

Your guide to Housing Benefit and Council Tax Reduction



Claim what's yours

Your questions answered

April **2025**

Benefit Cheats are burning your money.

Benefit fraud costs local authorities time and money, costs that end up being passed on to your Council Tax bill. Help us ensure that benefits reach those who are entitled to them.

To report someone you believe may be committing benefit fraud, please visit WWW.GOV.UK/report-benefit-fraud

Any information given will be treated in confidence



Contents

Assessing your income

How will my income be assessed?	5
Earned income.....	5
Unearned income	5
Capital income	6
Boarder income.....	6
Income Support/Pension Credit Guarantee/Job Seekers Allowance (Income Based)/ Employment and Support Allowance (Income Related)	6
Pension Credit - savings element	7
How does the Council decide how much I need to live on?	7
How is my applicable amount calculated?	7
Personal allowances.....	7
Dependants allowances.....	8

Premiums

Disabled Child premium	8
Family premium	8
Carer premium.....	8
Main phase Employment and Support Allowance premium.....	8
Disability premium	9
Severe Disability premium	9
Enhanced Disability premium	10

Calculating your benefit entitlements

Comparing your assessable income to your applicable amount.....	10
How is Housing Benefit calculated?	11
How is Council Tax Reduction calculated?	11
What is a non-dependant?	12
Non-dependant deductions	12-13
Second Adult Rebate (alternative maximum Council Tax Reduction).....	13
Non dependant easement	14

Start date of your entitlement

When will my entitlement to benefit start?	14
Can I claim from an earlier date?	14

Final calculations

How much Housing Benefit will I receive and how will it be paid?	15
How will my Council Tax Reduction be paid?	15

Challenging and changing your assessment

What happens if my circumstances change?	16
What should I do if I think my Housing Benefit and Council Tax Reduction are incorrect?	16
What if I disagree with my award?	17
What if I still can't afford to pay my rent?	17
What if I still can't afford to pay my Council Tax?	17
Universal Credit	18
How to claim Universal Credit.....	18
How is the Council Tax Reduction Income banded scheme calculated	19

Introduction

If you are a tenant, you are liable to pay rent for the home you live in and are most probably also liable for the payment of council tax. Similarly, if you own your home, you will probably be liable for the payment of the council tax. The housing benefit/council tax reduction schemes are intended to help you meet those commitments if you are on a low income or in receipt of social security benefits.

For people who have reached pension age the way we calculate Housing Benefit and Council Tax Reduction is set out by the Government.

For working-age people we use the Government's rules to calculate Housing Benefit, the same as we do for people who have reached pension age. However, Council Tax Reduction is calculated using the Council's Council Tax Reduction banded scheme. This means that if your income changes within a band the amount of support you receive won't change.

Tenants who pay rent and Council Tax and complete our online benefit application form will be considered for BOTH Housing Benefit and Council Tax Reduction unless they receive housing costs within their Universal Credit award.

If you receive housing costs within your Universal Credit award, you can apply for help with your Council Tax payments, but not your rent.

It is hoped that the information contained in this leaflet will answer many of your questions about housing benefit and council tax reduction and guide you through the complicated letters we have to send to you on assessing your claim or any change of circumstances.

If you would like any more information and advice about the housing benefit and council tax reduction schemes or wish to discuss your application, please contact our Customer Services team in one of the following ways:

- Telephone: 01827 709540
- Email: benefits@tamworth.gov.uk
- In person at our Customer Service reception at Marmion House, Lichfield Street, Tamworth, B79 7BZ. Opening hours are Monday, Wednesday and Friday, 10.00am - 2.00pm and Tuesday and Thursday 2.00pm - 6.00pm.

To make a claim please visit our website at www.tamworth.gov.uk/benefits/benefit-forms and choose the link to the Housing Benefit / Council Tax Reduction online claim

Pages 5 to 17 detail the information we use to calculate Housing Benefit and Council Tax Reduction for pension age claimants. For working age claimants, please go to page 18 of this booklet for details of how we calculate Council Tax Reduction.

How will my income be assessed?

Your assessable income will be the total net income from ALL relevant sources, including any bank accounts, savings etc. (see our paragraph on capital income).

Earned income

Your net income is calculated by deducting your tax and national insurance contributions and half of any contributions made to a pension fund/scheme from your gross pay. The council will then disregard a set amount according to your circumstances as follows:

Amount disregarded	Circumstances
£300	If you have children who are looked after by a registered childminder you may be entitled to an additional disregard to your earnings. The maximum disregard of £300 is applicable if you have at least two dependant children, aged under 16 before the first Monday in September.
£175	If you have at least one dependant child who is looked after by a registered childminder, the maximum disregard is £175.
£25	If the claimant is a lone parent.
£20	If the claimant is entitled to any of the following: Enhanced Disability Premium, Disability Premium, Carer Premium. If the claimant and/or partner is employed in certain occupations e.g. auxiliary coastguard.
Otherwise	
£10	Couple
£5	Single claimant

Unearned income

This is the combined total of all other income such as tax credits, pension credits and employees' pensions which are calculated on net, i.e. after tax has been deducted. Certain benefits are totally disregarded such as Disability Living Allowance, Personal Independence Payment (PIP) and Child Benefit.

Other benefits also attract a full disregard such as War Disablement and War Widows Pension etc. Child maintenance also attracts a full disregard for both housing benefit and council tax reduction from April 2017 if you are not State Pension Credit age. If you work 16 hours or more you may attract a £17.10 disregard from your earnings. In some instances, this can be 30 hours if you have no children.

Capital Income

If you have more than £16,000 capital, you will not qualify for housing benefit/council tax reduction unless you are in receipt of the guarantee element of pension credit.

If you are state pension credit age, and have capital between £10,000 and £16,000, the Council will assume you have income of £1 for every £500 or part £500 over £10,000.

If you are not state pension credit age and have capital between £6,000 and £16,000, the Council will assume you have income of £1 for every £250 or part £250 over £6,000. Capital includes all Bank, Building Society and Post Office accounts as well as stocks, shares, income bonds and other property including static holiday homes etc.

Boarder Income

If you are receiving money from a boarder, i.e. someone who pays you a charge for their accommodation and at least some cooked or prepared meals, the council must take this into account. However, the first £20 of the charge and half of the balance will be disregarded in full.

NOTE: In these cases, Non Dependant deductions (See page 12) will NOT apply.

For example:	Boarder Income	=	£50
	Deduct disregard	=	£20
			£30
			÷2
Assessable Income			£15

Pension Credit (Guarantee Element), Income Support, Job Seekers Allowance (Income based) or Employment and Support Allowance (Income related)

If you receive Pension Credit (Guarantee), Income Support, Job Seekers Allowance (Income Based) or Employment and Support Allowance (Income Related) the council does not have to assess an income but it does have to obtain written confirmation from the Department for Work and Pensions or the pension service that you are receiving this benefit.

The council does not need to calculate an assessed income in this circumstance as you will automatically receive maximum housing benefit/council tax reduction, minus non-dependant deductions. Please refer to the rate of deductions shown on page 13.

If your Pension Credit (Guarantee), Income Support, Job Seekers Allowance or Employment and Support Allowance stops you must tell us immediately.

Pension Credit - Savings Credit

If you are in receipt of pension credit savings credit only, you will be able to claim standard housing benefit/council tax reduction if you have less than £16,000 capital. Your income will then be assessed using the housing benefit and council tax reduction regulations.

All of the savings credit amount will be taken into account in the housing benefit/council tax reduction assessment.

How does the council assess how much I need to live on?

Your claim is calculated using an applicable amount. This is an amount set by the government to reflect the day-to-day living expenses of the claimant and family.

How is my Applicable Amount calculated?

To calculate your applicable amount, the council totals up your personal allowance, dependants' allowances and any premiums you may be entitled to. The amount of your personal allowance will depend on your age, whether you are:

- single
- married
- a lone parent

From 15 May 2019 mixed age couples (where one party of the couple is over pension credit qualifying age and the other under that age) will both have to reach the pension credit qualifying age before they can be entitled to pension credit and/or pension age housing benefit.

Personal Allowance

Status	Age	Personal Allowance
Single	16 - 24	£72.90
	25+	£92.05
Lone Parent	16 - 24	£72.90
	25+	£92.05
Couple	Both under 18	£110.15
	At least one over 18	£144.65
Single Pensioner	Pensionable age prior to 01/04/24	£244.40
Pensioners Couple	Pensionable age prior to 01/04/24	£366.00
Single Pensioner	Pensionable age AFTER 01/04/24	£227.10
Pensioners Couple	Pensionable age AFTER 01/04/24	£346.60

Dependants Allowance

The council will add an amount for each dependant child you have, depending on their age. However if you have a third child born on or after 6 April 2017 the dependants allowance will be limited to the amount payable for two children

Age

From birth to the day before their 20th birthday.

Personal allowance

£84.66

Premiums

If you satisfy certain qualifying conditions you may be entitled to an increased applicable amount. In some cases you may be entitled to more than one premium, in which case the highest one will be awarded.

Disabled Child Premium

If you have a child who is registered blind or receives Disability Living Allowance your applicable amount will be increased by £81.37 for each child that qualifies.

Abolition of Family Premium

For continuous claims made prior to 1st May 2016, if you have at least one dependent child in your household your Applicable Amount will be increased by £17.45.

Claims made after 1st May 2016 do not include the premium in the Applicable Amount as it was abolished from that date.

Carer Premium

If you (and your partner where appropriate) receive Carer's Allowance for looking after someone else, whether they live with you or not, your applicable amount will be increased by £46.40 for each partner that qualifies.

Main Phase Employment and Support Allowance (ESA) Premium

If you receive main phase ESA your applicable amount will be increased by:

- Work group component £36.55
- support group component £48.50

You may not be entitled to Disability Premium in addition.

Disability Premium

If you receive any of the following benefits and you and your partner, if any, are aged less than state pension credit age, your applicable amount may be increased by:

- (a) £43.20 for a single customer
- (b) £61.65 for a couple

The benefits are:

- Disability Living Allowance
- Disabled Element of Tax Credit
- Severe Disablement Allowance
- Incapacity Benefit – long term
- Payment via Invalid or War Pensioners Vehicle Schemes etc.
- Personal Independence Payment mobility component
- Personal Independence Payment daily living component
- Attendance Allowance
- Mobility Allowance
- Mobility Supplement

Severe Disability Premium

This premium can only be paid in addition to the disability premium if you or your partner are under state pension credit age. If you or your partner are state pension credit age or over you can receive a severe disability premium without a disability premium being awarded, as long as you receive a qualifying benefit. Your applicable amount will be increased by a further £82.90 for single claimant and £82.90 for each qualifying partner in a couple.

The qualifying conditions are:-

Single Person:

- (i) Personal Independence Payment Enhanced Daily Living Component, Attendance Allowance or Constant Attendance Allowance; or the care component of the Disability Living Allowance at the higher or middle rate; and
- (ii) Lives alone; and
- (iii) No one receives a carer's allowance or the carer element of universal credit for looking after.

Couple:

- (i) **BOTH** partners receive Personal Independence Payment Enhanced Daily Living Component, Attendance Allowance or Constant Attendance Allowance; or the care component of the Disability Living Allowance at the higher or middle rate; and
- (ii) No one else lives with them; and
- (iii) No one receives a carer's allowance or the carer element of universal credit for looking after one or both of the couple.

Note: if someone receives carer's allowance for only one of the couple, the other partner may still qualify for the Severe Disability Premium.

Enhanced Disability Premium

If you receive Disability Living Allowance (Care Component) or Personal Independence Payment (Daily Living component) at the highest or enhanced rate and are aged less than state pension credit age, or have a child for whom you receive the highest award of the Disability Living Allowance (Care Component) or Personal Independence Payment (enhanced rate), you may be entitled to an enhanced disability premium of;

Couple	£30.25
Single person/one parent	£21.20
Child	£32.75

Comparing your Assessable Income to your Applicable Amount

The council has to establish whether or not your income is **less** than your applicable amount. If your income is **below** your applicable amount you will automatically receive the maximum housing benefit entitlement, less any non-dependant deductions (please see page 12). If your income is **above** your applicable amount, you may still qualify for some help towards your rent and/or Council Tax. For **every** £1 your income exceeds your applicable amount we will have to deduct 65p from your maximum housing benefit entitlement figure and 20p from your maximum council tax reduction entitlement figure. This is known as a taper adjustment.

How is housing benefit calculated?

The council will firstly determine the eligible rent. Eligible rent cannot include amounts exempt from the scheme, such as garage rents, heating and hot water charges, support charges and emergency alarm systems. Eligible rent is adjusted to include rent-free weeks.

For private tenants who have received continuous housing benefit before 7 April 2008, the council will ask for the Valuation Office Agency if the rent charged is reasonable. For applications after 7 April 2008, housing benefit claims are based on Local Housing Allowance rates, which are on our website. Go to the benefits pages of www.tamworth.gov.uk for more information.

For housing association and council tenants who are not state pension credit age, your eligible rent may be reduced based on who lives in your household and the number of bedrooms in your home. If you are classed as under-occupying, your eligible rent will be reduced by 14% for one spare bedroom and 25% for two or more spare bedrooms.

However, if you receive PIP Daily Living Component or have an overnight carer who stays in a spare bedroom and you receive DLA care at the middle or higher rate, a separate bedroom is allowed for that carer. Also, if you receive DLA Care or PIP Daily Component for a child, a separate bedroom may be allowed for that child. If you have shared ownership of your property, any under-occupancy sanctions will not apply. Other exclusions are if you live in a caravan, houseboat, have a mobile home site rental or a regulated tenancy, live in exempt supported accommodation, or temporary accommodation which is accepted as homeless accommodation by the local authority.

What is non-dependant

Non-dependant is the term given to any adults in the household, i.e. grown-up children, relatives, friends of the family, some lodgers. The amount of housing benefit/council tax reduction you receive will assume that any non-dependants help you to pay the rent/council tax. Therefore deductions will be made according to their age and circumstances.

Non-dependant deductions - Housing Benefit

Circumstances	age	52 week rent	48 week rent
In remunerative work of 16+hrs/week	18+		
- gross income under £183.00*		£19.65	£21.29
- gross income £183.01 - £265.99*		£45.15	£48.91
- gross income £266.00 - £347.99*		£62.00	£67.17
- gross income £348.00 - £462.99*		£101.35	£109.80
- gross income £463.00 - £576.99*		£115.45	£125.07
- gross income £577.00 and above*		£126.65	£137.20
On Income Support, JSA(IB) or ESA (IR assessment phase) / Universal Credit with no earnings	18 - 24	NIL	NIL
ESA (IR main phase)		£19.65	£21.29
ESA (contribution based)	18+	£19.65	£21.29
On Income Support, JSA(IB), Pension, Incapacity Benefit, ESA (IR) or any other income	25+	£19.65	£21.29
Boarder	18+	NIL	NIL
In receipt of Pension Credit	18+	NIL	NIL

* Proof is required

Note: if you or your partner receive Disability Living Allowance (Care Component) or Attendance Allowance or Personal Independence Payment, (Daily Living Component,) non-dependant deductions will not be made.

Non-dependant deductions - Council Tax Reduction (Pension age)

In remunerative work of 16+hrs/week	
Gross income under £266.00*	£5.00
Gross income £266.01 - £463.00*	£10.20
Gross income £463.01 - £577.00*	£12.80
Gross income £577.01 or above	£15.35
Other (eg in receipt of ESA contribution based, a pension or working <16 hours per week)	£5.00
On Income Support, JSA(IB), ESA (IR) or Guarantee Pension Credit	NIL

* Proof is required

If you have a couple living in your household as husband and wife or as a civil partnership, let the council know and only one deduction (usually the result of two incomes) will be made.

Second Adult Rebate (also known as alternative maximum Council Tax Reduction) - available for State Pension Credit age claimants only

This is a second form of council tax reduction which will generally only be awarded to liable persons who are not members of couples, joint tenants or joint owners. Assessment is more simplified than normal benefits and is based on the non-dependant's gross income. Second adult rebate reduces liability on a percentage basis, like a discount, depending upon the income received by the second adult(s) follows below:

	Reduction
Second adult or adults on Income Support, Pension Credits, JSA(IB) or ESA(IR)	25%
Second adult(s) with combined income of less than £193.00 per week	15%
Second adult(s) with combined income of between £193.00 and £250.00 per week	7.5%
Second adult(s) with combined income of £250.00 per week or more	0%

If the council thinks you may be entitled to this, it will automatically be assessed as well as main council tax reduction and the higher of the two will be awarded.

*Please note: second adult rebate for liable persons who are working age or state pension credit age but claim working age income related benefits no longer exists.

Non-dependant easement

If you or your partner are aged 65 or over, a non-dependant's change of circumstances will take effect 26 weeks after:

- a non-dependant moves into your household
- the income of a non-dependant increases

These special rules apply only to non-dependant changes that will decrease your housing benefit/council tax reduction.

When will my benefit entitlement start?

Entitlement to housing benefit and/or council tax reduction should normally start from the Monday following receipt of a claim. This means that even if you make a claim on a Monday, any entitlement will usually start on the following Monday.

However, if you or your partner are state pension credit age and you make a claim for housing benefit/council tax reduction, your claim may be backdated for up to three months.

The exception to this rule is that if you make a claim within the first week of the occupancy of your home, entitlement will normally start from the date of your occupation.

Can I claim benefits from an earlier date?

Yes you may, but you must tell us, in writing, why your claim was late. We must then consider your reasons and decide if you have shown "good cause" for a late claim. In doing so we must consider other claimants of the same age, health, background, as yourself and the likelihood of them acting in the same way as you in the circumstances you describe.

If your explanation is considered reasonable and applies throughout the period of time in which you did not make a claim, your benefits may be back-dated for a maximum period of one month if you are working age or three months if you are state pension credit age.

How much Housing Benefit will I receive and how will it be paid?

After making any appropriate non-dependant deductions, the council has arrived at your maximum benefit entitlement figure. If you are in receipt of Income Support, JSA(IB), Guarantee Credit, ESA (IR) or your income is below your applicable amount this is the amount of benefit you will receive each week.

If your income is above your applicable amount the maximum entitlement figure will be reduced by the appropriate 'taper adjustment'. The resultant figure will be the amount of benefit awarded, provided it is not below 50p, which is the minimum amount of housing benefit payable.

If you are a council tenant, the amount of rent due will be reduced accordingly.

If you are a private sector tenant, all payments will be made by BACS transfer. If your claim is calculated under local housing allowance regulations, payments will be made direct to you. Only in exceptional circumstances can payments be made to your landlord. For housing association tenants, payments can still be made directly to you or your landlord.

How will my Council Tax Reduction be paid?

Your weekly council tax reduction is divided by seven and then multiplied by the number of days in the award period. The resultant figure is then credited to your council tax account, leaving you to pay the balance. We will advise you of the balance left to pay and how much your instalments will be.

What happens if my circumstances change?

Your housing benefit and/or council tax reduction must be reassessed if your circumstances change, therefore you **MUST** notify the council in writing about the following changes in circumstances:

- (a)** Changes in any source or amount of income received
- (b)** If you are no longer entitled to Income Support, JSA(IB), ESA(IR) or Pension Credit (Guarantee); your claim will be suspended or cancelled, and you may need to complete a new application form
- (c)** Changes in the amount of capital you have
- (d)** Children leaving school/starting work
- (e)** If you become a hospital in-patient
- (f)** Changes in the number of people in your household
- (g)** Change of address; including temporary
- (h)** Changes affecting non-dependants
- (i)** Going abroad for more than two weeks

Or any other change that you may think may affect your housing benefit or council tax reduction. If you are in any doubt contact us who will be pleased to advise you, as failure to notify the council of change of circumstances may result in an overpayment which the council will take action to recover from you.

What should I do if I think the Housing Benefit/ Council Tax Reduction is incorrect?

If you are not happy about the assessment, for any reason, please contact:
Customer Services, Marmion House, Lichfield Street, Tamworth, Staffs B79 7BZ.

You can email us: benefits@tamworth.gov.uk

Or phone us on 01827 709709 to book an appointment.

What if I disagree with my award?

If you disagree with your decision you can either:

- ask us to explain how we have reached the decision - this is called a 'statement of reasons'.
- or you can ask us to review your details, or appeal, if you believe that your decision is wrong.

You should write to the Benefits Team within one month from the date on your decision notice.

The Tribunals Service - Housing Benefit

Once we have reviewed the decision made regarding your Housing Benefit award, if you still disagree, you can request that your case be referred to The Tribunals Service.

The Valuation Tribunals Service - Council Tax Reduction

Once we have reviewed the decision made regarding your council tax reduction, if you still disagree, you can request that your case be referred to The Valuation Tribunals Service.

What if I still can't afford to pay my rent?

If you are having difficulty paying your rent, you may apply for a Discretionary Housing Payment. These payments are made at the council's discretion, from a cash-limited grant where it considers that additional help with paying your eligible rent is needed. To qualify for a discretionary housing payment, you must meet the following criteria;

- you must be entitled to housing benefit or the housing element of universal credit and
- you must have a need for further financial help to meet your housing costs.

If you wish to apply for a Discretionary Housing Payment, please phone us on 01827 709540, call in to collect a form or download and print a form from our website.

What if I still can't afford to pay my Council Tax?

You can contact the Revenues Team on 01827 709530 or email counciltax@tamworth.gov.uk to discuss your instalments.

Universal Credit

From 29 November 2017 - if you are of working age you will need to apply for universal credit as your housing costs will be paid in your universal credit payment.

Universal credit is replacing all of the following benefits;

- Income Support
- Jobseekers Allowance (income based)
- Housing Benefit
- Child Tax Credit
- Working Tax Credit

Exceptions to this are:

- If you live in supported or temporary accommodation you will still be eligible to claim universal credit but you also need to claim housing benefit for your housing costs.

How to claim Universal Credit

Go to <https://www.gov.uk/universal-credit/how-to-claim> for further information and the online claim form.

Contact the Universal Credit helpline on **0800 328 9344** if you have any questions or your circumstances change and you are already getting Universal Credit.

Digital support and personal budgeting support contact the Citizens Advice to find out what other help may be available to you. Tel: 0300 330 2110 or email: www.citizensadvice.org.uk

How is the Council Tax Reduction Income banded Scheme calculated (Working Age claimants)

How will my income be assessed

Your assessable income will be the total net income from all relevant sources, including any bank accounts, savings etc (see our paragraph on capital income).

Earned Income

Your net income is calculated by deducting your tax and national insurance contributions and half of any contributions made to a pension fund/scheme from your gross pay.

If you receive Universal Credit we will use the amount of Universal Credit you receive plus any earned or other income.

Income disregards

- Child benefit and Child maintenance received,
- Working age Disability benefits eg PIP and DLA,
- The Housing cost and disabled child elements of Universal Credit.
- We can also disregard child care costs you pay to an Ofsted registered provider once proof of these payments is provided.

Other Disregards

For all household members who claim a working age disability benefit and are entitled to a disability Premium, a £40 disregard may be applied.

Non Dependant Deductions

There are no deductions for non-dependants under the income banded scheme.

Capital

If you have more than £6,000 capital you will not qualify for council tax reduction.

Capital includes all bank, building society and post office accounts as well as stocks, shares, income bonds and other property including static holiday homes etc.

When will my benefit start

Your council tax reduction will be considered from the date of your claim or if you receive Universal Credit, from the beginning of your assessed income period.

Can I claim council tax reduction from an earlier date.

We have the discretion to consider your claim from an earlier date if you are vulnerable and can tell us why your claim was late.

Useful telephone numbers

Benefits Enquiries	01827 709540
Report a fraud	0800 854440
Benefit Overpayment recovery	01827 709554
Council Tax	01827 709530
Repairs	0800 183 0044
Refuse	0345 0020022

To make a claim online, go to www.tamworth.gov.uk to complete and submit an electronic application.



Benefits Team,

Tamworth Borough Council, Marmion House,
Lichfield Street, Tamworth, Staffordshire, B79 7BZ
www.tamworth.gov.uk

Telephone: 01827 709540 Email: benefits@tamworth.gov.uk

If you, or someone you know, would like this information another language or format such as large print or Braille, please contact the Benefits Team on 01827 709540 or email enquiries@tamworth.gov.uk