

Housing Benefit and Council Tax Benefit for Blind and Partially Sighted People 2008/2009

This fact sheet tells you how to claim Housing and Council Tax Benefit. It is useful for blind and partially sighted people and those who support them.

What are the rules?

Claim these benefits if:

- you are aged 16 years old or over; **and**
- you receive Income Support, Income-based Jobseeker's Allowance, Pension Credit or have a low income; **and**
- you are liable to pay rent or Council Tax on your home.

What is Housing Benefit (HB)/Council Tax Benefit (CTB)?

Housing and Council Tax Benefits are administered by your Local Authority. Each benefit can help pay towards all, or part, of the cost of your rent or Council Tax. As HB and CTB are means-tested, the amount you receive will depend upon your income and/or savings.

How to claim Housing or Council Tax Benefit

If you are claiming Income Support or Income-based Jobseeker's Allowance, you will also receive a claim form for HB and CTB (usually a HCTB1 form). If you are not claiming any of the mentioned benefits then you will need to contact your Local Authority for a claim form, which you will need to complete and return within one month. You may also need to include additional information with your claim form. If you cannot provide all the information, write on your claim form that you will send the information as soon as possible.



Action for blind people

Change of circumstance

Although your HB/CTB claim is for an indefinite period, you are still required to advise your Local Authority of any changes, as this may affect your entitlement.

How much of my rent/Council Tax will be paid?

If you receive Income Support, Income-based Jobseeker's Allowance or Pension Credit (guarantee credit), you should qualify for full Housing and/or Council Tax Benefit. The following benefits are taken into account as income when doing the calculation: Incapacity Benefit, State Retirement Pension, Carer's Allowance, Tax Credits and Contribution-based Jobseeker's Allowance.

Calculating Your Housing and Council Tax Benefits

Personal Allowances

Single Person

- 16 - 24 £47.95
- 25 - 59 £60.50
- 60 - 64 £124.05
- 65 and over £143.80

Lone Parent

- Under 18 £47.95
- 18 - 59 £60.50
- 60 - 64 £124.05
- 65 and over £143.80

Couple

- One or both 18 - 59 £94.95
- One or both 60 - 64 £189.35
- One or both 65 and over £215.50

Dependant Children

You should include a dependant child's allowance of £52.59 for each dependant child within your household under the age of 20, in the calculation.

The Premiums

There are a number of premiums that can be included within the calculation for Housing and Council Tax Benefits. This is dependent on the claimant or family member, being in receipt of certain other benefits. Premiums are used to calculate HB/CTB. They are not Social Security benefits in their own right.

Disability Premium

You are eligible for a disability premium of £25.85 (£36.85 if you are part of a couple) if you are under the age of 60 and:

- receiving Disability Living Allowance (DLA) at any rate; **or**
- receiving long-term Incapacity Benefit; **or**
- receiving Severe Disablement Allowance; **or**
- you are registered as blind.

Severe Disability Premium

You are eligible for a severe disability premium of £50.35 (couple rate £100.70) if:

- you are receiving DLA middle or higher rate care component or either rate of Attendance Allowance; **and**
- nobody gets Carer's Allowance for looking after you; **and**
- you live alone (see below).

Living Alone

You can still count as living alone if the person(s) you live with is (are):

- registered as blind; **or**
- receiving the middle or higher rate of the care component of DLA or Attendance Allowance at any rate; **or**
- aged under 18; **or**
- a temporary resident or a landlord, tenant, lodger, joint tenant or co-owner.

If you are one of a couple, you should check with a Welfare Rights Adviser whether or not both partners qualify.

Enhanced Disability Premium

You are eligible for an enhanced disability premium of £12.60 (couple rate £18.15) if you are receiving the higher rate care component of DLA and are under the age of 60.

Carer Premium

You are eligible for a carer premium of £27.75 if:

- you are receiving Carer's Allowance; **or**
- you have an 'underlying entitlement' to Carer's Allowance but cannot get it

because you receive an overlapping benefit such as a State Retirement Pension or Incapacity Benefit.

For further information, see our '**Carer's Allowance**' fact sheet.

Family Premium

You are eligible for a family premium of £16.75 if your family includes one or more children. You are eligible for an additional family premium of £10.50 if your family includes a child under the age of one year.

Disabled Child Premium

You are eligible for a disabled child premium of £48.72 if your family includes a child who is getting DLA at any rate or is registered as blind.

Enhanced Disability Premium (Child)

You are eligible for an enhanced disability premium of £19.60 if your family includes a child on the higher rate of the care component of DLA.

Savings - Under 60 years of age

If you are under 60 years of age, there is an upper savings limit of £16,000 for Housing and Council Tax Benefits. This means that you are not entitled to either of these benefits if your savings are above £16,000. You are treated as having £1 income for each £250 that you have between £6,000 and £16,000. This is called 'tariff income'. Savings of under £6,000 are ignored.

Savings - Over 60 years of age

If you are over 60 years of age and you receive the guarantee credit of Pension Credit all of your capital will be disregarded. For people who receive the savings credit of Pension Credit and those who are not eligible for Pension Credit, there is an upper savings limit of £16,000 and you are treated as having £1 income for every £500 (tariff income) that you have over £6,000.

Earnings

Both yours and your partner's weekly net earnings from employment are taken into account when calculating Housing and Council Tax Benefits. This is the amount that you earn after tax, national insurance contributions and half of any pension contributions that you make.

Earnings Disregards

An earnings disregard is the amount that is ignored before your earnings are taken into account, when calculating Housing and Council Tax Benefits. If you are working, one of the following earnings disregards will apply:

- single person - £5.00
- couple - £10.00
- disabled - £20.00
- carer - £20.00
- lone parent - £25.00

Add a 30 hour earnings disregard of £15.45 if you (or your partner):

- receive the 30 hour element within your Working Tax Credit; **or**
- are aged 25 or over and work at least 30 hours per week; **or**
- work at least 16 hours per week; **and**
- your Housing and/or Council Tax Benefit includes a family premium; **or**
- your Housing and/or Council Tax Benefit calculation includes a disability premium. If you are the one eligible for the premium, then it must be you that is working for at least 16 hours a week; **or**
- you are a lone parent.

Only one 30 hour earnings disregard can be deducted from a couple's joint earnings.

Childcare Costs

Housing and Council Tax Benefits will take into account any childcare costs up to a maximum of 80% of £175 (£140) for one child and 80% of £300 (£240) for two or more children. You qualify for this if:

- you pay a nursery or registered childminder; **and**
- you are a lone parent working at least 16 hours per week; **or**
- you and your partner work at least 16 hours per week; **or**
- you work 16 hours per week and your partner is incapable of work; **or**
- your Housing and/or Council Tax Benefit calculation includes a disability premium.

Non-dependant Deductions

A non-dependant is someone who lives in your home on a non-commercial basis. For example: a grown up son, daughter, friend or relative. A non-dependant is normally expected to contribute towards your rent and/or Council Tax. Therefore, there may be a reduction in your Housing and/or Council Tax Benefit to cover this. The amount of deduction in HB/CTB depends on the weekly gross income of the non-dependant.

There is no deduction for any non-dependant that you have in your home if you or your partner are:

- registered as blind; **or**
- in receipt of the care component of DLA or either rate of Attendance Allowance.

There is no deduction for any non-dependant that you have in your home if they are:

- under 18 years old; **or**
- under 25 and in receipt of Income Support or Income-based Jobseeker's Allowance; **or**
- in receipt of Pension Credit (guarantee or savings credit); **or**
- a full-time student.

If you have a non-dependant in your home and you are not exempt from non-dependant deductions, please contact us for further advice.

How to Calculate Housing Benefit and Council Tax Benefit

1. Add together your personal allowance and any premiums that you may be eligible for. This is called your 'Applicable Amount' and equals **(A)**.
2. Work out your and your partner's weekly net earnings (less earnings disregards and childcare costs if applicable). Add any appropriate benefits (see earlier section headed 'How much of my rent/Council Tax will be paid?') and then add any tariff income from savings. This equals your weekly income **(B)**.
3. Take away your weekly income (B) from your applicable amount (A). Equals **(C)**.
4. Multiply (C) by 65%. Equals **(D)**.
5. Take away (D) from your weekly rent. Equals **(E)**.
6. If applicable, take away any non-dependant deductions from (E). Equals **(F)**.
7. (F) is the amount of Housing Benefit payable each week.

Note: To calculate your Council Tax Benefit entitlement follow the above process, but at stage four multiply (C) by 20%. When calculating your weekly council tax divide the annual Council Tax amount by 365 and then multiply by 7 and this will give your weekly Council Tax amount.

Examples

Here are some examples of people who qualify for Housing and/or Council Tax Benefit:

Mr Smith is aged 30, lives alone and is receiving the middle rate care and lower rate mobility components of DLA. He works 16 hours per week and earns a net wage of £120.00. He receives Working Tax Credit of £78 per week. His rent is £160 per week. He is liable to pay £950 per year Council Tax (£18.16 per week). Mr Smith will receive Housing Benefit of £143.20 and Council Tax Benefit of £13.00 each week.

Miss Jenkins is aged 30. She is registered as blind and is receiving the middle rate care and lower rate mobility components of DLA. She has two children aged 8 and 4. She receives Incapacity Benefit of £84.50 and Income Support of £52.20 per week. She receives Child Tax Credit of £90 per week. Her rent is £100 per week and she is liable to pay Council Tax of £800 per year (£15.34 per week). Miss Jenkins will receive full Housing and Council Tax Benefits each week.

Housing Benefit - Local Reference Rent

Local Authorities set an average rent for properties in their area. This means that Housing Benefit will only pay up to the maximum rent set on a similar sized property in that area. For example, if the rent on your home is £160 per week and the Local Reference Rent for the sized property that you live in is £150, you would be liable to pay the £10 difference. Also, Housing Benefit for claimants aged 25 and under, is restricted to the level of a single room rent in shared accommodation unless you are eligible for a severe disability premium.

Local Housing Allowance (LHA)

From April 2008, Housing Benefit (HB) will be replaced by Local Housing Allowance if you rent a property from a private landlord. If you are already in receipt of Housing Benefit and move into privately rented accommodation you will fall under the rules for LHA. LHA will not apply to those who live in council accommodation or social housing. LHA is being introduced so that tenants can have more choice about where they live. If you are looking for somewhere to live you can choose to rent a property where:

- the rent is the same as the LHA that you are entitled to
- a property that is more expensive and you can make up the difference
- or choose to rent a less expensive property which is less than the LHA you are entitled to and receive the difference, up to a maximum of £15 per week.

There are two main features to LHA

- LHA is not based on the rent being charged, but on a flat rate allowance based on the size of the household and the area in which you live. Each Local

Authority will be divided into Broad Rental Market Areas (BRMA) set by a rent officer, similar to the Local Reference rent. The rates are set by basing them on median rents.

- LHA will be paid directly to the claimant not the landlord. See below for exception to this rule.

How much benefit will I get?

Your LHA will be means-tested the same as HB. The amount you get will depend upon:

- who you live with;
- the area in which you live;
- your income and/or savings.

If you are living with someone who is expected to contribute to the rent, then this can affect your LHA award. The same rules apply for non-dependents. Your LHA will depend on the size of the household and the area in which you choose to live.

The following is a guide only:

- One bedroom for every adult couple
- One room for any other adult aged 16 or over
- One room for any two children of the same sex under 16
- One room for any two children aged under 10

Example

A couple with three children, two girls aged 6 and 11 and one son aged 14, will be entitled to a three bedroom property. One for them, one for their son and one room for the two girls to share.

If you are single, over 25 and live alone with no dependant children then your LHA will be based on a one bedroom rate. This is provided that you live in a self contained (one bedroom) property or shared accommodation but have two rooms that are used solely by you. However, if you live in a shared property, your LHA will be the shared room rate (unless you have two rooms solely used by you then the one bedroom rate will apply). If you are single, aged under 25 and without any dependants, your LHA will be based on the shared room rate. However, if you are registered blind/severely sight impaired with no dependant children, your benefit will be based on the one bedroom LHA rate. So, regardless of your age, if you are classed as disabled, the one bedroom LHA award will be applied to you.

If your rent is less than your LHA, you are able to keep the difference of up to £15 as this will not affect other benefits. So, if your rent is £80 per week and your

allowance is £90 per week you can keep the difference of £10. If you choose to rent a property where the LHA does not cover all the rent, you will be required to make up the difference. So if your LHA applicable rate is £100 per week and the rent charged is £110 you will have to pay the difference.

You should check the LHA rates for the area you would like to live in. Each Local Authority will have a list of all rates.

How will LHA be paid?

LHA will be paid directly into your bank or building society account. Claimants will no longer have the choice of having direct payments straight to their landlord however; here are some circumstances where LHA can be paid direct to the landlord:

- a claimant is eight weeks in arrears:
- a claimant is unlikely to pay their rent or has difficulty taking care of their financial affairs:
- a claimant has severe debt problems or problems opening a bank account:
- a claimant is deemed as vulnerable:
- a claimant is incapable of managing their own financial affairs.

The responsibility will be on you to arrange to pay the landlord by opening up a bank account and creating a standing order. The LHA will be paid by BACS automatic transfer into your account. If you do not already have a bank or building society account you can get advice from your local advice centre on how to open a bank or building society account. If you fail to pay your rent then your landlord can apply to your Local Authority requesting to have the rent paid directly to them. If you are in rent arrears your landlord can take action against you, which may result in you being evicted from your home.

Change of circumstance

If your circumstances change you should advise your Local Authority straight away.

If you disagree with your LHA award you can ask your Local Authority to look at the decision again, this is known as a revision. You should do this in writing within one month. If you are still unhappy with the decision, you can appeal to the tribunal service outlining your reasons why you are appealing the decision. This must be done in writing within one month. Please note you cannot appeal the LHA rate for the area you wish to live in.

Young People and Students in Full-time or Part-time Education

Students on a full-time course are normally excluded from claiming Housing Benefit unless they:

- get Income Support or Income-based Jobseeker's Allowance as a full-time student; **or**
- qualify for a disability premium; **or**
- are one of a couple and their partner is not a full-time student; **or**
- are under the age of 20 and are on a non-advanced course.

See our '**Young People in Full-time Education**' fact sheet for further information.

Council Tax Bands

Every property in each Local Authority area is placed into a valuation band, labelled from A (the lowest) to H (the highest) (or A to I in Wales) depending on its value. The higher the band, the more Council Tax you are liable to pay. In England and Wales, dwellings are valued by the Valuation Office and in Scotland by the Local Assessor.

How to Pay Less Council Tax

There are a number of other ways of reducing your Council Tax bill apart from claiming main CTB (see section above).

The Discount Scheme

You can get a discount on your Council Tax bill if:

- you are the sole occupier of the property. Your annual Council Tax bill will then be reduced by 25%; **or**
- your property is left unoccupied and the property is not exempt (see below). You will then qualify for a discount of 50% on your annual Council Tax bill.

Second Adult Rebate

You can receive a rebate of up to 25% if any person(s) within your household is (are) on Income Support, Pension Credit or Income-based Jobseeker's Allowance. You can claim a Second Adult Rebate regardless of how much income and savings you have. You cannot claim a Second Adult Rebate as well as main Council Tax Benefit but would claim whichever is the higher of the two.

The Disability Reduction Scheme

If you are blind or partially sighted and have a room in your home that is predominantly used by you, because of your disability, you may qualify for a reduction in your Council Tax under the Disability Reduction Scheme. The room should contain equipment that you use because of your sight loss such as a CCTV, computer with speech or large print software, talking book machine, Braille equipment, specialist lighting etc. If you qualify for a reduction in your Council Tax

under the Disability Reduction Scheme, your Council Tax bill will be reduced to the amount payable in the valuation band below yours.

So, if your property is in band D, it will be reduced to band C. If your property is already in band A (the lowest band) it will be reduced by one-sixth of your normal bill. To apply for a reduction under this scheme, you will need to contact your Local Authority and ask for an application form. Once you have submitted your application, they will normally send a representative to carry out an assessment of the room. This is to ascertain whether or not they feel you qualify under the scheme. They will then write to you and send you a revised bill if you are successful. For more information, read our briefing '**The Council Tax Disability Reduction Scheme**'.

Further Information

To find out more, contact your local authority or your local advice centre, Citizens Advice Bureau or Action's Welfare Rights Service.

Action for Blind People
14 - 16 Verney Road
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National Freephone Helpline: 0800 915 4666
Email: benefit.check@actionforblindpeople.org.uk

You can also find all our fact sheets, briefings and checklists on our website at:
www.actionforblindpeople.org.uk/welfare-rights

This is only a brief guide about how blind and partially sighted people can benefit from Housing and Council Tax Benefits. This fact sheet was produced in conjunction with the RNIB. It is not a complete or exhaustive statement of law.

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