



Help with rent and council tax for people of working age

Please note that the rates given in this leaflet are not current. For up to date figures please refer to our customer services team, or alternatively, refer to our website at www.iwight.com

We have written this leaflet for people of working age. In this leaflet, a person of working age is anyone aged between 16 and state pension age. The rules are the same wherever you live. (If you are over state pension age, please read the leaflet 'Help with rent and council tax for pensioners'.) 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?

It can often be hard to pay your rent. We can give people on low incomes help to pay their rent.

What is council tax benefit?

If you are on a low income we may be able to give you help to pay your council tax.

What is second adult rebate?

Second adult rebate is for people who cannot get help with their council tax in their own right but who have

other people living with them who are on a low income. By other people we mean: not a partner, lodger, boarder or liable for council tax. To get it, the person responsible for paying the council tax must claim.

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 per cent 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 to award a discount.

Adults we do not count include:

- full-time students;
- people with severe mental-health problems or learning difficulties;
- carers;
- some 18, 19 and 20-year-olds who you receive child benefit for; or
- people in prison.

What are council tax exemptions?

When a property is empty, there may be a 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. Please contact our council tax department on 01983 823901.

What are Income Support and Jobseeker's Allowance?

The Department for Work and Pensions pay Income Support to people on low incomes who are unable to work. Anyone who works less than 16 hours a week or

has little or no income may also get it (as long as they meet certain other conditions).

Jobseeker's Allowance (JSA) is paid to people who are not working and are looking for work. It is paid as either:

- **income-based (IB) JSA** – we do not need any details about your income; or
- **contribution-based (CB) JSA** – we need to know your income and savings.

If you get Income Support or JSA, there are only certain changes that you need to tell us about. We will explain this later on in this leaflet.

What is Employment and Support Allowance?

Employment and Support Allowance (ESA) is a new benefit which replaces Incapacity Benefit and Income Support for people who are sick or disabled. This benefit was introduced on 27 October 2008.

There are two parts of ESA:

- Income-related Employment and Support Allowance
- Contributory Employment and Support Allowance

People who are already getting Incapacity Benefit or Income Support for incapacity for work or disability will continue to receive these benefits until they are eventually transferred to ESA (the DWP will decide this).

If you get income-related Employment and Support Allowance, Income Support or incomebased Jobseeker's Allowance, 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?

Tax credits are paid by HM Revenue & Customs and can also be used 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, 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 receive Income Support, Jobseeker's Allowance or Employment Support Allowance ?

The Department for Work and Pensions (DWP) pays Income Support, JSA and ESA, but we pay housing benefit and council tax benefit. At the time you claim for Income Support, JSA and ESA, you will be asked if you wish to claim housing benefit and council tax benefit. This claim will then be sent to us.

If you have not made a claim through the DWP, you will need to fill in one of our application forms 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 on Income Support, Jobseeker's Allowance or Employment Support Allowance ?

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 by either telephoning or visiting one of our offices.

Once you have filled in the form, return it to us as soon as possible. If you delay providing us with your form you may lose benefit.

How do I claim second adult rebate?

You claim second adult rebate from us. Once you have filled in the form, return it 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 per cent 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 per cent discount. The amount depends on the gross weekly income (the 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 Income Support, JSA(IB) or employment support allowance – income related (effective from 27 October 2008);
- your family circumstances, including details about who lives with you; and
- your rent, but only if you are claiming housing benefit.

You will need to provide evidence of your and your partner's National Insurance number and identity (proof of who you are, for example, with a passport, birth certificate or driving licence).

What counts as income?

If you get Income Support, JSA(IB) or ESA (IR), 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:

- earnings, wages or salary from your job. We will need to see your last five payslips (if you are paid every week) or your 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;
- self-employed income, self employed accounts;
- any pension from your or your partner's previous employer;
- annuities (an income that you receive from an amount you have invested with an insurance company);
- any rent you receive from lodgers or subtenants;
- maintenance you receive from a former partner; and
- other income – tax credits, other benefits etc.

The claim form asks you about all the income you get. When we work out your benefit we use your gross earnings less tax, 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 not get Income Support, JSA(IB) or ESA (IR), we need to know about any savings you or your partner have. 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 (last two months statements);
- PEPs, TESSAs and ISAs;
- stocks, shares, and unit trusts;
- National Savings Certificates;
- cash;
- property or land you own (but not the home you live in).

Normally, if you have savings over £16,000 you are not entitled to claim housing benefit or council tax benefit. This does not stop you claiming second adult rebate.

If you and your partner are under state pension age, we will not count the first £6,000 of your savings or investments (or both). If you have more than £6,000, we will add £1 a week to your income for every £250 or part of £250 you have over £6,000. So, if you have £6,600, we will count that as an extra income of £3 a week.

If you are claiming second adult rebate, we need to know the amount of interest your second adult gets on their savings. We do not need to know how much their savings are.

What about other people who live with you?

To work out your benefit, we need to know who else lives with you. The section 'How much housing benefit and council tax benefit will I get?' gives more details.

If you have a child that 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 may 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 every 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.

Special rules for people under 35

If you are a single person under 35, we normally work out your benefit using the standard rate for a bedroom in a shared accommodation.

Please contact us if you are already renting more than one room.

Can I find out how much rent you will use 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. These are displayed in our offices and on our website. 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 visit our website at www.iwight.com.

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 you pay 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 Income Support, JSA(IB) or ESA(IR), 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 Income Support, JSA(IB) or ESA(IR), the amount of benefit 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 as at 1 April 2012:

- **If you are single and under 25**, your applicable amount is £56.25.
- **If you are single and at least 25**, your applicable amount is £71.
- **If you are a single parent and under 18**, your applicable amount is £56.25.
- **If you are a single parent and at least 18**, your applicable amount is £71.
- **If you are a couple and under 18**, your applicable amount is £84.95.
- **If you are a couple and one or both of you are at least 18**, your applicable amount is £111.45.
- **If you have a child under 19 for whom you receive child benefit**, add £64.99.
- **If you have a family or are a single parent**, add £17.40.

The amounts we give you may be higher if:

- you or your partner are disabled;
- you look after a disabled friend or relative; or
- you have children aged under one.

Examples

- You are a single person aged 23 and live alone.
Your applicable amount is £71.
- You are a couple – one of you is 16 and one is 19.
Your applicable amount will be £111.45.
- You are a couple with one child aged over one.
Your applicable amount is as follows:

Couple over 18 add	£111.45
Child under 19 add	£64.99
Family (no child under one) add	£17.40
Total applicable amount:	£193.84

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 are taken off.
- If your net weekly income is more than your applicable amount, you will get less benefit depending on how high your income is.
- The amount of housing benefit and council tax you are entitled to may be less if you have any other adults living in your household.

Income disregarded

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'. This amount is your net income (your income after tax and National Insurance are taken off). 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 wages.
- If you are a couple, we disregard the first £10 of your wages.

- 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 or Child Tax Credit (or both) for them, and work over 30 hours (and in some circumstances over 16 hours) a week, we disregard £17.10 of your wages.
- If you pay childcare for a child under 11, we can disregard up to £175 of your earnings for each child. This increases to £300 for two or more children.
- If you receive maintenance for a child you are responsible for, we will disregard all of this.

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

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

From April 2012 we will take the following amounts from your housing benefit each week.

We will take these amounts from your benefit if the non-dependant is working 16 or more hours a week. These 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 £124	£11.45
• £122 to £183	£26.25
• £183 to £238	£36.10
• £238 to £316	£59.05
• £316 to £394	£67.25
• £394 or over	£73.85

If the non-dependant is:

- over 25 and on Income Support, income-based Jobseeker's Allowance or Employment Support Allowance (income related) or Pension Credit, or over 18 and not working £11.45
- under 25 and on Income Support, Employment Support Allowance (income related) or income-based Jobseeker's Allowance, or under 18, or a full-time student – We will not take anything off your benefit

From April 2012, we will take the following amounts from your council tax benefit each week.

We will take these amounts from your benefit if the non-dependant is working 16 or more hours a week. These 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 £183	£3.30
• £183 to £316	£6.55
• £316 to £394	£8.25
• £394 or over	£9.90
• Others aged 18 or over	£3.30

If the non-dependant receives Pension Credit, Income Support, Employment Support Allowance or income-based Jobseeker's Allowance – We will not take anything from your benefit

What if I am a student?

Most students are not eligible to receive housing benefit or council tax benefit. However, some students may get housing benefit if they:

- are single parents;
- are a couple with dependent children;
- are disabled; or
- are getting Income Support JSA (IB), or ESA (IR).

If you are a student and want to know if you will get any benefit, contact us for advice.

What if I have recently entered the country or have visa restrictions on my passport?

If you or you partner have recently entered this country after living abroad, or have entry restrictions on your passport, you may not be eligible to receive housing benefit or council tax benefit. We will give you advice about this when you claim.

How will my benefit be paid?

Council tax

We will credit your council tax benefit to your council tax bill.

Second adult rebate

We will credit your second adult rebate to your council tax bill.

Housing benefit

If you are a housing association tenant, we will pay the benefit to your housing association in most cases. If you are a private tenant, we will pay your benefit into your bank account.

When will my benefit start?

We will normally pay your benefit from the Monday after you make your claim to us or to the Department for Work and Pensions (for Income Support, JSA(IB) or ESA(IR)).

If you are in doubt, 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), or you may lose benefit. You should also send us your claim form if you are still waiting to hear about your Income Support, JSA(IB) or ESA (IR).

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 your circumstances change at any time, tell us straight away in writing. If you are on Income Support, JSA(IB) or ESA(IR), you must also tell the Department for Work and Pensions.

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 Income Support, JSA(IB) ESA(IR); or
- your income or savings change.

If you delay telling us about a change in your circumstances you will have to repay any benefits we overpay you (see the leaflet '**Housing benefit and council tax benefit – a guide to overpayments and debt**' for more information or visit our website at www.iwight.com).

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 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. (See the leaflet 'What to do if you think the decision about your housing benefit or council tax benefit is wrong' or visit our website www.iwight.com for more information.)

Where can I get more advice?

If you want more help or advice, you can contact us at:

Council Offices

Civic Centre,
Sandown,
Isle of Wight
PO36 9EA

Tel: 01983 823950

Email: housing.benefit@iow.gov.uk

Opening times:

8.30am to 5pm, Monday, Wednesday, and Thursday.

8.30am to 4.30pm Friday.

This office is closed all day on Tuesdays.

Late night for phone calls to the benefit team on
Wednesday evenings until 6pm.

Customer Services Centre

County Hall,
Newport,
Isle of Wight
PO30 1UD

Opening times:

8.30am to 5pm, Monday, Tuesday, Wednesday and
Thursday.

8.30am to 4.30, Friday.

Ryde Help Centre

Ryde Library,
101 George Street,
Ryde,
Isle of Wight
PO33 2JE

Opening times:

9am to 5pm, Monday, Tuesday and Friday

Freshwater Library

41 School Green Road,
Freshwater,
Isle of Wight
PO40 9AP

Opening times:

9.30am to 12.30pm, and 1.30 to 4.30pm, Tuesday

If you would like more information on benefits, please refer to our website at iwight.com and follow our quick link to **revenues and benefits**. Alternatively visit direct.gov.uk

If you want more help or advice, please contact us (you can find our contact details at the back of this leaflet), or visit our website at www.iwight.com

HM Revenue & Customs

You can contact HM Revenue & Customs by:

- phoning 0845 3003900; or
- visiting their website at: www.hmrc.gov.uk

Independent advice

If you need independent advice, contact your local citizens advice bureau. You can find their phone number (and the numbers for other local advice agencies) in the phone book and at your local library, or by contacting your local council.

This leaflet is a guide and does not cover every circumstance. Some of the information in this leaflet may have been simplified and some information may become out of date because of changes to the law. We recommend that you get independent advice before making financial decisions based on this leaflet.

Isle of Wight Council, Revenues and Benefits,
Council Offices, The Broadway, Sandown, PO36 9EA

Telephone (01983) 823950

Email housing.benefit@iow.gov.uk

Web www.iwight.com

If you have difficulty understanding this document, please contact us on 01983 821000 and we will do our best to help you.