



Maternity, Parental and Childcare Rights Guide 2021/2022

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1. INTRODUCTION

This guide is intended to enable Equity members who work in self-employment, employment (PAYE) and those who work to Equity contracts to understand what rights they have to Maternity/Parental Leave, Pay, Social Security and Childcare.

Broadly speaking, there are fewer entitlements for those who are self-employed rather than employed (PAYE). **However**, if you are working on an Equity Contract, Equity Industrial Organisers may have negotiated equivalent rights to an employee for self-employed performers through collective agreement, and you may have additional contractual benefits that are similar to statutory rights depending on what production you are working on. If you are in this situation, we strongly recommend that you check your contractual rights with your contract and/or contact your Equity industrial organiser in the first instance.

***Please note:** Whilst the material contained in this Guide is believed to be accurate, no responsibility for loss occasioned to any person acting, or refraining from acting, as a result the material contained herein can be accepted by Equity. The material contained in this Guide is believed to be accurate at the date of publication, **April 2021**, but will be subject to change. All updated versions of the guide can be found on the Equity website.*

See [Equity - Tax and Welfare](#)

2. MATERNITY AND PARENTAL RIGHTS

a) Disclosure of Pregnancy

Whether or not your pregnancy may or may not affect your performance work depends on the role you have and the type of production you are on. It may be possible to continue to perform or to do some alternative work for the particular production company. As a worker, you will usually have a right to a risk assessment.

Before you disclose your pregnancy to your employer/engager, please contact your Industrial Organiser for advice on your particular situation. You can find their contact details in the front pages of the Equity Diary or on the Equity website – see <https://www.equity.org.uk/members-area/member-resources/my-equity-contacts/>

Alternatively, you can call the Equity Head Office on 020 7379 6000 and ask to speak to your Industrial Organiser or call your regional office.

b) Leave

In this section we will outline the kinds of leave that can be taken by parents who work in employment (PAYE) work and on Equity Contract (self-employment) work. Your rights to leave are separate to your rights to pay - see section on Pay from p.6 for more information.

Statutory Maternity Leave (or Contractual Maternity Leave through Equity Contract)

Employed (paid PAYE – taxed at source), women are entitled to 52 weeks' Statutory Maternity Leave: this is made up of Ordinary Maternity Leave for the first 26 weeks and Additional Maternity Leave for the last 26 weeks. You don't have to take the full 52 weeks, but you must take 2 weeks' leave after your baby is born.

The right to Statutory Maternity Leave does not depend on how long you have worked for your employer but unfortunately it is a right for employees (PAYE) only.

However, self-employed Equity members who work on Equity Contracts may be entitled to **Contractual Maternity Leave** on the same or similar terms as Statutory Maternity Leave. Check the terms of your contract with your industrial organiser.

The earliest you can start your Statutory Maternity Leave is 11 weeks before your expected week of childbirth, which is when you are about 29 weeks pregnant. However, your maternity leave will start automatically if you are off work for any reason to do with your pregnancy from the fourth week before your baby is due.

To take Statutory (or Contractual) Maternity Leave you must let your employer/engager know you are pregnant and tell them when you want to take your Maternity leave by the end of

the 15th week before your baby is due. You will need to supply the employer with your Maternity certificate (MATB1) or other medical evidence of the date your baby is due, which you get from your doctor or midwife.

Maternity & Parental Leave etc Regs 1999, regs 4-12A

Statutory Paternity Leave (or Contractual Paternity Leave through Equity Contract)

Statutory Paternity Leave is one or two consecutive weeks' leave to support the mother or care for the child. To qualify you must be the father of the child, the mother's husband/partner, the child's adopter or husband or partner of the child's adopter (including same sex partners/spouses) or intended parent (if you are having a baby through a surrogacy arrangement).

To be entitled you must have worked for the same employer on an employment (PAYE) basis for at least 26 weeks by the 15th week before the baby is due (or the week you are matched with your adopted child).

If you are working to an Equity contract as a self-employed worker, you may be entitled to **Contractual Paternity Leave** on the same or similar basis. Check the terms of your contract with your industrial organiser.

As with Maternity leave, you must give notice, and the leave must be taken within 56 days of the birth (or adoption placement). You use form SC3 to notify your employer (see www.gov.uk/paternityleave/how-to-claim).

The Paternity and Adoption Leave Regs 2002, regs 4-14

Statutory Parental Leave (or Contractual Parental Leave through Equity Contract)

To be entitled you must have worked for the same employer on an employment basis for at least one year are entitled to 18 weeks' unpaid parental leave, which can be taken up until the child's 5th birthday (or 18th if the child qualifies for a disability benefit). You cannot take more than four weeks' parental leave for any one child in a year, unless otherwise agreed with your employer.

Maternity & Parental Leave etc Regs 1999, regs 13-16

If you are working to an Equity contract as a self-employed worker, you may be entitled to **Contractual Parental Leave** on the same or similar basis. Check the terms of your contract with your industrial organiser.

Statutory Shared Parental Leave (or Contractual Shared Parental Leave through Equity Contract)

Mothers can choose to end their Maternity leave early (after an initial 2-week mandatory recovery period generally) and hand over their unused leave to their partners. This is called 'Statutory Shared Parental Leave' (SSPL) and can last for up to 50 weeks. The mother can

switch back to claiming Maternity leave if she chooses. SSPL is also open to couples who have adopted a child.

To qualify, you must have worked for the same employer as an employee for at least 26 weeks by the 15th week before the baby is due (or the week you are matched with your adopted child). In turn your partner must have been employed (PAYE) for at least 26 weeks in the 66 weeks before the week in which the baby is due (or matched), and up to the expected birth date or adoption match date, the other parent must have earned an average of at least £30 per week for any 13 weeks within this period.

SSPL can only be taken within the first year of the child's life (or the first year of their adoption). You can take up to three separate blocks of SSPL; however, you must give your employer at least eight weeks' notice that you want to take a block of leave.

Shared Parental Leave Regs 2014

If you are working to an Equity contract as a self-employed worker, you may be entitled to **Contractual Shared Parental Leave** on the same or similar basis. Check the terms of your contract with your industrial organiser.

Statutory Adoption Leave (or Contractual Leave through Equity Contract)

You have a right to 52 weeks' adoption leave if you have worked for the same employer as an employee for at least 26 weeks by the week in which you are notified of being matched with a child for adoption. A couple adopting jointly can choose who takes adoption leave and who takes paternity leave.

The Paternity and Adoption Leave Regs 2002, regs 15-27

If you are working to an Equity contract as a self-employed worker, you may be entitled to **Contractual Adoption Leave** on the same or similar basis. Check the terms of your contract with your industrial organiser.

Time off for antenatal care for employees and those in Equity Contract work

Every pregnant employee (PAYE) is entitled to time off with pay to keep antenatal appointments made on the advice of a doctor, midwife and health visitor. This is also available to self-employed performers working on an Equity Contract, but not for the self-employed in general.

c) Pay

*If you are an employee **or** self-employed performer working on an Equity Contract currently, please read the following section. If not, please skip to the section on Maternity Allowance from p.12 onwards.*

Statutory Maternity Pay (SMP)

If you are an employee, you may be able to get Statutory Maternity Pay (SMP).

The starting point here is whether you have worked for the same employer for a continuous period of 26 weeks ending with the 15th week (the 'qualifying week') before the **Expected Week of Childbirth (EWC)** which starts from the Sunday. This is called the '**continuous employment rule.**' If this does not apply to you, please see the Maternity Allowance section below (p.12).

However, if you do satisfy the *continuous employment rule*, you may be entitled to SMP, subject to the following four conditions: -

1. '**The Earnings Condition**': your average gross (i.e. before any deduction) earnings are at least £120 (2021/22) **and**
2. '**The Employment Condition**': you must be employed in the 'qualifying week' (although it does not matter if you are off sick or on holiday) **and**
3. '**The Notice Condition**': you must tell your employer at least 28 days before you want your SMP to start. Your employer may ask you to inform them in writing. You must also give them your Maternity certificate (MATB1) which your doctor or midwife will normally give you at the next antenatal appointment following your 21st week of pregnancy **and**
4. '**The Work Condition**': you must not be carrying out work for the employer paying you SMP whilst you are in receipt of it; however you can work during your Maternity pay period for the employer for up to 10 '**Keeping In Touch**' (KIT) days.

SMP is paid for 39 weeks at 90% of your average earnings (with no upper limit) for the first 6 weeks. For the remaining 33 weeks it is paid at £151.97 per week (2021/22 rate), or 90% of your average weekly earnings (whichever is less) by your employer.

If you do not qualify for SMP, you will need to get an SMP1 form from your employer to verify this, and then usually claim Maternity Allowance - see p.12 below.

Contractual Maternity Pay (Equity Contract)

If you have been working on the same Equity contract for a continuous period of 26 weeks ending with the 15th week before the Expected Week of Childbirth (EWC) you may be entitled to **Contractual Maternity Pay**, depending on the terms and conditions and collective agreements associated with your particular contract. This should represent at least the equivalent of Statutory Maternity Pay entitlement. However, even if you have not worked that long on your Equity contract or just started work, you may have entitlement to Contractual Maternity Pay as different contracts offer different benefits. To check what may apply in your particular case, in contact with your industrial organiser at Equity – contact details will be in the front pages of the Equity Diary or on the Equity website – see <http://www.equity.org.uk/members-area/member-resources/my-equity-contacts>.

Alternatively, you can call the Equity Head Office on 020 7379 6000 and ask to speak to your industrial organiser or call your regional office.

Statutory Paternity Pay (SPP)

Statutory Paternity Pay (SPP) is payable up to two consecutive weeks for employees (PAYE). It must be taken within eight weeks of the birth (or adoption placement). It is available to the child's father, if you expect to have responsibility for her/his upbringing, the partner of the child's mother, if you expect to share the main responsibility for the child's upbringing with her, the person adopting a child or the adopter's partner, if you expect to share the main responsibility for the child's upbringing with her/him.

To be eligible you must have worked for the same employer as an employee (PAYE) for a continuous period of 26 weeks ending with the 15th week (the 'qualifying week') before the baby is due (or the week you are matched with your adopted child). If you do satisfy this continuous employment rule, you may be entitled to SPP, subject to the following three conditions: -

1. The 'Earnings Condition': your average gross (i.e. before any deduction) earnings are at least £120 (2021/22) **and**
2. The 'Employment Condition': you must be employed in the 'qualifying week' (although it does not matter if you are off sick or on holiday) **and**
3. The 'Notice Condition': you must notify your employer that you plan to take SPP.

SPP is paid at £151.97 per week (2021/22) or 90% of your average weekly earnings (whichever is less) by your employer.

If you are not eligible for SPP, your employer must give you form SSP1 explaining why you do not qualify.

Contractual Paternity Pay (Equity Contract)

If you have been working on the same Equity contract for a continuous period of 26 weeks ending with the 15th week before the Expected Week of Childbirth (EWC) you may be entitled to **Contractual Paternity Pay**, depending on the terms and conditions and collective agreements associated with your particular contract. This should represent at least the equivalent of Statutory Paternity Pay entitlement. If you think this may apply to you, get in contact with your Industrial Organiser at Equity – contact details will be in the front pages of the Equity Diary or on the Equity website – see <http://www.equity.org.uk/members-area/member-resources/my-equity-contacts>. Alternatively, you can call the Equity Head Office on 020 7379 6000 and ask to speak to your industrial organiser or call your regional office.

Statutory Adoption Pay (SAP)

Statutory Adoption Pay (SAP) is £151.97 per week (2020/21), or 90% of your average weekly earnings (whichever is less). It can be paid for up to 39 weeks. To qualify you must have worked for the same employer for at least 26 weeks by the end of the week in which you are notified of being matched with a child for adoption, and have average gross weekly earnings

of at least £120 (2021/22). You can continue to be paid SAP if you work for your employer for up to ten days during your adoption pay period. Adoptive parents may also be eligible for Parental Leave (see above) and Statutory Shared Parental Pay (see below).

Contractual Adoption Pay (Equity Contract)

If you have been working on the same Equity contract for a continuous period of 26 weeks ending with the 15th week before the Expected Week of Childbirth (EWC) you may be entitled to **Contractual Adoption Pay**, depending on the terms and conditions and collective agreements associated with your particular contract. This will represent at least the equivalent of Statutory Adoption Pay entitlement.

If you think this may apply to you, get in contact with your industrial organiser at Equity – contact details will be in the front pages of the Equity Diary or on the Equity website – see <http://www.equity.org.uk/members-area/member-resources/my-equity-contacts>.

Alternatively, you can call the Equity Head Office on 020 7379 6000 and ask to speak to your industrial organiser or call your regional office.

Statutory Shared Parental Pay (SSPP)

Mothers/birth parents in receipt of Equity Contract Maternity Pay, Statutory Maternity Pay or Maternity Allowance can decide to go back share their pay/allowance to their partner. This also applied to the primary adopter who is in receipt of Statutory Adoption Pay. This provision is referred to as 'Statutory Shared Parental Pay' (SSPP) and was introduced in 2015. Unfortunately, SSPP is only available if your partner is an **employee** (PAYE).

To get Statutory Shared Parental Pay (SSPP), the birth parent/primary adopter must meet both of the following eligibility conditions:

- a) the parent who is to take SPL must have worked for the same employer for at least 26 weeks by the end of the 15th week before their baby is due or their adoption match date **AND** still be working for the same employer at the start of each block of leave they take (known as the **continuity of employment test**) **AND**
- b) earned at least £120 (2021/22) a week, for 8 weeks before the 15th week of the expected birth or adoption match date

In addition to the above, the other parent has to have, up to the expected birth date or adoption match date:

- a) worked for at least 26 of 66 weeks **AND**
- b) earned an average of at least £30 a week in any 13 weeks

Further information about the SSPP and the way it works in practice can be found on the Advisory, Conciliation and Arbitration Service (ACAS) website - see [How Shared Parental Leave works: Shared Parental Leave and Pay - Acas](#)

Equity has joined with Parental Pay Equality to campaign for the extension of SSPP to self-employed partners. For further information on the campaign and to join see <http://www.parentalpayequality.org.uk/>

Statutory Neonatal Leave and Pay

As of the date of writing, the government have agreed to introduce a statutory scheme for Parents whose babies are in neonatal care, whether they were born prematurely or at term. This has not yet been passed into law and the exact details of the scheme are not yet known and the scheme is not expected to be introduced before April 2023.

Current information available suggests that parents whose babies are in neonatal care for over a week will be entitled to statutory paid leave for every further week their baby is on the unit up to a maximum of 12 weeks. It will be paid at a rate of around £160 per week in addition to other parental pay, like maternity and paternity pay. It appears that it will only be open to employees (PAYE).

For further information, see: [Introduction of Neonatal Leave and Pay is Historic Achievement | Bliss](#)

c) Maternity/Parental pay; treatment for Tax and Social Security

Tax

The statutory payments listed above (SMP, SPP, SAP and SSPP) are all taxable. Note: if you complete a self-assessment (for example, if you are self-employed), you should include these payments in your tax return in the applicable boxes. The contractual payments discussed above are also taxable and should be listed as self-employment income in your tax return. Maternity Allowance (see p.12 onwards) is **not** taxable and does not need to be included in the tax return.

Social Security (see also 'Social Security' section below)

For Universal Credit and Housing Benefit, Council Tax Reduction/Support; SMP, SAP, SPP, SSPP and Maternity Allowance (MA) are all treated as earnings. Contractual payments (as discussed above) would count as self-employment earnings and should be declared alongside self-employment expenses.

With Tax Credits, the first £100 a week of SMP, SAP, SPP and SSPP week is ignored; the rest is taken into account as income. Contractual payments are taken into account as self-employment earnings and should be declared alongside self-employment expenses.

MA is disregarded in full for Tax Credits purposes. The discrepancy between the treatment of MA for Tax Credits and UC purposes is currently the subject of a judicial review and we will be keeping members updated. See p.19 below for further information.

d) Covid-19 Support Scheme Payments

For detailed information on these payments, please see Equity's Covid-19 Financial Support Guide which can be found in the Tax and Welfare section of the Equity website – see [Equity - Tax and Welfare](#). Information on support provided to employees - the Coronavirus Job Retention Scheme (CJRS) - is explained from p.4. Information on support provided to the self-employed - the Self-Employed Income Support Scheme (SEISS) - is explained from p.6 onwards. CJRS is usually treated as employment (PAYE) earnings and SEISS is treated as self-employment earnings for social security purposes. They are both taxable.

CJRS

If you are paid CJRS while you are working as an employee (PAYE) and then need to take maternity or parental related leave and are denied statutory payments (SMP, SPP, SAP or SSPP), we recommend that you seek further advice from specialists in this area. The following links may be helpful for further information and advice:

<https://maternityaction.org.uk/covidmaternityfaqs/>

<https://www.acas.org.uk/contact>

SEISS

With **SEISS**, taking maternity, parental or adoption leave does not count as a break in trading activity or mean that you have stopped trading as long as you intend to resume trading after your leave period. If you are receiving statutory or contractual maternity, parental or adoption pay these are taken into account by HMRC when assessing your eligibility for SEISS, but maternity allowance is ignored.

IMPORTANT NOTE: In July 2020, the government announced an extension to the SEISS eligibility for those whose pregnancy or certain parental responsibilities (such as taking time off for maternity, paternity or adoption) affected their income in the 2018/19 tax year, thereby reducing their SEISS entitlement. For more information, please see Equity's Covid-19 Financial Support Guide.

SEISS grants 1 and 2: With the first two grants, you needed to demonstrate that there was some '*adverse impact*' on your business during the relevant period due to the effects of COVID-19. HMRC guidance on what adverse impact meant for the first and second round of SEISS can be found [here](#).

HMRC have made clear that even a small loss of income may be sufficient for these purposes in relation to the first two grants. However, this will very much depend on the particular circumstances of your case, and you may wish to discuss further with your accountant (if you have one) or with Equity's Tax and Welfare Rights advice team to check your position (see **section 4** below for our contact details).

HMRC have confirmed that receipt of Maternity Allowance (MA) in itself will not affect SEISS eligibility, **however you may still need to demonstrate that there has been an 'adverse impact' on your business during the relevant period** – see again HMRC guidance which can be found [here](#).

Members claiming MA should also note that when it comes to work, you are only allowed to work up to 10 days - known as **Keeping in Touch (KIT)** days - see below.

SEISS grant 3: Different trading tests were introduced for SEISS grant 3 covering November 2020 to January 2021. Your business needed to have experienced '*reduced activity, capacity or demand*' during the three month period due to COVID-19 and you needed to have a '*reasonable belief*' when you applied that this would lead to a '*significant reduction in trading profits*'. HMRC have not defined what is meant by '*significant*' for the purposes of SEISS.

SEISS grant 4: This will cover the period February to April 2021. At the time of this update the eligibility criteria for the grant has not been confirmed. The Government have indicated that SEISS 4 will be subject either the same test as SEISS 3, or a very similar test. Please see the latest Equity Covid-19 Financial Support Guide for further information about the scheme.

SEISS grant 5: It has been announced that a fifth grant will notionally cover the five-month period from May 2021 to September 2021. At the time of this update the eligibility criteria for the grant has not been confirmed. The Government have indicated that the value of the grant will be determined by a new **Turnover Test**. Please see the latest Equity Covid-19 Financial Support Guide for further information about the scheme.

IMPORTANT NOTE: We would suggest those in receipt of Statutory or Contractual Maternity/Parental/Adoption Pay or Maternity Allowance during a period in which they can claim SEISS, double check whether they still meet the SEISS eligibility criteria. Contact your accountant (if you have one) or Equity's Tax and Welfare Rights advice team (see **section 4** below for our contact details).

e) Maternity Allowance

Maternity Allowance (MA) is what most self-employed female entertainers will claim to replace loss of earnings during maternity. In this section we will outline how you qualify for MA, how to make a claim and Frequently Asked Questions (FAQs).

What is MA?

Maternity Allowance (MA) is a weekly payment administered by the Department of Work and Pensions (DWP) to pregnant women/mothers who do not qualify for SMP. It is paid for a 39-week period. You can claim if you have been employed, self-employed, or doing a mixture of both kinds of work.

How do I qualify?

You qualify for MA if you meet the following **four** conditions: -

1. You are not entitled to SMP **and**
2. You are pregnant or have recently given birth **and**
3. You satisfy the **Work Condition** (see below) **and**
4. You satisfy one of 3 **Earnings Conditions** (see below).

The Work Condition

You must have worked in employment (PAYE) or self-employment work for *at least 26 weeks in the 66-week period* before your Expected Week of Childbirth (EWC). This 66-week period is known as the '**test period**.'

The Earnings Condition(s)

You can qualify for MA on the basis of your earnings in 3 ways: -

1) Employment (PAYE) MA claim

The DWP will ask you to supply 13 weeks' worth of earnings figures in your test period (these weeks do not have to be consecutive). They add these figures together and divide them by 13 to give your average earnings figure. If this figure is equal to or higher than the full MA rate (currently), then you are paid MA at the full rate of £151.97 per week (2021/22). If your earnings are under the full MA rate, your MA is paid at 90% of your average earnings figure.

Employment (PAYE) Example

*Louise is a singer/dancer. Her estimated due date is Friday 23rd July 2021. Her **Expected Week of Childbirth (EWC)**, which **starts on a Sunday**, is Sunday 18th July 2021 to Saturday 24th July 2021.*

*Her **test period** (66 weeks before the EWC) is Sunday 12th April 2020 to Saturday 17th July 2021. During the test period, Louise was employed (PAYE) for over 13 weeks as a part-time dance teacher, earning on average £250.00 (gross) per week. Louise qualifies for MA at the full rate on the basis of her employment earnings. If she had earned only £120 (gross) per week average as an employed (PAYE) dance teacher, her MA payments would be 90% of this - £108.00 per week.*

The DWP do not ask for details of how much you have earned from self-employment in your test period in order to assess your MA entitlement. Instead, they check your national insurance record (which is looked after by HMRC) to see whether you have paid 13 weeks' worth of Class 2 National Insurance Contributions (NICs) in your test period. If you have paid this, you are treated as having earned the required amount in order to qualify for a full payment of MA.

If you have not paid the required amount, DWP pay you around £27 per week whilst they contact HMRC on your behalf to request that you are sent a Class 2 NICs bill *for 13 weeks only*, which is currently charged at £3.05 per week (2021/22). The law allows for late payments of Class 2 NICs to be made in order for self-employed to qualify for MA.

SSCBA 1992 Schedule 1 para 7(B)B and SSC Regs 2001, reg 90(Z)A

Issues with class 2 administration

Class 2 NICs are collected through the tax return once a year at self-assessment (i.e. January following the tax year). Therefore, they may not have had the opportunity to pay the required class 2 NICs by the time you claim Maternity Allowance. Unfortunately, HMRC advise that class 2 NICs are not uploaded onto individual records for some time after the self-assessment is submitted therefore, filing an online tax prior to the January deadline will not make a difference.

Therefore our advice to self-employed MA claimants is as follows:-

Option 1

Once you have completed the tax return upon which your class 2 NIC contributions rely for your MA claim, call HMRCs NI helpline on 0300 200 3500 and ask that your class 2 NICs are transferred to the **NPS (National Insurance and PAYE Service)** through the **alternative clerical exception process** because you need to claim Maternity Allowance.

OR

Option 2

After you claim Maternity Allowance, call HMRCs NI helpline on 0300 200 3500 and ask that your class 2 NICs are transferred to the NPS through the alternative clerical exception process because you need to claim Maternity Allowance.

If you wish to complain about the Exception Process, we recommend that you complain to your MP by email, see <https://www.equity.org.uk/media/1497/guide-to-lobbying-your-mp.pdf>. Please also copy in Equity (helpline@equity.org.uk) for our monitoring purposes.

IMPORTANT NOTE: Any Class 2 NICs you pay in advance in order to qualify for MA should automatically be taken into account at self-assessment and you should only be charged the

remainder of Class 2 NICs owed - for example, if you have paid 13 weeks' class 2 NICs, you should see only a charge for the remaining 39 weeks of the year.

Self-employment example

Natalie is a self-employed actress. Her due date is Monday 4th October 2021. Her EWC is Sunday 3rd October 2021 to Saturday 9th October 2021. Her test period is Sunday 28th June 2020 to Saturday 2nd October 2021.

Natalie's Test Period falls within the 2020/21 and 2021/22 tax years, and she will be claiming MA in the 2021/22 tax year (i.e. between 6th April 2021 to 5th April 2022). Her 2021/22 online tax return is not due until 31/01/23. She calls HMRC to request a Class 2 NIC bill as soon as she submits her claim for MA. She claims MA in September 2021 and requests that the claim starts a week before her due date. She is sent a bill for 13 weeks Class 2 NICs at the 2021/22 rate (£3.05 x 13 = £39.65) which she pays as soon as it is received. Her MA claim is then paid from 26/09/21. Her 2021/22 tax return should be automatically adjusted to show that she has already paid some Class 2 NICs in the 2021/22 tax year. She can pay the remainder (£118.95) when she completes her 2021/22 tax return so that her NICs record for that year is complete for state benefit and pension purposes in future.

3) Employment and self-employment combined MA claim

A combination of employment and self-employment earnings can be used to qualify for MA. For example, 7 weeks' worth of average employment earnings can be combined with 6 weeks of Class 2 NICs payments, resulting in the full amount of MA being awarded.

In order for this to apply you will need to complete both the employee (PAYE) and self-employment sections of the MA form. We would also advise that you make clear in the additional information box on the form or in a covering letter, that you would like your MA assessment to take into account both your employee (PAYE) work and self-employment earnings.

When do I claim MA?

The earliest you can claim MA is 15 weeks before your baby is due. If you intend to claim early you should put in your claim form as early as possible and notify the DWP of the date you intend to stop work.

IMPORTANT NOTE: If you want to work as close to the birth as possible, you will need to make clear to the DWP that you will continue to work as self-employed until your chosen date otherwise the DWP can automatically pay you from the 11th week before the baby is due, by mistake.

Although the MA claim form does ask you to give the date you want to stop work, we recommend that you make it clear in the 'Other information' part of the MA form that you will be continuing to work/seek work as a self-employed entertainer until X date.

How do I claim MA?

You will need to complete the paper claim form MA1 as there is no online claiming system. You can get a form in any of the following ways: -

- Call Maternity Allowance directly on 0800 055 6688.
- Order a form online <https://secure.dwp.gov.uk/ask-for-a-maternity-allowance-claim-form>
- Download the form from <https://www.gov.uk/government/publications/maternity-allowance-claim-form>
- Go to your local Job Centre and ask for a MA1 form – to find your local job centre go to <http://los.direct.gov.uk/default.aspx?type=1&lang=en>

Where do I send the form?

You will need to post the completed form to the DWP address that is confirmed on the form. This is usually: **Wrexham Maternity Allowance, Mail Handling Site A, Wolverhampton, WV98 1SU**. However, DWP addresses change frequently so it is always a good idea to double check by calling Maternity Allowance on **0800 169 0283**.

Do I need to send any evidence with the form?

The MA1 form will prompt you to supply certain pieces of evidence depending on what employment status you use to make your MA claim – for example an SMP1 form is required for employee (PAYE) claimants who do not qualify for SMP (see p.3 of the MA1 form), etc.

All claimants need to supply an original **MAT B1 form** with their claim. This is a document that certifies your pregnancy. It is automatically supplied by your midwife or doctor after the antenatal appointment that takes place after your 20-week scan.

Frequently Asked Questions

I didn't realise I was entitled to MA – can I make a backdated claim?

The latest you can apply for MA is three months after the date you stop work as MA can only be backdated for a maximum of three months so you may lose some MA if you apply late.

Can I still work and receive MA?

You are allowed to work up to ten '**Keeping in Touch' (KIT)** days during maternity or adoption leave without bringing your leave or pay to an end. Even if you only work for part of a day or a couple of hours it will still use up one of your KIT days.

KIT days apply to both employed and self-employed MA claimants. Generally, KIT days are usually paid. Unpaid maintenance and administrative tasks connected to your self-employment should not count towards a KIT day. If you are unsure whether the work you have done counts towards a KIT day, please contact the Tax and Welfare Rights Advice line.

Exceeding KIT days within the Maternity Pay Period

If you work more than 10 days you will be disqualified from MA payments unless you wish to allocate your remaining weeks to your employed (PAYE) partner through Statutory Shared Parental Pay (see p.8 above). You may also be able to resume your MA claim at a later date (see below).

If the MA claimant works for more than ten paid KIT days in her Maternity Allowance Period (MAP) but later submits evidence that she has become unemployed or has to stop work for any other reason, the decision maker can supersede the disqualification decision on the ground that there has been a relevant change of circumstances since the initial disqualification, and award MA from the day following that on which the woman ceased work within the MAP.

Therefore, you should reclaim MA if you go back to work within your MA period (and no one else is receiving SSPP) then cease working before the MAP finishes. The MAP is 39 weeks in total. If the DWP refuse to reinstate your MA in this type of situation, you can appeal within a month of the date of the decision. Please contact Tax and Welfare Rights helpline ASAP for further advice.

The Social Security (Maternity Allowance) Regulations 1987, regulation 2 (1) and (2); Decision Makers Guidance, chapter 62, paragraph 62598

I can't work out all the dates!

The MA form comes with a test period table. This is also available online - see <https://www.gov.uk/government/publications/maternity-allowance-claim-form/test-period-table-from-january-2020-to-december-2020-for-dates-from-2019-2021>.

As soon as you know the week that includes the date you are expected to have your baby, you will be able to find this in the table and then read across to find your test period dates, as well as the earliest date that you can claim MA. There are various online date calculators can help you add/subtract days, etc. We recommend www.timeanddate.com.

I am receiving an income from my self-employment while I am not working and claiming MA - does this affect my Maternity Allowance?

Maternity Allowance is not a means tested benefit. Payments are affected by work over 10 KIT days only. Therefore, if you are receiving income from your self-employment while you are not working this should not affect your MA payments - for example, royalties or residuals or someone else is running the business in your absence.

Reg 35 and 35A of the Social Security Contributions and Benefits Act 1992; Regulation 2, Social Security (Maternity Allowance) Regulations 1987

I am not entitled to MA so what else can I claim?

You may be able to claim the welfare benefit paid to people who are unable to work due to ill health. This is called Employment and Support Allowance (ESA). You may be able to claim from six weeks before the week the baby is due and then for up to two weeks after the birth or more if you satisfy the basic conditions. For further information and advice please contact the Equity Tax and Welfare Rights Helpline (see **Contacts** section below).

3. SOCIAL SECURITY ENTITLEMENT

a) Overview

In addition to maternal and parental Leave/Pay rights, you may also be legally entitled to additional social security (often referred to as 'welfare benefits') in order to help you with living and household costs.

Many of these benefits will require you to have registered your baby's birth so make sure to do that as soon as possible; you have 6 weeks to do so in England and Wales, and 21 days in Scotland. Please note that you might not be able to register a birth at the moment because of coronavirus (COVID-19) but you will be able to register at a later date. Visit [Gov.uk](https://www.gov.uk) for the latest information.

Social Security entitlement can be complicated but we encourage you to claim what you are legally entitled to and to get advice from an independent, accredited welfare benefits adviser if your claims are refused as mistakes are often made. You generally have one month from the date on the decision to register an appeal.

To get further advice on social security as an Equity member, contact Equity's Tax and Welfare Rights Advice team – see the **Contacts List** section below.

b) Child Benefit (CB)

Child Benefit (CB) is administered by the HMRC. Child Benefit can be paid to anyone who is responsible for a dependent child although that person must be resident and present in the UK, and not subject to any immigration control.

If you **or** your partner has an individual income of £50,000 or more per year, your payments may be affected. In brief, if you **or** your partner earns between £50,000 to £60,000 you will be subject to the [High Income Child Benefit Tax Charge](#). We highly recommend that you use the [Child Benefit calculator](#) to check how much CB you are entitled to in a tax year and how much High Income Child Benefit Tax charge you or your partner may have to pay. This will allow you to see whether it is financially worth claiming CB in your individual case.

If you chose to pay the High Income Child Benefit charge, you will need to include this information in your self-assessment, or register to file a self-assessment if you do not do so already.

If you get Child Benefit for a child under the age of 12, you are entitled to national insurance credits for parents and foster parents, which will protect the amount of state pension you can get. Therefore, it may be important to claim child benefit as the parent or guardian of the child, if your national insurance is likely to be affected by bringing up the child. For more information, see [National Insurance credits: Eligibility - GOV.UK \(www.gov.uk\)](https://www.gov.uk/national-insurance-credits-eligibility)

The person who is responsible for the child must make the claim for CB; they must also be living with the child or be contributing at least the rate of child benefit for their support. CB is paid at £21.15 per week for an only/eldest child and £14.00 per week for all other children (2021/22). It is paid until the child turns 16. Beyond this, it is paid depending on whether the child becomes a [Qualifying Young Person](#).

Just after your baby is born, you should find that you receive an information pack containing a Child Benefit form. Alternatively, to apply for CB, go to [Claim Child Benefit: How to claim - GOV.UK \(www.gov.uk\)](#).

IMPORTANT NOTE: If you are not able to register the birth of your child because of COVID-19, you can still make a claim to receive CB. Payments can only be backdated up to 3 months, so make sure to claim within three months of the birth of your child so that you do not miss out on payments.

c) Scottish Child Payment (SCP)

From February 2021, the Scottish government have started to make a **Scottish Child Payment** to parents and carers of £40 every four weeks for each child under six. This is be paid in addition to Child Benefit for each child with no limit on the number of eligible children in the household. It will be administered by [Social Security Scotland](#).

This will only apply in Scotland and is to be paid to households who are in receipt of means tested benefits, including Income Support, Employment and Support Allowance, Jobseekers Allowance, Housing Benefit, Tax Credits, Universal Credit or Pension Credit.

The Scottish Government state that they are committed to rolling out the benefit to families with children under 16 by the end of 2022. For more information, see [New Scottish Child Payment starts today - gov.scot \(www.gov.scot\)](#)

d) Universal Credit (UC)

Members are currently advised to get advice **before** claiming Universal Credit, especially if you are already in receipt of other means tested benefits and/or Tax Credits.

Even though the government have announced some measures that make Universal Credit more generous during COVID-19, these measures are either temporary or not as generous as the previous system. Equity's view remains that UC on the whole treats' single parents, those with more than two children, disabled workers and the self-employed far less favourably than other UC claimants and previous social security regimes. For more information please go to the Tax and Welfare pages of the members only section of the Equity website and search for 'Universal Credit.'

Universal Credit (UC) is a new benefit that replaces six means tested benefits for new claims for state support when out of work or in low paid work; Child Tax Credit, Working Tax Credit, Housing Benefit, Income Support, Income-related Employment and Support Allowance and Income-based Job Seekers Allowance.

Universal Credit is the only benefit that can now be claimed for help with rent and/or essential living costs for you and your family members, including children. An element is added to your award for each of these costs, which is then offset against your means- including 63% of earnings; capital over £6,000 is taken into account (£4.35 per month for every £250 over this threshold). There is an absolute exclusion for those with savings over £16,000.

It is crucial to get social security advice before transferring to Universal Credit as you may not be financially better off on it. If you have already claimed UC, you may not be receiving all that you are entitled to, so again, we recommend that you consult a welfare benefits adviser to check that you are receiving your correct entitlement. You can get social security advice from the Equity Tax and Welfare Rights helpline or your local Citizens Advice. See contacts section below.

e) Maternity Allowance and UC

Maternity Allowance is treated as income for UC purposes. Under Tax Credits it was ignored as income and many mothers were significantly better off because of this. The legality of this policy is currently being challenged through judicial review – see [Maternity Allowance and Universal Credit | CPAG](#).

If you are affected by this, it is recommended that request a mandatory reconsideration of your UC decision, which will be unsuccessful, and then submit an appeal. This will protect your rights in the event of a successful JR challenge. Please contact Equity's Tax and Welfare Rights helpline for further advice and assistance with this.

We recommend that any member who is adversely affected by UC contacts their local MP to lobby for political change - see [MPs and Lords - UK Parliament](#).

f) Tax Credits

In most cases, you can no longer make a new claim for Working Tax Credits (WTC) and Child Tax Credits (CTC). If you are already receiving Working and/or Child Tax Credits, you can continue to receive these payments rather than Universal Credit currently although in future you claim may be migrated to Universal Credit. The plans for UC migration have not yet been finalised. Equity will update members on developments in due course.

IMPORTANT NOTE: it is highly advisable that you seek advice before stopping your Tax Credit claim and/or claiming Universal Credit.

In the meantime, you need to continue to let Tax Credits know about any changes in your circumstances, such as additions to the household, change in benefits and income increases/decreases. This will ensure that your claim is correct, and you are not under or overpaid. For example, if you have another child you will need to inform tax credits and they will update your claim to take into account the additional child and pay you an additional child element, subject to the 'Two Child Limit' - see section below.

Working Tax Credits continues to be paid and you continue to be treated as 'in work' for the duration of your MA, SMP, SAP, SPP or SSPP.

For the purposes of the Tax Credit income calculation MA is completely ignored. But contractual Equity maternity payments are taken into account in full. For SMP, SAP, SSP and SSPP the first £100 of the weekly payment is ignored.

For more information on TC go to the Tax and Welfare pages of the members only section of the Equity website and search for 'Tax Credits.'

g) Two Child Limit

A two-child limit for child element of Universal Credit and Tax Credits was introduced on 6th April 2017. If you were claiming CTC prior to this date and have more than two children, the limit is not retrospectively applied. If your child is born after 6/4/17, you will only get the child element of CTC for them if they are an only child or you are claiming for just one other child, unless certain exceptions apply - see [The two-child limit | CPAG](#).

This policy is currently subject to legal challenge and Equity will update members on developments. For the latest information, see [Two child limit challenge | CPAG](#).

h) Housing Benefit (HB)

In most cases, you can no longer make a new claim for Housing Benefit for help with rental costs. If you are currently receiving Housing Benefit, as with Tax Credits above, you can continue to receive HB payments rather than Universal Credit currently although in future you claim may be migrated to Universal Credit. Equity will update members on developments.

You need to continue to report any change of circumstances - such as changes to the household, change in benefits and income increases /decreases - however it is advisable to get advice from a welfare benefits adviser beforehand in order to understand how this change may affect your benefit entitlement. You should do this before accepting a stoppage in your claim and/or claiming Universal Credit.

For more information on HB go to <https://www.gov.uk/housing-benefit>.

i) Council Tax Reduction (also known as ‘Council Tax Support’)

Council Tax Reduction (CTR – formerly known as ‘Council Tax Benefit’) is a means-tested discount for those who pay council tax and who are out of work or on low incomes. It is administered by your local authority. Every local authority has its own scheme rules, and you must apply directly to them. For further advice on your entitlement contact your local Citizen’s Advice or Equity’s Tax and Welfare Rights Helpline.

For more information on CTR go to [What is Council Tax Support? - Turn2us](#).

j) Discretionary support for rent and council tax

Many local authorities offer discretionary support towards housing (rent) and council tax costs. Contact your local authority directly for further information. If you are turned down for support, contact your local Citizen’s Advice or Equity’s Tax and Welfare Rights Helpline for further advice.

k) Sure Start Maternity Grant (England, Wales and Northern Ireland)

IMPORTANT NOTE: The Sure Start Maternity Grant is currently available in England, Wales and Northern Ireland only. In Scotland, you can claim ‘Best Start Grant’ - see next section.

The Sure Start Maternity Grant is means tested and administered by the Department of Work and Pensions in England, Wales and Northern Ireland. The eligibility requirements can be found here: [Sure Start Maternity Grant: Eligibility - GOV.UK \(www.gov.uk\)](#).

It is a one-off payment of £500 for the first child only, and there is no double payment for a twin birth. The only exception to this is if you have triplets for your first birth. In this case the payment is raised to £1000.

You must claim in the 11 weeks before the week your baby is due or in the three months following the date of birth (or adoption). You make your claim on paper claim form SF100 (there is no online claim system) which can be obtained in any of the following ways:

- Download the form (see above) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784864/sure-start-maternity-grant-sf100.pdf

OR

- Go to your local Job Centre and ask for a SF100 form – to find your local job centre go to <http://los.direct.gov.uk/default.aspx?type=1&lang=en>

Currently claims are only processed by post. Send the form to “Freepost DWP SSMG” - you do not need a postcode or stamp.

You will receive a letter informing you whether or not you have been successful. If you are refused support, seek advice from a welfare benefits adviser. You have a month from the date of the decision on the letter to register an appeal.

If you do not qualify for a Sure Start Maternity Grant but require financial assistance following the birth (or adoption) of a child, regardless of whether it is your first, you can contact the sources of financial (charitable) help for Equity members – a list of which can be found in the Tax and Welfare section of the Equity website.

The Sure Start Maternity Grant is disregarded for social security assessment purposes.

l) Best Start Grant (Scotland)

The Best Start Grant is a means tested grant administered by [Social Security Scotland \(SSS\)](#). It is a package of three new Scottish benefits to help parents and carers on low incomes with the costs of having a child in the family, as follows:

1. The pregnancy and baby payment: this is a one-off payment of £606 (2021/22) for your first baby. You'll be paid £303 (2021/22) for any child that comes after that.

2. Early Learning Payment: this is a payment of £250.50 (2021/22) for each child aged between 2 years old and 3 years 6 months old. You can spend this money on any of the things you need for your child at this age. This includes toys to help them learn or trips to new places.

3. Age Payment: this is a one-off payment of 250.50 (2021/22) for each child who has reached school age.

To check the eligibility conditions for the above, and for further information, go to [Best Start Grant and Best Start Foods - mygov.scot](#). Best Start Grants are disregarded for social security assessment purposes.

m) Disability Living Allowance (DLA) for Children (up to 16 yrs)

If your child has a disability or long term health condition, you may be able to claim Disability Living Allowance (DLA) which is a non-means tested benefit. For more information about the benefit and how to apply see [Disability Living Allowance \(DLA\) for children - GOV.UK \(www.gov.uk\)](#).

4. CHILDCARE

a) Overview

Across the UK there are various government funded childcare schemes. In order to access support from these schemes you must use an approved childcare provider. Who will be accepted may differ slightly in each scheme and in different areas of the UK.

In this section of the guide, we aim to give a broad overview of what is on offer and any relevant considerations. The main schemes are:

- **Free Childcare**
- **Help with Childcare costs available through Tax Credits**
- **Help with Childcare costs available through Universal Credit**
- **Tax-Free Childcare**

IMPORTANT NOTE: if you claim Tax-Free Childcare you will be unable to claim help with childcare through Tax Credits or Universal Credit. In particular, if you are already claiming Tax Credits and then apply for the tax-free childcare scheme, you will be unable to reclaim Tax Credits if it turns out that tax free childcare is less financially beneficial. Instead, you will only be able to claim Universal Credit, which has unfavourable rules for self-employed claimants, as previously explained.

Therefore, it is currently extremely necessary to check the benefits of each scheme before deciding which one to apply for. A childcare calculator is available at the following link: [Check what help you could get with childcare costs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/check-childcare-help)

This will enable you to see how much childcare you would get under the new scheme and compare it with any existing childcare awards.

Combining free childcare with other childcare options

If you are receiving free childcare you are still free to use other childcare schemes in addition. This means that if you use 15 or 30 hours free but still pay for additional childcare you can get help with the extra costs through Working Tax Credits, Universal Credit or Tax-Free childcare.

b) Free Childcare

A certain amount of free childcare (paid for by the government) is available in the UK, depending on whether you live in England, Scotland, Wales or Northern Ireland.

In general, you do not need to be working to qualify for free childcare; however you may qualify for more free childcare if you do.

England

There are currently **three** separate government funded childcare schemes that offer free childcare for children aged two, three and four in England. Each of the free childcare schemes has different eligibility rules.

1) 15 hours free childcare for 2 year olds (available for families in receipt of low-income benefits)

In order to be eligible for free childcare for your two-year-old you must either be in receipt of a qualifying benefit or your 2 year old child must fit into one of the categories of children who have additional needs.

The qualifying benefits are:

- Income Support
- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Universal Credit – if you and your partner are on a low income from work (this usually means a combined income no more than £15,400 a year after tax)
- Tax Credits and your family have an annual income of no more than £16,190 before tax
- the guaranteed element of State Pension Credit
- support through part 6 of the Immigration and Asylum Act
- the Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)

If any of the following additional needs categories apply, your 2 year old can still get free childcare:

- they are looked after by a local council
- they have a current statement of [Special Education Needs \(SEN\)](#) or an [Education, Health and Care \(EHC\)](#) plan
- they get [Disability Living Allowance \(DLA\)](#)
- they have left care under a special guardianship order, child arrangements order or adoption order

Once you have been accepted as being eligible for free early years education (15 hours free childcare for two-year-olds), your child will continue to receive free childcare even if you have a change of circumstances, such as no longer qualifying for benefits.

The earliest you can apply is at the start of the term in which your child turns 2, but the childcare will not actually start until the beginning of the term after you apply. It is important to note that the funding will go directly from your local council to your local childcare provider. Your childcare provider will then in most likelihood ask you to sign a form confirming that you are claiming the free hours.

Contact your childcare provider or local council to find out how to apply or if you need further guidance. You can also find more information on how to claim on [Gov.uk](https://www.gov.uk).

2) 15 hours free childcare for all 3 & 4 year olds (no earnings or work requirements)

This scheme is open to all 3 and 4 year olds. There are no earnings or work requirements. You should be able to start receiving the childcare from 1 January, 1 April or 1 September following your child's 3rd birthday.

Contact your childcare provider or local council to find out how to apply or if you need further guidance. You can also find more information on how to claim on [Gov.uk](https://www.gov.uk).

3) 30 hours free childcare for 3 & 4 year olds (available for eligible families in work)

You are not usually able to use the scheme if either you or your partner has a taxable income over £100,000. You can apply if you are starting or re-starting work within the next 31 days.

To be eligible for 30 hours free childcare for your 3 or 4 year old, you, and any partner, must each expect to earn (on average) the equivalent of working 16 hours a week at your national minimum wage (NMW) – for rates depending on age see [National Minimum Wage and National Living Wage rates - GOV.UK \(www.gov.uk\)](https://www.gov.uk). For example, if aged over 23 years old, the NMW is now £8.91 per hour (2021/22) – for 30 free hours childcare, you must be earning at least £142.56 per week on average.

The earnings requirement above applies to both the employed (PAYE) and self-employed, however if you are self-employed and do not expect to make enough profit in the next 3 months, you can use an average of how much you expect to make over the current tax year. In addition, the earnings limit does not apply if your self-employment started less than 12 months ago.

You will still be treated as meeting the earnings requirement if you or your partner are on maternity, paternity or adoption leave – this applies whether you are single or a couple. It also applies if you are temporarily unable to work due to ill health or on annual leave.

If you are a couple, and one of you meets the earnings requirements through qualifying paid work but one of you is unable to work because you have a disability or you are a carer, then you will be exempt from the earnings requirement. In this circumstance, one of you MUST be working and the other would need to evidence that you are unable to work by showing that you are receiving Incapacity Benefit, Severe Disablement Allowance, Carer's Allowance or Employment and Support Allowance.

To receive 30 hours free childcare you will need to apply online through [Gov.uk](https://www.gov.uk). After registering for an account you will get a code that you can take to your childcare provider. You need to apply before the term starts or you will have wait until the beginning of the next term. There is a government helpline if you need help with this: 0300 123 4097.

COVID-19 UPDATE

In the tax year 2020/21, there were temporary changes that meant if you exceeded that limit due to extra work related directly or indirectly to the coronavirus response, you could still use the scheme as long as you didn't expect your [Adjusted Net Income](#) to go above £150,000. However, this no longer applies to the current tax year (2021/22).

If your working pattern has changed because of (COVID-19) you may still be eligible for 30 hours free childcare if you are temporarily working less and either:

- You are on furlough through the Coronavirus Job Retention Scheme ***OR***
- You are claiming a Self Employment Income Support Scheme Grant

For more information on 30 hours free childcare in England, see [30 hours free childcare - GOV.UK \(www.gov.uk\)](#).

Scotland

All three and four year olds can get 600 hours of free early education or childcare per year. Some two year olds can also qualify for free childcare if you are in receipt of certain benefits and/or your child has additional needs.

From August 2021, it is planned that the entitlement will increase to 1,140 hours a year (30 hours a week if taken term time). This was originally intended for August 2020 but paused due to the COVID-19 pandemic.

For more information see [Help paying for childcare in Scotland - mygov.scot](#) and [Early Learning and Childcare in Scotland is changing | Parent Club](#). It is advisable to contact the [Parent Club](#) for advice on claiming free childcare. Go to [About us | Parent Club](#) for more information.

Wales

In some areas of Wales, **2 years olds** are entitled to 12.5 hours per week over 5 days per week of free education or childcare. This is based on your postcode area. It is provided through the Flying Start scheme. For more information, contact your local [Family Information Service](#).

Up to 30 hours of free early education or childcare is also available for **3 and 4 years olds**, subject to certain conditions. The 30 hours is made up of a minimum of 10 hours of early education a week and a maximum of 20 hours a week of childcare. The amount of childcare you get depends on how much early education your local authority offers. The eligibility conditions are broadly as follows:

- your child must be aged 3 or 4 years old
- you must earn at least the National Minimum Wage or living Wage for 16 hours a week on average (both employment and self-employment)
- each parent must earn less than £100,000 per year
- parents of lone parent families need to be working
- parents of two parent families must both be working
- parents who are self-employed or on a zero hours contract need prove their status and provide relevant documents
- parents who are employed or self- employed but are on statutory leave for example, maternity leave
- foster carers and kinship carers may also be eligible

Families where one parent gets certain benefits may also be eligible. For more information, contact your local [Family Information Service](#).

Northern Ireland

In Northern Ireland, children aged 2 and 3 may be able to access the Pre-School Education Programme. This is usually given as 2.5 hours per day on 5 days per week during school terms. Different providers have different eligibility rules. For more information about the scheme, contact the [Northern Ireland Education Authority Helpdesk](#).

c) Help with Childcare costs through Tax Credits

IMPORTANT NOTE: You can no longer make a new claim for help with childcare through tax credits however you can apply if you have an existing tax credits claim.

Eligibility

Under Working Tax Credits (WTC), you can get up to 70% of your **relevant childcare costs** up to a maximum of £175 a week for one child or £300 a week for two or more (2021/22), subject to the **Two Child Limit** (see above). The amount you receive will depend on your income as the benefit is means tested. The childcare element forms part of the maximum WTC calculation; it cannot be claimed on its own or as part of Child Tax Credits.

For WTC, **relevant childcare costs** are those that are provided by a registered or approved Ofsted childcare provider in England, or by the equivalent body in Scotland or Wales. It includes out-of-hours childcare provided by schools. It does not generally include the cost of childcare provided in your own home if that care is provided by a relative of your child. For more detail on what childcare costs can be claimed, see [WTC help with childcare costs guide](#).

In order to claim, you must be working at least 16 hours a week if a lone parent, or both working 16 hours a week if a couple. This is called **qualifying remunerative work**. You continue to be entitled if you are one of a couple, you are in qualifying remunerative work, and your partner is deemed to be [incapacitated accordance with WTC rules](#), entitled to Carers Allowance, or in hospital/prison.

For the employed (PAYE), qualifying remunerative work only includes the hours that are actually spent in work. For the self-employed, qualifying remunerative work includes hours spent actually in work **and** hours spent on work carried out 'in expectation of payment' e.g. bookkeeping, travel, auditions, rehearsal, research, etc. For more information, please see Equity's Tax Credit briefing which is available in the Tax and Welfare section of the Equity website (members only).

Childcare charges can be claimed up to 1st September after the child's 15th birthday. To apply, call the Tax Credits Helpline on 0345 300 3909 to order a claim form (form TC600). For more information go to: <https://www.litrg.org.uk/tax-guides/childcare/tax-credits-childcare-support>

How payments work and how to claim

If you have arranged the childcare but it has not started by the time you make a claim for childcare costs, the amount you are paid is based on an estimate you provide. Make sure to provide actual costs to HMRC as soon as possible in order to avoid an over or underpayment. If your childcare costs vary, your childcare element can be based on an average of weekly costs. If your average childcare changed go down by £10 a week or more, or stop, this must be reported to Tax Credits immediately by calling the Tax Credits helpline on (0345 300 3900). Keep a record of when you called in case of any later dispute. Record the time, date, who you spoke to and what was said. It is advisable to do this for all telephone communications with Tax Credits.

COVID-19 UPDATE

In order to be entitled to the childcare element in WTC, you have to be working and entitled to the Working Tax Credit element within your Tax Credit claim. What usually counts as work has been affected by Covid-19. There have been various changes to Tax Credit and childcare rules during Covid-19 and they are helpfully summarised here: [Coronavirus: childcare support and benefits for children | Low Incomes Tax Reform Group \(litr.org.uk\)](https://www.litr.org.uk/coronavirus-childcare-support-and-benefits-for-children/)

d) Help with Childcare costs through Universal Credit

IMPORTANT NOTE: Members are currently strongly advised to get advice before claiming Universal Credit as a self-employed entertainer as it treats the self-employed unfavourably.

For more information please see the section 4 of the Equity Covid-19 Financial Support Guide, particularly the section titled ['Am I better off claiming Universal Credit?'](#)

If you are entitled to UC, you cannot also get Tax-Free childcare payments (see section below). Note that if you register for the Tax-Free childcare scheme, all of your UC could be terminated. Also note – if you chose to claim Universal Credit while you are already claiming Tax Free Childcare, you must inform Tax Free Childcare so that they can terminate your TFC claim.

Eligibility

Under UC, you can get 85% of your **relevant childcare costs** up to £646.35 a month for one child and £1,108.04 a month (2021/22) for two or more children (assessment is monthly in Universal Credit). This is subject to the **Two Child Limit** (see above).

For UC, **relevant childcare costs** are those that are provided by a registered or approved Ofsted childcare provider in England, or by the equivalent body in Scotland or Wales. It includes out-of-hours childcare provided by schools. It does not generally include the cost of childcare provided in your own home if that care is provided by a relative of your child. For more detail on what childcare costs can be claimed, see [UC Childcare costs guide](#).

To get the childcare costs amount added to your Universal Credit award you must be in paid work (with no minimum hours requirement, unlike WTC - see above) or have been offered paid work that is due to start before the end of the next monthly assessment period. If you are one of a couple, the partner must also be in paid work unless they are unable to look after the child due to limited capability for work, caring responsibilities for a severely disabled person or are temporarily away from home.

How payments work and how to claim

Childcare charges can be claimed up to 1st September after the child's 16th birthday.

To claim you must let the DWP know the level of the charges and the childcare provider registration number as soon as possible, and at the latest by the end of the assessment period after the one in which you've paid the childcare charges. You can notify the DWP via your online journal or call 0800 328 5644.

Childcare support is paid in arrears. This means that you will usually be expected to pay the costs yourself, and Universal Credit will then pay you some of that money back. If you have accepted a job offer you can claim for childcare costs for the month before you start work. The DWP has confirmed that universal credit claimants who need help with upfront childcare costs in order to start work should be directed to the DWPs [Flexible Support Fund \(FSF\)](#). Money provided from this fund is not repayable and is paid out at the discretion of the DWP. There is little information that is currently publicly available about it.

In order to apply to the FSF, contact the DWP via your UC journal or speak to a UC work coach if you have one. If you are refused a FSF payment, contact with Equity's Tax and Welfare Rights Advice team immediately for further advice (see section 4 below for contact details).

IMPORTANT NOTE: You will only be paid back for childcare that has taken place during your UC assessment period. This means you need to have a UC claim in place in order to be paid UC childcare costs. It also means that if you pay for more than one month's childcare in an assessment period (for example if you pay for a whole term upfront) the money you get back at the end of that assessment period will only cover any childcare that has actually taken place during it. The rest of the payments you are entitled to will be paid in later months, once the childcare has taken place. These payments can be split over a maximum of 3 assessment periods.

COVID-19 UPDATE

The DWP have stated that you can continue to be reimbursed for childcare costs with your Universal Credit if you are a [critical worker](#) or if you are a non-critical worker who has access to registered childcare throughout Covid-19. For more information see [Understanding Universal Credit - Children and childcare](#)

Note that if your work comes to an end, you must tell the Department for Work and Pensions immediately. All overpayments of Universal Credit, no matter what their cause, are recoverable.

e) Tax Free Childcare

IMPORTANT NOTE: if you claim tax-free childcare this would have the effect of stopping your tax credits claim. If you claim universal credit and childcare vouchers you would need to cancel that claim. Therefore, it is essential to get expert advice before claiming.

Eligibility

Tax-Free childcare (TFC) is a new scheme that was introduced gradually between January 2017 and February 2018. It was originally supposed to start in October 2015 however the scheme was delayed. It now replaces the previous 'Childcare vouchers' scheme which was closed to new entrants from October 2018. **Tax-free Childcare is a UK-wide scheme covering England, Scotland, Wales and Northern Ireland.**

Tax-Free Childcare is available for both employed and self-employed workers unlike the Childcare Vouchers scheme. They are disregarded as income for social security assessment purposes. You can get up to £500 every 3 months (£2,000 a year) for each of your children to help with the costs of childcare.

Your eligibility depends on whether you are working, how much you earn, your child's age and circumstances and your nationality.

You can usually get Tax-Free Childcare if you (and your partner, if you have one) are:

- in work
- on sick leave or annual leave
- on parental, maternity, paternity or adoption leave

If you're not currently working you may still be eligible if your partner is working, and you get Incapacity Benefit, Severe Disablement Allowance, Carer's Allowance or Employment and Support Allowance. You can apply if you're starting or re-starting work within the next 31 days.

Your child must be 11 or under and usually live with you. They stop being eligible on 1 September after their 11th birthday. Adopted children are eligible, but foster children are not. If your child is disabled, you may get up to £4,000 a year until they're 17. They are eligible for this if they get Disability Living Allowance or Personal Independence Payment or are certified as blind or severely sight-impaired.

You'll need to expect to earn a certain amount over the next 3 months. This is at least the National Minimum Wage or Living Wage for 16 hours a week on average. For example, over the next 3 months you expect to earn at least £1,813.76 each - the National Living Wage for people over 25. If you have a partner, they'll need to expect to earn at least this much too.

If you're self-employed and do not expect to make enough profit in the next 3 months, you can use an average of how much you expect to make over the current tax year. This earnings limit does not apply if you're self-employed and started your business less than 12 months ago.

If you or your partner have an 'adjusted net income' over £100,000 in the current tax year you will not be eligible. This includes any bonuses you expect to get. For the definition or 'adjusted net income' see <https://www.gov.uk/guidance/adjusted-net-income>

You will not be eligible if you move to the UK from outside the EEA and your UK residence card says you cannot access public funds. Your partner can apply instead if they are from the UK or EEA or outside the EEA and their UK residence card says they can access public funds. For more information go to: <https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/Tax-free-childcare>

How payments work and how to claim

First, check if you are eligible using the [online checker](#) and open an [online account](#). Following this, you pay into the account for the costs of approved childcare to a [registered provider](#) (regulated by Ofsted).

For every 80 pence you pay in, the government will top up by 20% i.e. 20 pence up to a maximum of £2,000 per child per year (equates to helping with childcare costs of up to £10,000 per annum or £192.30 per week so that, for example, if you had £190 per week childcare costs, the government would pay £38.00). The government support provided is therefore tax-free.

COVID-19 UPDATE

Initially, the UK Government confirmed that until 31 October 2020, any working parent usually eligible for 30 hours free childcare or Tax-Free Childcare was to remain eligible if they fell below the minimum income requirement due to the coronavirus outbreak.

They have since confirmed that these protections continue from 1 November 2020 **but only for working families who receive support through either the SEISS (if they are self-employed) or through the Coronavirus Job Retention Scheme (furlough scheme), via their employer**. You can read more detail about how changes in your normal work pattern due the coronavirus outbreak are treated for TFC (and for 30-hours free childcare, in England) on [Gov.uk](#).

Parents who are critical workers will also remain eligible for these entitlements if they expect their income to increase over the maximum threshold but not over £150,000, where the additional income is mainly attributable to work associated with tackling coronavirus. The concession applies for the whole tax year 2020/2021 and no longer applies in the current tax year (2021/22).

5. CONTACTS LIST & FURTHER INFORMATION

Equity Tax and Welfare Rights Helpline

Free advice and assistance for Equity members run by legally trained advisers on tax, national insurance and social security related matters, including maternity and parental entitlements. The helpline is open on Mondays and Thursdays between 10am - 1pm and 2pm - 5pm on 0207 670 0223.

Alternatively, you can email helpline@equity.org.uk and we will get back to you as soon as possible.

Maternity Action www.maternityaction.org.uk

Maternity Action is the UK's leading charity committed to ending inequality and improving the health and well-being of pregnant women, partners and young children. It offers a free Advice Line for enquiries about maternity rights and is open Wednesday 3pm – 7pm, Thursday 3pm – 7pm and Friday (10am – 2pm) on 0845 600 8533.

Citizen's Advice www.citizensadvice.org.uk

Provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. Find your local CAB by searching on the website under the 'Find your local CAB' search on the home page.

DWP Maternity Allowance Helpline <https://www.gov.uk/maternity-allowance>

Tel.: 0800 169 0283 – open 8am to 5pm, Monday to Friday.

HMRC Class 2 NIC Helpline

Tel.: 0300 200 3505 – open 8am to 5pm, Monday to Friday.

Employment/worker rights

Equity: <http://www.equity.org.uk>

Advisory, Conciliation and Arbitration Service (ACAS): www.acas.org.uk

Parents in Performing Arts: www.pipacampaign.com

Social Security entitlement

Equity: <http://www.equity.org.uk/members-area> then click on the link to Tax and Welfare (log in required)

Citizens Advice: www.citizensadvice.org.uk

Turn2Us online benefit calculator: www.entitledto.co.uk/benefits-calculator

UK government website: www.gov.uk/browse/benefits