

Pension Age Calculation 2018-19

This information explains how we calculate your award for Housing Benefit (HB) and Council Tax Reduction (CTR) and Enhanced Council Tax Reduction.

Maximum Weekly Eligible Rent or Council Tax

Renting from the Council, your maximum eligible rent is your weekly rent less any ineligible service charges, such as insurance or fuel charges.

Renting from a Housing Association (HA) or Registered Social Landlord (RSL), your maximum eligible rent is your weekly rent less any ineligible service charges, such as insurance or fuel charges.

Renting from a private landlord and your tenancy started before 2nd January 1989, or you have been getting Housing Benefit continuously prior to 7th April 2008, we will refer your claim to the Rent Officer who will decide a reasonable rent charge for your property less any ineligible service charges, for example fuel or meals, to calculate your maximum eligible rent.

Local Housing Allowance (LHA), if you rent from a private landlord and your tenancy started on or after 7th April 2008, your benefit is calculated using LHA rates set annually by the Rent Service Scotland for different sized properties in the Falkirk Council area.

The rate you are entitled to is based on the number of bedrooms you need for the people who live with you and their ages. These rates are capped at the 4 bedroom rate. Click here for information about LHA and the LHA rates at www.falkirk.gov.uk

Council Tax, your maximum eligible Council Tax Reduction is your gross charge less Water & Waste charges, water relief and after deducting any discounts.

Enhanced CTR - for those in Band E to H properties, if you have less than £16,000 in capital and you are a single person with no children with a net income of no more than £321 per week, or £479 for Lone Parents and couples, this reduction may offset the increased Council Tax charges for these higher banded properties. Claim here www.falkirk.gov.uk/ctr

Non Dependant Deductions

A non-dependant is someone aged 18 or over who normally lives with you on a non-commercial basis. If a non-dependant lives with you, we usually have to reduce your award by a fixed amount which applies even if the non-dependant pays you nothing at all.

How much is the deduction?

Non Dependant Deductions from April 2017	48 Wks	52 Wks	CTR
Aged under 25 and on IS or JSA (IB) or ESA(IR) which does not include an amount for the support component or work related activity component	Nil	Nil	Nil
Aged 25 or over and on IS or JSA(IB) and not in remunerative work	£16.52	£15.25	Nil
In receipt of main phase ESA(IR)	£16.52	£15.25	Nil
In receipt of Pension Credit	Nil	Nil	Nil
Aged 18 or over, not working & not in above categories	£16.52	£15.25	£4.05
Aged 18 or over and in remunerative work			
Gross income less than £139.00	£16.52	£15.25	£4.05
Gross income between £139.00 and £203.99	£37.91	£35.00	£4.05
Gross income between £204.00 and £264.99	£52.05	£48.05	£8.10
Gross income between £265.00 to £353.99	£85.20	£78.65	£8.10
Gross income between £354.00 to £438.99	£ 97.01	£89.55	£10.25
Gross income over £439.00 and above	£106.49	£98.30	£12.25

Housing Benefit deductions are shown on notifications as follows:

- (A) Public Sector (Council Houses) based on 48 week year. This is to take account of 4 rent 'free' weeks.
- (B) Private Sector based on 52 wk year.

Are there any exceptions?

If you, or your partner are aged 65 or more, then the impact of a non-dependant moving in, or any change that gives rise to an increased deduction, is delayed for 26 weeks e.g. if non-dependant has an increase in their weekly earnings.

Total Allowances (Applicable Amount)

We then calculate your Applicable Amount.

The Government set the Allowances and Premiums in April each year. These figures reflect the basic living needs of a claimant and their family. Personal Allowances are awarded for the claimant and any other family members for people who have reached the qualifying for Pension Credit.

Personal Allowances

	Housing Benefit and Council Tax Reduction
Single person/Lone Parent of pension age but under 65	£163.00
Single person/Lone Parent aged 65 or over	£176.40
Couple, at least one of pension age but under 65	£248.80
Couple, the older aged 65 or over	£263.80
Child or Young Person to 31/03/17	£66.90
Child or Young Person from 01/04/17	£83.63

Premiums

You may also be awarded any of the below Premiums, if you satisfy the conditions of entitlement.

Circumstances	Premium	Amount
If you are responsible for at least one child - not applicable for new claims on or after 1st May 2016	Family	£17.45
For each child/young person receiving Disability Living Allowance, PIP or registered blind	Disabled Child	£62.86
If child gets high rate of DLA(care) or PIP enhanced daily living rate	Enhanced Disability	£25.48
If you get Carer's Allowance for looking after someone or have underlying entitlement to it or have had it withdrawn in the last 8 weeks	Carer	£36.00
If you and/or your partner get middle/high rate of DLA (care) or PIP enhanced daily living rate and live alone	Severe Disability Single/lone parent	£64.30
and no-one qualifies for Carer's Allowance for looking after you	Couple (1 qual)	£64.30
and/or your partner	Couple (both qual)	£128.60

How will I know what my total allowances and premiums are?

We will show each Allowance and Premium separately on your award letter.

Civil Partnerships

Same sex couples who live together are treated as partners and must make a single claim for HB/CTR as a couple.

The couple's rate of allowances and joint income are used to calculate awards, in the same way as married or unmarried opposite sex couples.

If you have not already told us that you are a same sex couple, please report the change immediately.

Income

We look at all the income you have declared on your application form for you and your partner. We normally ignore the income or capital of any child or young person that you receive Child Benefit for.

Unearned Income

This is any kind of Social Security benefit, pensions, or maintenance. e.g.:

- State Retirement Pension (includes increased awards due to deferral) Occupational Pension (unless receipt of payment has been deferred) Industrial Injuries Benefit
- Disability Living Allowance
- Personal Independence Payment (PIP) War Pensions
- Private Pensions
- Financial Assistance Scheme (FAS) payments Armed Forces Independence Payment

Earned Income

If you or your partner are earning we normally take the last 5 weekly, 3 fortnightly or 2 monthly consecutive pay slips and calculate an average weekly earnings figure. We can also use the year to date figure on your pay slip. We ignore your Tax, National Insurance and half of any superannuation or contributions to a private pension. This "net income" will be detailed on your award letter with the amount we have calculated.

Disregarded Income

Some types of income attract a disregard which will reduce the amount of income we take into account when calculating your award.

Unearned income disregards - The disregard we apply depends on the type of income.

Type	Amount
Disability Living Allowance / Attendance Allowance	All
Armed Forces Independence Payment	All
War Pensions	All
Deferred Occupational Pension	All
Child Benefit	All
Child Tax Credit	All
Personal injury, charitable or voluntary payments	All
Return to Work Credit	All
Maintenance received for dependants	All
Child Benefit	All
*Childcare costs (for one child)	up to £175.00
*Childcare costs (for two or more children)	up to £300.00
<i>*conditions apply</i>	

How we work out your capital

We then value your capital. We take all the Bank, Building Society, Post Office, current and savings accounts you have together with any bonds, stocks & shares, land or property, National Savings Certificates etc to work out the amount of your capital. We calculate the current market value of your stocks and shares, or any property you have, to work out what they are actually worth. We then deduct 10% for selling costs.

If you or your partner receives a lump sum

Earned income disregard– Depending upon your circumstances, we can disregard the following amounts:

Type	Amount
Single person	up to £5.00
Couple (includes same sex couples)	up to £10.00
Certain people in the emergency services	up to £20.00
Disabled Pensioner or Carer	up to £20.00
Lone Parents	up to £25.00
Additional 16+ or 30+ hours disregard	up to £17.10
*Permitted Work - higher disregard	up to £125.50 (Single/Couple)
*Permitted Work - lower disregard	up to £ 20.00 (Single/Couple)
<i>*conditions apply</i>	

If you are entitled to any of these disregards, they will be shown on your award letter.

payment which is awarded because you have deferred receipt of your State Pension, we do not treat the lump sum as capital during the life of the recipient.

We add together all the savings and capital you have declared to establish a total figure. We then calculate a weekly tariff income figure from any capital you have over £10,000. The tariff figure is shown as 'Income from Capital' on your award letter.

You will see from the table below how the tariff is calculated.

Capital held £	Tariff income £ per week	Capital held £	Tariff income £ per week
10,000.00 - 10,500.00	1	13,001.00 - 13,500.00	7
10,501.00 - 11,000.00	2	13,501.00 - 14,000.00	8
11,001.00 - 11,500.00	3	14,001.00 - 14,500.00	9
11,501.00 - 12,000.00	4	14,501.00 - 15,000.00	10
12,001.00 - 12,500.00	5	15,001.00 - 15,500.00	11
12,501.00 - 13,000.00	6	15,501.00 - 15,999.99	12

Are there any limits?

If you have savings of £16,000 or more, you will not be eligible to claim Housing Benefit (HB) or Council Tax Reduction (CTR). You must always tell us about any capital and notify us when there are any changes.

Total Net Income

We add together your unearned income, earned income and any income from capital and then disregard any relevant amounts to calculate a Total Net Income figure which is shown on your award letter.

The Final Calculation

After having:

- established your maximum eligible weekly rent/maximum rent or Council Tax
- made any non-dependant deductions
- established your total allowances

- calculated your net income figure
- calculated your income from capital

1. If your total net income is lower than your total allowances. Then you will receive the maximum eligible amount less any non-dependant deductions.
2. If your total net income is higher than your total allowances. The difference is your excess income. We apply a taper of 20% for Council Tax Reduction or 65% for Housing Benefit to your excess income. See picture below:
3. We then deduct the tapered amount from your maximum eligible weekly rent/maximum rent or Council Tax, after any non-dependant deductions have been made. The difference is the amount you will be awarded each week.

Council Tax Reduction (CTR) Calculation



Housing Benefit Calculation



How much will I have to pay for rent or council tax?

For Council tenants, your award letter for Housing Benefit will tell you your weekly charge and weekly Housing Benefit. You will also be sent a rent statement.

For Council Tax, a separate bill will be issued to you detailing your installments.

For Private Sector tenants, your award letter will tell you the amount of weekly benefit you have been awarded. You will then need to work out what you have to pay your landlord.

Discretionary Housing Payments

If you have a shortfall in your housing costs, you can apply for a Discretionary Housing Payment (DHP). The Council has limited budget to make these payments, and we consider if you could afford the shortfall from your available income or capital when making our decision. DHP does not apply to Council Tax Reduction. Please visit www.falkirk.gov.uk/request to complete your request online.

What if I think my award is wrong?

If you don't understand your award, or would like more information about how your award was calculated, you can ask us to look at it again. You must request this within one month of the date on your award notice for HB and within 2 months for CTR. If you are still unhappy, you can request an Independent Tribunal Hearing. Please visit www.falkirk.gov.uk/request to complete your appeal online

What if my circumstances change?

You must tell the Council as soon as your circumstances change so we can reassess your entitlement and prevent overpayments e.g. income, household, change of address, rent increase/ decrease and temporary absence from home. Please visit www.falkirk.gov/request

Reporting Fraud

If you think someone is fraudulently claiming Housing Benefit, Council Tax Reduction or other benefits please call 01324 501282 or email benefit.fraud@falkirk.gov.uk

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