

COUNCIL TAX REDUCTIONS AND DISCOUNTS

Durham
County Council



Introduction

It is estimated that over two million households struggle to pay their council tax each year. There are several ways of reducing the amount of council tax you have to pay:

- Council Tax Reduction (formerly Council Tax Benefit)
- Second Adult Rebate
- Discounts
- The disability reduction scheme

Council Tax Reduction

Council Tax Reduction is a means tested benefit that helps you to meet your council tax liability. You can claim Council Tax Reduction from your local council. It comes in the form of a credit that is shown on your council tax bill.

How much Council Tax Reduction will I get?

In order to work out how much Council Tax Reduction you will receive, the local council will take into account all the relevant circumstances of you and your family.

This will include the size of your family, your income and savings, and whether anyone lives with you who is not counted as a dependant, for example a friend or a grown up child.

The local council will compare your weekly income against an applicable amount that is made up of a personal allowance and any relevant premiums. Your capital (including savings and property, but not the value of the house you live in) is converted to tariff income and added to your weekly income. The first £6,000 of your savings is ignored (£10,000 if you are over Pension Credit age). If you have savings over £16,000 you will not be entitled to Council Tax Reduction but this capital limit does not apply if you get Pension Credit (guarantee credit).

If you receive a means tested benefit, for example Income Support, Pension Credit (guarantee credit), income-based Jobseeker's Allowance or income-related Employment and Support Allowance, you should receive full Council Tax Reduction. This may mean that you do not have to pay any council tax, as your whole bill could be covered by the Council Tax Reduction you receive.



Welfare Rights Service
Revenues and Benefits
Durham County Council

www.durham.gov.uk/welfarerights
welfare.rights@durham.gov.uk

You should claim as soon as you think you need to. Council Tax Reduction can only be backdated in special circumstances. If you feel your claim should be backdated and you are aged under 60 you will need to show why you had a good reason for not claiming earlier to get a maximum backdate of 6 months. If you are over 60 your Council Tax Reduction can automatically be backdated for up to 3 months without special circumstances providing you qualified for benefit throughout that period.

You should notify your local council of any change of circumstances as soon as you are aware of it. You may be entitled to more benefit or your benefit may be reduced or stop altogether. If you do not notify them of a change of circumstances that affects your entitlement to your Council Tax Reduction then you could be overpaid benefit which you may have to repay.

If you are unhappy with a decision made on your claim, you must write to the local authority to explain why and to ask it to change its decision. There is no time limit for this – you can make the request at any time. The council should look at its decision again and when it has done so it will issue a new decision. If you are still not satisfied with this, you have two months from the date of the new notification in which to appeal against it to a Valuation Tribunal. You will have to send your appeal direct to the Valuation Tribunal office—see <http://www.valuationtribunal.gov.uk/CTReduction.aspx> for more details.

The Welfare Rights Service can sometimes assist people with the appeal process and represent them at an appeal hearing.

If you would like advice about appealing or want to know if we can represent you, please contact us. You might also want to look at our factsheet F04, Disputing a Decision.

Second Adult Reduction

Second Adult Reduction is a reduction in your council tax based on the income of the people who live with you. It is credited to your council tax bill, reducing the amount that you will have to pay. 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).

You will only qualify for second adult rebate if all the conditions below apply:

- There is more than one person in the household
- The second adult is over 18 and does not have to pay rent to the liable Council Tax payer
- The second adult is not your partner and do not have joint liability with you
- The second adult(s) has/have a low income
- The liable person does not qualify for more Council Tax Reduction than the amount of Second Adult Reduction

The person who is **liable** for council tax should claim Second Adult Reduction. Although the liable person must make the claim, it is only the income of the second adult(s) that needs to be disclosed. Proof of the second adults' gross income and savings will have to be sent with the completed form.



Discounts and 'disregarded' people

If you are considered as living alone then you can get a single person's discount of 25% off your council tax bill. The following people are disregarded for council tax purposes and therefore you may qualify for this discount even if you do not live alone:

- Anyone under 18
- Any 18 or 19 year old for whom you receive Child Benefit
- School or college students under 20 who study over 12 hours a week during term time
- Education leavers under 20 years old if they left after 30th April but only until the following 31st October
- University students if they study for 21 hours or more a week for 24 weeks or more in a year
- Student nurses whose academic course means they are classed as a 'student' or who are studying for their first nursing registration
- Foreign language assistants
- Diplomats and their spouses
- Members of some international organisations or visiting forces
- Apprentices doing an NVQ and who are subject to pay limitations
- Trainees under 25 who are on work-based training for young people

- Members of a religious community that provides for all the individuals' needs
- Spouses and dependants of overseas students
- Carers can also be disregarded where either:
 - The resident carer is not the partner, or the parent of someone under 18, who is being cared for. They must provide care for 35 hours a week and person being cared for must be entitled to the higher rate of either Attendance Allowance (including Constant Attendance Allowance), PIP daily living component, or the care component of Disability Living Allowance; or
 - The resident carer is employed by you for you at least 24 hours a week, following an introduction from the local authority, a charity or government department, and not paid more than £44 per week
- Certain prisoners, and residents in hospitals and care homes

You will need to inform the council of your circumstances for the discount to be considered. It will be applied to your council tax bill.

The Disabled Reduction scheme

If anyone who is resident in your household is considered substantially and permanently disabled you may be eligible for a disabled reduction on your council tax.

Your home will have to meet one of the following conditions:



- A second bathroom or kitchen is needed by the person
- A room (other than a kitchen or a bathroom or toilet) is needed and mainly used by the person, for example, a dining room that is now a downstairs bedroom
- There is enough space in your home for the person to use a wheelchair, which is needed indoors

These rooms do not have to have been specially built or adapted; they simply must be of major importance to the person's well-being because of their disability.

The reduction usually reduces your council tax bill to the next lowest valuation band. So if your home is in band C your bill would be reduced to band B. If your home is in the lowest band, band A, your bill will be reduced by one sixth.

The person who is liable for the council tax has to make the application. This can be backdated if it is appropriate. Forms can be obtained from your local council.

Further information and advice

If you are a resident of County Durham, Welfare Rights can give you advice on your benefit entitlements, check that you are receiving the right benefits, and give advice on how to ask for a reconsideration of a decision or appeal against it.

We might also be able to arrange representation for you at an appeal hearing.

If you would like advice about asking for a reconsideration of a decision or appealing against one, please contact us by any of the methods given below ■

Please ask us if you would like this document summarised in another language or format.

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Need more advice? CONTACT WELFARE RIGHTS:

By telephone:

Advice Line
03000 268 968
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By post:

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