



HM Revenue
& Customs

HM REVENUE & CUSTOMS

Analysis Team

**Child and Working Tax Credits
Statistics**

April 2008



A National Statistics Publication

© Crown Copyright 2008

PRINTING AN EXCEL VERSION:

If you have downloaded this publication from our website in Excel format and enabled the macros you can print the whole document by pressing CTRL and Q together.

Contact point for enquiries:-

Child and Working Tax Credits Statistics
HM Revenue & Customs
Room 2e/07
100 Parliament Street
London
SW1A 2BQ
☎ : 020 - 7147 3067
E-mail : ar_tcasp.ir.sh@gtnet.gov.uk

This issue, and issues back to July 2003, can be found on the Inland Revenue web site: <http://www.hmrc.gov.uk/stats/personal-tax-credits/menu.htm>

The next issue, for December 2008, will be published on 19 December 2008.

See the Introduction for changes to the tables since December 2006

A NATIONAL STATISTICS PUBLICATION

National Statistics are produced to a high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs.

For general enquiries about National Statistics, contact the National Statistics Public Enquiry Service on

☎ : 0845 601 3034

minicom : 01633 812399

E-mail : info@statistics.gov.uk

Fax : 01633 652747

Letters : Customer Contact Centre, Room 1.015, Cardiff Road, Newport, NP10 8XG

You can also find National Statistics on the internet - go to www.statistics.gov.uk

Note: Certain figures, mainly in Sections 1 and 2, do not fall under National Statistics. See the Introduction.

Child and Working Tax Credits Statistics

April 2008

Contents	PAGE
Introduction	1
Main aggregates	3
List of tables	4
Section 1 : Time series	5
Section 2 : Summary tables	7
Section 3 : Age, gender and children of recipient families	9
Section 4 : Hours worked and childcare of in-work recipient families	11
Section 5 : In-work families benefiting from disability elements	16
Section 6 : Annual incomes of in-work recipient families	20
Section 7 : Payments to in-work families	22
Section 8 : Regional analysis of recipient families	23
Technical note: Entitlement and level of receipt	26
Appendix A: Sampling method and sampling error	28
Appendix B: CTC and WTC elements and thresholds	29

Introduction

Child and Working Tax Credits, and coverage of the tables

Child Tax Credit (CTC) provides support to families for the children (up to the 31 August after their 16th birthdays) and the "qualifying" young people (those in full-time non-advanced education until their 20th birthdays) for which they are responsible. It is paid in addition to Child benefit.

Some out of work families with children do not receive CTC but instead receive the equivalent amount via child and related allowances in Income Support or income-based Jobseeker's Allowance (IS/JSA). These families are included in the figures, generally together with out of work families receiving CTC. In due course, they will be "migrated" to tax credits.

Working Tax Credit (WTC) tops up the earnings of families on low or moderate incomes. People working for at least 16 hours a week can claim it if they (a) are responsible for at least one child or qualifying young person, (b) have a disability which puts them at a disadvantage in getting a job or (c) in the first year of work, having returned to work aged at least 50 after a period of at least six months receiving out-of-work benefits. Other adults qualify if they are aged at least 25 and work for at least 30 hours a week.

CTC and WTC are claimed by individuals, or jointly by couples, whether or not they have children (described as "families" in this publication). These tables cover families who had claimed, and were eligible for, CTC (or the equivalent via benefits) or WTC at 5 April 2008 (the "reference date") and who were recipients at that date.

The tables in Sections 3 and 8 cover out of work families with children; and the figures for such families in Sections 1 and 2 are shown with the same degree of rounding as the figures for in-work families, and are classed as National Statistics. This follows the availability of a new data source for out of work families receiving their child support via benefits (see "Data sources", below).

Families "receiving" CTC and / or WTC, and the level of CTC

The tables classify families according to the levels of their entitlement at the reference date, modelled from data on their circumstances and their latest annual incomes reported and processed by that date. The actual amount being received at that date can be lower, due to the recovery of earlier overpayments. The tables describe as "recipients" all families with positive modelled entitlement, though in some cases the payments are reduced to zero. For more details, see the Technical Note.

The modelled entitlement values are provisional. The final entitlements at the reference date will generally not be known until after the end of the year, when the circumstances at that date, and the 2007-08 incomes, are finally established.

From April 2007, the tables exclude families whose modelled entitlements are tapered to zero through incomes. These families were originally included because they may, retrospectively, have positive entitlements at finalisation. However, this is no longer at all likely for the majority of such families. Their numbers have been swelled by families whose youngest children have left full time education, who continue to satisfy the qualifying conditions for WTC (see above), but whose incomes are sufficient to taper the WTC entitlements to zero.

Data sources

The estimates in the tables for in-work families are based on data for a random sample of families with awards at the reference date, extracted from the tax credits computer system on that date.

The estimates for out of work families with children are based on data at 5 April 2008. The estimates for families receiving CTC at that date are based on a scan of the tax credits system taken at that date. The estimates for families receiving their child support via benefits are based on scans of the benefits systems. These identified all families with children receiving benefits at August 2005. The estimates are restricted to families that had qualifying children in Child Benefit awards at August 2007 and were not claiming tax credits at 5 April 2008. However, the split shown at Table 2.1 of out of work families between those receiving their child support via each system takes account of the estimated movement in the split by 5 April 2008.

Note that this method works because families receiving their child support via benefits can have moved to CTC between August 2005 and April 2008 (for example, when they move into work), but movement in the opposite direction is not possible. Also, since April 2004, all new families receive their child support via CTC, not benefits. An aggregate allowance has however been made for the relatively small number of babies born between August 2005 and April 2008 to families receiving their child support via benefits at the latter date.

Sampling uncertainty

The figures are subject to sampling uncertainty. Figures based on fewer than 25 cases are shown as "-". For more details of the sample, and the sampling errors associated with the figures in the tables, see Appendix A.

Geographical analyses

This publication covers families in the United Kingdom (including Northern Ireland). Section 8 shows analyses of recipient families living in each country of the United Kingdom, and in each Government Office Region in England. The numbers in Table 8.2 are further subdivided by local authority (down to district level) and by parliamentary constituency in "Child and Working Tax Credit Statistics. Geographical analyses. April 2008". That publication also contains details of the method used to allocate individual families to local areas, and how the regions are defined in terms of local authorities.

Removal of Table 7.1

Table 7.1: In-work families - chosen frequency of payment, and payees, of CTC, has been temporarily suspended. This is due to issues with the data and the effect this has had on our ability to produce the table. We are currently investigating other sources for this information and hope to reinstate the table in the December 2008 publication.

Main aggregates

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

Table 2.1 shows that, on 5 April 2008:

6.0 million families, containing 10.1 million children, were tax credit recipients or were receiving the equivalent child support through benefits;

These families comprised:

5.7 million families with children receiving CTC, or the equivalent via benefits:

1.4 million in which no adult was in work

1.7 million in work receiving the maximum CTC, and also receiving WTC

0.7 million in work receiving less than the maximum CTC, but more than the family element

1.8 million in work receiving the family element of CTC

0.1 million in work receiving less than the family element of CTC.

0.4 million families in work without children, receiving only WTC.

3.6 million recipient families were couples (3.5 million had children).

2.5 million were single adults (2.2 million had children).

Later tables show that:

449 thousand families were benefiting from the childcare element of WTC; they were receiving an average of £65 per week help with their childcare costs;

115 thousand families were benefiting from the disabled worker element of WTC;

446 thousand families receiving CTC were benefiting from the baby addition to the family element;

List of tables

Section 1 : Time series

Table 1.1 Families receiving CTC or WTC, or with children and receiving out of work benefits, July 2003 to April 2008.

Section 2 : Summary tables

Table 2.1 Recipient families, couples and single adults and their children.

Section 3 : Age, gender and children of recipient families

Table 3.1 Recipient families: ages and genders of adults.

Table 3.2 Recipient families with children, by family size; ages of children.

Section 4 : Hours worked and childcare of in-work recipient families

Table 4.1 In-work recipient families: hours worked.

Table 4.2 In-work recipient couples: combination of hours worked.

Table 4.3 Families benefiting from the 30-hour credit: family type.

Table 4.4 Families benefiting from the childcare element.

Table 4.5 In-work single parents: hours worked and childcare.

Section 5 : In-work families benefiting from disability elements

Table 5.1 In-work families benefiting from the disabled worker element.

Table 5.2 In-work families benefiting from the disabled child element.

Table 5.3 In-work families benefiting from the severely disabled adult element.

Table 5.4 In-work families benefiting from the severely disabled child element.

Section 6 : Annual incomes of in-work recipient families

Table 6.1 In-work recipient families: ranges of incomes used to taper awards.

Table 6.2 In-work recipient families: awards not reduced through tapering.

Section 7 : Payments to in-work families

Table 7.1 In-work families - chosen frequency of payment, and payees, of CTC.

Section 8 : Regional analysis of recipient families

Table 8.1 Recipient families; combination and level of payment by region.

Table 8.2 Recipient families and their children by region.

Table 8.3 In-work recipient families; beneficiaries of the childcare, disabled child and disabled worker elements by region.

Table 1.1 : Families receiving CTC or WTC, or with children and receiving out of work benefits, July 2003 to April 2008.

	Total ¹	Out of work ¹	In work				Total
	In receipt		With Children			With WTC only	
			With WTC and CTC	With CTC only			
				More than family element	Family element or less		
	-----millions-----		-----thousands-----				
11 Jul 2003	5.5	1.4	1,465	647	1,851	121	4,084
3 Oct 2003	5.7	1.4	1,481	663	1,934	200	4,278
5 Jan 2004	5.9	1.4	1,548	687	1,973	215	4,423
5 Apr 2004	6.0	1.4	1,589	704	2,013	235	4,541
3 Dec 2004	5.9	1.4	1,492	694	2,075	258	4,519
5 Apr 2005	6.0	1.4	1,531	711	2,115	282	4,639
5 Dec 2005	5.9	1.3	1,497	697	2,024	320	4,538
3 Apr 2006	6.0	1.4	1,565	684	2,033	319	4,601
2 Dec 2006	5.9	1.4	1,596	657	1,951	323	4,526
	-----thousands-----						
3 Apr 2007	6,017	1,398	1,645	665	1,966	343	4,619
4 Dec 2007	5,886	1,345	1,650	658	1,882	352	4,541
5 Apr 2008	6,043	1,383	1,715	671	1,898	376	4,660

Note: Between each April and December families' awards are stopped (a) at 31 August if their only qualifying child falls out of entitlement at that date, or (b) in the autumn if they fail to return their Annual Declaration for the previous year. This introduces some seasonality into the figures.

Note: For each date, these data describe awards current at that date, based on incomes and circumstances reported and processed by that date. The publication "Child and Working Tax Credits Statistics. Finalised awards" gives retrospective figures based on later information, including in particular incomes and other details reported during the following tax year at finalisation.

¹ For dates up to December 2006, these numbers do not fall under National Statistics. They include both such families receiving CTC and other families with children receiving the equivalent level of child support through out-of-work benefits. Estimates of the latter are based on numbers at various dates up to May 2006, interpolations to the reference dates and a forecast for December 2006, and are therefore heavily rounded. See the Introduction.

Table 2.1 Recipient families, couples and single adults and their children.

	Families			Thousands
	Total	Couples	Singles	Number of children in recipient families
All families				
Total	6,042.5	3,582.8	2,459.6	10,075.3
With children	5,666.9	3,473.2	2,193.6	10,075.3
Other	375.6	109.5	266.0	-
Out of work families with children				
Total	1,382.5	326.6	1,055.8	2,640.1
Receiving CTC	1,017.5	261.7	755.8	1,910.3
Maximum award ¹	974.1	228.3	745.8	1,836.6
Tapered	43.4	33.4	10.0	73.7
Receiving family premia in benefits ²	364.9	65.0	300.0	729.8
In work families				
Total	4,660.0	3,256.2	1,403.8	7,435.2
With children	4,284.4	3,146.6	1,137.8	7,435.2
Receiving WTC ³ and CTC	1,715.3	785.7	929.6	3,069.8
Maximum award ¹	503.5	169.7	333.8	932.6
Tapered	1,211.8	616.0	595.8	2,137.2
Receiving CTC only	2,569.2	2,360.9	208.2	4,365.4
More than family element	671.0	568.9	102.1	1,414.6
Family element	1,762.1	1,657.5	104.7	2,721.7
Less than family element	136.0	134.5	1.5	229.0
No children (receiving WTC only)	375.6	109.5	266.0	-
Maximum award ¹	114.4	18.2	96.3	-
Tapered	261.2	91.3	169.7	-

¹ Where the award is not reduced through tapering, either because the family is passported to maximum CTC through receipt of out of work benefits, or because the annual income is below the relevant first threshold. See the Technical Note.

² See the Introduction. Not tapered.

³ Includes 95.9 thousand families (57.2 thousand couples and 38.6 thousand singles) where the WTC entitlement is less than or equal to the childcare element and is therefore paid together with CTC.

Table 3.1 Recipient families: ages and genders of adults.*Thousands*

	All families	Out of work families	In-work families					
			Total	With children			Without children receiving WTC	
				Receiving WTC and CTC	Receiving CTC only			
					More than family element	Family element		Less than family element
Couples								
Age of eldest adult ¹								
Under 20	1.4	-	1.3	1.3	-	-	-	-
20-24	57.4	12.6	44.5	29.5	7.5	7.5	-	-
25-29	227.6	27.8	199.8	88.1	40.6	64.5	2.5	4.1
30-34	453.5	40.6	412.8	129.1	83.6	180.7	15.5	4.0
35-39	763.6	58.8	704.7	171.5	142.9	355.3	31.6	3.4
40-49	1,512.2	111.3	1,400.9	274.7	236.7	801.1	66.8	21.6
50-59	473.1	48.6	424.5	80.2	51.2	226.4	17.1	49.7
60 and over	93.0	25.7	67.3	11.3	6.4	22.0	1.1	26.6
Total	3,582.8	326.6	3,256.2	785.7	568.9	1,657.5	134.5	109.5
Female sole worker ²	-	-	212.8	96.1	31.4	59.0	2.3	24.1
Male sole worker ²	-	-	1,377.2	472.8	299.7	521.0	29.5	54.2
Both adults in work ²	-	-	1,666.2	216.8	237.9	1,077.5	102.8	31.3
Singles								
Age								
Under 20	40.2	35.0	5.2	4.8	-	-	-	0.4
20-24	223.4	150.6	72.7	68.4	0.6	-	-	3.7
25-29	345.8	173.2	172.6	127.1	3.9	2.1	-	39.5
30-34	361.1	169.9	191.2	145.7	9.3	7.0	-	29.1
35-39	473.8	193.9	279.9	208.5	23.9	19.1	0.2	28.2
40-49	783.7	262.8	520.9	323.3	54.7	60.3	1.0	81.7
50-59	206.1	58.6	147.3	50.2	9.3	15.5	-	72.3
60 and over	25.5	11.8	13.7	1.7	0.3	0.5	-	11.3
Total	2,459.6	1,055.8	1,403.8	929.6	102.1	104.7	1.5	266.0
Female	2,187.4	991.1	1,196.3	877.4	88.2	84.5	1.1	145.0
Male	272.2	64.7	207.5	52.1	13.9	20.2	0.3	121.0

¹ For out of work families receiving their child support via benefits, the age of the Child Benefit claimant.² "Worker" here means an adult working for at least 16 hours per week.

Table 3.2 Recipient families with children, by family size; ages of children.*Thousands*

	All families	Out of work families	In-work families				
			Total	Receiving WTC and CTC	Receiving CTC only		
					More than family element	Family element	Less than family element
Family size.							
All families							
One child	2,596.8	626.6	1,970.2	798.1	172.4	938.9	60.8
Two children	2,113.4	433.5	1,680.0	606.5	314.0	699.5	60.0
Three children	685.4	203.6	481.9	219.1	137.8	112.0	13.0
Four children	195.7	78.7	116.9	67.0	36.9	11.0	2.0
Five or more children	75.6	40.1	35.6	24.5	10.0	0.8	0.3
Total	5,666.9	1,382.5	4,284.4	1,715.3	671.0	1,762.1	136.0
Couples							
One child	1,422.3	119.6	1,302.7	271.0	117.4	854.4	59.9
Two children	1,422.3	104.4	1,318.0	301.7	276.0	680.8	59.5
Three children	452.9	58.6	394.3	141.0	129.9	110.5	12.9
Four children	127.1	27.3	99.8	51.0	35.8	11.0	2.0
Five or more children	48.7	16.8	31.9	21.0	9.8	0.8	0.3
Total	3,473.3	326.6	3,146.6	785.7	568.9	1,657.5	134.5
Singles							
One child	1,174.5	507.0	667.4	527.1	55.0	84.4	0.9
Two children	691.1	329.1	362.1	304.9	38.0	18.7	0.5
Three children	232.5	145.0	87.5	78.2	7.8	1.5	-
Four children	68.6	51.4	17.1	16.0	1.1	-	-
Five or more children	26.9	23.3	3.5	3.5	-	-	-
Total	2,193.6	1,055.8	1,137.8	929.6	102.1	104.7	1.5
With a child aged under one year at the reference date¹							
	445.5	128.8	316.7	127.7	63.4	106.7	18.9
Number of children by age.							
All families							
Under 5	2,724.3	753.8	1,970.5	840.6	381.8	676.5	71.6
5 to 9	2,732.1	710.8	2,021.3	831.9	404.1	725.5	59.8
10, but under 16 at 31st August 2006	3,867.0	939.3	2,927.6	1,155.0	530.7	1,158.7	83.2
16 and over at 31st August 2006	722.5	221.1	501.5	231.6	94.7	161.0	14.2
Age not known ²	29.3	15.1	14.1	10.7	3.4	-	-
Total	10,075.3	2,640.1	7,435.1	3,069.8	1,414.6	2,721.7	229.0
Couples							
Under 5	1,835.8	182.9	1,652.9	542.0	370.5	668.9	71.5
5 to 9	1,769.4	180.4	1,588.9	455.0	372.5	702.3	59.1
10, but under 16 at 31st August 2006	2,392.4	265.5	2,126.8	522.3	439.7	1,082.7	82.1
16 and over at 31st August 2006	381.7	70.4	311.3	87.2	68.8	141.3	14.0
Age not known ²	21.4	8.4	13.0	9.6	3.4	-	-
Total	6,400.8	707.6	5,693.2	1,616.1	1,255.0	2,595.3	226.8
Singles							
Under 5	888.5	570.9	317.5	298.6	11.3	7.6	-
5 to 9	962.6	530.4	432.3	376.9	31.5	23.2	0.7
10, but under 16 at 31st August 2006	1,474.6	673.8	800.9	632.7	91.1	76.0	1.1
16 and over at 31st August 2006	340.8	150.8	190.0	144.4	25.8	19.6	0.2
Age not known ²	7.9	6.7	1.2	1.2	-	-	-
Total	3674.5	1932.5	1741.9	1,453.7	159.6	126.5	2.1

¹ Excludes families with babies whose awards did not reflect the baby, or who had no award, at the reference date but whose final annual award will include a baby addition starting by that date. They have three months to report the baby and benefit in full. In addition, about 130,000 out of work families received the higher level of support for such children through CTC or benefits (*this is an estimate derived from various sources and does not fall under National Statistics*).

² For large families, not all dates of birth were copied to the data base used to produce these figures.

Table 4.1 In-work recipient families: hours worked.

	<i>Thousands</i>					
	With children					Without children
	Total	Receiving WTC and CTC	Receiving CTC only			Receiving WTC
			More than family element	Family element	Less than family element	
Couples (hours for main earner)						
Total						
16 - 24 hours	193.6	152.3	16.2	20.0	0.5	4.6
25 - 29 hours	51.3	30.8	8.0	11.3	0.4	0.8
30 - 34 hours	166.2	86.4	22.8	29.6	1.6	25.8
35 or more hours	2,845.1	516.2	522.0	1,596.6	131.9	78.4
Total	3,256.2	785.7	568.9	1,657.5	134.5	109.5
Singles						
Total						
16 - 24 hours	484.8	446.1	10.8	4.7	-	23.2
25 - 29 hours	100.0	85.8	6.7	3.4	-	4.1
30 - 34 hours	248.4	141.3	13.0	8.4	-	85.7
35 or more hours	570.3	256.3	71.6	88.2	1.2	153.0
Total	1,403.8	929.6	102.1	104.7	1.5	266.0

Table 4.2 In-work recipient couples: combination of hours worked.*Thousands*

	Total	Hours worked by main worker				
		16 - 24	25-29	30-34	35-39	40 or more
Hours worked by partner of main worker						
All couples						
Not in work	1,250.6	156.6	32.4	102.0	387.4	572.2
1-5	41.2	2.0	0.6	2.0	13.7	22.9
6-10	127.0	5.3	1.6	5.1	41.7	73.3
11-15	171.1	5.7	1.9	5.7	61.6	96.2
16-24	732.6	23.8	12.3	31.6	271.9	393.0
25-29	200.3	-	2.6	8.1	78.8	110.8
30 or more	733.3	-	-	11.7	269.6	452.0
Total	3,256.2	193.6	51.3	166.2	1,124.7	1,720.4
With children, and receiving more than CTC family element						
Not in work	772.2	138.9	25.7	71.5	210.5	325.7
1-5	18.2	1.6	0.4	1.3	5.3	9.6
6-10	52.0	4.4	1.2	3.3	15.1	28.0
11-15	57.5	4.6	1.4	3.4	17.7	30.4
16-24	251.7	18.9	8.6	19.5	79.3	125.4
25-29	50.9	-	1.5	4.5	17.7	27.2
30 or more	152.0	-	-	5.6	47.4	98.9
Total	1,354.6	168.5	38.8	109.2	392.9	645.3
Other with children						
Not in work	407.2	14.4	6.2	10.6	153.4	222.5
1-5	21.9	0.4	-	0.4	8.1	12.9
6-10	72.0	0.7	0.4	1.1	25.8	43.9
11-15	110.7	0.9	0.5	1.7	43.0	64.5
16-24	468.9	4.1	3.4	9.6	189.7	262.2
25-29	147.0	-	1.1	3.2	60.5	82.3
30 or more	564.3	-	-	4.6	218.1	341.6
Total	1,792.0	20.6	11.7	31.3	698.6	1,029.9
Without children						
Not in work	71.2	3.3	0.4	19.9	23.5	24.1
1-5	1.1	-	-	0.3	0.3	0.4
6-10	3.0	0.2	-	0.6	0.8	1.4
11-15	2.9	0.2	-	0.5	0.8	1.3
16-24	11.9	0.8	0.3	2.5	3.0	5.3
25-29	2.4	-	-	0.5	0.6	1.3
30 or more	17.0	-	-	1.4	4.1	11.5
Total	109.5	4.6	0.8	25.8	33.1	45.2

Table 4.3 : Families benefiting from the 30-hour credit: family type.

	<i>Thousands</i>				
	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	1,941.2	1,173.4	98.0	452.0	217.8
Main earner works for at least 30 hours	1,906.0	1,139.5	96.7	452.0	217.8
Neither adult works for 30+ hours, but combined hours exceed 30	35.2	33.9	1.3	-	-
Gender of sole or main worker					
Female	657.3	108.2	26.5	404.4	118.2
Male	1,234.2	1,022.3	64.7	47.6	99.6
Couples - equal hours ²	49.8	42.9	6.9	-	-
Total	1,941.2	1,173.4	98.0	452.0	217.8

¹ Those claiming the 30-hour element who (a) have children and have an award value above the family element, or (b) have no children and have a positive award.

² Couples where the two partners (including those in civil partnerships) work the same number of hours.

Table 4.4 Families benefiting from the childcare element.

	<i>Thousands</i>				
	Total	Couples			Singles
		All Couples	Both working	Other ¹	
Total families benefiting ²	448.8	161.7	156.5	5.1	287.1
Age group, or age groups of children ³					
Under 5 years only	159.7	69.5	68.0	1.6	90.2
Under 5 years plus older	121.6	62.7	60.5	2.2	58.9
5 to 9 years only	76.7	12.4	11.9	0.6	64.3
5 to 9 years plus older	48.7	12.6	11.9	0.6	36.1
10 years and over only	42.0	4.5	4.2	0.2	37.5
Total	448.8	161.7	156.5	5.1	287.1
Hours worked per week (fewest for couples where both work at least 16 hours)					
16-24	201.8	82.4	81.2	1.3	119.4
25-29	40.6	16.3	16.0	0.3	24.3
30-34	61.8	20.2	19.7	0.5	41.6
35-39	104.4	31.1	29.6	1.5	73.3
40+	40.2	11.6	10.1	1.6	28.5
Total	448.8	161.7	156.5	5.1	287.1
Eligible childcare costs allowed (per week)					
Under £20	45.1	12.4	11.7	0.7	32.6
£20 - £39.99	69.4	21.3	20.2	1.0	48.1
£40 - £59.99	65.6	22.7	21.9	0.7	43.0
£60 - £79.99	56.1	22.3	21.7	0.6	33.8
£80 - £99.99	47.5	19.1	18.6	0.6	28.4
£100 - £119.99	39.9	16.4	16.0	0.4	23.5
£120 - £149.99 ⁴	53.0	20.2	19.8	0.5	32.7
£150 and over	72.3	27.3	26.7	0.6	44.9
Total	448.8	161.7	156.5	5.1	287.1
Average costs allowed ⁴ (£ per week)	£90.11	£94.66	£95.15	£79.88	£87.54
Average help with childcare costs ⁵ (£ per week)	£65.30	£59.73	£59.68	£61.32	£68.43

¹ The non-working partner is incapacitated, in hospital or in prison.

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

³ Ages of all children in the family, not just those for whom childcare costs are incurred.

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.

Table 4.5 In-work single parents: hours worked and childcare.*Thousands*

	Total	Age group, or age groups, of children				
		Under 5 years only	Under 5 years plus older	5 to 9 years only	5 to 9 years plus older	10 years and older only
Total single parents						
Weekly hours worked:						
16-20	369.2	64.9	49.8	60.5	47.6	146.4
21-24	92.6	16.7	11.1	14.7	11.4	38.7
25-29	96.0	12.2	8.6	16.0	11.4	47.8
30-34	162.9	19.0	13.3	25.1	17.7	87.8
35-39	282.6	38.1	17.4	41.0	23.2	162.8
40 or more	134.7	20.0	8.5	20.1	10.5	75.6
Total	1,137.8	171.0	108.7	177.5	121.8	558.9
Receiving more than family element: claiming childcare element.						
Weekly hours worked:						
16-20	91.8	31.4	24.3	17.2	10.5	8.3
21-24	27.6	10.2	6.4	5.2	3.2	2.6
25-29	24.3	7.5	4.9	5.7	3.2	2.9
30-34	41.6	10.9	7.8	10.4	6.0	6.5
35-39	73.3	20.6	11.2	18.6	10.0	12.9
40 or more	28.5	9.5	4.4	7.1	3.3	4.3
Total	287.1	90.2	58.9	64.3	36.1	37.5
Receiving more than family element: not claiming childcare elements						
Weekly hours worked:						
16-20	274.8	33.3	25.4	42.9	37.0	136.3
21-24	62.8	6.3	4.8	9.0	8.0	34.7
25-29	68.2	4.5	3.6	9.6	7.9	42.6
30-34	112.8	7.6	5.4	13.0	11.2	75.6
35-39	150.9	14.4	5.5	14.2	10.8	105.9
40 or more	75.2	8.8	3.7	8.3	5.7	48.7
Total	744.6	74.8	48.4	97.0	80.7	443.8
Receiving family element or less						
Weekly hours worked:						
16-20	2.6	0.2	-	0.4	-	1.8
21-24	2.2	0.2	-	0.5	0.2	1.3
25-29	3.5	0.2	-	0.7	0.2	2.2
30-34	8.5	0.5	-	1.7	0.5	5.7
35-39	58.4	3.2	0.7	8.1	2.4	43.9
40 or more	31.0	1.6	0.4	4.7	1.6	22.6
Total	106.1	6.0	1.4	16.2	5.0	77.6

Table 5.1 : In-work families benefiting from the disabled worker element.

	<i>Thousands</i>				
	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	115.0	30.2	15.6	17.8	51.5
Sole worker ² is disabled	94.5	15.8	9.4	17.8	51.5
Couples both working - one disabled	19.1	13.6	5.5	-	-
Couples both working - both disabled	1.5	0.8	0.7	-	-
Total	115.0	30.2	15.6	17.8	51.5
Total disabled workers in benefiting families	116.5	31.0	16.3	17.8	51.5
Gender of disabled workers					
Female	56.4	9.4	5.3	16.2	25.5
Male	60.2	21.6	11.0	1.6	26.0
Total	116.5	31.0	16.3	17.8	51.5
Ages of disabled workers					
Under 20	0.4	-	-	-	0.4
20-29	14.3	2.7	0.6	1.6	9.4
30-39	29.9	10.9	1.2	6.2	11.6
40-49	39.0	13.0	3.7	7.9	14.4
50-59	26.5	3.9	7.7	2.0	13.0
60 or over	6.3	0.5	3.0	-	2.7
Total	116.5	31.0	16.3	17.8	51.5
Hours worked by disabled workers					
16-24	46.0	9.7	6.1	9.1	21.0
25-29	7.4	1.6	0.9	1.2	3.7
30-34	16.1	3.4	2.2	2.6	8.0
35-39	28.5	8.4	4.0	3.6	12.5
40 or more	18.5	7.9	3.1	1.3	6.2
Total	116.5	31.0	16.3	17.8	51.5

¹ Those claiming the disabled worker element who (a) have children and have CTC above the family element, or (b) have no children and have a positive WTC award. Disabled workers includes those who are severely disabled and who are also included in Table 5.3.

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

Table 5.2 : 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}	121.8	81.2	7.9	31.3	1.4
Family size					
One child	28.2	15.8	-	12.4	-
Two children	51.5	34.8	3.0	13.0	0.8
Three children	28.4	20.4	2.9	4.7	0.4
Four children	9.8	7.3	1.3	1.0	-
Five or more children	3.9	2.8	0.7	0.3	-
Total	121.8	81.2	7.9	31.3	1.4
Number of disabled children in benefiting families	131.9	81.2	16.5	31.3	2.9
Also with the childcare element	13.9	5.1	0.4	8.0	0.5
Also with the disabled worker element	4.2	2.5	0.3	1.1	0.2

¹ Those with the disabled child element and with CTC above the family element. Disabled children includes those who are severely disabled and included in Table 5.4.

² In addition, about 90,000 out of work families received the higher level of support for such children through CTC or benefits, about two thirds of them headed by single adults (*this estimate is derived from an ad hoc source and does not fall under National Statistics*).

Table 5.3 : In-work families benefiting from the severely disabled adult element.*Thousands*

	Total			Couples		Singles	
	Total	With children	Without children	With children	Without children	With children	Without children
Total families benefiting ¹	32.1	19.7	12.3	17.0	8.1	2.8	4.2
Family size							
No children	12.3	-	12.3	-	8.1	-	4.2
One child	8.8	8.8	-	7.3	-	1.5	-
Two children	7.4	7.4	-	6.5	-	0.9	-
Three children	2.6	2.6	-	2.4	-	0.3	-
Four children	0.7	0.7	-	0.6	-	-	-
Five or more children	0.2	0.2	-	0.2	-	-	-
Total	32.1	19.7	12.3	17.0	8.1	2.8	4.2
Hours worked by sole or main worker							
16-24	7.1	4.7	2.4	3.4	0.7	1.3	1.7
25-29	1.3	0.9	0.4	0.6	-	0.3	0.2
30-34	4.9	2.0	2.9	1.7	2.2	0.3	0.7
35-39	9.8	6.0	3.8	5.4	2.7	0.6	1.1
40 or more	9.0	6.1	2.9	5.9	2.4	0.2	0.5
Total	32.1	19.7	12.3	17.0	8.1	2.8	4.2
Total severely disabled adults in benefiting families	32.5	20.0	12.6	17.2	8.4	2.8	4.2
Also with childcare element	2.2	2.2	-	1.5	-	0.7	-
Also with disabled worker element	14.7	7.9	6.8	5.1	2.6	2.8	4.2

¹ Those with the severely disabled adult element who (a) have children and have CTC above the family element, or (b) have no children and have a positive WTC award.

Table 5.4 : In-work families benefiting from the severely disabled child element.

	<i>Thousands</i>		
	Total	Couples	Singles
Total families benefiting ^{1,2}	49.4	37.8	11.7
Family size			
One child	10.7	6.6	4.1
Two children	20.7	15.8	5.0
Three children	12.0	10.0	2.0
Four children	4.3	3.8	0.5
Five or more children	1.7	1.6	-
Total	49.4	37.8	11.7
Hours worked by main worker			
16-24	10.0	4.0	6.0
25-29	1.9	0.9	1.0
30-34	4.2	2.6	1.6
35-39	14.7	12.6	2.1
40 or more	18.7	17.7	0.9
Total	49.4	37.8	11.7
Total severely disabled children in benefiting families	52.2	40.1	12.1
Also with childcare element	5.6	2.3	3.3
Also with disabled worker element	1.7	1.1	0.6

¹ Those with the severely disabled child element and with CTC above the family element.

² In addition, about 40,000 out of work families received the higher level of support for such children through CTC or benefits, about three quarters of them headed by single adults (*this estimate is derived from an ad hoc source and does not fall under National Statistics*).

Table 6.1 : In-work recipient families: ranges of incomes used to taper awards.*Thousands*

	Range of income used to taper awards							
	Total	Up to £5,220	-----					Over £50,000
			£5,221 to £9,999	£10,000 to £19,999	£20,000 to £29,999	£30,000 to £39,999	£40,000 to £50,000	
Total	4,660.0	617.9	668.9	989.6	972.2	867.5	406.9	136.8
With children								
Receiving WTC and CTC	1,715.3	503.5	532.0	616.9	53.8	7.9	0.9	0.2
Receiving CTC only	2,569.2	-	-	250.5	916.5	859.6	406.0	136.6
Above family element	671.0	-	-	249.7	362.8	52.3	5.6	0.6
Family element	1,762.1	-	-	0.9	553.6	807.3	400.4	-
Below family element	136.0	-	-	-	-	-	-	136.0
Total	4,284.4	503.5	532.0	867.4	970.3	867.5	406.9	136.8
Without children								
Receiving WTC	375.6	114.4	136.9	122.2	1.9	-	-	-
Income reported¹:								
PY income only	2,297.9	329.6	123.0	176.5	534.5	701.6	332.0	100.8
Also CY income	2,362.1	288.3	546.0	813.1	437.7	166.0	74.9	36.1
Total	4,660.0	617.9	668.9	989.6	972.2	867.5	406.9	136.8
Year of income used¹:								
PY income used								
No CY income reported	2,297.9	329.6	123.0	176.5	534.5	701.6	332.0	100.8
CY income up to £25,000 above PY income	1,790.8	224.6	447.1	635.1	315.2	104.4	43.2	21.3
CY income used								
Lower than PY income								
Increasing award value	441.8	42.9	98.2	176.2	78.6	14.8	17.2	13.9
Not affecting award value ²	120.6	20.1	-	-	42.2	45.1	13.1	-
Over £25,000 above PY income								
Reducing award value	6.2	-	0.7	1.8	1.5	0.9	0.4	0.9
Not affecting award value ²	2.7	0.7	-	-	0.2	0.8	1.0	-
Total	4,660.0	617.9	668.9	989.6	972.2	867.5	406.9	136.8

¹ "PY income" is income in 2006-07; "CY income" is estimated income in 2007-08. Where CY income is more than £25,000 above PY income, CY income less £25,000 is used. See the Technical Note.

² Even where CY incomes are below PY incomes, or are more than £25,000 above PY incomes, awards may remain at the maximum, at the family level or tapered to zero.

Table 6.2 Recipient families: awards not reduced through tapering.

	<i>Thousands</i>			
	Total ¹	Out of work	In work	
			Receiving WTC and CTC	Receiving WTC only
Family size				
All families				
No children	114.4	-	-	114.4
One child	818.9	590.0	228.9	-
Two children	579.9	410.0	169.9	-
Three children	263.9	194.1	69.8	-
Four children	99.5	74.9	24.6	-
Five or more children	48.0	37.8	10.2	-
Total	1,924.7	1,306.8	503.5	114.4
Couples				
No children	18.2	-	-	18.2
One child	154.6	102.6	52.0	-
Two children	148.4	90.2	58.2	-
Three children	88.9	53.3	35.6	-
Four children	41.3	25.4	15.9	-
Five or more children	23.8	15.7	8.1	-
Total	475.3	287.4	169.7	18.2
Singles				
No children	96.3	-	-	96.3
One child	664.4	487.4	177.0	-
Two children	431.4	319.7	111.7	-
Three children	175.0	140.8	34.2	-
Four children	58.2	49.5	8.7	-
Five or more children	24.2	22.1	2.1	-
Total	1,449.6	1,019.5	333.8	96.3

¹ For in-work families, those with annual incomes for tapering up to the first income threshold (£5,220). For out of work families, those receiving Income Support, income-based Jobseeker's Allowance or Pension Credit, plus other families with annual incomes for tapering up to the threshold for those entitled to CTC only (£14,155). Ignores any income reduction to benefit entitlement for those receiving their child support via benefits.

Table 8.1 Recipient families; combination and level of payment by region.

	<i>Thousands</i>							
	All recipient families, including with no children	Out of work families	In-work families					Without children receiving WTC
			Total	With children				
				Receiving WTC and CTC	Receiving CTC only	More than family element	Family element	
All families								
United Kingdom²	6,042.5	1,382.5	4,660.0	1,715.3	671.0	1,762.1	136.0	375.6
England	4,988.5	1,146.6	3,841.8	1,413.5	556.6	1,465.3	114.4	292.0
North East	288.6	66.6	222.0	83.3	29.4	79.4	5.3	24.6
North West	750.6	172.8	577.8	228.7	78.5	201.8	15.2	53.6
Yorks & The Humber	554.7	114.7	439.9	171.7	61.9	156.5	10.2	39.6
East Midlands	452.0	85.5	366.4	130.2	55.5	141.2	10.1	29.4
West Midlands	577.5	135.1	442.5	168.4	66.6	162.0	11.1	34.4
East	511.3	101.6	409.8	130.5	63.0	176.8	15.2	24.3
London	680.1	250.9	429.2	191.0	57.2	141.7	12.3	27.0
South East	690.0	135.4	554.6	177.6	81.9	243.2	23.8	28.1
South West	483.8	83.9	399.8	132.0	62.7	162.7	11.3	31.1
Wales	320.7	72.3	248.6	92.6	37.0	89.0	5.6	24.4
Scotland	522.1	109.3	412.7	147.9	52.3	154.9	12.3	45.3
Northern Ireland	194.6	50.2	144.3	57.9	23.1	47.4	3.4	12.5
Foreign and not known	16.5	4.1	12.4	3.3	2.0	5.5	0.2	1.4
Couples								
United Kingdom²	3,582.8	326.6	3,256.1	785.7	568.9	1,657.5	134.5	109.5
England	2,985.6	274.6	2,711.0	664.3	471.1	1,375.6	113.1	86.9
North East	166.6	16.6	150.0	36.9	25.1	75.5	5.3	7.2
North West	432.2	40.9	391.2	103.9	65.9	190.7	15.0	15.7
Yorks & The Humber	340.8	30.9	309.8	84.5	53.9	149.1	10.1	12.2
East Midlands	288.5	22.7	265.8	62.5	48.6	135.0	10.0	9.7
West Midlands	353.7	36.4	317.4	84.6	57.5	153.1	11.0	11.2
East	329.6	24.9	304.8	61.2	54.5	167.4	15.0	6.7
London	318.7	50.7	268.1	89.0	40.5	120.4	12.0	6.2
South East	438.3	30.8	407.5	78.0	69.2	228.8	23.4	8.1
South West	317.1	20.7	296.3	63.7	55.9	155.6	11.2	9.9
Wales	192.4	18.9	173.4	43.5	31.8	84.7	5.5	7.9
Scotland	284.9	21.1	263.8	51.2	43.6	146.6	12.2	10.2
Northern Ireland	110.1	11.0	99.0	25.3	20.6	45.4	3.4	4.3
Foreign and not known	9.8	1.0	8.8	1.4	1.8	5.2	0.2	0.2
Singles								
United Kingdom²	2,459.6	1,055.8	1,403.9	929.6	102.1	104.7	1.5	266.0
England	2,002.9	872.0	1,130.8	749.2	85.5	89.7	1.3	205.1
North East	121.9	50.0	71.9	46.5	4.2	3.9	-	17.3
North West	318.4	131.9	186.3	124.8	12.6	11.1	-	37.8
Yorks & The Humber	213.9	83.8	130.0	87.3	8.0	7.3	-	27.4
East Midlands	163.5	62.9	100.5	67.7	6.9	6.2	-	19.7
West Midlands	223.8	98.7	125.0	83.8	9.1	8.9	-	23.2
East	181.7	76.7	104.9	69.3	8.5	9.4	0.2	17.5
London	361.4	200.2	161.1	102.0	16.7	21.3	0.3	20.8
South East	251.7	104.6	147.1	99.6	12.7	14.5	0.3	20.0
South West	166.6	63.2	103.3	68.3	6.8	7.0	-	21.2
Wales	128.4	53.4	74.9	49.0	5.1	4.3	-	16.5
Scotland	237.2	88.2	148.8	96.7	8.7	8.3	-	35.1
Northern Ireland	84.5	39.1	45.4	32.6	2.6	2.0	-	8.2
Foreign and not known	6.7	3.0	3.7	1.9	0.2	0.4	-	1.2

² Including foreign and not known.

Table 8.2 Recipient families and their children by region.*Thousands*

	All recipient families, including with no children	Recipient families with children					
		Out of work			In work		
		Families	Children	More than family element		Family element or below	
				Families	Children	Families	Children
All families							
United Kingdom¹	6,042.5	1,382.5	2,640.1	2,386.3	4,484.5	1,898.1	2,950.7
England	4,988.5	1,146.6	2,212.5	1,970.1	3,729.0	1,579.8	2,456.1
North East	288.6	66.6	122.0	112.7	202.3	84.6	124.9
North West	750.6	172.8	329.4	307.2	568.3	217.1	328.6
Yorks & The Humber	554.7	114.7	222.3	233.6	443.6	166.7	253.1
East Midlands	452.0	85.5	163.6	185.7	349.9	151.3	234.3
West Midlands	577.5	135.1	267.0	234.9	455.2	173.0	265.3
East	511.3	101.6	194.4	193.5	370.4	192.0	306.8
London	680.1	250.9	498.7	248.2	475.9	154.0	238.7
South East	690.0	135.4	256.4	259.5	495.3	267.0	428.4
South West	483.8	83.9	158.6	194.7	368.2	174.0	276.0
Wales	320.7	72.3	134.9	129.6	238.6	94.6	144.0
Scotland	522.1	109.3	190.5	200.3	349.9	167.2	257.4
Northern Ireland	194.6	50.2	94.7	81.1	156.7	50.8	83.7
Foreign and not known	16.5	4.1	7.5	5.3	10.2	5.8	9.5
Couples							
United Kingdom¹	3,582.8	326.6	707.6	1,354.6	2,871.1	1,792.0	2,822.1
England	2,985.6	274.6	601.0	1,135.4	2,414.0	1,488.8	2,345.9
North East	166.6	16.6	34.8	62.0	125.4	80.8	120.3
North West	432.2	40.9	89.5	169.8	355.7	205.7	315.2
Yorks & The Humber	340.8	30.9	67.3	138.4	293.5	159.3	244.1
East Midlands	288.5	22.7	48.3	111.1	231.7	145.0	226.8
West Midlands	353.7	36.4	82.8	142.1	308.7	164.0	254.7
East	329.6	24.9	54.0	115.7	247.3	182.4	294.6
London	318.7	50.7	114.7	129.5	282.8	132.4	212.8
South East	438.3	30.8	65.5	147.2	317.0	252.2	410.3
South West	317.1	20.7	44.1	119.7	252.0	166.9	267.2
Wales	192.4	18.9	39.7	75.4	154.8	90.2	138.7
Scotland	284.9	21.1	42.1	94.8	193.0	158.8	247.2
Northern Ireland	110.1	11.0	22.7	45.9	102.1	48.9	81.2
Foreign and not known	9.8	1.0	2.0	3.2	7.2	5.4	9.1
Singles							
United Kingdom¹	2,459.6	1,055.8	1,932.5	1,031.7	1,613.4	106.1	128.6
England	2,002.9	872.0	1,611.5	834.8	1,315.0	91.0	110.2
North West	121.9	50.0	87.2	50.7	77.0	3.9	4.6
North West	318.4	131.9	239.8	137.4	212.7	11.3	13.4
Yorks & The Humber	213.9	83.8	155.0	95.2	150.1	7.4	9.1
East Midlands	163.5	62.9	115.3	74.6	118.2	6.3	7.4
West Midlands	223.8	98.7	184.3	92.9	146.5	9.0	10.6
East	181.7	76.7	140.4	77.8	123.1	9.6	12.2
London	361.4	200.2	384.0	118.8	193.2	21.6	25.9
South East	251.7	104.6	191.0	112.3	178.2	14.8	18.1
South West	166.6	63.2	114.6	75.1	116.2	7.1	8.8
Wales	128.4	53.4	95.2	54.2	83.8	4.4	5.3
Scotland	237.2	88.2	148.4	105.5	157.0	8.4	10.2
Northern Ireland	84.5	39.1	71.9	35.2	54.6	2.0	2.5
Foreign and not known	6.7	3.0	5.4	2.1	3.0	0.4	0.4

¹ Including foreign and not known.

Table 8.3 In-work recipient families; beneficiaries of the childcare, disabled child and disabled worker elements by region.

	<i>Thousands</i>						
	Benefiting from childcare element ¹				Benefiting from disabled child element ¹	Benefiting from disabled worker element	
	Total	Couples	Singles	Average help with childcare costs ³ (£ per week)		With children ¹	Without children ²
United Kingdom⁴	448.8	161.7	287.1	£65.30	121.8	48.0	67.1
England	372.2	135.4	236.7	£65.52	98.6	36.8	50.4
North East	19.7	7.1	12.7	£63.13	6.2	2.9	4.7
North West	69.2	25.9	43.2	£63.02	14.8	7.3	10.1
Yorks & The Humber	43.7	16.9	26.8	£60.67	11.4	4.2	6.2
East Midlands	35.6	14.7	20.9	£62.93	9.5	3.7	4.4
West Midlands	44.2	16.8	27.4	£61.88	12.3	4.3	5.4
East	30.4	11.4	19.0	£64.00	11.1	3.2	4.3
London	48.6	9.8	38.8	£89.31	9.2	3.6	3.8
South East	46.1	16.9	29.1	£63.47	14.2	3.8	5.4
South West	34.8	15.9	18.9	£56.03	9.8	3.7	6.2
Wales	20.0	8.5	11.5	£60.50	6.9	3.8	4.8
Scotland	42.4	12.7	29.7	£62.86	10.8	4.8	9.1
Northern Ireland	13.3	4.7	8.6	£73.88	5.3	2.5	2.4
Foreign and not known	0.9	0.4	0.5	£68.13	0.2	-	0.2

¹ Families with the relevant element and with CTC awards above the family element.

² Families with the disabled worker element and with positive WTC awards.

³ The difference between the award and the notional award excluding the childcare element.

⁴ Including foreign and not known.

Technical note: Entitlement and level of receipt

Current entitlement

There is a single claim form covering both Child and Working Tax Credits, and entitlement is calculated jointly. Awards run to the end of the tax year, and are based on the element values, thresholds, etc shown at Appendix B.

An annual award is calculated by summing the various elements to which the family is entitled. Unless the family is receiving Income Support, income-based Jobseeker's Allowance or Pension Credit, this sum is reduced if the family's annual income (see below) exceeds the relevant first income threshold. The reduction is 37 per cent of the excess over the threshold. Awards of CTC are not, however, reduced below the level of the family element unless the annual income exceeds the second threshold of £50,000. Once the income exceeds the second threshold the award is further reduced by £1 for every £15 of income over the threshold.

Annual income and tapering of awards

For 2007-08 awards, the initial calculation of a family's entitlement is based on its relevant income in 2006-07, which is reported for the final calculation of the 2006-07¹ award or on the claim form. Relevant income comprises gross annual taxable income from social security benefits (except pensions) and from employment or self employment, less pension contributions; plus annual income from savings, property, state and private pensions and other sources (but excluding maintenance) in excess of £300. For claims by couples, entitlement is based on their joint annual income.

Final entitlement for 2007-08 is based on 2007-08 income if that is lower than the income in 2006-07, or exceeds it by more than £25,000. However, the first £25,000 of a rise in income in 2007-08 (compared with 2006-07) is disregarded in calculating the tax credit due for that year. The family can report an estimate of its income in 2007-08 at any time, and the award will be recalculated using this income. After the end of the year the award is finalised when the 2007-08 income is known.

Changes of circumstances

A family's circumstances (number of children, hours worked, childcare costs, disabilities etc) can change within the year. To calculate the annual award, the year is then split into the periods between which the family's circumstances changed. Entitlement is calculated for each period, based on the annual values shown in Appendix B but scaled down to the number of days in the period. The rate of entitlement attributed to each case for this publication is that for the period spanning the reference date.

Backdating

Initial claims can be backdated by up to three months. Changes of circumstance that can potentially increase the value of awards are backdated to when they occurred, or to a date three months before they were reported, whichever is later. Changes that can potentially reduce the value of awards are backdated to when they occurred. However, none of these backdated changes affect the figures in these tables, which are for the reference date and based on information taken into account by the reference date.

Receipt of CTC and WTC awards, and level of CTC

The rate of receipt attributed to each sample family for these tables is the entitlement modelled using the information on circumstances and income taken into account by the reference date.

This may not equal the actual amount being received. This can be reduced to eliminate or minimise prospective overpayments for the year, or to recover previous years' overpayments (overpayments can arise when backdated changes of circumstances that reduce awards, or higher incomes, are reported).

Families without children can only receive WTC. Out-of-work families with children can only receive CTC. The maximum award (before tapering) of in-work families with children includes both WTC and CTC. The tapering is deemed to reduce WTC first, so families for which the reduction through tapering exceeds the modelled level of WTC are shown as receiving CTC only.

Payees in couples; and frequency of payment.

For couples, CTC (plus any WTC up to the level of the childcare element) is paid to the main carer of the children, as nominated in the claim. WTC (in excess of any childcare element) is paid to the adult working for at least 16 hours per week. If both work for at least 16 hours per week then the couple can nominate the payee.

Families are asked to choose between weekly and four-weekly payment of CTC and WTC (separately). However, if the WTC payee is an employee then WTC is normally paid via the employer (except for a six week lead in period, during which payment is every two weeks).

Main worker

This is defined as the adult working the most hours.

Civil partnerships

Couples in civil partnerships can claim tax credits as couples. Such couples are included as normal in the tables showing families according to the gender of the main earner, or of the recipient of CTC.

Appendix A: Sampling method and sampling error

The tables are based on a random sample of families receiving CTC or WTC 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 recipient families				
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%
proposed from A _i	± 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: CTC and WTC elements and thresholds

	Annual rate (£), except where specified				
	2003-04	2004-05	2005-06	2006-07	2007-08
Child Tax Credit					
Family element	545	545	545	545	545
Family element, baby addition ¹	545	545	545	545	545
Child element ²	1,445	1,625	1,690	1,765	1,845
Disabled child additional element ³	2,215	2,215	2,285	2,350	2,440
Severely disabled child additional element ⁴	865	890	920	945	980
Working Tax Credit					
Basic element	1,525	1,570	1,620	1,665	1,730
Couples and lone parent element	1,500	1,545	1,595	1,640	1,700
30 hour element ⁵	620	640	660	680	705
Disabled worker element	2,040	2,100	2,165	2,225	2,310
Severely disabled adult element	865	890	920	945	980
50+ return to work payment ⁶					
16 but less than 30 hours per week	1,045	1,075	1,110	1,140	1,185
at least 30 hours per week	1,565	1,610	1,660	1,705	1,770
Childcare element					
Maximum eligible costs allowed (£ per week)					
Eligible costs incurred for 1 child	135	135	175	175	175
Eligible costs incurred for 2+ children	200	200	300	300	300
Percentage of eligible costs covered	70%	70%	70%	80%	80%
Common features					
First income threshold ⁷	5,060	5,060	5,220	5,220	5,220
First withdrawal rate	37%	37%	37%	37%	37%
Second income threshold ⁸	50,000	50,000	50,000	50,000	50,000
Second withdrawal rate	1 in 15	1 in 15	1 in 15	1 in 15	1 in 15
First income threshold for those entitled to Child Tax Credit only ⁹	13,230	13,480	13,910	14,155	14,495
Income increase disregard	2,500	2,500	2,500	25,000	25,000
Minimum award payable	26	26	26	26	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 20 (under 19 to 2005-06) 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.

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.