



**April 2008**

**Key points:**

- Replaces previous version dated April 2007
- Local Housing Allowance information included

## **Housing Benefit and Council Tax Benefit**

This fact sheet is aimed at people aged 60 and over.

**Those living in Scotland, Wales or Northern Ireland may wish to contact:**

**The Scottish Helpline for Older People – Age Concern Scotland, tel: 0845 125 9732**  
(local call rates) Monday to Friday, 10am – 4pm; website: [www.olderpeoplescotland.co.uk](http://www.olderpeoplescotland.co.uk);

**Age Concern Cymru, Ty John Pathy, Units 13/14 Neptune Court, Vanguard Way, Cardiff CF24 5PJ, tel: 029 2043 1555**  
(national call rate); website: [www.accymru.org.uk](http://www.accymru.org.uk);

**Age Concern Northern Ireland, 3 Lower Crescent, Belfast BT7 1NR, tel: 028 9032 5055**  
(national call rate), Monday to Friday, 10am – 12pm and 2pm - 4pm, website: [www.ageconcernni.org](http://www.ageconcernni.org).

## Contents

1.	The Council Tax .....	3
2.	Who can claim Housing Benefit? .....	3
3.	Who can claim Council Tax Benefit? .....	5
4.	How your benefit is calculated .....	5
5.	Your rent and Council Tax .....	5
5.1	Rent .....	6
5.2	Fuel charges .....	6
5.3	Rent restrictions .....	7
5.4	Council Tax .....	7
6.	Deductions for people living in your home.....	8
7.	Capital .....	9
7.1	Joint capital .....	11
8.	Income.....	11
9.	Applicable amount/Appropriate amount.....	13
9.1	Standard applicable amount.....	14
9.2	Severe disability premium .....	14
9.3	Carer's Premium.....	15
10.	Benefit calculation.....	16
11.	Minimum benefit .....	16
12.	Examples.....	17
13.	Second adult rebate .....	19
14.	Benefit in different circumstances .....	20
14.1	Temporary absence .....	20
14.2	Two homes .....	20
14.3	Discretionary housing payments .....	20
15.	Claims and payments.....	21
15.1	How to claim .....	21
15.2	How benefit is paid.....	21
15.3	How long will the claim take?.....	21
15.4	If your circumstances change.....	22
15.5	Overpayments .....	22
15.6	Backdating.....	23
15.7	If you disagree with a decision about your benefit.....	23
16.	Further information from Age Concern.....	24

## Introduction

This factsheet covers Housing Benefit (HB) and Council Tax Benefit (CTB) from April 2008. There will be a new edition in April 2009. To make sentences shorter we will sometimes use initials in this factsheet; HB for Housing Benefit and CTB for Council Tax Benefit.

**This factsheet does not cover Housing/Council Tax Benefit for people under 60 or people with children. The rules are very different, so if you are under 60 contact a local advice centre.**

Housing Benefit helps people with their rent, and with rates in Northern Ireland (but this factsheet does not cover rate rebates). Council Tax Benefit provides help with the Council Tax in England, Scotland and Wales. Both benefits are related to income and savings and are administered by local authorities although the rules are set by the UK Parliament.

People who receive the guarantee part of Pension Credit (PC) will usually get full help with their rent and Council Tax payments. More information about this benefit is given in Age Concern's Factsheet 48, *Pension Credit* and in Factsheet 18, *A brief guide to money benefits*.

### 1. The Council Tax

The Council Tax is the system of paying towards local government services in England, Scotland and Wales. It is based both on the value of the property and, to some extent, the individuals living there. For each property one or more people will be legally responsible for paying the Council Tax although the household can choose how to divide up the bill. There are many ways to reduce your bill, such as through Council Tax Benefit which is means-tested, and discounts and disability reductions which are not means-tested. These reductions apply both to homeowners and people who live in rented accommodation. Some examples are given later in this factsheet. For more information about the Council Tax system in England see Age Concern Factsheet 21, *The Council Tax*.

### 2. Who can claim Housing Benefit?

You can claim Housing Benefit if you or your partner are liable to pay rent for the accommodation 'normally occupied' by you and your family.

Your partner is your husband, wife, civil partner or someone you live with as though you are married/civil partners. You must also be 'habitually resident' in the UK and not excluded from claiming because of your immigration status.

Contact a local advice agency if you need further information about the position for people who have been living abroad.

You can claim Housing Benefit for the following:

- council, housing association or private tenants may get help with their rent and certain service charges;
- people living in houseboats may get help with mooring charges even if they own the houseboat;
- people living in a caravan or mobile home may get help with site charges even if they own the caravan or mobile home;
- boarders and people living in hostels may get Housing Benefit for the accommodation part of their charges;
- people in care homes cannot normally get Housing Benefit towards their fees;
- home-owners cannot receive Housing Benefit but may be able to get Pension Credit (PC) which could help them with certain costs such as mortgage payments;
- if your landlord is a close relative (eg son, daughter, brother, sister) and you share the household, you cannot usually get Housing Benefit.

But if you live separately or you only share areas such as the hall and bathroom you may still be able to claim benefit as long as the arrangement was not set up to take advantage of the Housing Benefit system;

- if you live in the same property as your landlord and he or she is not a close relative you will be able to claim in the normal way as long as the arrangement is on a 'commercial basis'.

### **3. Who can claim Council Tax Benefit?**

You may be able to receive Council Tax Benefit if you are responsible for paying the bill and you have a low income (assessment of income and savings is explained later) this is called the 'main Council Tax Benefit'. But some people will receive benefit even if they do not have a low income. This may apply if you are responsible for paying the bill and you live with one or more other people who have a low income - this part of the system is called the Second Adult Rebate and is explained later. You must also be 'habitually resident' in the UK and not excluded from claiming because of your immigration status. If you have a partner (that is you are married or civil partners or you live with someone as though you are married/civil partners) you will be jointly responsible for your Council Tax bill. Any benefit will be worked out on your joint savings and income and only one of you should apply.

In some cases two or more people who are not 'partners' will be responsible for paying the Council Tax - eg two sisters might jointly own their home. In this case each can claim benefit on their share of the bill based on their own savings and income.

### **4. How your benefit is calculated**

Housing Benefit and the main Council Tax Benefit are worked out by looking at the amount of rent and/or Council Tax you have to pay, and then, calculating your weekly income (looking at income from pensions, earnings etc and income from savings). This figure is then compared with the 'applicable amount' that someone in your circumstances is expected to live on. There may also be deductions because certain other people live in your home. This is explained later.

### **5. Your rent and Council Tax**

Rent and Council Tax are calculated on a weekly basis regardless of how often they are actually paid. So if you pay your Council Tax in 10 monthly instalments first work out the weekly amount (multiply by 10 then divide by 52). If you pay your rent on a calendar monthly basis multiply by 12 and divide by 52.

## 5.1 Rent

The maximum Housing Benefit you can receive is 100% of your 'eligible rent' although the amount of rent eligible for benefit may be restricted if it is considered too high as explained below. Your eligible rent can include certain service charges but does not cover water rates or fuel charges.

Eligible service charges include: general management costs; charge for furniture; cleaning of communal areas; portering; entry phone; and caretakers. You can't get help with charges for things such as: food; laundry; and leisure facilities.

For people living in supported housing (including sheltered housing) there is a scheme called 'Supporting People' under which local authorities receive a grant for funding support services. This scheme pays for things such as: cleaning of private areas; emergency alarm systems; and general support not funded by Housing Benefit. These services should also help you to remain in your own home so that you don't have to move to sheltered housing or a care home. If you live in private supported accommodation or remain in your own home you will usually need to have a community care assessment (carried out by the Local Authority Social Services department) in order to get this support. People receiving Housing Benefit will not be charged for these services.

## 5.2 Fuel charges

If your rent includes an amount for fuel, this will not be counted as eligible for benefit. For example, if your rent is £80 of which £10 is for heating, the maximum benefit would be £70.

If the charges for fuel are not specified separately and you and your family have more than one room, the following fixed amounts will be deducted:

Heating	£ 15.45	Cooking	£ 1.80
Hot water	£ 1.80	All fuel	£20.30
Lighting	£ 1.25		

These amounts are lower if you only occupy one room.

### **5.3 Rent restrictions and Local Housing Allowance**

If the council thinks that your rent is too high or your accommodation is larger than you need (taking into account your circumstances) or that the rent has increased unreasonably while you have been getting Housing Benefit, it may restrict the amount of Housing Benefit.

Before taking up a tenancy, you can ask the council for a 'pre-tenancy determination', which tells you how much of the rent would be eligible for Housing Benefit. If restricting the amount of your rent eligible for benefit would cause you 'exceptional hardship' your council has some discretion to pay more benefit. It can make discretionary housing payments if you need help to meet your rent or council tax. So if your benefit is restricted you can apply for help under this scheme. If you decide to challenge a decision about your benefit or ask the council to use its discretion, it is a good idea to get some help from a local advice agency.

#### **Local Housing Allowance (LHA) from 7 April 2008**

Local Housing Allowance is Housing Benefit for people who rent from private landlords. The amount of LHA you can receive is based on the number of bedrooms the council allows, depending on who you live with. The council must publish the amount of rent it will pay for different size properties. This will enable landlords and tenants to find out how much their LHA will cover.

Some tenants may not get enough help to pay all their rent if, for example, they have too many bedrooms for their family size. Some tenants may get more LHA than their rent costs and they will be able to keep up to £15 of the excess.

From 7 April 2008 all new claims from private tenants will be based on the Local Housing Allowance rules. If you are already claiming Housing Benefit you will only move to the LHA rules if you change your address or there are other changes in your circumstances; for example you may no longer be entitled to a particular benefit.

The LHA rules do not apply to tenancies that started before 15 January 1989.

## **5.4 Council Tax**

The maximum Council Tax Benefit you can get is 100% of your bill. Your benefit will be worked out after any discounts or reductions such as the 25% discount for living alone.

## **6. Deductions for people living in your home**

Your maximum benefit may be reduced if you have someone living with you who is not your partner or a child. This is referred to as a 'non-dependant' deduction.

There are some people who are not considered to be a non-dependant in certain situations, eg, if the person you live with is a joint owner or joint tenant or they are a boarder or sub-tenant paying you rent. The deductions are made because it is assumed that someone such as an adult son or daughter will contribute towards your housing costs.

The sums deducted are fixed regardless of how much the person actually contributes. Only one deduction will be made for a couple who live with you.

Deductions are not made if you or your partner are blind or receive Attendance Allowance or the care component of the Disability Living Allowance. Nor is there a deduction for someone living with you who normally lives somewhere else, or is a full-time student, or is aged under 18, or is in hospital for more than 6 weeks. Non-dependants are also ignored if they are getting Pension Credit or are under 25 and receiving IS or income-based JSA.

For Council Tax there are no deductions for non-dependants of any age receiving Income Support (IS) or income-based Jobseekers Allowance (JSA).

No deductions are made for someone living with you who is not counted for the purposes of Council Tax discounts such as a person who is 'severely mentally impaired'. (See Age Concern Factsheet 21, *The Council Tax* for more information about who is 'not counted').

If someone living with you is aged 18 or over, works 16 hours a week or more, does not get Pension Credit and has a gross income of at least £116 a week there are the following rates:

<b>Gross income of non-dependant</b>	<b>Weekly deduction from rent</b>	<b>Weekly deduction from Council Tax</b>
£116 - £171.99	£17.00	£2.30
£172 - £222.99	£23.35	£4.60
£223 - £295.99	£38.20	£4.60
£296 - £368.99	£43.50	£5.80
£369 - or more	£45.75	£6.95

(When assessing the gross income of a non-dependant all income is counted apart from Attendance Allowance and Disability Living Allowance). For others aged 18 or over not covered by the provisions described above there is a £7.40 deduction from rent and a £2.30 deduction from Council Tax.

### **People of 65 or over**

If you are 65 or over, changes due to non-dependants that would reduce your benefit will not apply until 26 weeks after the change of circumstances. This is intended to put off the financial impact caused by the arrival of a non-dependant in a household or an increase in the income of an existing non-dependant.

This concession applies when:

- the claimant or partner is 65 or over; **and**
- a non-dependant arrives in the household; **or**
- an existing non-dependant's income increases; **and**
- the non-dependant charge would decrease Housing/Council Tax Benefit.

## **7. Capital**

'Capital' refers here to savings, capital, investments and property. For a couple capital is added together but the limits are the same as for a single person.

Savings below £6,000 will be ignored. Savings over £6,000 will affect the amount of Housing/Council Tax Benefit you receive. If you are 60 or over £500 or part of £500 over £6,000 will be assumed to produce an extra £1 of income. This is called 'assumed' income. For example, if you have £8,200 savings, a weekly assumed income of £5 will be included in your income assessment. If you are entitled to the guarantee part of Pension Credit there is no upper savings limit. All other claimants, including those receiving only the savings part of Pension Credit cannot receive Housing Benefit or Council Tax Benefit if they have more than £16,000 capital.

If you deprive yourself of capital in order to get benefit or increase the amount of benefit, the council can treat you as still having that capital. This might occur if you give money away to members of your family or buy expensive items in order to reduce your capital.

But you should not be refused benefit if you have paid off debts or your spending was 'reasonable' in the circumstances. If you are refused benefit because of this you should seek advice.

Your capital is generally assessed at its present day value and this will be worked out by the council. If there would be expenses involved in selling your capital, 10% will be deducted from the assessed value.

**Capital that is counted in full includes:**

- cash;
- money in bank or building society;
- National Savings certificates and accounts;
- income bonds;
- stocks and shares;
- property (other than your own home);
- premium bonds;
- a share of any savings you own jointly with other people.

## **Types of capital which is ignored include:**

- the value of the home where you live if you own it;
- the value of a property that you or your partner own, which is not your home, in certain specific circumstances – for example, if it is lived in by a close relative over 60 or a disabled relative;
- the surrender value of any life insurance policies (although if a policy is cashed in the money you receive will normally be counted);
- arrears of Attendance Allowance, Disability Living Allowance, or Income Support for 52 weeks from the date you receive them;
- your personal possessions;
- the value of a pre-paid funeral plan;
- any lump sum payment made to the claimant/partner in respect of a personal injury if you or your partner are 60 or over and not claiming Income Support or income-based JSA;
- the £10,000 ex-gratia payment for Far Eastern Prisoners of War;
- from April 2006 a lump sum payment received because you deferred drawing your State Pension.

Your money should not normally be counted as both ‘income’ and ‘capital’. So if, for example, your pension is paid every four weeks into an account this should not be assessed as part of your savings unless is still unspent at the end of the four-week period.

### **7.1 Joint capital**

Any capital you own jointly with other people is divided equally by the number of joint owners to work out your share. For example, if you and your son have a joint bank account of £10,000 you are each assessed as owning £5,000.

## **8. Income**

All income is assessed after deductions for tax and National Insurance contributions and half of any contribution to an occupational or personal pension scheme.

Most income is taken into account when working out entitlement to Housing/Council Tax Benefit.

This includes:

- state pensions;
- occupational and personal pensions;
- earnings;
- income from annuities;
- most social security benefits;
- the savings credit part of Pension Credit, if you are not getting the guarantee credit (but see Section 9);
- working tax credit;
- most social security benefits (exceptions below);
- assumed income from savings over £6,000;
- income from boarders or sub-tenants;
- maintenance payments;
- regular payments from equity release schemes.

**The types of income that will be ignored include:**

- Attendance Allowance;
- Disability Living Allowance;
- Pension Credit guarantee credit
- Social Fund payments;
- actual income from savings (only tariff income will be counted as described above). But as soon as the interest is paid into an account it will be counted as part of your savings;
- all voluntary or charitable payments (from a friend, relative or charity);
- the special war widow's pension of £73.64 introduced in April 1990 for 'pre-1973 widows' (in addition to the £10 disregard for war widows outlined below).

**The following are examples of parts of weekly income that are ignored:**

- £5 of earnings from work if you are single;
- £10 of your or your partner's earnings from work;
- £20 of your work earnings if you are a carer receiving the extra amount for carers with your Pension Credit; or in certain situations if you or your partner are disabled (instead of the £5 or £10 outlined above);
- £10 of a war widow's or widower's war disablement pension. Councils have the discretion to increase the amount of a war pension that is ignored, but not all councils operate such schemes;
- £20 of any payment from a sub-tenant or boarder and, in the case of a boarder, half the boarder's charge over £20.

## **9. Applicable amount/Appropriate amount**

Letters that you receive from the Pension Service and/or the local authority may be confusing. This is because the Pension Credit rules use 'appropriate amount' while the Housing/Council Tax Benefit rules use 'applicable amount'.

This is the minimum weekly amount intended for your day to day living expenses. If your income is below this amount (including 'tariff' income from savings) you should receive the guarantee part of Pension Credit to bring your income up to this level.

This should entitle you to full Housing and/or Council Tax benefit. For most people the 'appropriate/applicable amount' will be a standard amount but it will be higher for some disabled people and carers.

Because savings credit counts as income for Housing and Council Tax benefit, people of 65 and over have higher applicable amounts to make sure they don't lose out. Everyone will gain extra money overall but some people may not gain very much. These higher levels apply to all people of 65 and over, not just those entitled to savings credit. Information about how to work out Pension Credit entitlement can be found in Age Concern Factsheet 48, *Pension Credit*.

## 9.1 Standard applicable amount

The standard applicable amounts are:

Single Person	£124.05
Couple	£189.35

The higher applicable amounts for people over 65 are:

Single Person	£143.80
Couple	£215.50

## 9.2 Severe disability premium

Single claimant	£ 50.35
Couple (one qualifying)	£ 50.35
Couple (both qualifying)	£ 100.70

As a single claimant you will receive the severe disability premium if:

- you receive Attendance Allowance or the middle or higher rate of the care component of Disability Living Allowance (DLA); **and** you live 'alone' (but there are certain groups of people that you can live with and still receive the premium as explained below); **and**
- no-one receives Carer's Allowance for looking after you.

If you have a partner and you receive Attendance Allowance (or the middle or higher rate of the care component of DLA) you will not normally receive this severe disability premium as you are not living alone. But you can still receive it if:

- your partner also gets Attendance Allowance (or the middle or higher rate of the care component of the DLA) *or* he or she is registered blind; **and**
- you 'live alone' as described below; **and**
- no-one receives Carer's Allowance for looking after you.

If your partner also receives Attendance Allowance (or the middle or higher level of the care component of DLA) and neither of you has a carer receiving Carer's Allowance you will receive the double rate. If only one of you has a carer getting Carer's Allowance you will get the single rate.

You are still counted as 'living alone' if you live with certain people such as someone else also receiving Attendance Allowance or the middle or higher care component of the DLA, someone who is registered blind, a voluntary worker paid for by a charity, a boarder, someone under 18 or, in some circumstances, if you are a joint tenant or joint owner and share the housing costs. If you need further information about whether you should be considered to be living alone contact a local advice agency.

### 9.3 Carer's Premium

Single person	£ 27.75
Couple, one person qualifying	£ 27.75
Couple both receiving Carer's Allowance	£ 55.50

This premium is available to carers who:

- receive Carer's Allowance; **or**
- are entitled to Carer's Allowance but cannot receive it because they receive another benefit instead.

Carer's Allowance is an 'overlapping benefit'. This means that if you have a state retirement pension of more than £50.55 a week you will not actually receive Carer's Allowance.

But you may have an 'underlying entitlement' to Carer's Allowance which could give you the carer's premium, as described in the example below.

**Example:** *Comfort receives a state retirement pension of £90.70 topped up with Pension credit to £124.05. She looks after her mother who gets Attendance Allowance. She applied for Carer's Allowance and was sent a letter saying she fulfilled the conditions but she could not receive it on top of her pension. Because of the extra amount for carers her pension credit was increased and the local authority were informed and added the carer's premium to her appropriate amount.*

**Warning:** If the person you care for receives the severe disability premium (see above) they will lose this if you start to receive Carer's Allowance. In some circumstances a carer could receive an extra £27.75 a week while the person they care for would lose the severe disability premium which is worth £50.35. If you are not sure whether to claim Carer's Allowance, contact our Information Line (see Section 16).

The carer's premium continues for eight weeks after you cease caring, for example if the person you cared for has died or moved into a care home.

## **10. Benefit calculation**

When you have worked out the maximum benefit you can get (minus any restrictions or non-dependant deductions) and taken into account any savings you have, as explained above, compare your applicable amount with your income. If you receive the guarantee part of Pension Credit or your income is the same as or less than your applicable amount you will normally receive the maximum benefit.

If your income is more than your applicable amount the maximum benefit you can get is reduced by a 'taper adjustment'. Firstly, work out the difference between your income and the applicable amount.

Your maximum Housing Benefit is reduced by 65p for every pound that your income is more than your applicable amount.

Your maximum Council Tax Benefit is reduced by 20p for every pound that your income is more than your applicable amount. The examples below may help.

## **11. Minimum benefit**

For Housing Benefit the minimum amount payable is 50p. There is no minimum payment for Council Tax Benefit.

## 12. Examples

### Example 1:

*Jackie is 63 and lives alone. Her rent is £70 including £5 for heating and her Council Tax is £15 a week. Her State Pension is £90.70 a week and she earns £58.35 from a part-time job. She has savings of £4,000.*

1. Rent = £65 (excluding £5 heating)
- Council Tax = £15
2. No non-dependant deductions as she lives alone
3. Capital of £4,000 will not affect benefit
4. Income:

pension	£ 90.70
earnings after ignoring £5	£ <u>53.35</u>
	£144.05
5. Applicable amount £124.05
6. Income is more than applicable amount

Difference	=	£20 (£144.05 - £124.05)
65% of difference	=	£13
20% of difference	=	£ 4

### Housing Benefit

- = £65 (100% of rent) minus £13 (65% of difference)
- = £52 a week

### Council Tax Benefit

- = £15 (100% of tax) minus £4 (20% of difference)
- = £11 a week.

*Jackie will receive Housing Benefit of £52 and Council Tax Benefit of £11 a week. She will have to pay £13 rent plus the heating charge of £5 and £4 towards her Council Tax.*

## Example 2:

*Meera and Richard are aged 76 and 79. They own their house and their Council Tax is £20 a week. Between them they receive Basic State Pension of £155.05, plus an occupational pension of £60.00 a week. They have £7,850 savings. They are not entitled to the guarantee part of Pension Credit but will get £18.25 savings credit.*

1) Council Tax	=	£ 20.00
Maximum benefit	=	£ 20.00 (100%)
2) No non-dependant deductions as no-one else lives there		
3) Capital of £7,850 will be assessed as £4 tariff income		
4) Income:		
state pension		£145.05
occupational pension		£ 60.00
savings credit		£ 18.25
tariff income		£ 4.00
		<u>£227.30</u>
5) Applicable amount couple		£ 215.50
6) Income is more than applicable amount		
Difference	=	£ 11.80 (£227.30 – £215.50)
20% of the difference	=	£ 2.36

### Council Tax Benefit

= £20.00 (100% of tax) minus £2.36 (20% of difference)  
= £17.64 a week

*Meera and Richard will receive Council Tax Benefit of £17.32 a week and will have to pay the remaining £2.36. If their daughter, who works full-time and earns £180 a week, comes to live with them, their benefit will be reduced by £4.60.*

### 13. Second adult rebate

This rebate could reduce your bill if you are liable to pay the Council Tax and have one or more adults living with you who are on a low income. It may apply even if you are not able to receive benefit on the basis of your own income and savings. Usually this only applies to people who do not have a partner as explained below (partner - is defined in Section 2).

The rebate is **not** available in the following circumstances:

- the person liable to pay the Council Tax is receiving rent from someone living in their home;
- the second adult is also liable to pay the tax because they are a joint tenant or owner;
- there is more than one person responsible for paying the Council Tax (for example a couple, or two or more joint tenants or owners are responsible for the tax). But there is an exception to this - someone **can** claim a second adult rebate if the other person/people is/are not counted for the purposes of Council Tax discounts - for example because they are severely mentally impaired.

The amount of rebate will be 25%, 15% or 7.5% of the Council Tax depending on the gross income of the second adult(s). When they work out the gross income the council will ignore the income of anyone on Pension Credit, Income Support or income-based Jobseeker's Allowance and ignore any Attendance Allowance or Disability Living Allowance received. The 25% rebate will be given if the second adult, or all the second adults, receive(s) Pension Credit, Income Support or income-based Jobseeker's Allowance.

The 15% rebate will be given if the total gross weekly income of any second adult is less than £169. The 7.5% rebate will be given if the total gross weekly income is between £169 and £ 219.99.

#### **Example:**

*David owns his own home and his Council Tax is £20 a week. His son who receives income-based Jobseeker's Allowance lives with him. David claims Council Tax Benefit.*

*He is not entitled to the main benefit because he has £17,000 savings but is given a 25% (£5 a week) rebate under the second adult rebate scheme because his son receives income-based Jobseeker's Allowance.*

Some people will be entitled to the main Council Tax Benefit and the second adult rebate. In this case you will be awarded whichever one would be higher.

## **14. Benefit in different circumstances**

### **14.1 Temporary absence**

If you are temporarily away from home, Housing Benefit and Council Tax Benefit can be paid for up to 13 or 52 weeks, depending on the reason for the absence. But you can't receive benefit if you sublet your home while you are away.

If you go into hospital, benefit should continue to be paid for the whole of your stay as long as you are likely to return home.

### **14.2 Two homes**

You can normally only get Housing Benefit for one home but there are exceptions. For example, you may be able to get benefit for two homes for up to four weeks if you have moved to a new home and you are still liable to make payments on the other; or if your move to a new home has been delayed because it was being adapted to meet disability needs. If you are 60 or over you can get Housing Benefit for two homes if the move to the new home is delayed because you are waiting for a decision about a Social Fund payment connected with the move.

Council Tax Benefit is not payable for second homes.

### **14.3 Discretionary housing payments**

You can apply to the local authority for an extra payment towards your rent and Council Tax if you are having difficulty meeting your bills. They will tell you how to make a claim and you will need to give reasons why you need additional support.

## **15. Claims and payments**

### **15.1 How to claim**

If you apply for Pension Credit you should be asked whether you want to claim Housing Benefit and/or Council Tax Benefit. If so you will be given a short 3 page form which means you don't have to repeat much of the same information to the local council. If you claim Pension Credit over the phone the staff will fill out the HB/CTB claim for you at the same time and send you the form to sign and post to your local council. The Government has said that from October 2008 the Pension Service will be able to send all the information about your claim directly to your local council so that they can work out you HB/CTB.

If you are not claiming Pension Credit you will need to get an application form directly from the Housing and Council Tax Benefit section of your local council.

Before the council can decide your claim it may need to see evidence of your rent, income and savings (such as pension books and bank statements). If you have difficulty getting to the office to provide this information ask for a home visit.

### **15.2 How benefit is paid**

Council Tax Benefit is normally paid directly to your local council so your bill is reduced accordingly. Council tenants receiving Housing Benefit also have their rebate paid directly. If you are a housing association tenant, your Housing Benefit may be paid to you by cheque or into a bank account, or it can be paid directly to the landlord.

Private tenants who receive the Local Housing Allowance (see Section 5.4) will be paid directly into their bank account. Payments will not be made directly to a landlord unless there are exceptional circumstances.

### **15.3 How long will the claim take?**

Your claim should be determined within 14 days of the council receiving all the relevant information. Unfortunately it often takes much longer. If claims from private and housing association tenants are not processed within 14 days, the council should make an interim payment. If you are experiencing hardship because of a delay with your claim, get advice locally.

## 15.4 If your circumstances change

Your local authority should tell you which changes you need to report. If you are in doubt, tell them anyway to make sure you don't have to repay money or get less benefit than you are entitled to.

You need to report these changes as follows:

- **If you are not getting Pension Credit**, you need to report any changes that might affect your benefit to the local authority;
- **If you get the guarantee part of Pension Credit** you won't need to report changes to the local authority but you may need to tell the Pension Service, depending on whether or not you have an Assessed Income Period (AIP). This is explained in more detail in Factsheet 48, *Pension Credit*;
- **If you receive only the savings part of Pension Credit and not the guarantee part** you should tell the local authority if an increase in savings takes you over the £16,000 capital limit, regardless of whether or not you have an AIP;
- **If you receive only the savings part of Pension Credit and not the guarantee part** you will need to tell the Pension Service if your income and/or savings go down. The Pension Service should then inform the local authority of the change in your circumstances.

## 15.5 Overpayments

If you are paid too much benefit you may have to repay the money. But an overpayment cannot normally be recovered if it was caused by an 'official error' **and** you could not reasonably be expected to have known you were being overpaid at the time. Even if the council can recover the benefit it does have some discretion about whether to do so. Seek advice if you are being asked to repay benefit.

## **15.6 Backdating**

If you claim Pension Credit it can be backdated for twelve months if you have satisfied that conditions since then. The same provision applies to Housing/Council Tax benefit for people of 60 and over. Your local council should automatically consider any entitlement you may have for up to 12 months before the date of your claim. Any backdated Pension Credit should not be taken into account as income or capital when HB/CTB benefit is calculated.

The Government has said that these backdating rules will be changed to 3 months from Autumn 2008.

## **15.7 If you disagree with a decision about your benefit**

If you disagree with a decision about your Housing Benefit or Council Tax Benefit you can ask the council to look at the decision again. You generally need to do this within one calendar month.

If you are still not satisfied you have one month (longer in special circumstances) to take your case to an independent appeal tribunal. If you receive Pension Credit or have been turned down for Pension Credit by the Pension Service and your Housing/Council Tax Benefit is affected because of this you should direct your appeal to the Pension Service. If you do not get Pension Credit appeal to the local council.

You also have the option of appealing to a tribunal straight away without the first stage. If you want to challenge a decision always be aware that there are time limits. Seek advice and assistance from a Citizen's Advice Bureau or other advice agency. These may be able to help you with your case and can sometimes find someone to represent you at a tribunal.

## 16. Further information from Age Concern

The following factsheets may be relevant:

Fact sheet 18	<i>A brief guide to money benefits</i>
Fact sheet 21	<i>The Council Tax</i>
Fact sheet 48	<i>Pension Credit</i>

Age Concern England's annual publication *Your Rights* gives more information about pensions, benefits and other kinds of financial help. It costs £5.99 and is available from Age Concern Books.

To order, please telephone our hotline (9am - 7pm Monday to Friday, 10am - 5pm Saturday): **0870 44 22 120** (national call rate), or visit our **website: [www.ageconcern.org.uk/bookshop](http://www.ageconcern.org.uk/bookshop)** (secure online bookshop).

If ordering by post, please send a cheque or money order, payable to Age Concern England, for the appropriate amount plus p&p to Age Concern Books, Units 5 & 6, Industrial Estate, Brecon, Powys LD3 8LA. (**Postage and packing:** mainland UK and Northern Ireland: £1.99 for the first book, 75p for each additional book up to a maximum of £7.50. Free on orders over £250. For customers ordering from outside the mainland UK & NI: credit card payments only; please telephone the hotline for international postage rates or **email: [sales@ageconcernbooks.co.uk](mailto:sales@ageconcernbooks.co.uk)**).

If you would like

- to find your nearest Age Concern
- any additional factsheets mentioned (up to a maximum of 5 will be sent free of charge)
- a full list of factsheets and/or a book catalogue
- to receive this information in large print

phone 0800 00 99 66 (free call) or write to Age Concern FREEPOST (SWB 30375), Ashburton, Devon TQ13 7ZZ. For people with hearing loss who have access to a textphone, calls can be made by Typetalk, which relays conversations between text and voice via an operator.

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Age Concern provides factsheets free to older people, their families and people who work with them. If you would like to make a donation to our work, you can send a cheque or postal order (made payable to Age Concern England) to the Personal Fundraising Department, ACE Freepost CN1794, London SW16 4BR.

Find out more about Age Concern England online at [www.ageconcern.org.uk](http://www.ageconcern.org.uk).

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No factsheet can ever be a complete guide to the law, which also changes from time to time. Therefore please ensure that you have an up to date factsheet and that it clearly applies to your situation. Legal advice should always be taken if you are in doubt. (*Age Concern England does not give legal or financial advice*).

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