



Help with council tax bills

Information for families

UK

Introduction

This guide is about the different schemes that exist for reducing your council tax bill. It is written for families who have a disabled child and the examples given apply mainly to those families, although other individuals may also qualify for help.

The three main schemes for reducing your council tax bill are outlined, along with some information about discretionary payments which can be made towards the council tax bills of those on a low income. It is possible to qualify for help from more than one of these schemes at the same time and it makes no difference whether you are a tenant or a homeowner.

Contents

What help is available	3
The disability reduction scheme	3
Council tax discounts.....	4
How do I work out if I should get a discount?	5
Rebates or benefit for people on a low income.....	6
How do I apply for help with my council tax?	9
Frequently asked questions.....	10

What help is available

The three main schemes that can help to reduce the amount of council tax you are expected to pay are:

- the disability reduction scheme
- council tax discounts
- rebate or benefit for people on a low income.

Each scheme is outlined in more detail below.

The disability reduction scheme

The size of your council tax bill is determined by the council tax band that your property is valued as falling within. The higher the council tax band, the higher your bill will be. However, if someone in your household is 'substantially and permanently disabled' you may qualify for a reduction in the banding of your council tax bill.



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How much is the reduction?

If you qualify, the property is treated as if it were in the next council tax band below and your bill is reduced accordingly. For example, if your property is valued under band D, you will be billed as if it were in band C. If your property already falls within the lowest band (band A) your bill will be reduced by a set percentage instead.

Who qualifies?

In order to receive a disability reduction there must be a disabled person (this can be a child) living in your property and one of the following must apply:

- he or she uses a wheelchair indoors – there is no need for your property to have been specially constructed or adapted for wheelchair use, only that someone needs to use a wheelchair

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indoors and your property has sufficient space

- there is a second bathroom or kitchen in your property that is needed by the disabled person – you can still qualify even if your property was not specifically adapted, as your property may always have had a second bathroom/kitchen. However, you will need to show that your child's health problems mean that this extra facility is needed
- your child's disability is such that one of the rooms in your property (other than a bathroom, kitchen or toilet) is needed by and predominantly used by them. For example, this might apply where a room has been adapted specifically for your disabled child's use or where a room is used as a treatment room or to store specialist equipment. When deciding if a room is 'needed' by your child, the local authority (LA) must decide whether your child's disability is such that the use of the room in question is 'essential' or 'of major importance to his or her wellbeing'.

Once awarded you must re-apply for a disability reduction for each new financial year.

Council tax discounts

Council tax bills are always based on the assumption that there are at least two adults in the household. If there is only one adult in a property, 25 per cent is deducted from the bill. This is often known as the single person's discount. When deciding how many people live in a property, certain occupants can be ignored. A local authority will sometimes

describe these people as being 'invisible' for council tax purposes.

Box 1

The list of people classed as 'invisible' includes:

- children under 18 years of age
- young people of 18/19 years of age for whom Child Benefit is payable
- education leavers aged under 20 years of age, but only if they left on or after 1 May – he or she can only be disregarded until 31 October of that year
- full time students, apprentices, trainees and student nurses
- anyone who has a 'severe mental impairment'
- some live-in care workers providing care on behalf of a local authority or charity
- some carers providing at least 35 hours of care a week to someone on Disability Living Allowance high rate care component or Attendance Allowance at the high rate. However you cannot be invisible as a carer if you are caring for a partner or your child under 18 years of age. See below for more information on this rule.

This list is not exhaustive. For full details call our freephone helpline.

Can I be 'invisible' as a carer if I'm looking after a child in my family?

In order to be invisible as a carer the general rule is that you must provide at least 35 hours of care a week to someone who lives with you and who gets either Attendance Allowance or Disability Living Allowance (DLA) care component at the **highest rate**.

But even where this applies, a parent who is looking after their child cannot be treated as 'invisible' if that child is under 18 years of age. This restriction on dependant children applies to someone who is the parent of a child, but not to other people caring for a child who lives with them, for example grandparents.

A step-parent or someone who co-habits with a parent should also be able to argue that this restriction should not apply to them, so long as they have no parental rights in respect of the disabled child.

How do I work out if I should get a discount?

To work out whether you can get a discount you should first write down all of the people aged 18 years or over in your property. Cross out the name of anyone who falls under one of the groups that can be classed as 'invisible'.

If you are left with two or more names then no discount is possible. If you are left with one name you will get a 25 per cent discount. If all of the names are crossed out you will get a 50 per cent discount. Here are some examples:

Fatima and her two children

Fatima is a single parent with two children, one of whom is disabled. No one else lives in the property.

Because there is only one adult in the property a 25 per cent discount applies.

Susan and her three children

Susan is a single parent with three children. Her youngest son Tony is severely disabled and qualifies for the high rate DLA care component. Susan lives with her parents who help her care for her disabled child.

Because each of Susan's parents spend at least 35 hours per week helping to care for their grandson they are both 'invisible' as carers. This leaves Susan as the only visible adult, so a 25 per cent discount should apply.

Liam, Marie and Sean

Liam and Marie are living together as a couple. Sean, who is Marie's child from an earlier relationship, also stays with them. Sean qualifies for the highest rate DLA care component.

Since Liam is not Sean's parent he will be 'invisible' as a carer if he provides at least 35 hours care a week. With Marie as the only visible adult a 25 per cent discount will apply.

Sanjeev and Anil

Sanjeev is a full-time carer for his son Anil

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who has just turned 18 years of age. Anil has a severe learning disability and gets the highest rate DLA care component. No-one else lives in the household and up to now Sanjeev has been getting a 25 per cent discount on his council tax bill as he was the only 'visible' adult in the house.

Anil is 'invisible' for council tax purposes because he has a severe learning disability. However now that his son has turned 18 years of age, Sanjeev should also be 'invisible' as a carer. As everyone in the household is classed as 'invisible' a 50 per cent discount applies in this case.

If you are on a low income it is possible to claim Council Tax Benefit (CTB)

Rebates or benefit for people on a low income

There are two types of rebates for families on low incomes. These are:

- Council Tax Benefit
- Second Adult Rebate.

Council Tax Benefit

If you are on a low income it is possible to claim Council Tax Benefit (CTB). The amount of income and capital that you have determines whether you will

get benefit towards your council tax bill and how much this should be. If you have capital of £16,000 or more you cannot claim CTB. This capital limit does not apply to people over 60 years of age getting the Pension Credit (guarantee credit).

How much Council Tax Benefit can I get?

People who qualify for Income Support (IS), income-based Jobseeker's Allowance (ibJSA), income-related Employment and Support Allowance (irESA) or the Pension Credit (guarantee credit) should normally get full benefit to meet their council tax bill.

However, if you have a 'non-dependant' living with you, your benefit might be reduced or even cancelled out completely (see Box 2). If you have too much income to get one of the benefits mentioned above you may still get some CTB. The amount of help you get will depend on your income and capital. The LA work out the minimum amount that a family of your size needs to live on. This is known as the applicable amount. For every £1 of income you have over the applicable amount, 20p will be deducted from the full benefit possible.

In calculating your applicable amount, you get an extra amount for each child you have on DLA (or who is registered blind). A further additional increase is made if your child gets the highest rate of DLA care component.

Similar extra amounts can be added for a disabled adult. Because of this you should always make sure that you let your



council tax office know if DLA is awarded to any member of your family.

How is Council Tax Benefit paid?

CTB is not paid directly to you but is credited to your bill so that you pay only the outstanding balance.

Getting further advice

Contact a Family employ welfare rights workers who are able to assess your entitlement to Council Tax Benefit over the telephone. Please contact our free helpline for more details.

Getting extra help with your bill if you get some Council Tax Benefit

If you are getting some Council Tax Benefit but are having problems in paying the rest of your bill, you might be able to get extra payments from your local authority (LA) towards these costs. This is called a Discretionary Housing Payment (DHP).

You can get a DHP if you qualify for at least some Council Tax Benefit but require

'some further financial assistance' to pay your council tax bill. The extra costs of caring for someone with a disability can be taken into account when deciding whether to award a DHP.

You can apply in writing to your LA and you will usually be asked to complete a form and give information about your financial and other circumstances. There is no right of appeal if the LA refuses your request but you can ask them to reconsider your case. A DHP can also be made to help you pay your rent if you receive some Housing Benefit.

Second Adult Rebate

If you share your property with someone of 18 years of age or over who is not your partner and who is on a low income, you may be able to receive a rebate based on their circumstances.

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Box 2

If another adult is living in my house will this affect my Council Tax Benefit?

If an adult (other than your partner) is living in your home, such as a son or daughter over 18 years of age or an elderly relative, your Council Tax Benefit may be reduced. These people are called non-dependants.

Usually, an amount is deducted from your Council Tax Benefit – the amount depends on the income of the non-dependant who lives with you. If there is more than one non-dependant living with you then more than one deduction can be made from your Council Tax Benefit.

When no deduction is made for other adults in your home.

If the adult living with you is your landlord or your lodger, or if they are a joint owner or tenant with you, they do not count as a non-dependant and no deduction is made for them.

Regardless of how many adults live with you, no deduction will be made from your Council Tax Benefit if you or your partner are registered blind, or receive Attendance Allowance, or any rate of the care component of Disability Living Allowance.

In addition, no deduction will be made from your Council Tax Benefit for any non-dependant who is:

- under 18 years of age
- on Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance (irESA) or Pension Credit
- in one of the groups who can be disregarded under the discount scheme (See Box 1 for the list of who counts as 'invisible')
- currently living with you but whose normal home is elsewhere.

This is not a full list. Our helpline advisers can check if a non-dependant deduction will apply in your case.

This is called a second adult rebate. To be eligible, the second adult living with you must not be jointly liable for paying the council tax bill and must not pay you rent to live in your property. They also cannot be treated as 'invisible' for council tax discount purposes (see above).

An award is based on the second adult's income, so a claim is possible even if you have a very high income or capital over £16,000.

Usually, only single people or lone parents can claim a second adult rebate

but it is possible for a couple to apply, if one member of the couple is classed as invisible (see Box 1 above).

If the second adult(s) has less than £227.99 per week in income (not counting any Income Support, income-based Jobseeker's Allowance, income-related ESA (irESA) or DLA) then you can receive a rebate. The amount of the rebate will depend on their income. Any capital they have is fully disregarded.

The amount of the rebate is:

- 25 per cent of the bill if they are on Income Support, income-based Jobseeker's Allowance, income-related ESA (irESA) or Pension Credit
- 15 per cent if they have a gross income of less than £175 per week
- 7.5 per cent if they have a gross income between £175 – £227.99 per week.

Note you cannot get both a second adult rebate and Council Tax Benefit. This means it is only worth applying for a second adult rebate if Council Tax Benefit meets less than 25 per cent of your bill.

How do I apply for help with my council tax?

All of the schemes mentioned above are administered by your local authority. Each LA will have its own claim forms. Some local authorities may have separate forms for each of the types of help available, others will use one standard form.

Contact your local council tax office for details of how to apply in your area.

Can I ask for backdating?

If you would have qualified for help had you made a claim earlier, you may be able to get help with your council tax bill backdated.

Council Tax Benefit or the second adult rebate can be backdated for up to six months so long as you can show that you have 'good cause' for not having claimed earlier. There is no legal definition of good cause but many local authorities will look sympathetically at cases where the demands of caring for a disabled child have contributed to the delay.

If either you or your partner are 60 years of age or over and you do not get Income



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Support, income-related ESA (irESA) or income-based Jobseeker's Allowance, you do not have to show 'good cause' for a late claim. As long as you met the qualifying conditions in the earlier period your Council Tax Benefit can be automatically backdated for up to three months, or up to your's or your partner's 60th birthday (whichever date is later).

People aged 60 years or over who want more than three months backdating will then have to argue that they have 'good cause' for a late claim (see paragraph above).

There currently is no legal limit on backdating of a council tax discount or a disability reduction. If you can prove that you met the criteria in the past then you should ask for a discount or reduction to be awarded for the whole of that previous period.

Frequently asked questions

If I am awarded Disability Living Allowance (DLA) for my child, will I have to pay more towards my council tax?

No, DLA is not counted as income. In fact, an award of DLA or an increase to an existing award could mean that you are entitled to more help from Council Tax Benefit. Tell your LA within a month of the award being made. If you have delayed telling them and have a good reason for the delay write and explain this. A good reason might be that you are busy caring for an ill or disabled child.

Always make sure that you let your council tax office know if DLA is awarded to any member of your family.

My 26 year old daughter is moving in to help me care for my 15 year old son who gets middle rate of DLA care component. She works full time. Will this affect my Council Tax Benefit?

Yes, she will be classed as a 'non-dependant' and an amount will be taken from your Council Tax Benefit depending on how much she earns. You will also lose your 25 per cent discount as a single person. However, if your son was on the high rate DLA care component the situation would be different, since this would allow your daughter to be 'invisible' as a carer. In such circumstances you would keep your existing Council Tax Benefit and your 25 per cent discount.

We only have one bathroom in our property and it has been adapted for my daughter who is disabled and needs a walk-in shower. Can I get a disability reduction on my council tax bill?

No. Adaptations to your only bathroom would not help you to qualify. Your property would need to have an additional bathroom for your daughter.

We have a toilet downstairs for our son as he has difficulty managing the stairs. Should we be getting a disability reduction for this?

No. An additional toilet would not be sufficient. You would need to have an additional bathroom in order to qualify.

My son has an Autistic Spectrum Disorder and we use a spare bedroom as a therapeutic space free from the usual distractions, where he gets one-to-one tuition. But no physical adaptations have been made to the room and we wondered if we can still apply for a disability reduction?

It is worth applying. There is no requirement that a room be physically adapted. In deciding whether a disability reduction should apply in your case, the LA need to consider the nature and extent of your son's disability and decide whether the use of the room in this way is of 'essential or of major importance' to your son's well-being. Also the room needs to be 'predominantly used' to meet your son's needs in this way rather than being used by your family for other purposes. There is also an expectation that the room must be an additional room and not the child's bedroom.

I work full time but have low earnings. Can I claim Council Tax Benefit or do you need to be on certain state benefits in order to apply?

You can apply for Council Tax Benefit regardless of whether you work or not. The amount of any rebate will depend partly on your family circumstances

and partly on your income (including earnings).



My son uses a wheelchair indoors and has done so for the last four years. We only recently found out about the possibility of applying for a disability reduction in our council tax. This has now been awarded but my LA says that it can only be backdated for a maximum of 52 weeks. Is this true?

No, your LA is mistaken. There is no set limit to backdating in either the disability reduction or discount schemes and a disability reduction should be backdated to whatever date you first met the qualifying criteria. The 52 week limit mentioned by your LA only applies to backdating of the means-tested Council Tax Benefit.

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My husband and I look after our grandson who lives with us and who receives high rate DLA care component. I claim Carer's Allowance but my husband works. I have been told that despite the fact that we both provide more than 35 hours care to our grandson, only I can be classed as a carer for the purposes of a discount. Is this true?

No. There is no rule restricting the number of people in a household who can be 'invisible' as carers. There is also no requirement that Carer's Allowance be in payment. So long as your husband is providing at least 35 hours care to your grandson he should be treated as 'invisible' in calculating your council tax discount.

If you would like further detailed advice about help with your council tax bill please call Contact a Family's freephone helpline on 0808 808 3555 (Mon–Fri,

10am–4pm, Mon 5.30–7.30pm). We employ welfare rights specialists who are able to give detailed advice about any state benefits or tax credit.

This guide is one of a range produced by Contact a Family which includes 'Benefits, tax credits and other financial help', 'The tax credit guide' and 'Dealing with debt'. For copies, and to find out about other guides, call the helpline.

Written by Derek Sinclair and Marian Gell.

Information in this guide

The information in this guide is based on the current rules for claiming Disability Living Allowance for children (July 2010). It is possible that changes will be made to the benefits system in the coming months. Please call our freephone helpline on 0808 808 3555 for an update.

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Other information guides available

This guide is one of a series produced for parents and groups concerned with the care of disabled children. A full list of Contact a Family publications is available on request or can be downloaded from our website www.cafamily.org.uk

- Benefits, tax credits and other financial help
- Money when your child reaches 16 years of age
- A guide to dealing with bullying for parents of disabled children
- A guide to claiming Disability Living Allowance for children
- Aids, equipment and adaptations
- Fathers (UK)
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