



BUSINESS

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Benefits explained: A basic guide to entitlements

Millions of pounds in benefits - which people are perfectly entitled to - go unclaimed each year, partly as a result of a lack of awareness of the system.

Here is a basic guide to some of the main benefits in the UK, and some of the less well-known funds. Not all of the benefits below will be swallowed up by the government's planned new single universal credit; many will continue to exist.

A comprehensive account of all benefits, who is entitled to them and how to claim, is available on the [Directgov](#) website.

A to F

Adult social care

Help with paying for care, especially in old age, such as help washing and dressing, is conducted on a council-by-council basis and so the level of assistance depends on where you live.

Attendance Allowance

A tax-free benefit for those aged 65 or over who are physically or mentally disabled and need help to be looked after. There are two rates of up to £71.40 a week.

Bereavement Allowance

A weekly rate of up to £97.65 paid for up to 52 weeks from the date of death of a husband, wife or civil partner.

Bereavement Payment

The £2,000 payment is a one-off tax-free lump sum to a husband, wife or civil partner of somebody who has died and generally who was under the state pension age.

Budgeting Loans

An interest-free loan for those on a low income who need help with certain important costs, such as clothing, furniture and travel.

Carer's Allowance

A taxable benefit for those who look after someone who is disabled. They do not have to be related to, or live with, the person that they care for.

Child Benefit

A universal non-means-tested benefit for parents to claim for their children, but **plans to withdraw it** for higher-rate taxpayers have proved controversial.

Child Tax Credit

Labour's flagship welfare policy, child tax credits are paid to families with children regardless of whether the parents work.

Child Trust Fund

To be **withdrawn completely** by the start of 2011, parents were paid a voucher to invest for their children who could access the money at the age of 18.

Cold Weather Payment

Paid to people who are in receipt of certain benefits to help with their additional heating costs during winter. A payment of £25 is made for each seven-day period of very cold weather between 1 November and 31 March - when the average local temperature is recorded as, or forecast to be, freezing (zero Celsius) or below over seven consecutive days.

Community Care Grant

Financial help to live independently in the community for those who have, for example, just moved out of care, or to ease exceptional pressure on them and their family.

Constant Attendance Allowance

To help those who need daily care, are 100% disabled according to medical examination, and who receive Industrial Injuries Disablement Benefit or the War Disablement Pension.

Council Tax Benefit

Financial help for those on low incomes to pay their council tax bill.

Crisis Loans

Interest-free loans for those who do not have enough money to meet their, or their family's, immediate short-term needs in an emergency or as the result of a disaster.

Disability Living Allowance

A tax-free benefit for disabled people, including children, who have difficulty walking and who need somebody to help look after them.

Employment and Support Allowance

The successor of Incapacity Benefit, it is paid to those with an illness or disability but aims to get them into some kind of work.

Funeral Payments

Help for those on low incomes to pay for a family funeral, but might have to be paid back from the estate of the person who has died.

G to L

Guardian's Allowance

A tax-free payment of £14.30 a week per child on top of Child Benefit for people who are bringing up children whose parents have died.

Healthcare Travel Costs Scheme

Those on a low income and who need NHS treatment at a hospital, another NHS centre or a private clinic and have been referred by an NHS hospital consultant, doctor or dentist, can apply for help with travel costs at the time of their appointment.

Health Costs

Various options of financial assistance for the young, old and those on low incomes to pay for health costs ranging from dental work to wigs.

Health in Pregnancy Grant

A one-off grant to help with costs in the run-up to a baby's birth - however, this is being withdrawn in 2011.

Healthy Start Scheme

Help for pregnant women and low-income families by giving them vouchers that can be used to buy milk, fresh fruit and vegetables, and also coupons which can be exchanged for free vitamins for women and children. It is the only benefit administered by the Department of Health.

Housing Benefit

Aimed at those who struggle to pay their rent because they have a low income, irrespective of whether they work or not. Planned **reforms by the government** have proved to be extremely controversial.

In Work Credit

A fixed tax-free payment of £40 per week, or £60 per week in London, for parents bringing up children alone. It is payable for up to 52 weeks on top of earnings.

Incapacity Benefit

A weekly payment for people who become incapable of work owing to illness or disability, which started before 27 October 2008, while under state pension age. It is being replaced by **Employment and Support Allowance**.

Income Support

Financial support for those on low incomes who have not signed on as unemployed.

Industrial Injuries Disablement Benefit

The amount depends on individual circumstances, but this is a weekly payment for those made ill or disabled by certain types of work - such as working with asbestos. It covers accidents, disease and deafness. Those who are self-employed are not eligible.

Industrial Death Benefit

Payable to the widow or widower and children of a person working as an employed earner who died as a result of an industrial accident or prescribed disease. The death must have been before 11 April 1988.

Invalidity Benefit

This was replaced by Incapacity Benefit from April 1995 but is still payable if the invalidity started before April 1995.

Job Grant

A one-off, tax-free payment of up to £250 as a stepping stone for those moving from benefits and into work.

Jobseeker's Allowance

The widely recognised main benefit for people of working age who are out of work, or work less than 16 hours a week on average, and who are looking for work.

Local Housing Allowance

Similar to **Housing Benefit**, this is the allowance paid to a private tenant on a low income who is renting property or a room from a private landlord.

M to S**Maternity Allowance**

This pays a standard weekly rate of £124.88 or 90% of your average gross weekly earnings, whichever is the smaller, to somebody who does not qualify for statutory maternity pay.

Mobility Supplement

Some people might be entitled to a free tax disc if they are disabled and get the higher rate of the mobility component of Disability Living Allowance, War Pensioners Mobility Supplement or have an invalid carriage.

Over 80 Pension

A payment of up to £58.50 a week for individuals aged 80 or over who do not get the basic state pension.

Pension Credit

This guarantees a minimum income to those of state pension age by topping up the weekly income to £132.60 for those who are single, and £202.40 for couples. There is also a Savings Credit for those aged 65 and over.

Pneumoconiosis (including asbestosis), Byssinosis and Miscellaneous Diseases Benefit

A benefit paid to the husband, wife or civil partner of somebody who died as a result of pneumoconiosis, byssinosis or certain other diseases which they got from work before 5 July, 1948.

Reduced Earnings Allowance

A payment of up to £58.32 a week for those who do not earn as much as they could owing to a work-related accident or disease that happened before 1 October 1990.

Retirement Allowance

This replaces Reduced Earnings Allowance for those who have reached pension age and have given up regular employment.

Return to work credit

A tax-free payment of £40 per week, payable for up to 52 weeks, for some people returning to work.

School uniform allowances

Help for parents to pay for their children's school uniform, but administered on a council-by-council basis.

Severe Disablement Allowance

Paid to those unable to work for at least 28 weeks in a row because of an illness or disability - but no new claims have been accepted since April 2001.

State Pension

Arguably the best-known of all benefits, this is a payment of £97.65 to all those who have reached state pension age - which is set to rise.

Statutory Adoption Pay

Help to take time off work after adopting a child, it is paid at £124.88 or 90% of your average weekly earnings if this is less, for 39 weeks.

Statutory Maternity Pay

For new mothers, this is paid for the first six weeks at 90% of their average gross weekly earnings with no upper limit and - for the remaining 33 weeks - at the lower of either the standard rate of £124.88, or 90% of their average gross weekly earnings. This is one of a series of rights for new parents.

Statutory Paternity Pay

For new fathers, this is paid for one or two consecutive weeks at £124.88 or 90% of their average weekly earnings if this is less. As with maternity pay, they must have worked for the same employer without a break for at least 26 weeks by the 15th week before the baby is due.

Statutory Sick Pay

A standard rate of £79.15 a week, it is paid by employers for up to 28 weeks if somebody is unable to work because of illness.

Sure Start Maternity Grant

A one-off payment of £500 for each baby to help those on low incomes pay towards the cost of a new baby.

T to Z

Tax credits

The former Labour government's policy to integrate benefits within the tax system, rather than straightforward handouts. The benefits, administered by HM Revenue and Customs consist of Child Tax Credit and Working Tax Credit.

Training premium

A small amount of about £10 a week paid as an incentive to train for a job.

Travel to interview scheme

For those out of work and on benefits, Jobcentre Plus may be able to help pay to get to a job interview.

Unemployability Supplement or Allowance

This is paid to people who suffered industrial injuries but no new claims have been accepted since 6 April, 1987, when Industrial Injuries Disablement Benefit was increased.

Vaccine Damage Payment

A tax-free payment of £120,000 to those severely disabled and whose disability was caused by vaccination against various diseases, such as tetanus.

War Disablement Pension

A pension, dependent on the level of injury, for those injured or disabled as a result of service in the Armed Forces, who are no longer serving in the Armed Forces and who were injured in service before 6 April 2005.

War Widow's/Widower's Pension

A tax-free pension paid to the wife, husband or civil partner of somebody who died as a result of their service in the Armed Forces or during a time of war before 6 April 2005.

Widowed Parent's Allowance

Up to £97.65 a week paid to a parent whose husband, wife or civil partner has died and they have at least one child who they receive Child Benefit for. Previously known as Widowed Mother's Allowance.

Widow's Pension

Payable weekly at a reduced rate for younger widows, the pension can be paid until the widow reaches 65 but if she retires after reaching state pension age of 60 it will usually be replaced by the state pension.

Winter Fuel Payment

This year it will be paid to all those born on or before 5 July 1950. The annual payment can be between £125 and £400 depending on the recipient's situation, to help pay the increased heating bills of winter. It is different to the Cold Weather Payment.

Working Tax Credit

Another element of the tax credits system, it pays in-work credits to people on low incomes through the wage packet including, where appropriate, part of childcare costs.

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