

How do we work out second adult reduction?

Second adults are people like your adult sons and daughters or other relatives who live with you. Your friends also count as second adults but your partner does not. We add up the income of all the second adults in your household to work out how much second adult reduction you are entitled to. If these people are working, we count the pay they get before things like tax and national insurance are taken off. We also count social security benefits and any other income they get. But we do not count their income if they get Income Support or income-based Jobseeker's Allowance. We also do not count Disability Living Allowance Personal Independence Payment or Attendance Allowance if these benefits are part of their income. You may get a discount off your council tax because of the circumstances of any second adults, for example, if they are apprentices or students. If you do, we do not count their income, (but the rules are different if the second adult has a partner.)

How much second adult reduction can we pay you?

The amount of second adult reduction you are entitled to depends on the circumstances of the second adults.

- If all the second adults get Pension Credit, Income Support, income based Jobseeker's Allowance or income based Employment Support Allowance, you will get 25% off your council tax.
- If the second adults' income is less than £186 a week, you will get 15% off your council tax.
- If the second adults' income is between £186 and £241.99 a week, you will get 7.5% off your council tax.
- If the second adults' income is £242 or more a week, you cannot get second adult reduction.

These income levels are set by the Government and normally change every year.

From 1 April 2008 If you are a full time student and the second adult gets Pension Credit, Income support, income based Jobseeker's Allowance or income based Employment Support Allowance, you will receive the alternative maximum council tax reduction which will be 100% of your actual Council Tax liability.

How do we pay housing benefit and council tax reduction?

If you rent your home from a private landlord, we normally pay your housing benefit by cheque monthly. We can pay your housing benefit to you or your landlord. The cheque can only be paid into the account of the person whose name is written on the cheque. If you live in a council house, we pay your housing benefit into your rent account to help pay off what you owe. We pay your council tax reduction into your council tax account to help pay off what you owe.

Claiming housing benefit & council tax reduction

You can get this form from the Benefits Section. We normally pay housing benefit and council tax reduction from the Monday after we receive your claim. So you must claim as soon as you think you might be entitled to benefit/reduction.

Telling us about changes in your circumstances

When you have claimed housing benefit and council tax reduction, you must tell us straight away if your circumstances change. For example, you must tell us if:

- your income goes up or down;
- someone moves into or out of your home; or
- the circumstances of anyone who lives with you change.

Help and advice

If you need any help or more advice about claiming housing benefit and council tax reduction, please get in touch with us.

Our other leaflets about housing benefit and council tax reduction are:

- 2 The rent we use to work out your housing benefit
- 3 What to do if you think your housing benefit/council tax reduction decision is wrong
- 4 Backdating housing benefit/council tax reduction
- 5 Non-dependants

Local Housing Allowance - A guide for tenants

Local Housing Allowance - A guide for landlords

Benefits for older people

Here are the ways you can get in touch with us

Opening hours:

We are open from Monday to Friday 8am to 6pm.

By letter:

Benefits Section, Corporate and Community Services Department, Barrhead Council Offices, 211 Main Street, Barrhead, East Renfrewshire G78 1SY.

By phone or fax:

Phone: 0141 577 3002

Fax: 0141 577 3255

In person:

Visit Customer Service Officers at Barrhead Council Offices, Main Street, Barrhead and at Council Headquarters, Eastwood Park, Rouken Glen Road, Giffnock, G46 6UG (no appointment necessary).

E-mail:

benefits@eastrenfrewshire.gov.uk
(For general enquiries only.)

Website:

www.eastrenfrewshire.gov.uk/benefits

Income Maximisation:

Income Maximisation staff can carry out a free benefits health check to ensure you are receiving the correct benefits. Staff will assist you with completing forms.

Phone: 0141 577 3071

Email: benefithealthcheck@eastrenfrewshire.gov.uk
and quote benefits health check.

Money Advice:

The Money Advice Team offers free, confidential, professional and practical advice on money matters. You can visit them at the Council Offices, 211 Main Street, Barrhead or call free on 0800 052 1023 or email money@eastrenfrewshire.gov.uk or text "money and your name" to Freetext 80800

This leaflet can be provided in other languages and is available in alternative formats such as large print or Braille.

Please contact Customer First on 0141 577 3001.

इस सूचना-पत्र में उल्लेखित सूचना यदि आप हिन्दी अनुवाद में चाहें तो कृपया सम्पर्क करें।

如果您想得到该资料所含信息的译文，请联系：

ਜੇ ਤੁਸੀਂ ਇਸ ਲੀਫਲੈਟ ਵਿਚ ਦਿੱਤੀ ਜਾਣਕਾਰੀ ਦਾ ਅਨੁਵਾਦ ਚਾਹੁੰਦੇ ਹੋ ਇਥੇ ਸੰਪਰਕ ਕਰੋ।

اگر آپ اس لیفلیٹ میں درج معلومات کا ترجمہ اپنی زبان میں چاہتے ہیں تو ہم سے رابطہ کریں

Housing Benefit and Council Tax Reduction



How we work out your housing benefit and council tax reduction



6th edition valid from April 2015

www.eastrenfrewshire.gov.uk/benefits

What is housing benefit?

Housing benefit is a social security benefit to help people on a low income pay their rent. Anyone who has to pay rent for their home can claim housing benefit.

How much of your rent can we use to work out your housing benefit?

If you rent your home from either the council or a housing association we will use the rent your landlord charges you. From April 2013, if you live in a council or housing association home and you have one or more "spare" bedrooms your housing benefit may be reduced. This could affect you:

- if you are 16 up until state retirement age
- even if you only get a small amount of housing benefit for example if you are working
- even if you are sick or disabled

If you use extra services for things like personal care or a garage we cannot include these things in the rent we use to work out your housing benefit. For more information please look for our welfare reform leaflet or go to www.eastrenfrewshire.gov.uk/housingbenefit. Everybody who rents accommodation from a private landlord and claims on or after 7 April 2008 will have their housing benefit worked out using local housing allowance. **If you are already receiving housing benefit, the rules will not change until you change your address or have a break in your claim for one week or more.**

Local Housing Allowance does not affect you if:

- your home is rented from East Renfrewshire Council
- your home is rented from a Registered Social Landlord
- you live in a caravan, mobile home or houseboat
- you live in some supported accommodation
- your tenancy started before 2 January 1989
- the rent officer has decided that a large part of the rent you pay is for board and attendance.

If you are in one of the above groups your housing benefit will continue to be worked out under the existing rules and we will ask the rent service to decide how much rent we can use to work out your housing benefit.

What is council tax reduction?

As a result of the UK Government's Welfare Reform Act, council tax benefit ended on 31st March 2013 and has been replaced by council tax reduction. Council tax reduction is assistance to pay your council tax bill and is administered by the Council.

You can apply for council tax reduction whether you own your own home, rent, are unemployed or are working.

To qualify for council tax reduction, you must:

- Be on a low income whether from DWP benefits or low paid work.
- Be the person responsible for paying the council tax bill.
- you (and your partner) must not have £16,000 or more in savings or capital, unless you are receiving Pension Credit (Guarantee Credit).

What information do we use to work out your housing benefit/council tax reduction?

When we work out your housing benefit and council tax reduction we take account of the following details.

- How much money you have coming in each week.
- How much you have in savings and investments.
- Who lives in your household.
- The circumstances of any other adults who live with you.

The income we use to work out your housing benefit/council tax reduction

If you get Guarantee Credit, Income Support, income-based Employment Support Allowance or income-based Jobseeker's Allowance, we do not count the amount of income you get. If you do not get Guarantee Credit, Income Support, income-based Employment Support Allowance or income-based Jobseeker's Allowance, we have to work out how much of your income we will count when we work out your benefit or reduction. If you, or your partner, are working, we count your pay but we take off any income tax and national insurance you pay. We also take off half of any money you pay into a pension scheme. If you work, we then take a set amount off your earnings depending on your circumstances. For example, if you are single, we take another £5 off and if you are a single parent, we take £25 off.

We count most other kinds of income but we do not count certain benefits, for example, Disability Living Allowance/Personal Independence Payment. We also have to work out how much you have in savings and investments. This includes things like shares, National Savings certificates and any other properties you own. If you and your partner are of working age we do not count the first £6,000 of your savings and investments.

For every £250, or part of, you have over £6,000, we add £1 a week to your income. For example, if your savings and investments

are £7,150, we add £5 to your weekly income. If your savings and investments are £16,000 or more, you cannot get benefit.

If you, or your partner, are of pensionable age* we do not count the first £10,000 of your savings and investments. For every £500, or part of, you have over £10,000, we add £1 a week to your income.

* From 6 April 2010, pensionable age for women changed in line with the equalisation of State Pension and is dependant on the year you were born.

For more information on pension and retirement planning go to: www.direct.gov.uk/en/Pensionsandretirementplanning

Your 'applicable amount'

This is the amount the Government says you need to live on each week.

Your applicable amount is made up of three parts.

- An amount for you and your partner, if you have one.
- An amount for any dependent children in your family.
- An amount called a 'premium' to help with special needs, for example, if you have children or if someone in your family is elderly or disabled.

These amounts are set by the Government and normally change every year.

Non-dependants

A non-dependant is someone aged 18 or over who lives with you as part of your family but is not your partner. Examples of non-dependants are adult sons and daughters, elderly relatives or friends. Normally, we take a certain amount off your weekly housing benefit or council tax reduction for each non-dependant who lives with you. This amount is called a non-dependant deduction. The amount we take off your benefit depends on the circumstances of the non-dependant and how much income they get. The Government sets non-dependant deductions and normally changes them every year.

Our leaflet 5, 'Non-dependants', gives you more information about non-dependants and how they affect your benefit.

How do we work out how much we can pay you?

If you get Guarantee Credit, Income Support, income-based Employment Support Allowance or income-based Jobseeker's Allowance, we will pay you 'full benefit or reduction'. This is the highest amount of housing benefit or council tax reduction

you can get. But, this does not always mean we will pay your rent or council tax in full. For example, if you rent your home from a private landlord, the housing benefit we give you can often be less than the rent you are charged. If it is, you will have to pay the difference from your own income. We also take any non-dependant deductions off your benefit or reduction.

If you do not get Guarantee Credit, Income Support, income-based Employment Support Allowance or income-based Jobseeker's Allowance, we have to work out how much benefit or reduction we can pay. We do this by comparing the amount the Government says you need to live on each week (your **applicable amount**) with your income. If your income is less than your applicable amount, you will get full benefit reduction. If your income is more than your applicable amount, we have to take some of the difference off your benefit or reduction. To work out housing benefit, for every £1 of income you have over your applicable amount, we take 65 pence off your housing benefit. To work out council tax reduction, for every £1 of income you have over your applicable amount, we take 20 pence off your reduction. We also take any non-dependant deductions off your benefit. The Government says that if your housing benefit is less than 50 pence a week, we cannot pay you anything. For council tax reduction, we will pay you any amount you are entitled to.

Here is an example of how we work out housing benefit.

The rent we use to work out your benefit is:	£135
Your income each week is:	£240
Your applicable amount is:	£157.45
The difference between your income and your applicable amount is:	£82.55
The amount we take off because your income is more than your applicable amount is:	£53.66 (£82.55 x £0.65)
The amount we take off for your non-dependant is:	£14.55
The total we take off is: (£53.66 + £14.55)	£68.21
Your weekly housing benefit is:	£66.79 (£135 less £68.21)

If your housing benefit is less than the rent you have to pay, you may be entitled to Discretionary Housing Payments. But, we can only pay you Discretionary Housing Payments if you are suffering hardship and your circumstances are unusual.