



HM REVENUE AND CUSTOMS
Analysis Team

Child and Working Tax Credits Statistics

Finalised annual awards

2003-04

This replaced the original version in March 2006, correcting the estimates of the value of the childcare element and the resulting increase in annualised entitlement in Table 2.4.



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Note: Certain figures in Section 1 do not fall under National Statistics.
See the Introduction.

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Introduction

Finalised awards; relation of this publication to previous publications

A family's entitlement to Child Tax Credit (CTC) and Working Tax Credit (WTC) in 2003-04 depends on its circumstances in that year (for example, whether or not it is in work, the number of children, its childcare costs, adults' and children's disabilities) and on its income in 2001-02 and 2003-04.

In the initial claim, a family reported its current circumstances and its income in 2001-02, and initial awards were made on this basis. The family was encouraged to report any changes of circumstances, and an estimate of its 2003-04 income, at any time, but generally did not do so until 2004-05. The issues of "Child and Working Tax Credits Statistics" with reference dates in 2003-04 classified families according to their circumstances and incomes reported by the reference dates.

When the family provided full information in 2004-05, including its 2003-04 income, the "finalised" 2003-04 award was calculated. This publication classifies families according to the information reported for these finalised awards¹.

Thus, for example, Tables 1.1 and 2.1 show the numbers of in-work families benefiting at selected dates within 2003-04, based on their finalised awards. In contrast to the earlier publications, these figures (a) include families whose claims were not made by, or were being processed at, each date but whose awards were eventually backdated to the date. They also take account of (b) changes of circumstance reported after the date but backdated and (c) their 2003-04 incomes.

This publication covers only benefiting families. The earlier publications also included families eligible for awards but with entitlement tapered to zero at the reference date (although these families were identified separately).

Child and Working Tax Credits

CTC provides support to families for children (up to 31 August after their 16th birthdays) and "qualifying" young people (in full-time non-advanced education until their 19th birthdays) for which they are responsible.

WTC tops up the earnings of families on low or moderate incomes, and where an adult works for at least 16 hours per week and (a) is responsible for at least one child or qualifying young person, (b) has a disability which puts them at a disadvantage in getting a job, (c) returned to work within the last year aged at least 50 after a period of at least six months receiving out-of-work benefits or (d) is aged at least 25 and works for at least 30 hours per week.

CTC and WTC are claimed by individuals or jointly by couples. Claimants are described as "families" in this publication, whether or not they have children.

¹ Actually, based on information reported and processed up to 5 April 2005.

Beneficiaries of CTC and WTC at specific dates; annual averages

For this publication, a key amount for each family is its annualised entitlement at each date in 2003-04. This is modelled based on its circumstances at that date (as reported for the finalised award) and its 2003-04 income. It represents the rate at which the family's finalised award entitlement accrues at that date, expressed at an annual rate. If the amount is positive, the family is described as benefiting at that date. The amount is also used to infer the position of the family on the tax credits profile at that date.

Table 1.1 shows the number of in-work families benefiting, and at each position on the tax credits profile, at selected dates. It also shows the annual averages of the numbers. They are averages taken over all the days in the year.

Total annual entitlement; and average at selected dates

For in-work families, Table 1.1 also shows the average, taken over all days in the year, of the annualised entitlements for families at each position on the tax credits profile. This also represents the total annual entitlement attributable to families for periods when they were at this position. Table 1.2 also covers families for periods when they were not in work, to give the total value of CTC and WTC entitlement for the year (although the total excludes periods when child support was paid via benefits - see below).

Table 2.1 shows the total annualised entitlement for in-work families at selected dates. This represents the rate at which total entitlement for finalised awards accrued at each date for in-work families, expressed as an annual rate.

The coverage of out of work families with children

A family is defined as being in work at a date if at least one adult normally works for at least 16 hours per week. Section 1, but not section 2, covers such families.

Out of work families with children receive their child support either via CTC or via child allowances in out of work benefits (for 2003-04, Income Support, income-based Jobseeker's Allowance or Minimum Income Guarantee). The level of support was independent of whether it was received via CTC or via benefits.

Section 1 includes estimated numbers of out of work families with children who received their child support either via CTC or via these benefits. Because there is a substantial element of uncertainty in estimating the overlap between the various sets of administrative data, the estimates of out of work benefiting families are heavily rounded, and fall outside National Statistics.

Sample basis of the estimates

The figures are estimates based on a sample of 10 per cent of single adults and 20 per cent of couples with awards in 2003-04. Appendix A shows how to find the sampling uncertainties associated with the figures shown in these tables.

Geographical analyses

This publication shows figures for the United Kingdom. A separate publication shows estimates for each country, each Government Office Region of England, each local authority (down to district level) and each parliamentary constituency.

Main aggregates

Note 1: Figures that include out of work families are outside National Statistics

Note 2: Figures are separately rounded, which can lead to the components as shown not summing to the total.

The following table shows the numbers of benefiting families¹ at the start and end of 2003-04, and averages for the year:

	6 April 2003	5 April 2004	Average
	-----millions-----		
Total benefiting	5.5	5.9	5.7
Out-of-work families (all with children)	1.4	1.4	1.4
In-work families	4.09	4.57	4.34
Families with no children (WTC only)	0.07	0.22	0.16
Families with children	4.02	4.35	4.17
Entitlement more than the family element	2.00	2.17	2.08
Entitlement equals family element or less	2.02	2.18	2.09
Families for which entitlements were higher because of:	-----thousands-----		
Childcare element	244	302	268
Disabled worker element	54	74	64
Baby addition to family element (in-work families)	356	376	361

¹ Families "benefiting" at a date are those with positive entitlements at that date in finalised awards. This definition differs from earlier publications, which were based on information reported and processed by the reference dates for the publications. See the Introduction.

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Table 1.1 Families benefiting from tax credits; dates in 2003-04 and annual average

	Total ¹	Families not in work ¹	In-work families					
			Total	With children			Total	Without children (WTC only)
				With WTC and CTC	More than family element	Family element or less		
-----millions-----			-----thousands-----					
6 April 2003	5.5	1.4	4,093	1,375	628	2,018	4,021	71
11 Jul 2003	5.7	1.4	4,336	1,451	653	2,094	4,198	138
3 Oct 2003	5.7	1.4	4,336	1,430	627	2,091	4,147	189
5 Jan 2004	5.7	1.4	4,352	1,430	635	2,094	4,158	194
5 Apr 2004	5.9	1.4	4,567	1,512	659	2,175	4,346	221
Average for 2003-04 ²	5.7	1.4	4,336	1,438	640	2,093	4,171	164
<u>Entitlement for in-work families³</u>								
Total entitlement (£ million)								
			7,483	4,800	1,477	1,206	7,483	-
			3,831	3,535	-	-	3,535	296
			11,314	8,334	1,477	1,206	11,017	296
Average per family (annualised)								
			£2,609	£5,795	£2,307	£576	£2,641	£1,802

¹ These numbers do not fall under National Statistics. They include families with children receiving out-of-work benefits, estimates for which are based on administrative data for these benefits at various dates in 2003-04. These numbers, and the totals including them, are therefore heavily rounded. They also include out of work families receiving CTC but not these benefits. See the Introduction.

² The average, taken over all days in the year, of the number of families on each position on the profile. See the Introduction.

³ The total 2003-04 entitlement for periods of the year during which families had the various levels of entitlement shown. See the Introduction.

Note: Families "benefiting" at a date are those with positive entitlements at that date in finalised awards. This definition differs from earlier publications, which were based on information reported and processed by the reference dates for the publications. See the Introduction.

Table 1.2 Average number of families benefiting from tax credits

	Total	In work	Not in work
Total benefiting ¹ (millions)	5.7	4.3	1.4
Families with children receiving benefits but not CTC ¹ (millions)	1.1	-	1.1
<u>Receiving CTC and/or WTC</u>			
Number (thousands)	4,570	4,336	234
Total entitlement (£ million)			
Child Tax Credit	8,231	7,483	748
Working Tax Credit	3,831	3,831	-
Total	12,062	11,314	748
Average annual entitlement	£2,639	£2,609	£3,199

¹ These numbers do not fall under National Statistics. The estimate for families receiving out-of-work benefits but not CTC is based on the average number receiving these benefits during 2003-04, obtained from administrative data for those benefits, less an estimate of the average number receiving both CTC and these benefits. This number, and the totals including it, are therefore heavily rounded. See the Introduction.

Table 1.3 Average number of benefiting couples and single adults; numbers of children and annualised entitlements

	Benefiting families			Number of children in benefiting families
	Total	Couples	Singles	
All families	-----Millions-----			
Total recipients	5.7	3.6	2.2	10.1
Not in work ¹	1.4	0.3	1.1	2.6
In work	4.3	3.2	1.1	7.5
Families with children	-----Millions-----			
Total recipients	5.5	3.5	2.0	10.1
Not in work ¹	1.4	0.3	1.1	2.6
In work	4.2	3.2	1.0	7.5
In work families	-----Thousands-----			
WTC and CTC	1,438	651	788	2,628
CTC only, > family element	640	546	94	1,382
CTC family element	1,982	1,874	107	3,280
CTC < family element	112	111	1	198
Total with children	4,171	3,182	990	7,488
No children (WTC only)	164	52	113	-
Total	4,336	3,234	1,102	7,488

¹ These numbers do not fall under National Statistics. They include families with children receiving out-of-work benefits, estimates for which are based on administrative data for these benefits for 2003-04. These numbers, and the totals including them, are therefore heavily rounded. They also include out of work families receiving CTC but not these benefits. See the Introduction.

Table 2.1 Number of in-work benefiting families at selected dates in 2003-04; annual averages and level of entitlement

	<i>Thousands, and £ million</i>					
	06-Apr-03	11-Jul-03	03-Oct-03	05-Jan-04	05-Apr-04	Annual average
All families						
WTC and CTC	1,375	1,451	1,430	1,430	1,512	1,438
CTC only, > family element	628	653	627	635	659	640
CTC family element	1,910	1,983	1,980	1,983	2,057	1,982
CTC < family element	108	112	111	110	118	112
Total in work with children	4,021	4,198	4,147	4,158	4,346	4,171
No children (WTC only)	71	138	189	194	221	164
Total in work	4,093	4,336	4,336	4,352	4,567	4,336
Children in these families						
WTC and CTC	2,542	2,678	2,587	2,599	2,743	2,628
CTC only, > family element	1,372	1,424	1,341	1,362	1,412	1,382
CTC family element	3,228	3,336	3,234	3,252	3,355	3,280
CTC < family element	196	202	195	195	206	198
Total for in work families	7,338	7,639	7,358	7,409	7,716	7,488
Single adults with children						
WTC and CTC	761	795	774	785	830	788
CTC only, > family element	95	98	91	90	95	94
CTC family element	104	108	106	106	112	107
CTC < family element	1	1	1	1	1	1
Total in work with children	962	1,002	972	983	1,038	990
Number of children in family						
No children (WTC only)	71	138	189	194	221	164
One child	1,595	1,684	1,776	1,760	1,864	1,734
Two children	1,738	1,799	1,722	1,738	1,797	1,758
Three children	535	555	505	512	531	528
Four or more children	154	160	144	147	154	152
Total	4,093	4,336	4,336	4,352	4,567	4,336
Families benefiting from¹:						
30 hour element	1,489	1,627	1,637	1,641	1,743	1,628
Disabled worker element	54	61	64	68	74	64
Severely disabled adult element	42	46	47	48	50	47
50+ return to work element	0	4	8	11	15	8
Childcare element - couples	74	79	82	85	96	83
Childcare element - singles	170	179	186	190	206	185
Baby addition to family element	356	369	371	338	376	361
Disabled child element	96	99	97	97	101	98
Severely disabled child element	44	45	44	44	46	45
Annualised entitlement² (£ million)						
WTC and CTC	7,983	8,425	8,266	8,268	8,777	8,334
CTC only, > family element	1,461	1,511	1,442	1,460	1,515	1,477
CTC family element	1,136	1,166	1,170	1,157	1,210	1,166
CTC < family element	40	40	40	39	43	40
Total in work with children	10,619	11,142	10,918	10,923	11,545	11,017
No children (WTC only)	142	248	335	347	398	296
Total in work	10,761	11,391	11,253	11,270	11,943	11,314

¹ For the baby addition to family element, all benefiting families with such babies. For other elements, benefiting families with CTC above the family element, or with WTC only.

² See the Introduction.

Table 2.2 Average number of in-work benefiting families with children, and annualised entitlements*Thousands, and £ million*

	Total	Receiving WTC and CTC	Receiving CTC only		
			More than family element	Family element	Less than family element
Family size.					
All families					
One child	1,734	637	149	906	43
Two children	1,758	523	304	878	53
Three children	528	199	140	175	13
Four or more children	152	79	48	23	2
Total	4,171	1,438	640	1,982	112
Couples					
One child	1,187	213	104	827	42
Two children	1,423	252	265	852	53
Three children	440	124	130	173	13
Four or more children	132	61	46	22	2
Total	3,182	651	546	1,874	111
Singles					
One child	547	424	44	79	1
Two children	335	271	39	26	0
Three children	88	75	9	3	0
Four or more children	20	18	2	0	0
Total	990	788	94	107	1
With a child aged under one year	361	121	67	157	15
Number of children in these families					
All families	7,488	2,628	1,382	3,280	198
Couples	5,923	1,360	1,225	3,141	197
Singles	1,565	1,268	157	139	1
Average annualised entitlement¹					
One child	£2,121	£4,574	£1,405	£597	£378
Two children	£2,461	£6,027	£2,120	£580	£348
Three children	£3,834	£7,537	£2,955	£583	£353
Four or more children	£6,527	£9,697	£4,401	£593	£368
Total	£2,641	£5,795	£2,307	£588	£361
Total entitlement (£ million)					
One child	3,677	2,911	209	541	16
Two children	4,326	3,154	644	509	19
Three children	2,023	1,503	413	102	5
Four or more children	991	766	211	13	1
Total	11,017	8,334	1,477	1,166	40

¹ See introduction

Table 2.3 Average number of families benefiting from the 30 hour credit

		<i>Thousands</i>			
	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	1,629	1,063	50	415	101
WTC and CTC	862	529	-	333	-
CTC only, > family element	616	534	-	82	-
No children (WTC only)	151	-	50	-	101

¹ Those claiming the 30-hour element (a) with children and with an award value above the family element, or (b) without children and with a positive award.

Table 2.4 Average number of families benefiting from the childcare element

	Total	Couples	Singles
Total families benefiting ²	268	83	185
WTC and CTC	214	41	174
CTC only, > family element	54	42	12
Eligible childcare costs allowed (per week)			
Under £20	36	8	28
£20 - £39.99	50	13	37
£40 - £59.99	46	15	31
£60 - £79.99	36	13	23
£80 - £99.99	33	11	23
£100 - £149.99 ³	52	17	35
£150 and over	15	6	9
Total	268	83	185
Increase in annualised entitlement through this element (£ million)	613	161	452
Average help with childcare costs ⁵ (£ per week)	£43.58	£37.10	£46.48

² Those claiming the childcare element and with CTC above the family element.

⁴ After taking account of maximum costs allowed (see Appendix B).

⁵ The difference between the award and the notional award excluding the childcare element.

Note. The estimates of the average help with childcare costs and therefore the resulting increase in annualised entitlement were corrected in March 2006.

Table 2.5 Average number of families benefiting from the disabled worker element*Thousands*

	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	64	23	7	12	23
WTC and CTC	29	18	-	11	-
CTC only, > family element	5	5	-	0	-
No children (WTC only)	30	-	7	-	23
One disabled worker ² in family	63	22	7	12	23
Both adults are disabled workers ²	1	1	0	-	-

¹ See footnote to Table 2.1. Disabled workers include any who are severely disabled and included in Table 2.6

² Throughout this table, "worker" means an adult working for at least 16 hours per week.

Table 2.6 Average number of families benefiting from the severely disabled adult element*Thousands*

	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	47	28	7	4	7
WTC and CTC	24	20	-	4	-
CTC only, > family element	8	8	-	0	-
No children (WTC only)	15	-	7	-	7
One severely disabled adult	45	27	7	4	7
Both adults are severely disabled	1	1	0	-	-

¹ See footnote to Table 2.1.

Table 2.7 Average number of in-work families benefiting from the disabled child element*Thousands*

	Total	Couples		Singles	
		One disabled child	2+ disabled children	One disabled child	2+ disabled children
Total families benefiting ^{1,2}	98	69	5	23	1
WTC and CTC	51	28	2	20	1
CTC only, > family element	47	41	3	3	0
Family size					
One child	20	12	-	8	-
Two children	42	30	2	10	0
Three children	25	19	2	4	0
Four or more children	11	8	1	1	0
Number of disabled children in benefiting families	105	69	11	23	3

¹ See footnote to Table 2.1. Disabled children includes those who are severely disabled and included in Table 2.8.

Table 2.8 Average number of in-work families benefiting from the severely disabled child element*Thousands*

	All	Couples	Singles
Total families benefiting ¹	45	35	9
WTC and CTC	22	14	8
CTC only, > family element	22	21	1
Family size			
One child	8	5	3
Two children	19	15	4
Three children	12	10	2
Four or more children	6	5	1
Number of severely disabled children in benefiting families	48	37	10

¹ See footnote to Table 2.1

Table 2.9 Average number of in-work benefiting families in each band of income used to taper awards*Thousands*

	Range of income used to taper awards ¹							
	Total	Up to £5,060	£5,061 to £9,999	£10,000 to £19,999	£20,000 to £29,999	£30,000 to £39,999	£40,000 to £50,000	Over £50,000
All benefiting families	4,336	484	573	940	1,084	779	363	112
WTC and CTC	1,438	448	488	477	22	2	0	0
CTC only, > family element	640	-	-	376	248	15	1	0
CTC family element	1,982	-	-	44	814	762	362	0
CTC < family element	112	-	-	-	-	-	-	112
Total with children	4,171	448	488	897	1,084	779	363	112
No children (WTC only)	164	36	85	43	0	0	0	0
Derivation of income used¹:								
2003-04 income < 2001-02 income								
Increasing award value	632	78	162	250	72	18	31	20
Not affecting award value ²	385	64	10	21	148	109	32	1
2003-04 income up to £2,500 above 2001-02 income								
	2,033	207	234	331	531	490	216	23
2003-04 income > 2001-02 income + £2,500								
Reducing award value	900	-	167	335	252	63	14	69
Not affecting award value ²	387	135	-	2	81	99	70	-

¹ See the footnote to the Technical Note on page 15.

² Even where 2003-04 incomes are below 2001-02 incomes, or are more than £2,500 above 2001-02 incomes, awards may remain at the maximum or at the family level.

This table was revised on 12th July 2005.

The reason for this was the 2 rows of figures under the sub-headings "**2003-04 income < 2001-02 income**" and "**2003-04 income > 2001-02 income + £2,500**" had been transposed incorrectly.

Table 2.10 Average number of in-work benefiting families in each band of annualised entitlement*Thousands*

	Total	Band of annualised entitlement ¹							
		Under £1,000	£1,000 to £1,999	£2,000 to £2,999	£3,000 to £3,999	£4,000 to £4,999	£5,000 to £5,999	£6,000 to £6,999	£7,000 and over
WTC and CTC	1,438	-	1	96	160	227	346	246	362
CTC only, > family element	640	98	239	140	90	42	16	9	7
CTC family element	1,982	1,833	149	-	-	-	-	-	-
CTC < family element	112	109	2	-	-	-	-	-	-
Total with children	4,171	2,040	391	236	250	269	362	255	369
No children (WTC only)	164	52	43	37	22	8	3	1	0
Total	4,336	2,092	434	273	272	276	365	256	369
Number of children									
No children (WTC only)	164	52	43	37	22	8	3	1	0
One child	1,734	905	183	104	117	136	215	31	43
Two children	1,758	921	159	96	95	93	103	179	113
Three children	528	189	42	30	32	32	35	35	134
Four or more children	152	25	8	6	7	8	9	10	79
Total	4,336	2,092	434	273	272	276	365	256	369
Single adult families									
Number of children									
No children (WTC only)	113	39	29	26	12	6	1	0	0
One child	547	89	33	45	65	95	159	24	38
Two children	335	29	11	15	20	30	49	120	63
Three children	88	3	1	2	2	3	6	9	61
Four or more children	20	0	0	0	0	0	0	1	17
Total	1,102	161	75	88	99	134	215	152	178
Couples									
Number of children									
No children (WTC only)	52	12	14	11	10	2	2	1	0
One child	1,187	815	150	59	52	42	56	8	6
Two children	1,423	892	148	81	75	63	54	59	50
Three children	440	186	41	28	29	28	29	26	73
Four or more children	132	25	7	6	7	7	8	10	62
Total	3,234	1,931	359	185	173	143	150	103	191

¹ See the Introduction

Technical note

The figures in the table are based on estimates derived from data on current awards extracted from the computer system at the four reference dates used as the basis for earlier publications (11 July 2003, 3 October 2003, 5 January 2004 and 5 April 2004).

The cases in each extract were inspected to identify any awards that were not included in an earlier extract but were eligible for tax credits at that earlier date (awards can be backdated to a date up to three months before the claim is received). Records for each such award were added to the earlier extract. Their circumstances at the earlier date were assumed to be as in the source extract, except for any children born since the earlier date.

Similarly, the July 2004 and April 2005 extracts were inspected to identify any awards which were not included in any extract taken in 2003-04 but eligible for tax credits for at least some part of that year.

This process yielded a sample of cases which were eligible at each of the four reference dates in 2003-04 based on final information.

Data for a fifth reference date, 6 April 2003, were then simulated by carrying back the circumstances of those cases in the enhanced 11 July 2003 extract and which were eligible at 6 April 2003.

For some cases the April 2005 extract contained a different date for the end of eligibility for tax credits in 2003-04. Any such dates were taken into account in the calculations.

The April 2005 extract also contained the 2001-02 and 2003-04 incomes for each of these awards. These were then applied to¹ the circumstances at each of the five reference dates to model the "final" level of the award at that date, and to establish where on the plateau - taper profile the family fell at that date.

To calculate unbiased annual averages, each award at each reference date was given a weight, representing the number of days in a set period around that date. These periods had end-dates of 25 May 2003, 31 August 2003, 19 November 2003, 19 February 2004 and 5 April 2004. Not all the awards were current, and in the same value, for the whole of each period, but it was assumed that, taking an average over the whole period, they each represented an award with given circumstances at each date in the period.

The April 2005 extract also contained the total 2003-04 entitlement for each case. It was therefore possible to compare the grossed up average of these entitlements with the modelled level of award at each reference date, weighted together as described and grossed up. The difference was about 0.3 per cent, which was felt small enough not to require any further adjustment to the data set.

¹ In accordance with the tax credits system, the income used to taper the award was the 2003-04 income if that was lower than the 2001-02 income; the 2001-02 income if the 2003-04 income was less than £2,500 higher; and the 2003-04 income less £2,500 if this was higher than the 2001-02 income.

Appendix A: Sampling uncertainty

The tables are based on a random sample of families with CTC or WTC awards at the reference date. The sample comprises 10 per cent of such single adults (with or without children) and 20 per cent of such couples. Each figure in the tables is derived by weighting the relevant sample cases by the inverses of these sampling fractions¹.

The figures in the tables are therefore estimates, but we know how accurate they are. For example, suppose that there are 100,000 couples with a characteristic. This number is not known, and we are to estimate it via the sample. Each couple is sampled with a probability of 0.2. Statistical theory says that there is a 95 per cent probability that the number sampled will lie between 19,752 and 20,248, and that the resulting estimate will lie between 98,760 and 101,240. At least approximately, then, where an estimate of 100,000 is derived from the sample, the true figure lies between these figures, with a 95 per cent probability. That is, the "95 per cent confidence interval" for the estimate is the estimate itself plus or minus 1,240.

The width of the confidence interval varies with the size of the estimate and the sampling fraction, as shown in the table below. For estimates that comprise a mixture of couples and single adults, the figures will lie between the two sets shown, according to the mix.

Confidence intervals for estimates of families with CTC or WTC awards				
Estimated value	95% confidence interval		As % of the estimate	
	Couples	Single adults	Couples	Single adults
'000	'000	'000		
1	± 0.1	± 0.2	± 12%	± 19%
2	± 0.2	± 0.3	± 8%	± 12%
5	± 0.3	± 0.4	± 6%	± 8%
10	± 0.4	± 0.6	± 4%	± 6%
25	± 0.6	± 0.9	± 2.5%	± 4%
50	± 0.9	± 1.3	± 1.8%	± 2.6%
100	± 1.2	± 1.9	± 1.2%	± 1.9%
250	± 2.0	± 2.9	± 0.8%	± 1.2%
500	± 2.8	± 4.2	± 0.6%	± 0.8%
1,000	± 3.9	± 5.9	± 0.4%	± 0.6%

¹ Each case is further weighted so that the overall total equals an independent count of families with awards.

Appendix B: 2003-04 tax credit elements and thresholds

	Annual rate (£), except where specified
	2003-04
Child Tax Credit	
Family element	545
Family element, baby addition ¹	545
Child element ²	1,445
Disabled child additional element ³	2,155
Severely disabled child additional element ⁴	865
Working Tax Credit	
Basic element	1,525
Couples and lone parent element	1,500
30 hour element ⁵	620
Disabled worker element	2,040
Severely disabled adult element	865
50+ return to work payment ⁶	
16 but less than 30 hours per week	1,045
at least 30 hours per week	1,565
Childcare element	
Maximum eligible costs allowed (£ per week)	
Eligible costs incurred for 1 child	135
Eligible costs incurred for 2+ children	200
<i>Percentage of eligible costs covered</i>	70%
Common features	
First income threshold ⁷	5,060
<i>First withdrawal rate</i>	37%
Second income threshold ⁸	50,000
<i>Second withdrawal rate</i>	1 in 15
First income threshold for those entitled to Child Tax Credit only ⁹	13,230
Minimum award payable	26

¹ Payable to families for any period during which they have one or more children aged under 1.

² Payable for each child up to 31 August after their 16th birthday, and for each young person for any period in which they are aged under 19 and in full-time non-advanced education, or under 18 and in their first 20 weeks of registration with the Careers service or Connexions.

³ Payable in addition to the child element for each disabled child.

⁴ Payable in addition to the disabled child element for each severely disabled child.

⁵ Payable for any period during which normal hours worked (for a couple, summed over the two partners) is at least 30 per week.

⁶ Payable for each qualifying adult for the first 12 months following a return to work after 5 April 2003.

⁷ Income is net of pension contributions, and excludes Child Benefit, Housing benefit, Council tax benefit, maintenance and the first £300 of family income other than from work or benefits. The award is reduced by the excess of income over the first threshold, multiplied by the first withdrawal rate.

⁸ For those entitled to the Child Tax Credit, the award is reduced only down to the family element, plus the baby addition where relevant, less the excess of income over the second threshold multiplied by the second withdrawal rate.

⁹ Those also receiving Income Support, income-based Jobseeker's Allowance or Pension Credit are passported to maximum CTC with no tapering.