

## HOUSING BENEFIT AND COUNCIL TAX BENEFIT

# Help with rent and Council Tax for pensioners



# Help with paying your rent and Council Tax if you are a pensioner

We have written this leaflet for pensioners. In this leaflet, a pensioner is anyone who is of state pension age.

The rules are the same whichever area you live in. (If you have not reached state pension age, please read the 'Help with rent and Council Tax for people of working age' leaflet).

If you don't know which council covers the area you live in, you can find this information on your Council Tax bill.

## What is Housing Benefit?

Housing Benefit is a benefit that helps people with low incomes and low savings to pay their rent. We assess how much Housing Benefit you are entitled to based on your income, savings and the number of people living in your household.

## What is Council Tax Benefit?

Council Tax Benefit is a benefit that helps people with low incomes and low savings to pay their Council Tax.

You can find graphs in this leaflet that give examples of what you may be entitled to claim.

## What is Second Adult Rebate?

Second Adult Rebate is for people who cannot get help with their Council Tax but have other people living with them who are on a low income, are aged 18 or over and are not:

- their partner or civil partner;
- paying rent; or
- paying Council Tax themselves.

To get it, you must be the person responsible for paying the Council Tax for your home.

## Can you reduce my Council Tax any other way?

Yes. As well as Council Tax Benefit and Second Adult Rebate, we can reduce your Council Tax with:

- discounts;
- exemptions; and
- reductions for people with disabilities.

## What is a Council Tax discount?

You can get a discount of 25% if you are the only adult living in a property. We do not count some adults when we look at the number of adults living in a property.

Adults we do not count include:

- full-time students;
- people with severe mental-health problems or learning difficulties;
- carers;
- some 19- and 20-year-olds who you receive Child Benefit for; and
- people in prison.

## What are Council Tax exemptions?

When a property is empty, there may be a period of time when it is 'exempt' from Council Tax. This means that nobody is responsible for paying Council Tax for that property. Also, certain properties may be exempt even when people are living in them, for example, if all the people living there are full-time students.

## What are Council Tax reductions for people with disabilities?

If a disabled person living in a property has to use a wheelchair indoors, or has an extra room because of their needs, we may reduce their Council Tax.

## How do I claim a Council Tax discount, exemption or reduction?

You will need to fill in a form to claim one of these reductions. Contact us (you can find our contact details on your Council Tax bill).

## What is Pension Credit?

Pension Credit is a payment The Pension Service make to people on low incomes, or who have a small amount of savings or a private pension (or both).

There are two types of Pension Credit – Guarantee Credit and Savings Credit. If you are under 65 and are entitled to Pension Credit, you will get Guarantee Credit. If you are over 65, you may get Guarantee Credit or Savings Credit (or both).

If you get Pension Credit there are only certain changes that you need to tell us about. We will explain this later on in this leaflet.

## What are tax credits?

HM Revenue & Customs pay tax credits and you can also use these to top up your income. You may get tax credits if you have children, or are working and on a low income (or both). You may get extra tax credits if you are over 50 and working, or are disabled and working (or both). You can claim tax credits from HM Revenue & Customs on their website at [www.hmrc.gov.uk](http://www.hmrc.gov.uk), or by phoning 0845 3003900. You can use the on-line calculator on the HM Revenue & Customs website to see if you may be entitled to tax credit.

## How do I claim Housing Benefit or Council Tax Benefit (or both) if I get Pension Credit?

The Pension Service pays Pension Credit, but your local authority pays Housing Benefit and Council Tax Benefit.

At the time you claim for Pension Credit you may receive a Housing Benefit and Council Tax Benefit claim form. You need to fill in this form and send it back to The Pension Service, who will pass it to us.

If you have not made a claim through The Pension Service, you will need to fill in an application form and return it to us.

If you have not heard anything within one month of sending your Housing Benefit and Council Tax Benefit claim form, please contact us.

## How do I claim Housing Benefit or Council Tax Benefit (or both) if I am not getting Pension Credit?

You must claim Housing Benefit or Council Tax Benefit (or both) directly from us by filling in a claim form. You can ask us for a form – our contact details are on your Council Tax bill. If you delay your claim you may lose benefit.

Once you have filled in the form, send it back to us as soon as possible.

## How do I claim Second Adult Rebate?

You can only claim Second Adult Rebate directly from us. You can ask us for a form.

Once you have filled in the form, send it back to us as soon as possible.

## How much Second Adult Rebate will I get?

The most Second Adult Rebate you can get is normally 25% of the full Council Tax bill before any discounts are taken off. However, if there is a student in your household you may (in some circumstances) get up to 100% discount. The amount depends on the gross weekly income (your income before tax and National Insurance are taken off) of your second adult.

## Could I get Council Tax Benefit and Second Adult Rebate?

When you fill in an application form we will assess whether you qualify for Council Tax Benefit or Second Adult Rebate, and give you whichever is the higher amount.

## What information do you need to work out my benefit?

When you claim Housing Benefit or Council Tax Benefit, we need to know:

- your income and savings, unless you are on Pension Credit;
- your family circumstances, including details about who lives with you; and
- your rent, but only if you are claiming Housing Benefit.

## What counts as income?

If you do get Pension Credit, either Guarantee Credit or Savings Credit (or both) we will not need any details about your income. For everything else, we need to know about any income you or your partner get. When you claim you will need to provide proof of all your income.

### Types of income are:

- your State Pension;
- any pension from your or your partner's previous employer;
- annuities (income you receive from an amount you have invested with an insurance company);
- other state benefits such as Working Tax Credit and Incapacity Benefit;
- any rent you receive from lodgers or subtenants; and
- earnings, wages or salary from your job. We will need to see your last five payslips (if you are paid every week) or last two payslips (if you are paid every month). Don't worry if you haven't got any payslips – you can ask your employer to fill in a form which you can get from us.

The claim form asks you about all the income you get. When we work out your benefit we use your gross earnings less tax and National Insurance and half of any pension contributions you make. For Second Adult Rebate, we need to know the gross weekly income of your second adult or adults – that is, their wages before tax and National Insurance are taken off.

## What counts as savings?

If you do get Pension Credit, either Guarantee Credit or Savings Credit (or both) we will not need any details about your savings. For everything else, we need to know about any savings you or your partner get. When you claim you will need to provide proof of all your savings.

### This includes:

- bank accounts (all types), building-society accounts and post-office savings;
- PEPs, TESSAs and ISAs;
- stocks, shares, and unit trusts;
- National Savings Certificates;
- cash; and
- property or land you own (but not the home you live in).

If you or your partner are of State Pension age, we will not count the first £10,000 of your savings or investments. If you have more than £10,000 we will add £1 a week to your income for every £500 or part of £500 you have over £10,000.

So, if you have £11,600, we will count that as an extra income of £4 a week. You cannot get benefit if you have savings or investments (or both), which are more than £16,000 unless you receive Guarantee Credit.

If you receive Guarantee Credit you will automatically get full Housing Benefit or Council Tax Benefit (or both), even if you have savings over £16,000.

If you do not get Guarantee Credit and you have savings over £16,000, you will normally not be entitled to Housing Benefit or Council Tax Benefit. However, this does not stop you claiming Second Adult Rebate.

If you are claiming Second Adult Rebate, we will only take into account the amount of interest your second adult gets on their savings.

## What about other people who live with you?

To work out your benefit, we need to know who else lives with you.

If you have a child you do not get Child Benefit for, or other adults living with you, you may get less Housing Benefit or Council Tax Benefit (or both). We will assume they pay towards your rent and Council Tax, even if they do not. See 'Do I get less benefit if I have people living with me?' for more details.

## If I have a partner do we both have to fill in a claim form?

No, you only have to fill in one form, but you should both sign it.

## If my partner works and I don't, can I claim for myself?

No, when you claim benefit we need to know about your partner. We work out your benefit using your joint income.

## How much rent will my Housing Benefit cover?

If your rent includes charges for services, we may need to take the cost of these from your rent before we work out your Housing Benefit.

We will also check that your rent is not too high. If it is, we will work out your benefit on a lower rent amount. In some cases, we must reduce the rent amount if your home is too large for you and your family.

## How do you decide if my rent is too high?

The Rent Service set a limit on the amount of Housing Benefit you can receive. It will not depend on the amount of rent you have to pay. The most Housing Benefit you could receive will be the same throughout the area you live in for each household of the same size as yours, no matter what rent you and the other households have to pay.

The Rent Service is independent from us.

## Can I find out how much rent will be used to work out my Housing Benefit before I move into new accommodation?

Yes. We will work out your Housing Benefit based on the rate of Local Housing Allowance (LHA) for the number of rooms you need in the area you live in. The Rent Service will publish new LHA rates each month. See 'A guide to Local Housing Allowance' for more information.

For tenancies **not** affected by Local Housing Allowance, you can find out how much of the rent we will use to work out your Housing Benefit **before** you decide to rent. You can do this by filling in a pre-tenancy determination (PTD) form, which you can get from us. Our contact details are on your Council Tax bill or in your local phone book.

A pre-tenancy determination does not mean that you definitely will get Housing Benefit. You must still fill in a claim form and show us all the evidence we need.

## What charges does Housing Benefit not cover?

### ■ **Gas and electricity charges**

Housing Benefit does not cover charges for heating, lighting, hot water or cooking. If these are included in your rent, the Rent Service will tell us how much to take off your rent for each service before we work out your benefit.

### ■ **Water rates**

Any charges for water rates will be taken off your rent.

### ■ **Services**

Housing Benefit does not cover charges for things like meals and laundry. Any charges for these services will be taken off your rent.

## What services can be covered by Housing Benefit?

Some charges can be included in your rent if you have to pay them under your tenancy agreement.

These include charges for:

- maintaining shared areas; and
- cleaning and lighting shared areas.

Shared areas include areas like staircases and landings.

## What if I pay Council Tax in my rent?

If your rent includes Council Tax, we will count this as part of your rent when we work out your Housing Benefit.

## How much Housing Benefit and Council Tax Benefit will I get?

If you get Guarantee Credit you will normally get the maximum amount of benefit. That is, all of your maximum rent level and all of your Council Tax, less any non-dependant charges (see 'Do I get less benefit if I have people living with me?').

If you do not get Guarantee Credit the amount of benefit you will get depends on the size of your household (how many people live in your home) and your income. If you, or any of your family, are disabled, you may get more benefit.

The size of your household will affect the 'applicable amount' for your claim, which the Government set. The applicable amount is the lowest amount of money the Government think you need to live on.

**Here are some examples of applicable amounts.**

- **If you are single and under 65,**  
your applicable amount is £137.35
- **If are single and aged at least 65,**  
your applicable amount is £157.90
- **If you are a couple under 65,**  
your applicable amount is £209.70
- **If you are a couple and one or both of you are at least 65,**  
your applicable amount is £236.80

**The amounts may be higher if:**

- you or your partner are disabled;
- you look after a disabled friend or relative;  
or
- you are responsible for children.

## Examples

- You are a pensioner aged 74 living alone.  
Your applicable amount is £157.90
- You are a couple – one of you is 63 and one is 68.  
Your applicable amount is £236.80

We work out benefit in the following ways:

- If your net weekly income (after tax and National Insurance are taken off) is not more than your applicable amount, you will get the maximum amount of benefit. This is all of your maximum rent level and all of your Council Tax after any discounts or exemptions.
- If your net weekly income is more than your applicable amount, you will get less benefit depending on how high your income is.
- The maximum amount of Housing Benefit and Council Tax Benefit you are entitled to may be reduced if you have any other adults living in your household.

## Benefit you could get each week

**The charts on the following page only give you a guide to the amount of benefit you could get if you are of State Pension age.**

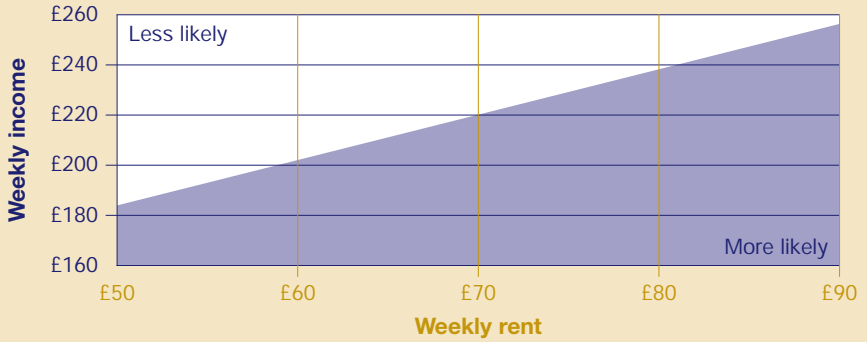
If you are not sure whether you will get any benefit, contact us or make a claim. If the charts do not cover your circumstances, please contact us. The notes below will help you understand the charts. Make sure you use the correct chart for your age.

- I Find your level of income down the side of the chart. The weekly income is the income you get after tax and National Insurance are taken off. The income amount includes all types of income, for example, wages, maintenance payments, benefits and savings. You are allowed to earn a certain amount of money before your benefit is affected. The amount you are allowed to earn is called a 'disregard'. The examples below show how much you can earn before your benefit is affected.
- If you are a single person, we disregard the first £5 of your income.
- If you are a couple, we disregard the first £10 of your income.
- If you are on Disability Living Allowance or Attendance Allowance, we disregard the full amount of this benefit.
- If you are responsible for a child and receive Child Benefit for looking after them, we disregard the full amount of this benefit.
- If you are responsible for a child and receive Child Benefit or Child Tax Credit for looking after them, and work over 30 hours (and in some circumstances over 16 hours) a week, we disregard £17.10 of your income.

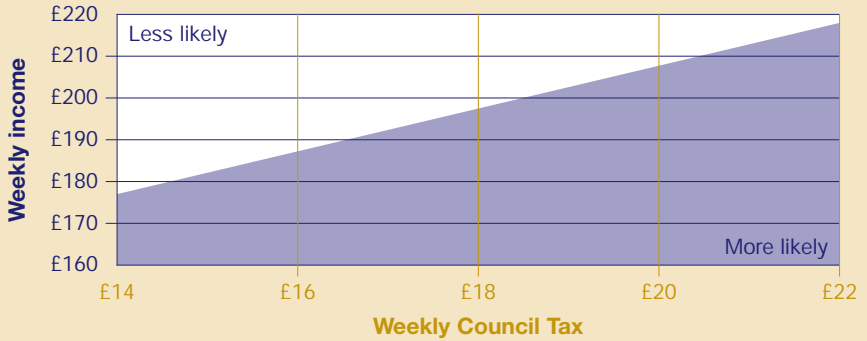
If you don't know whether a 'disregard' applies in your case, please contact us for advice.

- 2** Find your level of rent or Council Tax across the bottom of the chart. If you pay rent to a private landlord, Housing Benefit may be kept to a level which is lower than the amount your landlord charges you (see 'How much rent will my Housing Benefit cover?'). Please contact us for more advice.
- 3** Read up and across to the inside of the chart.
- 4** If you fall into the shaded area on the Housing Benefit chart, you may get Housing Benefit. If you fall into the shaded area on the Council Tax Benefit chart, you may get Council Tax Benefit. If you fall outside the shaded area, it is less likely you will get benefit. However, you are more likely to get benefit if you or your partner are disabled, so you should still make a claim.

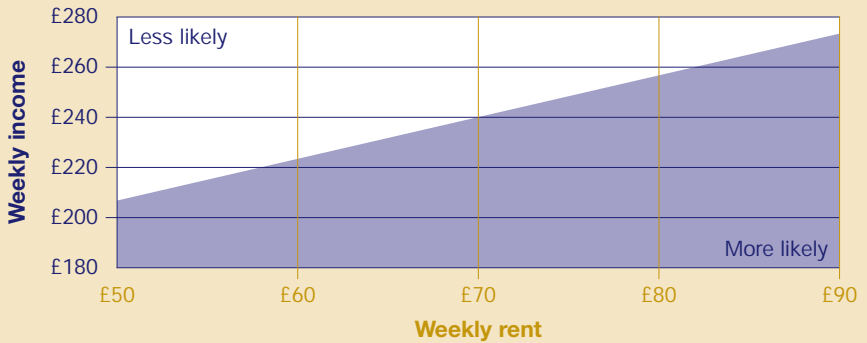
### Housing Benefit chart for single people under 65



### Council Tax Benefit chart for single people under 65



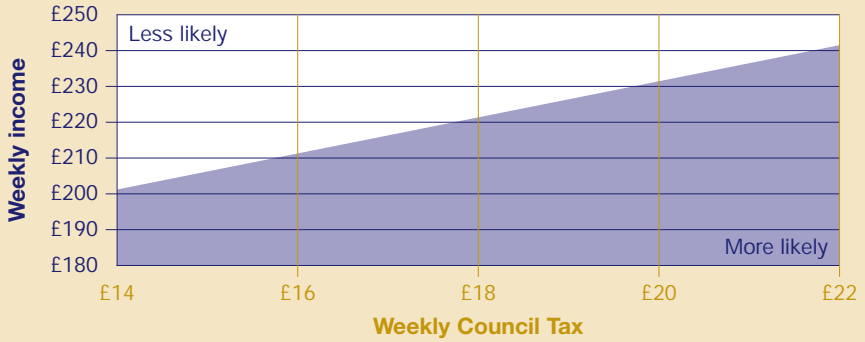
### Housing Benefit chart for single people aged 65 and over



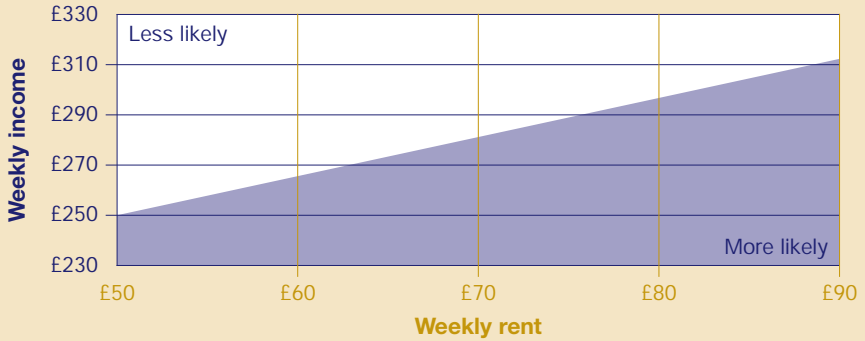
 Likely to be entitled

 Less likely to be entitled

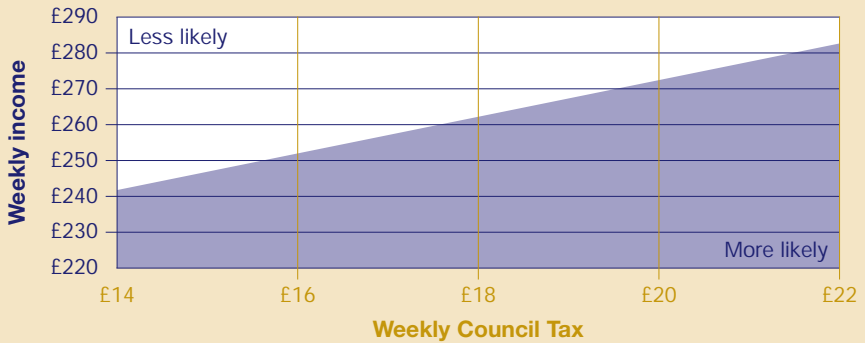
### Council Tax Benefit chart for single people aged 65 and over



### Housing Benefit chart for couples under 65



### Council Tax Benefit chart for couples under 65

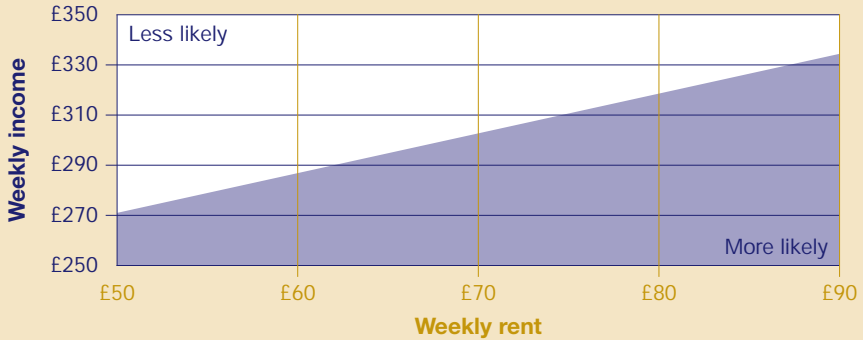


Likely to be entitled

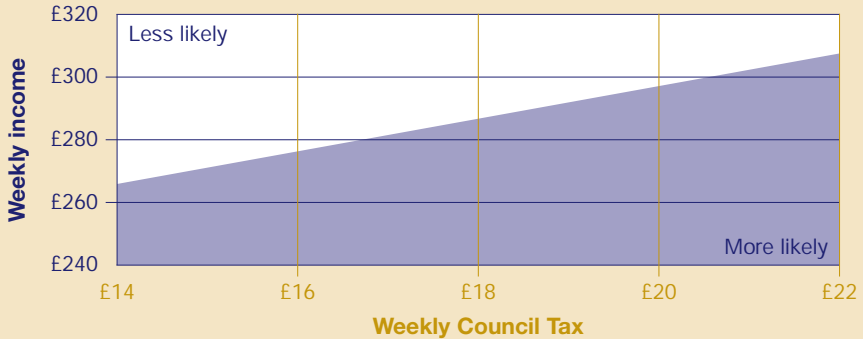


Less likely to be entitled

## Housing Benefit chart for couples aged 65 and over



## Council Tax Benefit chart for couples aged 65 and over



Likely to be entitled



Less likely to be entitled

## Do I get less benefit if I have people living with me?

We will reduce your Housing Benefit and Council Tax Benefit if you have grown-up children you do not receive benefit for, or any other adult who does not pay rent, living with you. We call these people non-dependants.

We will usually reduce your Housing or Council Tax Benefit by a fixed amount. This amount does not depend on what the non-dependant pays you, even if they pay nothing at all.

However, there are certain circumstances where we will not take an amount from your benefit. These include if you or your partner:

- receive Attendance Allowance;
- receive Disability Living Allowance (care component); or
- are registered blind.

Also, there may be circumstances where we will not take an amount off your benefit for the first 26 weeks of your claim, for example, you or your partner are aged 65 or over and a non-dependant moves in to the property.

**From April 2011, we will take the following amounts from your Housing Benefit.**

We will take these amounts from your benefit if the non-dependant is working 16 or more hours a week. The amounts are based on their gross income (before tax and National Insurance are taken off).

**Non-dependant's gross weekly income Amount we will take off**

■ Less than £122	£9.40
■ £122 to £179.99	£21.55
■ £180 to £233.99	£29.60
■ £234 to £309.99	£48.45
■ £310 to £386.99	£55.20
■ £387 or over	£60.60
■ If the non-dependant is over 25 and receiving income-related Employment and Support Allowance, Income Support, income-based Jobseeker's Allowance or Pension Credit or if they are over 18 and not working, we will take off £9.40	

■ If the non-dependant is under 25 and receiving income-related Employment and Support Allowance, Income Support, income-based Jobseeker's Allowance or if they are under 18 or a full-time student, we will not take anything off your benefit

**From April 2011, we will take the following amounts from your Council Tax Benefit.**

We will take these amounts from your benefit if the non-dependant is working 16 or more hours a week. The amounts are based on their gross income (before tax and National Insurance are taken off).

**Non-dependant's gross weekly income Amount we will take off**

■ Less than £180	£2.85
■ £180 to £309.99	£5.70
■ £310 to £386.99	£7.20
■ £387 or over	£8.60
■ Others aged 18 or over	£2.85

If the non-dependant receives Pension Credit, Income Support, income-related Employment and Support Allowance or income-based Jobseeker's Allowance, we will not take anything off your benefit.

**How will my benefit be paid?**

**Council Tax**

We will take your Council Tax Benefit from your Council Tax bill.

**Second Adult Rebate**

We will take your Second Adult Rebate from your Council Tax bill.

**Housing Benefit**

If you are a council tenant, we will pay the benefit to your rent account. If you are a private tenant, we will pay your benefit into your bank account.

**When will my benefit start?**

If you claim Housing Benefit or Council Tax Benefit (or both) we may backdate your benefit up to three months before the date you claimed. We can only do this if you have to pay rent and Council Tax for this period and are entitled to claim. If this is the case, we may write to you to ask for further details.

If you are not sure, send your claim form to us straight away, even if you are waiting for supporting documents (information we need to process your claim, such as bank statements, proof of rent or wageslips). If you do not, you may lose benefit. You should also send us your claim form if you are still waiting to hear about your Pension Credit.

## How long will my benefit last?

We will pay your benefit until you are no longer entitled to benefit, or if your circumstances change. When this happens, we will look at your claim again.

## What do I do if my circumstances change?

If you receive Pension Credit you will need to tell the Pension Service if your income or savings change. They will then tell us.

If you only get Savings Credit, you must tell us if your savings and investments go above £16,000.

If you don't get Pension Credit and your circumstances change at any time, tell us straight away in writing.

Typical examples of changes in circumstances are if:

- you change address;
- your rent changes;
- the number of people living with you changes;
- your income or any member of your household's income changes;
- you stop getting Pension Credit; or
- your savings change.

If you delay telling us about a change in your circumstances you will have to repay any benefit we overpay you (see the leaflet **'Housing Benefit and Council Tax Benefit – a guide to overpayments and debt'** on our website, [www.benefit-leaflets.org](http://www.benefit-leaflets.org), for more information).

## What if I do not agree with the amount of benefit I am given?

You should contact us if you would like us to explain how we worked out your benefit. You must do this within one month of the date on the decision letter. We will send you an explanation for our decision as soon as possible.

If you do not agree with the amount of benefit we award you, you should write to us within one month of the date on the decision letter, asking us to look at our decision again. If you receive Pension Credit and disagree with the income amount we have used to assess your claim, you will need to contact The Pension Service in most cases.

If you have already asked us for an explanation, you will have one month from the date on the decision letter plus the time we took to send you the explanation, to ask us to look at our decision again. If you delay longer than this, we will normally only change our decision from the date you wrote to us.

If you still disagree with our decision you can appeal to an independent tribunal. You can ask us for a form – our contact details are on your Council Tax bill (see the leaflet **'What to do if you think the decision about your Housing Benefit or Council Tax Benefit is wrong'** or our website [www.benefit-leaflets.org](http://www.benefit-leaflets.org) for more information).

## Where can I get more advice?

If you want more help or advice, contact us. (You can find our contact details on your Council Tax bill.)

### **The Pension Service**

You can contact The Pension Service by:

- phoning 0845 6060265; or
- visiting their website at [www.thepensionservice.gov.uk](http://www.thepensionservice.gov.uk)  
You can apply for Pension Credit by phoning 0800 99 1234.

### **HM Revenue & Customs**

You can contact HM Revenue & Customs by:

- phoning 0845 3003900; or
- visiting their website at [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

## Independent advice

If you need independent advice, contact the Age Concern helpline on 0800 00 99 66.

You can find other local advice agencies in the phone book, at your local library or by contacting us.

## Other formats

You can get the information in this booklet in large print, in Braille and in other languages. There is also an audio version on-line. Visit our website ([www.benefit-leaflets.org](http://www.benefit-leaflets.org)) for more information.

