefit, ESA, or SDA for at least 26 weeks prior to taking up work you may be entitled to a job grant. Some people who have been getting the new deal scheme, jobcentre plus allowance or employment zone payments may also qualify. Single people or couples receive £100, whilst lone parents and couples with children will receive £250.

## In Work Credit

If you are a single parent who starts work after 12 months on income support or JSA you may get a cash bonus of £40 a week, on top of any other benefits, for a year. You must be taking work of at least 16 hours a week and expect the job to last a minimum of 5 weeks.

For more information contact the lone parent adviser at your local jobcentre plus office.

## People with disabilities

People with disabilities can get extra help to overcome the obstacles into work through a number of jobcentre plus initiatives including the Job Introduction Scheme, Access to Work, Work Preparation and Workstep programmes. For more information contact the disability employment adviser at your local jobcentre plus office.

## Return to Work Credit

A return to work credit of £40 per week will be paid on top of other benefits for a year if you've been receiving one of the following for 13 weeks or more in the five weeks prior to starting work: incapacity benefit, ESA, income support on grounds of incapacity, severe disablement allowance, or statutory sick pay. You must start work of at least 16 hours a week, expect the job to last for at least five weeks and claim the credit within five weeks of starting. To qualify you mustn't expect to earn more than £15,000 per annum

## Self Employment Credit

If you have been getting jobseeker's allowance for at least six months and you set up as self-employed working at least 16 hours a week, you may be able to get a self-employment credit worth £50 a week. You can only get it if you stop claiming JSA and expect your work to last at least 5 weeks.

## Adviser discretion fund

If you have been unemployed for six months you may be able to get financial assistance (of

up to £100, or more in some cases) to help you overcome some of the obstacles of returning to work. This help is available at the discretion of the jobcentre plus personal adviser. You can ask for help from this for a number of one off 'back to work' expenses like the cost of suitable new clothing or equipment, advance childcare costs, travel expenses etc but there are limits on the amounts you can get.

## **Housing benefit and council tax benefit extended payments**

You can continue to get your housing benefit and council tax benefit at your previous rates for 4 weeks if you start work which is expected to last at least 5 weeks. You must have been out of work for at least 26 weeks and been getting income based jobseeker's allowance, income support, ESA, incapacity benefit or severe disablement allowance.

You must inform the local authority or jobcentre plus office within 4 weeks of the change in your situation.

After the 4 weeks, you might still be able to get some housing benefit depending on your income, rent, etc.

## **Mortgage interest run-on**

Mortgage interest run-on (MIRO) is for people whose income support stops because they start work that is expected to last for at least 5 weeks. You must have been receiving income support, income-related ESA or income-based jobseeker's allowance for the last 26 weeks and had mortgage interest included in your benefit. Help towards housing costs can continue for an additional 4 weeks after starting work.

# **IF YOUR JOB DOESN'T WORK OUT**

## **Working tax credit run on**

if you stop work, or your normal working hours fall below 16 hours per week, you will be treated as being in work for a further four weeks and may continue to get working tax credit ('WTC run on'). However, you must report your change of circumstances to the Tax Credit Office within one month of stopping work. From 31 July 2009 this 'run on' will be extended to people reducing their hours to less than 30 a week. This will assist people who would otherwise lose their entitlement i.e. those over 25 who do not have children, are not disabled and do not fall into the '50 plus' category.

## **Rapid re-claim**

If you were claiming income support, jobseeker's allowance, ESA or incapacity benefit before starting work, and your job ends within 26 weeks, and there have been no other changes in your circumstances, you can fill out a much shorter 'rapid re-claim' form. This should speed up the processing of your fresh claim. Rapid re-claim also applies to housing benefit and council tax benefit if you are making a 'rapid re-claim' for income support, job seekers allowance, or incapacity benefit and your circumstances haven't changed.

The 'rapid-reclaim' rule may also be extended to include ESA claimants but check [www.hertsdirect.org/benefits](http://www.hertsdirect.org/benefits) for updates.

## Benefit linking rules

If your job doesn't work out and you were previously ill or disabled you may be able to go back on to your old rate of benefit. If you start work within one month of your benefit (paid on grounds of incapacity) ending, you can go back to your old rate of benefit within 104 weeks if you stop work. You no longer have to request that linking rules should apply when you come off benefit.

### Income support/JSA/ESA housing costs

If you were receiving payments towards mortgage interest with income support, income-related ESA, or income-based jobseeker's allowance before starting work or training, you will not have to serve a further waiting period if you re-claim benefit within one year.

## CHALLENGING DECISIONS

If you are unhappy with a decision about your benefits you can usually ask for it to be looked at again (revision) or you can formally appeal against the decision to an independent tribunal. If you are successful, any change is normally backdated to the time of the original wrong decision. There are strict time limits if you want to challenge a decision. If you miss the time limit, which is usually one month from the date of the decision letter, you can only put in a late challenge in exceptional circumstances.

Tax credit decisions can sometime be revised eg if there is a change of circumstances, if the Tax Credit Office has made a mistake or if they think the award is wrong. However, unless you are simply reporting a change of circumstances, it is generally better to request an appeal if you are unhappy with a decision. You should do this within 30 days of the date the decision was sent out to you. You can only put in a late challenge in exceptional circumstances.

For more information about challenging decisions see leaflet 9 in our '**extra money if you are ill or disabled**' pack.

## FURTHER HELP AND ADVICE

The rules about benefit and work are very complicated. If you are returning to work ask for a 'better off calculation' so you can see the impact on all of your benefits. Remember to look at the extra costs of going to work and the possibility of tax credits reducing in future years. If you are thinking of doing 'permitted work', make sure you follow the rules for the different types of this work. See below for organisations who offer assistance.

### Jobcentre Plus

If you are claiming benefits or looking for work you can get help from a personal adviser at the local jobcentre plus office, addresses in local phone book or by visiting [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk). You can also phone Jobseekers Direct on 0845 6060 234 which is a phone service that keeps you in touch with the latest job vacancies.

## **Work Solutions**

Work Solution is part of Hertfordshire County Council and helps lone parents and people with long term mental ill health, learning disabilities and physical or sensory disabilities, who are thinking of taking up, or returning to, work. The team offers information on what local employers want, job vacancies, training opportunities, childcare and so on.

For more information see [www.hertsdirect.org](http://www.hertsdirect.org) or phone your nearest Work Solutions Team:

- North & East Herts: 01438 844911
- South & West Herts: 01442 454464

## **Citizens Advice Bureaux (CAB)**

Contact your local CAB for further help and advice on benefits and work.

For details about your local CAB see [www.hertfordshirecab.org.uk](http://www.hertfordshirecab.org.uk) or contact Hertfordshire County Council (HCC) - details below.

## **Community Legal Advice**

For legal help and information and details of other advice agencies in Hertfordshire, contact the Community Legal Advice helpline on 0845 3454345 Mon - Fri 9 am - 6.30 pm (8 pm from July 09) /Sat 9 am -12.30 pm or visit the website at [www.communitylegaladvice.org.uk](http://www.communitylegaladvice.org.uk)

## **Hertfordshire County Council**

For further information about county council services contact Customer Services on 01438 737400 or 01923 471555 if calling from an 01923 or 020 8 number or go to [www.hertsdirect.org.uk](http://www.hertsdirect.org.uk).

*This information is for guidance only and is not an authoritative statement of the law*  
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