



# Council Tax Support Scheme

## 'Easy Read Guide'

# Council Tax Support Guide

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## **1. What is Council Tax?**

Council Tax is a local tax collected and used by councils to fund local services including education, refuse collection and social services as well as the Police Authority and Fire & Civil Defence. The Council receives money from the government and income from Business Rates. This is not enough to cover the whole cost of Council services and the difference is made up by Council Tax.

Council Tax is based on a banded property valuation of dwellings. The amount you pay will depend on the number of adults living in the property and the Council Tax band the property is in.

The amount payable by individual taxpayers will vary due to exemptions, discounts and other reductions, which might apply.

The Council Tax charges, by property band, for Test Valley Borough Council are published each year on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## **2. Who has to pay Council Tax?**

Usually one person, called the liable person, is responsible to pay Council Tax. Nobody under the age of 18 can be a liable person. Couples living together will both be jointly and severally liable. This applies whether the couple is married, cohabiting or in a civil partnership.

## **3. What is Council Tax Support?**

Council Tax Support is financial help for anyone who is on a low income to pay their Council Tax. Council Tax Support is worked out by the Council using the rules of its Council Tax Support Scheme. The Council Tax Support Scheme rules are determined each year by the Council within guidelines set by the Government.

## **4. Who can get Council Tax Support?**

Anyone who has a liability to pay Council Tax in the UK can apply for Council Tax Support but entitlement will depend on your family circumstances and how much income and capital you have.

If you live with your partner, either one of you can claim Council Tax Support and your income and capital will be assessed together. This applies whether you are married, cohabiting or in a civil partnership.

## **5. Who cannot get Council Tax Support?**

- People with no liability to pay Council Tax
- People who own a property but do not live in it
- People with savings or capital over £16,000 or if they live with a partner and have combined savings over £16,000, unless you or your partner receives Pension Credit Guarantee Credit
- People from overseas or who have recently come to live in the UK may have difficulty claiming Council Tax Support, depending on their immigration status
- Most students don't have to pay Council Tax therefore are not entitled to Council Tax Support but there are a few situations in which a student may be liable to pay

## **6. How do I make a claim?**

The person who is liable to pay the Council Tax bill or their partner can make a claim for Council Tax Support. The Council offers a range of options to help you apply. You can:

- Apply on-line using the 'Claiming Benefits' page on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk). The quickest and easiest way to make a new claim is via our on-line claim form. Please complete the benefit calculator first to find out if you are entitled, you can then complete the claim form (you will not need to enter your details again).
- Telephone the Benefits Team on 01264 368000 (Andover) or 01794 527700 (Romsey) and they will be able to give you an estimate of benefit entitlement based on the income and capital details that you provide. If it appears that you may qualify for benefit, you can ask for a Visiting Officer to come to your home to help you complete the application form and collect the information required. This helps to process your claim more quickly.
- Visit the Council offices to make an on-line claim using one of the self-serve computers. The offices are at Beech Hurst, Weyhill Road, Andover, SP10 3AJ and the Former Magistrates' Court, Church Street, Romsey, SO51 8AQ. Both offices are open Monday to Thursday 8.30 to 5.00 and Friday 8.30 to 4.30. No appointment is necessary.

Housing Benefit and Council Tax Support are means tested benefits so evidence may be required regarding your identity, income and capital. The Council will advise you about this when you make your claim.

## 7. How is my Council Tax Support calculated?

To work out your Council Tax Support the Council will look at the following:

**Council Tax** – your current yearly Council Tax charge will be converted to a weekly amount

**Applicable Amount** - this is a set amount the Council says you and your family need to live on each week. It is based on your personal circumstances, such as your age, the ages and size of your family and whether you or any of your family is disabled

**Income** - money that you and your partner have coming in including earnings, some benefits and tax credits and things like occupational pensions, your savings and your partner's savings and any other form of capital

**Non-dependants** - other adults who live with you and could help with paying the Council Tax

Some of the Council Tax Support rules are different for customers of working age and customers of state pension age. Any differences in the rules are explained further in this guide.

**Working age** – aged between 18 and state pension age

**State pension age** – qualifying age for Pension Credit

You will normally get maximum Council Tax Support less any deductions for non-dependants if you receive one of the following benefits:

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance or
- Pension Credit Guarantee Credit

These are also called passported benefits.

If you do not get a passported benefit the money you have coming in (your income) is compared to your needs (applicable amount).

**If you have less than or the same income as your applicable amount** you will get the full amount of Council Tax Support less any non-dependant deductions.

**If you have more income than your applicable amount** your full Council Tax Support will be reduced by 20p for every pound you have above your applicable amount, and then by any non-dependant deductions.

### **Minimum Council Tax Support**

The minimum Council Tax Support allowed is £1.00 per week

### Maximum Council Tax Support

The maximum Council Tax Support allowed and is 100% of your weekly Council Tax liability if one or more of the following circumstances apply:

- You are over the qualifying age for a State Pension
- You are receiving the Support Component of Employment Support Allowance
- You are receiving the Limited capability for work and work-related activity element of Universal Credit

In all other circumstances the maximum Council Tax Support allowed is 90% of your weekly Council Tax liability.

### The calculation works like this:

- Your weekly Council Tax liability is calculated
- Deduct your applicable amount from your net income
- Any income left is called 'excess income'
- Deduct 20% of the excess income from 100% or 90% of your weekly Council Tax liability (see maximum Council Tax Support above)
- If there are any non-dependants in the household apply the relevant non-dependant deduction

The figure you are left with is the amount of weekly Council Tax Support that you will receive

#### Example

Harry is 57 and lives in a band A property. He works and his net income is £100.00 per week. Harry's 26 year old son, John lives with him. John works and earns £120 gross per week.

His entitlement is calculated as follows:

Council Tax Liability (weekly) £17.03 reduced to 90% maximum support £15.33

Net income £100.00

Applicable amount £73.10

Non-dependant deduction £4.00 (for John)

$£100.00 - £73.10 = £26.90$  (excess income)

$£26.90 \times 20\% = £5.38$

$£15.33 - £5.38 = £9.95$  maximum Council Tax Support

$£9.95 - £4.00 = £5.95$  Council Tax Support (after non-dependant deduction)

Therefore based on above calculation there will be £11.08 per week Council Tax to pay.

## **8. Information for People of Working Age**

### **When will my Council Tax Support start from?**

Normally your claim will start from the Monday after the Council receives your application form. It is very important that you complete your on-line application form as soon as possible because it affects the date your Council Tax Support claim will start.

### **Can my Council Tax Support be backdated?**

If there was a reason which stopped or delayed you claiming Council Tax Support you can ask for your claim to be backdated so that it starts from an earlier date. In order for a back-date of Council Tax Support to be allowed you will have to show good cause why you did not apply earlier. There is no formal definition of good cause; each case will be decided according to its own individual situation.

The maximum period that a Council Tax Support claim can be backdated is six months from the date the backdate request is received.

### **How is my applicable amount worked out?**

Your applicable amount represents the needs of you and your family and is made up of three parts:

- A personal allowance
- Personal allowances for children in your family
- Premiums

Your allowance and any premiums which may apply are added together to give your applicable amount. This is individual to your particular circumstances and cannot be altered unless your circumstances change.

Your applicable amount always includes a personal allowance. Different amounts apply according to your age and whether you have a partner.

If you are looking after children (other than foster children) then you get a personal allowance for each child included in your applicable amount. This allowance is included until Child Benefit for that child ends.

All the premiums you qualify for are added together to make up your applicable amount. A family premium will be included if you have any dependent children in your household. No matter how many children you have, you only get one family premium.

Certain disability premiums can be included in your applicable amount if you or people in your family have a disability.

All applicable amounts, allowances and premiums are reviewed annually and are published in Schedule 1 of the Council's Council Tax Support Scheme document that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## **What income is taken into account?**

If you or your partner receives Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance, this is the only income the Council takes into account.

If you do not receive one of the above benefits you must tell the Council about all of the income you and your partner receive so that your Council Tax Support can be calculated.

The Council uses net income from earnings from an employer or self employment; this is what is left after tax, national insurance and half your pension contributions are deducted.

If you receive Universal Credit the Council will use the income from your Universal Credit calculation to calculate any entitlement to support.

Before your Council Tax Support is worked out you are allowed a standard earnings disregard from your wages. In addition there is a further earnings disregard if you or your partner work over 30 hours per week, or over 16 hours per week for certain people.

In certain circumstances you can also be allowed a child care disregard, from your earnings, providing you pay child care to a registered child care provider.

Some other forms of income are disregarded in the calculation:

- Disability Living Allowance and Personal Independence Payments
- Attendance Allowance
- Child Benefit
- Child Maintenance
- War Disablement Pension
- War Widows Pension
- Adoption Allowance
- Fostering Allowance
- Special Guardianship Allowance
- Permitted Earnings (i.e. earnings allowed by the Job Centre Plus for people receiving certain sickness benefits)
- Charitable or voluntary payments

You must tell the Council about all of the income you receive even though it may not be included in your calculation.

All sums to be disregarded are reviewed annually and are published in Schedules 3 and 4 of the Council's Council Tax Support Scheme document that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## What about my savings?

If you have savings over £16,000 you will not be entitled to Council Tax Support.

Savings of less than £6,000 are ignored, but you must still tell the Council about them.

If you do not receive Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance the Council needs to know about money you and your partner have in:

- A bank or building society
- Shares
- National Savings Certificates
- ISAs/TESSAs
- Any property (except the one you live in) or
- Land you own
- Any other savings or capital you have

These may be included in the calculation of your Council Tax Support as tariff income.

If you have savings or capital less than £15,999.99 the Council will add an extra weekly income of £1 for every £250 of savings you have over £6,000.

### Example

If you have £8,500 in savings, £10 per week will be added to your income figure when working out your Council Tax Support:

$£8,500 - £6,000$  (disregarded) = £2,500 difference

$£2,500/£250 = £10$

£10 would be added to your weekly income

## **9. Information for people of state pension age**

### **When will my Council Tax Support start from?**

Normally your claim will start from the Monday after the Council receives your application form.

It is very important that you send your application form to the Council or make contact as soon as possible because it affects the date your Council Tax Support claim will start.

### **Can my Council Tax Support be backdated?**

People who have reached state pension age may have their claim treated as made earlier, up to a maximum of three months.

### **How is my applicable amount worked out?**

Your applicable amount represents the needs of you and your family and is made up of three parts:

- A personal allowance
- Personal allowances for children in your family
- Premiums

Your allowance and any premiums which may apply are added together to give your applicable amount. This is individual to your particular circumstances and cannot be altered unless your circumstances change.

Your applicable amount always includes a personal allowance. Different amounts apply according to your age and whether you have a partner.

If you are looking after children (other than foster children) then you get a personal allowance for each child included in your applicable amount. This allowance is included until Child Benefit for that child ends.

All premiums will be added together to make up your applicable amount.

A family premium will be included if you have any dependent children in your household. No matter how many children you have, you only get one family premium.

Certain disability premiums are included in your applicable amount for people in your family with disabilities.

All applicable amounts, allowances and premiums are reviewed annually and are published in Schedule 1 of the Council's Council Tax Support Scheme document that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## **What income is taken into account?**

If you or your partner receives Pension Credit Guarantee Credit, this is the only income the Council takes into account.

If you or your partner receives Pension Credit Savings Credit the Council will work out your Council Tax Support based on the Assessed Income figure and amount of your Savings Credit provided by the Pensions Service.

If you do not receive either type of Pension Credit you must tell the Council about all the income you and your partner receive so that your Council Tax Support can be calculated.

The Council uses net income from earnings from an employer or self employment; this is what is left after tax, national insurance and half your pension contributions are taken out.

Before your Council Tax Support is worked out you are allowed a standard earnings disregard from your wages. In addition there is a further earnings disregard if you or your partner work over 30 hours per week, or over 16 hours per week for certain people.

In certain circumstances you can also be allowed a child care disregard, from your earnings, providing you pay child care to a registered child care provider.

Some other forms of income are disregarded in the calculation:

- Disability Living Allowance
- Attendance Allowance
- Child Benefit
- Child Maintenance
- War Disablement Pension
- War Widows Pension
- Adoption Allowance
- Fostering Allowance
- Special Guardianship Allowance
- Permitted Earnings (i.e. earnings allowed by the Job Centre Plus for people receiving certain sickness benefits)
- Charitable or voluntary payments

You must tell the Council about all of the income you receive even though it may not be included in your calculation. All sums to be disregarded are reviewed annually and are published in Schedules 3 and 4 of the Council's Council Tax Support Scheme document that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## What about my savings?

If you have savings over £16,000 you will not be entitled to Council Tax Support unless you receive Pension Credit Guarantee Credit.

Savings of less than £10,000 are ignored, but you must still tell the Council about them.

If you do not receive Pension Credit Guarantee Credit the Council needs to know about money you and your partner have in:

- A bank or building society
- Shares
- National Savings Certificates
- ISAs/TESSAs
- Any property (except the one you live in) or
- Land you own
- Any other savings or capital you have

These may be included in the calculation of your Council Tax Support as tariff income.

If you have savings or capital less than £15,999.99 the Council will add an extra weekly income of £1 for every £500 of savings you have over £10,000.

### Example

If you have £12,500 in savings, £5 per week will be added to your income figure when working out your Council Tax Support:

$£12,500 - £10,000$  (disregarded) = £2,500 difference

$£2,500 / £500 = £5$

£5 would be added to your weekly income

## **Information for people of working age and state pension age**

### **10. What happens if other adults (non-dependants) live with me?**

Depending on the income of any other adults, aged 18 and over, who live with you there may be a deduction from your maximum Council Tax Support.

There are five levels of non-dependant deduction based upon the gross income of each non-dependant. In the case of a non-dependant couple the Council will include one deduction based on the total of their income.

There is no deduction taken for non-dependants who are getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance or Pension Credits.

Non-dependant deductions are not deducted from your Council Tax Support if you or your partner are registered blind, are receiving Attendance Allowance or the care component of Disability Living Allowance or Personal Independence Payment.

All non dependant deductions are reviewed annually and are published in Council's Council Tax Support Scheme document (Paragraph 58) that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

### **11. What documents will I need to provide?**

You will need to provide proof of:

- Identity and national insurance number for you and your partner
- Your income and savings
- The income of all other adults that live with you

Examples of evidence you can provide are:

- State benefit notification letters
- Payslips
- Driving licence, passport or original birth certificate
- Savings account books
- Bank statements for all bank accounts showing the last two full months transactions

Copies of documents can be attached to your on-line claim form, if you don't have all of the documents you need, you can still complete the on-line claim form and then send the additional documents later.

When looking at your claim the Council may write to you asking for more information, if they do this please send the information quickly as a delay may affect your benefit.

## **12. How will I know how much Council Tax Support I will receive?**

You will receive a Council Tax Bill detailing the level of support you have been awarded. At The start of each financial year you will receive a full breakdown of your Council Tax Support giving you the following information:

- The amount of Council Tax Support you will receive
- The period of your Council Tax Support
- How the Council Tax Support was calculated

It is important that you read this notification letter and tell the Council immediately if any of the details or information used in the calculation is wrong.

If you qualify for Council Tax Support it will be paid directly onto your Council Tax account and you will receive a reduced bill. This will tell you how much your new Council Tax amount is and how much you need to pay each month.

## **13. How long is my Council Tax Support paid for?**

Council Tax Support is paid for as long as your circumstances stay the same.

The Council may check the information used to work out your level of Support from time to time, to do this the Benefits Team may telephone you, visit you or send you a letter. You must give them the information they need when they contact you so they can carry on paying your Council Tax Support.

## **14. What changes do I need to tell the Council about?**

Council Tax Support is based upon your individual circumstances so you must let the Council know if your circumstances change.

When things change at home or at work you will need to tell the Council. You will need to tell the Council when your income and/or savings change. This applies to all members of your household. You must tell the Council when your income from other benefits change even if you think that the change will not affect your benefit entitlement.

Cumulative changes in income of up to £30.00 per week may not affect the level of support working age customer get but you still need to tell us about these changes.

- Complete an on-line change in circumstances form which can be found on the Councils website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)
- E-mail [benefits@testvalley.gov.uk](mailto:benefits@testvalley.gov.uk);
- Telephone 01264 368000 (Andover) or 01794 527700 (Romsey)

Please to tell the Council about changes within one calendar month of the date of the change. This applies to all members of your household. If you do not tell the Council about the change within one calendar month you could lose some Council Tax Support.

Examples of changes that you should tell the Council about:

- You and your household move address.
- You gain or lose a partner. This includes a partner of the same or opposite sex
- You or your partner cease to receive Income Support, Jobseeker's Allowance or Employment Support Allowance
- You start or stop receiving Universal Credit
- You or your partner start or stop receiving any benefit or income
- Benefit for you or your partner increases or decreases
- Anyone in your household has a change in their income
- You or your partner start or cease work
- You or anyone in your household have a pay rise or any other increase in income
- You or anyone in your household receive a bonus from your employer
- Someone leaves or joins your household
- Your family has increased due to the birth of a child or you start, or cease, to receive child benefit
- Anyone in your household goes into hospital
- You are temporarily absent from your home.

### **15. What is an extended payment?**

You can get an extended payment if you were unemployed and were receiving one of the following qualifying benefits continuously for at least 26 weeks:

- Income Support
- Income-based Jobseeker's Allowance
- Incapacity Benefit
- Severe Disablement Allowance
- Employment and Support Allowance

And this stopped because either you or your partner:

- Started work, or
- Have increased your hours of work to more than 16 hours per week and that work is expected to exceed five weeks.

The extended payment period will be for four weeks from the Monday following the day after your qualifying benefit has stopped as long as you continue to have a liability to pay Council Tax.

You will get the same amount of Council Tax Support as you did when you were in receipt of your qualifying benefit for those four weeks.

You do not have to claim for an Extended Payment, the Council will award it to you if you meet the qualifying conditions.

### **16.If I've been paid too much Council Tax Support, what will happen?**

If you have been paid too much Council Tax Support your entitlement will be recalculated.

The Council will deduct any amount of Council Tax Support that was not due to you from your Council Tax account. The Council will issue you with an amended Council Tax Bill increasing your monthly instalments to include the reclaimed amount.

### **17.What can I do if I do not agree with the Council's decision?**

If you do not agree with any decision the Council makes regarding your Council Tax Support you can ask for this to be looked at again.

If you want to know more about the decision or if you think it is wrong, you should get in touch with the Council within one calendar month of the date you received your revised Council Tax Bill.

#### **For Council Tax Support you must follow these steps:**

- Ask the Council for an explanation;
- Ask the Council to look again at the decision. If the decision is changed in your favour then you will be sent you a new decision and you will have two months to appeal from the date of this new decision;
- Appeal against the decision. If you disagree with the Council's decision about your Council Tax Support, you have the right to appeal to an independent body, the Valuation Tribunal. You can do this online at [www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk). You must send your appeal to the Tribunal within two months of the date of your Council Tax Support decision letter.

You can also get independent advice about your claim by contacting Citizens Advice. If they cannot help you they should be able to advise you of other sources of help. Further information is on the website [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk) or you can telephone 01264 365534 (Andover) or 01794 516378 (Romsey).

## **18. What is Second Adult Rebate?**

Second Adult Rebate is a type of Council Tax Support based on the income of other people living with you. It is paid to your Council Tax account and reduces the amount of your bill.

You can claim Second Adult Rebate if you are a single person responsible for paying the Council Tax on the property where you live and have other adults aged 18 or over living with you who are on a low income.

An award will depend on the type and amount of income that the other adults in your home have. When calculating the amount of Second Adult Rebate the income of all the other adults is combined. If you know the income details of all the other adults in your property please telephone the Council's Benefits Team on 01264 368000 (Andover) or 01794 527700 (Romsey) who can advise you if you qualify for a Second Adult Rebate.

All sums in relation to Second Adult Rebate are reviewed annually and are published in Schedule 2 of the Council's Council Tax Support Scheme document that is available to view on the Council's website at [www.testvalley.gov.uk](http://www.testvalley.gov.uk)

## **What other Council Tax discounts are available?**

There are other potential Council Tax discounts available to any person who is:

- A single occupier (the only adult in the household)
- Certain students, school leavers and youth training trainees
- People who live in residential homes, nursing homes, mental nursing homes and hostels providing a high level of care
- Residential hospital patients
- People in prison
- People who are severely mentally impaired
- Certain carers and certain care workers
- Apprentices and Foreign language assistants
- Members of religious communities
- Members of visiting forces, international HQ and defence organisations
- Member of the household who is over 18 but their parent/guardian is still entitled to receive child benefit for them

If you feel you or anyone in your household may satisfy the above criteria please apply on-line at [www.testvalley.gov.uk](http://www.testvalley.gov.uk) or contact the Council on 01264 368000 (Andover) or 01794 527700 (Romsey).

## 19. How to contact the Council

Further information can be found on the Council's website at <a href="http://www.testvalley.gov.uk">www.testvalley.gov.uk</a>	
e-mail	<a href="mailto:benefits@testvalley.gov.uk">benefits@testvalley.gov.uk</a>
Telephone	01264 368000 (Andover) or 01794 527700 (Romsey)
Write or call into the Council offices	Beech Hurst, Weyhill Road, Andover, SP10 3AJ, or Former Magistrates' Court, Church Street, Romsey, SO51 8AQ  The Council offices are open: Monday to Thursday 8.30 to 5.00 Friday 8.30 to 4.30  No appointment is necessary