

Your guide to Benefits



Claim What's Yours

Your questions answered

April **2011**

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, you can call free on:

0800 328 6340 (or, using a textphone: 0800 328 6341)

Or you can write to: **PO Box 647, Preston, PR1 1WA.**

All calls and any information given will be treated in confidence.



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Introduction

If you are a tenant, you are liable to pay rent for the home you live in and 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 Benefit schemes are intended to help you meet those commitments if you are on a low income or in receipt of Social Security benefits.

Whilst they are two separate benefits, Housing Benefit and Council Tax Benefit are very similar with respect to the information required, calculation of income etc. Therefore when you complete a form for benefits, if you are a tenant and are liable to pay Council Tax, you will automatically be considered for BOTH benefits.

It is hoped that the information contained in this leaflet will answer many of your questions about Housing Benefit and Council Tax Benefit 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 Benefit Schemes or wish to challenge any point of your assessment, please contact:

**Benefits Team,
Marmion House, Lichfield Street,
Tamworth B79 7BZ
Phone: 01827 709540
Fax: 01827 709464
www.tamworth.gov.uk**

Where a member of Staff will be pleased to assist.

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. 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 less than 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 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.

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 over £16,000 capital, you will not qualify for Housing Benefit/Council Tax Benefit unless you are in receipt of Guarantee Credit of Pension Credits.

If you are aged 60 and over, 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 aged less than 60 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 & Post Office accounts as well as stocks, shares, income bonds 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 £20.00 of the charge and half of the balance will be disregarded in full.

NOTE: In these cases, Non Dependant deductions (See page 10) will NOT apply.

For example:	Boarder Income	=	£50.00
	Deduct disregard	=	£20.00
			£30.00
			÷2
Assessable Income			£15.00

Income Support, Job Seekers Allowance (Income based) or Employment and Support Allowance (Income related)

If you receive 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 Benefits Agency that you are receiving this benefit.

The Council does not need to calculate an assessable income in this circumstance as you will automatically receive Maximum Benefit Entitlement minus non-dependant deductions. (Please refer to page 9 onwards to see how your Housing Benefit and Council Tax Benefit are calculated).

If your Income Support, Job Seekers Allowance or Employment and Support Allowance stops you must tell us immediately.

Pension Credit

If you are in receipt of Guarantee Credit the Council does not have to assess an income but it does have to obtain written confirmation from the Pension Service that you are receiving this Benefit.

The Council does not need to calculate an assessable income in these circumstances as you will automatically receive Maximum Benefit Entitlement minus non-dependant deductions. (Please refer to page 9 onwards to see how your Housing Benefit and Council Tax Benefit are calculated).

If you are in receipt of Savings Credit only, you will be able to claim standard Housing Benefit/Council Tax Benefit if you have less than £16,000 capital. You will then be subject to Housing and Council Tax Benefit regulations.

All of the Savings Credit amount will be taken into account in the Housing Benefit/Council Tax Benefit 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 his/her 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

Personal allowance

Status	Age	Personal allowance
Single	Under 25	£53.45
	25+	£67.50
Lone Parent	Under 18	£53.45
	18+	£67.50
Couple	Both under 18	£80.75
	At least one over 18	£105.95
Single Pensioner	60 - 64	£137.35
	65 or over	£157.90
Pensioners (Couple)	60 - 64	£209.70
	65 or over	£236.80

Dependants allowance

The Council will add an amount for each dependant child you have, depending on their age.

Age

From birth to the day before their 20th birthday.

Personal allowance

£62.33

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 £53.62 for each child that qualifies.

Family Premium

If you have at least one dependant child in your household your “Applicable Amount” will be increased by £17.40.

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 £31.00 for each partner that qualifies.

Disability premium

If you receive any of the following benefits and you and your partner, if any, are aged less than 60 years, your “Applicable Amount” may be increased by:

- (a) £28.85 for a single customer
- (b) £41.10 for a couple

The benefits are:

- Disability Living Allowance
- Disabled Persons' Tax Credit
- Attendance Allowance
- Mobility Allowance
- Mobility Supplement
- Severe Disablement Allowance
- Incapacity Benefit – long term
- Payment via Invalid or War Pensioners Vehicle Schemes etc.

Severe disability premium

This premium can only be paid in addition to the Disability Premium if you or your partner are under 60 years of age. If you or your partner are aged 60 years 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 £55.30 for single claimant and £55.30 for each qualifying partner in a couple.

The qualifying conditions are:-

Single Person:

- (i) He/she receives Attendance Allowance or Constant Attendance Allowance; or the CARE component of the Disability Living Allowance at the higher or middle rate; and
- (ii) He/she lives alone; and
- (iii) No one receives a Carers Allowance for looking after him or her.

Couple:

- (i) **BOTH** partners receive 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 Carers Allowance for looking after one or both of the couple.

Note: if someone receives Carers 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) at the highest rate and are aged less than 60, or have a child for whom you receive the highest award of the Disability Living Allowance (Care Component), you may be entitled to an Enhanced Disability Premium of;

Couple	£20.25
Single person/one parent	£14.05
Child	£21.63

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 Benefit Entitlement, less any non-dependant deductions (please see page 10). 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 Benefit entitlement figure. This is known as a “Taper Adjustment”.

How is Housing Benefit calculated?

The Council will firstly determine the Eligible Rent under the provisions of the Housing Benefit Scheme. For Council tenants, the Eligible Rent normally amounts to 100% of the net rent of the dwelling. However, Eligible Rent cannot include amounts exempt from the scheme, such as block garage rents, heating and hot water charges and in some cases emergency alarm systems.

For private rented tenants who have applied for Housing Benefit prior to 7 April 2008, unless the tenancy is not commercial, the Council must sometimes ask the Rent Officer if the rent charged by the Landlord is reasonable for the accommodation, based on the type and size of the dwelling and the claimant's family circumstances. If the rent charged is considered unreasonable, the Council must reduce the Eligible Rent as per the Rent Officer's Determination.

From 7 April 2008 a new Housing Benefit scheme was introduced called the Local Housing Allowance. This means that any **new** Housing Benefit claim from a tenant with a Private landlord, which includes changing address or having a break in claim, will be assessed using Local Housing Allowance calculations.

The Local Housing Allowance rates are available on our website, in the local press and Marmion House reception area. These rates are the maximum amount of Housing Benefit you can receive, based on the size, composition and location of the household. However, Local Housing Allowances are reviewed on

a monthly basis, and your claim will be based on the Local Housing Allowance rate applicable at the date your claim is treated as made.

Having decided on how much of your rent is eligible, the Council then has to make deductions for any non-dependants in the household to find your maximum Housing Benefit entitlement figure.

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 you receive will assume that any non-dependants help you to pay the rent. Therefore deductions will be made according to their age and circumstances.

Non-dependant deductions

Based on 52 weeks rent

Circumstances	age	Rent deductions	Council Tax deductions
In remunerative work	18+		
- gross income under £122.00*		£9.40	£2.85
- gross income £122.00 - £179.99*		£21.55	£2.85
- gross income £180.00 - £233.99*		£29.60	£5.70
- gross income £234.00 - £309.99*		£48.45	£5.70
- gross income £310.00 - £386.99*		£55.20	£7.20
- gross income £387.00 or above*		£60.60	£8.60
On Income Support, JSA(IB) or ESA (IR assessment phase)	18 - 24	NIL	NIL
ESA (IR main phase)	18 - 24	£9.40	NIL
ESA (contribution based)	18+	£9.40	£2.85
On Income Support, JSA(IB) or ESA (IR)	25+	£9.40	NIL
Others (eg. in receipt of Incapacity Benefit or a Pension)	18+	£9.40	£2.85
Boarder	18+	NIL	NIL
In receipt of Pension Credit	18+	NIL	NIL

* Proof is required

Note: if you or your partner receive DLA (care) or AA there may not be a non-dependant deduction.

Based on 50 weeks rent

Circumstances	age	Rent deductions
In remunerative work	18+	
- gross income under £122.00*		£9.78
- gross income £122.00 - £179.99*		£22.41
- gross income £180.00 - £233.99*		£30.78
- gross income £234.00 - £309.99*		£50.39
- gross income £310.00 - £386.99*		£57.41
- gross income £387.00 or above*		£63.02
On Income Support, JSA(IB) or ESA (IR assessment phase)	18 - 24	NIL
ESA (IR main phase)	18 - 24	£9.78
ESA (contribution based)	18+	£9.78
On Income Support, JSA(IB) or ESA (IR)	25+	£9.78
Others (see above)		£9.78

* Proof is required

If you have a couple living in your household as 'man 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

This is a second form of Council Tax Benefit 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 on Income Support, Pension Credits, JSA(IB) or ESA(IR) living with full-time student householder	100%
Second adult or adults on Income Support, Pension Credits, JSA(IB) or ESA(IR)	25%
Second adult(s) with combined income of less than £177.00 per week	15%
Second adult(s) with combined income of between £177.00 and £230.99 per week	7.5%
Second adult(s) with combined income of £231.00 per week or more	0%

If the Council thinks you may be entitled to the rebate, it will automatically be assessed as well as main Council Tax Benefit and the higher of the two will be awarded.

When will my benefit entitlement start?

Entitlement to Housing Benefit and/or Council Tax Benefit 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 aged 60 or over and you make a claim for Housing Benefit/Council Tax Benefit your claim may be backdated for up to 3 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 arguments/reasons are considered reasonable and apply throughout the period of time in which you did not make a claim, your benefits may be “back-dated” for a maximum period of 6 months if you are working age or 3 months if you are pensionable 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 50 pence, 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 all other Private Sector tenants, payments can still be made directly to you or your landlord.

How will my Council Tax Benefit be paid?

Your weekly Council Tax Benefit is divided by 7 and then multiplied by the number of days in the Benefit period. The resultant figure is then credited to your Council Tax Account, leaving you to pay the balance. The Council Tax Section 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 Benefit 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) or ESA(IR); your claim will be suspended or cancelled, and you will 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 (Please see below); and
- (i)** Going abroad for more than two weeks.

Or any other change that you may think may affect your Housing Benefit. If you are in any doubt contact the Benefits Team who will be pleased to advise you, as failure to notify the Council of change of circumstances may result in an overpayment of benefit which the Council will take action to recover from you.

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 Benefit.

What should I do if I think the Housing and Council Tax Benefit are incorrect?

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

Or phone on 01827 709540 where a member of staff will be pleased to deal with your query. If you call at the office personally, it may be necessary for you to wait a while if you call during a busy period. Please be patient – you will be attended to as quickly as possible.

What if I disagree with my benefit award?

If you disagree with your benefit 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 benefit decision is wrong.

In both cases you must write to the Benefits Team within one month from the date on your Benefit Decision Notice.

The Tribunals Service

Once we have reviewed the decision made regarding your Benefit award, if you still disagree, you can request that your case be referred to The Tribunals Service. See our booklet on appeals, it offers further advice and tells you exactly how to make this request.

What if I still can't afford to pay?

If you are having difficulty paying your rent and/or Council Tax, you may apply for a Discretionary Housing Payment. These payments are made at the Council's discretion, where it considers that additional help with paying your eligible rent or your Council Tax is needed. To qualify for a Discretionary Housing Payment, you must meet the following criteria;

- you must be entitled to Housing Benefit and/or Council Tax Benefit 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 the Tamworth Borough Council website.

Useful telephone numbers

Benefits Team	01827 709540
Report a fraud	01827 709541/709525
Benefit Overpayment recovery	01827 709554
Council Tax	01827 709530
Repairs	0800 183 0044
Refuse	01827 709353

Housing Team:

Estate Management Team	01827 709491
Income Team	01827 709514
Financial Inclusion Officer	01827 709436
Allocations	01827 709520
Housing Advice	01827 709459

Tamworth
Borough Council

Benefits Team,
Tamworth Borough Council, Marmion House,
Lichfield Street, Tamworth, Staffordshire, B79 7BZ.
www.tamworth.gov.uk
Telephone: 01827 709540 Fax: 01827 709464

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