The Single Mum's Guide to Making Money

Introduction

Every month, there are thousands of searches on

www.motherswhowork.co.uk - the resource for mums who are SERIOUS about making money - for ways that single parents can make money.

And it's unsurprising when you think about how manay families are headed by mums - i.e. families where there is one lone parent.

According to figures from the Office ofmNational Statistics in 2010, a quarter of all youngsters live in one-parent families – treble the the number in 1972.

The biggest percentage of lone-parent households is among black ethnic groups, where almost half have no father living in the home. Forty-eight per cent of black Caribbean families have one parent, as do 36 per cent of black African households.

Single-parent families are less common among Indians (ten per cent), Bangladeshis (12 per cent), Pakistanis (13 per cent), Chinese (15 per cent) and whites (22 per cent).

Nine out of ten single-parent families are headed by mothers.

Whatever the statistics tell us, common sense tells us that single mums are doing a two-person job and need a way to earn money. That is the purpose of this guide.

When you have finished reading, head to www.motherswhowork.co.uk, where you'll find even more resources to show you how you can make money while raising your children.

Making Money

Becoming a single parent (or lone parent, as the government calls it) can bring about mixed feelings - relief for some and panic for others, especially when the realisation that you are now in full and sole control of your finances and that of your children come into play.

Often the confusion starts from how are you going to cope, and then what about work - will you quit and become a full-time mum, will you reduce your hours so you can spend more time with your children and get some financial assistance through state benefits, or will you continue or start working full-time because you need the money?

Whatever you decide, there will still be bills to pay and a family to feed, so you will still need to earn money. So what are the options?

Option 1: high flying working mum
Stay working for your employer

For some mothers, working full-time or reducing hours at work is the only option they want to consider. If this sounds like the best option for you, you'll be joining the 50% of mums who have children aged one to five years who work.

Having a steady income (although no job is for life these days!) works well, and you can basically continue as you were before - with a few adjustments here and there to accomodate your childcare needs.

Option 2: love my career, just not my job

Go freelance

If you work in an industry that enables you to freelance your skills, and you have built enough contacts to get you started, this is a fantastic way to break free from the chains of an inflexible employer, and the daily grind of juggling work and childcare.

It also let's you choose how you work, when you work and for whom, so it can be a good option for single parents.

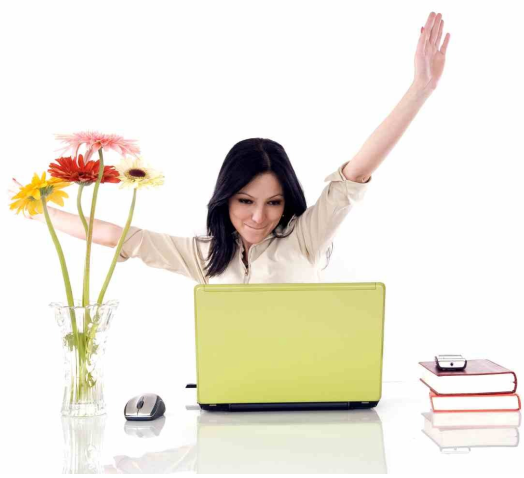
To kick off your freelance career, start with who you know - present and former employers will always like to keep in touch with good employees, and it's not uncommon for them to come to an agreement with former employees to use them on a freelance basis when they leave.

Don't forget to start making contacts on websites like LinkedIn, so that by the time you are ready to start working as a freelance you'll have the contacts right at your fingertips. Use social media to get a feel of what is going on in the industry you want to work in, see what services companies are looking for - so you can supply them if possible - and to ask advice from people who are experts in the field.

Option 3: ready to work my way, for myself

Start a business

I've lost count of the number of mums who start penning their business either during pregnancy or while on maternity leave. Just read the inspirational stories on www.motherswhowork.co.uk and you will see that lack of products and services that are available at the right l,ace and at the right time for mums can spawn some of the best and most lucrative business ideas for mums.



If this sounds like what you want to do but don't know quite how to get started or you need some guidance, join The Mothers Who Work Club today and you'll gain access to video and audio tutorials, downloadable guides and more to get you started. Take the plunge and join the business mums who contribute £4 billion to the UK economy every year,making an average £26,000-plus a year on their terms!

Being a lone parent has the benefit of giving you access to a lot of free services - especially when you don't work. If you are on benefits, speak to your Lone Parent Advisor at your local Job Centre, who will be able to put you on business start-up courses available in your borough, as well as let you know about any funding that's available from your local council to help you start your business.

Option 4: a lifestyle change that still earns money

Join a business opportunity you can run as your own

We all know an Avon lady, or someone selling some type of products for a company. But did you know that network marketing (or multi-level marketing) is not actually just about sales?

There is a recruitment side to it, too, and if you have a friends and family who are also looking for a way to earn an extra income, then you really should consider a network marketing business because it is one of the most flexible ways of working available.

Working in network marketing is a great way to gain the skills and experience you may never gain in employment until you are at senior level. So, if you do not recruit people currently, you will get to do this when you sponsor other people into the business opportunity. If you do not manage any financial responsibility, you will get to d this.

Those are just examples, but imagine what benefits they will have on your CV if you choose to apply for a more senior job further down the line?

If you are interested in joining a business like this, visit www.motherswhowork.co.uk/ownyourlife.

Option 5: business minded, but no business idea

Buy a franchise

If you like the idea of running your own business but don't have a business idea of your own, you could consider buying a franchise.

Franchises cover just about every sector available - from childcare to pizza, so the options are many.

Just make sure you do your research into the business you are buying into, and ensure that there is a good training and support package available for when you need it.

The cost can be anything from a few hundred punds to tens of thousands of pounds. And spending mre does not mean you get a better business, either. It really depends o. The franchise opportunity, whether it is really something of interest to you, and if there is enough support, marketing and promotion from the parent company, the franchisor.

Option 6: not working is not an option!

Be a full-time mum

At the risk of starting a stay-at-home mum versus working mums war, at www.motherswhowork.co.uk, we believe that every mother should work in some form - the challenge is finding the best option for you and your family's needs.

Long gone are the days when mums could use their children as an excuse to stay on benefits - the economy is no longer what it used to be, so the government is soon going to make it compulsory for all mums with children aged five years to be in work or full-time education. So, if you intend to stay on benefits, the clock is ticking...start doing something now for your future before the decision is taken out of your hands.

The other downside is that when your children reach school age, if you have been out of work for all those years, starting back into the world of work can be a momentous task, and it's as if you have to learn to walk all over again.

At the very least you can join a network marketing opportunity and earn some income at your own pace. It will get you out of the house, and keep your mind free from just thinking about nappies and wipes all day. Plus, when you are ready to earn more, you will be able to increase he hours that you put in according to your needs. And you will gain a tremendous amount of confidence from it, not to mention transferable skills for setting up your own business. You owe it to yourself.

Working and your benefits

When you return to work after being on benefits, some of your benefits will carry on for a short while to help you ease off state benefits, but the ultimate goal is for you to become self-sufficient and better off.

Help with housing costs

If you were getting help with your housing costs before returning to work, you may carry on getting this. This is if you have claimed one of the following benefits for at least 26 weeks continuously before starting work:

- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- Income Support

You may then continue to get the following benefits for up to four weeks:

- Extended Payment of Housing Benefit
- Extended Payment of Council Tax Benefit

- Mortgage Interest Run On
- Extended Payment of Housing Benefit
- Extended Payment of Council Tax Benefit
- Mortgage Interest Run On

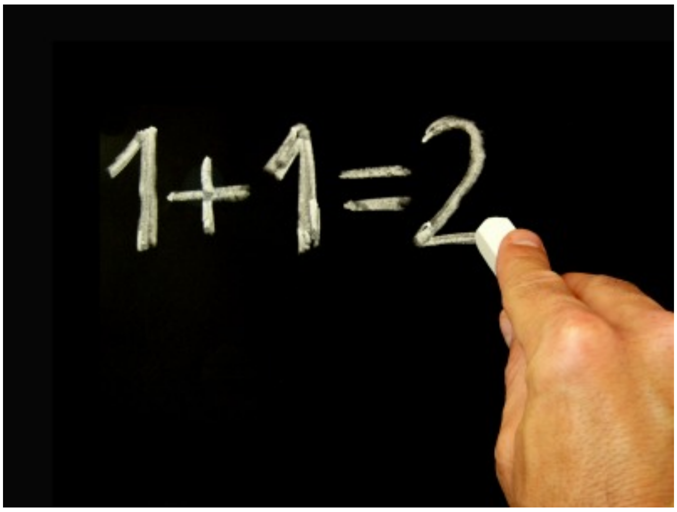
You may continue to get Housing Benefit and Council Tax Benefit after this time if:

- you're on a low wage
- your housing costs are below a certain level

Council Tax Benefith

If you are a homeowner and have to reclaim benefit you might not have to wait until you get help again with your mortgage costs. Contact your local JobCentre to find out more about claiming Council Tax Benefit.

Tax credits



Tax credits are payments that you receive regularly that you receive regularly -despite the name, it isn't a credit against your tax bill.

Nine out of 10 families with children qualify for tax credits, but you don't need to have children to claim tax credits. You may also qualify if you are working and on a low income.

Tax credits may also be able to help with the costs of your childcare.

To qualify for help with childcare costs through tax credits, you'll need to:

- work for at least 16 hours per week
- have worked more than 16 hours per week before going on adoption, maternity, paternity or sick leave

The childcare element of Tax Credits can pay for up to 80% of the cost of your childcare, and you'll be eligible for this if your household income is less than £40,000. The childcare element can pay for usual childcare costs lie nursery fees and childminder payments, and also school breakfast and after-school clubs, holiday clubs etc.

In Work Credit

In Work Credit is a fixed, tax-free payment of £40 per week (£60 per week if you live in London) for parents bringing up children alone. You need to claim it before you start work.

It is paid for up to 52 weeks on top of your earnings, when you start working at least 16 hours a week.

You may get In Work Credit if you:

- are bringing up children on your own
- have at least one child living with you who is under the age of 16
- are starting work of at least 16 hours a week
- expect that work to last five weeks or more

You must also have been claiming one or a combination of the following benefits for at least 52 weeks (although short breaks of no more than five days are allowed):

- Income Support
- Jobseeker’s Allowance
- Employment and Support Allowance - if you lost entitlement to Income Support due to the age of your youngest child and were not able to claim Jobseeker's Allowance because you were ill

Job Grant

A Job Grant is a tax-free lump sum. You may be eligible for a Job Grant if you have been claiming one of the following benefits:

- Employment and Support Allowance
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Severe Disablement Allowance

You will need to have been claiming benefit continuously for more than six months and starting working for more than 16 hours per week.

You'll automatically get Job Grant if you're eligible. You just need to make sure you tell your Jobcentre Plus Office that you're starting work, and you'll be paid in the same way as you were paid your benefit.

Return to Work Credit

Return to Work Credit is a tax-free payment of £40 per week for people that have, or have had, a health condition or disability.

Return to Work Credits can be paid for up to 52 weeks as long as:

- your job is expected to last at least five weeks
- you are working on average over 16 hours a week
- you are earning no more than £15,000, before tax, per year
- you are earning at least the National Minimum Wage
- you have been getting an incapacity benefit for 13 continuous weeks or more
- you have started work or will be starting work within the five-week period immediately after being entitled to a qualifying benefit

You might not qualify for Return to Work Credits if you claim either of the following benefits in the five weeks before starting work:

- Jobseeker's Allowance
- Income Support as a lone parent
- Please contact your adviser or Jobcentre Plus for more details.
- How to contact Jobcentre Plus (employment section)
- Help with travel expenses when attending job interviews
- Help with travel costs incurred while attending job interviews is available through a limited fund which Jobcentre Plus advisers can access. The fund is discretionary and no one has an automatic right to help.

Speak to your Jobcentre Plus adviser for more information about help available in your area.

Claiming benefits when you go back to work

There is a service - called 'In and Out of Work' – that makes it easier for you when you move in and out of work. If you have been getting one of the following benefits and you get a job, you only need to tell Jobcentre Plus:

- Income Support
- Jobseeker's Allowance

Your JobCentre will then let your local council and tax credit office know. Your local council will work out what Housing Benefit and Council Tax Benefit you may get. The tax credit office will work out what Child Tax Credit and Working Tax Credit you may get.

If your circumstances change when you are working, like working overtime, you must let your local council and tax credit office know. This is because your benefits could also change.