

# Help with Council Tax



This factsheet looks at what help is available for council tax and what to do if you disagree with a council tax decision.

The information in this factsheet applies to people living in England, Wales and Scotland.

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Council tax is a local form of taxation on domestic property and is collected by local councils (often referred to as local authorities).

The person (or people) who own or rent the home is/are legally responsible for paying the council tax bill. If two people jointly own a property or have a joint tenancy they will both be responsible for the bill, although only one bill will be sent to the home.

There are a number of ways in which people can get help with council tax, including through:

- Council Tax Reduction (CTR) schemes (sometimes called Council Tax Support)
- Rebates
- Exemptions
- Discounts
- Disability Reduction Scheme
- Discretionary payments

## Council Tax Reduction (CTR)

### What is CTR?

Help for people on low incomes is provided in England through various local CTR schemes run by councils.

In Scotland and Wales there is a national CTR scheme, although this will still be administered by local councils.

This means that each local council (England) or nation government (Scotland and Wales) designs its own scheme and has the responsibility to decide who it supports with paying their council tax bill.

### Applying for CTR

If you are liable for council tax, you can apply for CTR if you are on a low income.

To apply for CTR you would need to contact your local council's benefits department.

Your local council will calculate how much CTR you are entitled to, based on your income and savings.

### **Note for Scotland:**

In Scotland CTR will apply to your council tax charge only and not any water and sewerage charges included in your bill. These are based on the council tax band of your home and will be detailed on your council tax bill. Some households receive a discount on these charges including single person households (25%) and households with two or more adults who receive CTR (up to 25%). The reduction is graduated to reflect entitlement to CTR and is calculated on the same daily basis as CTR. If a household with two or more adults is in receipt of full 100% CTR then the full 25% water and sewerage reduction will apply.

In Scotland council tax on properties in Bands E, F, G and H is calculated differently. The council tax for these properties will now be a higher percentage of the Band D rate than previously. However, low income households can apply for exemption from the increases. This new relief is an extension of the existing CTR and is aimed at households whose net income is below £16,750 for a single person and £25,000 for others. Entitlement is dependent on a number of factors. To find out if you are eligible contact your local council.

## **Backdating CTR**

There is no requirement to backdate claims for working age adults, although this will vary depending on your local council. However, pensioners can backdate claims for up to three months.

## **CTR and the benefit cap**

CTR is not counted as part of the benefit cap. The benefit cap means that certain households have an upper limit on the total amount they can be paid from benefits.

You can find more information about the benefit cap by visiting  
[www.carersuk.org/benefitcap](http://www.carersuk.org/benefitcap)

## Second adult rebate

Many local councils in England do not offer the second adult rebate to working age people as part of their CTR schemes.

The Government in Scotland does offer the second adult rebate, whereas the Government in Wales does not offer it.

**Note:** Second adult rebate (or Alternative Maximum CTR) is a different way of getting help towards your council tax bill. If there is another adult living in your home who is not your partner, does not pay you rent and is on a low income you can get a reduction of up to 25% off your bill. Your own income and capital are not taken into consideration for second adult rebate. If you are eligible for both CTR and second adult rebate, you will be paid the higher of the two.

## Exemptions

There are a number of circumstances in which properties can be exempt from council tax. The following circumstances are particularly relevant for carers and those for whom they are caring, however this is not an exhaustive list:

- you have left the property empty and it is no longer your main residence because you are providing personal care to someone, due to their old age, disablement, illness, alcohol or drug dependence, or mental disorder
- the only person(s) living in the property is severely mentally impaired and no one else could be liable to pay council tax
- the property has been left empty by someone who is now resident in a hospital, a care home or a hostel where personal care is provided - during temporary hospital stays you are still liable for council tax
- there are at least two self-contained dwellings within a single property and one occupant is a ‘dependent relative’ of someone resident in another part of the property - the exemption applies to the part of the property where the dependent relative is resident and that dependent relative must be aged 65 or over, severely mentally impaired or ‘substantially and permanently disabled’

To apply for an exemption you would need to contact the council tax department of your local council. You can ask for an exemption to be backdated to the date the qualifying conditions were met.

## Discounts

Council tax bills are generally based on the assumption that there are at least two adults living in the property. The bill will not increase if there are more than two people living in the property. However, if only one person or no-one lives in the property (or it is treated as such) a discount can be applied to the bill.

The following pages contain examples of people who are ‘disregarded’ (treated as not living in the property) when it comes to calculating council tax, however it is not an exhaustive list.

### Carers

To be ‘disregarded’ as a carer, you must meet all the following criteria:

- you must provide care for at least 35 hours a week
- you must live in the same property as the person you care for
- you must not be the spouse or partner of the person you care for, or their parent if you care for a child under 18
- the person you care for must receive: either the middle or higher rate of the care component of Disability Living Allowance (*only the higher rate in Scotland*), the daily living component of Personal Independence Payment at any rate (*only the enhanced rate in Scotland*), Attendance Allowance at any rate (*only the higher rate in Scotland*), Armed Forces Independence Payment or the highest rate of Constant Attendance Allowance

You do not have to claim Carer’s Allowance to qualify for this disregard, and your income and savings will not affect your eligibility. If there is more than one carer in the property, they can all be disregarded for council tax purposes as long as they all meet the conditions.

### ‘Severely mentally impaired’ people

To be disregarded on the grounds of being ‘severely mentally impaired’ the person must meet both of the following criteria:

- have a certificate from a registered medical practitioner confirming this
- be in receipt of one of a number of specified benefits which include: the middle or the higher rate of the care component of Disability Living Allowance, the daily living component of Personal Independence Payment at any rate, Attendance Allowance at any rate, Constant Attendance Allowance or Employment and Support Allowance

If everyone in the property is considered to be ‘severely mentally impaired’, the property is exempt from council tax.

## Other disregarded groups

Other people disregarded for the purposes of council tax include:

- children up to 18 (for 18 year olds, someone must be entitled to Child Benefit for them)
- full-time students (if the property is occupied only by full-time students then it is exempt from council tax)
- long-term hospital patients or care home residents
- live-in care workers
- people living in a hostel which provides care or treatment because of their old age, physical or mental disability, past or present alcohol or drug dependence or past or present mental illness

If, after taking into account disregarded people, there is only one resident in the property who would ‘count’ for council tax a 25% discount is applied to the bill.

If, after taking into account disregarded people, there are no residents who would ‘count’ for council tax a 50% discount is applied to the bill.

To apply for a discount you would need to contact the council tax department of your local council. You can ask for a discount to be backdated to the date the qualifying conditions were met.

► **Example of a 25% discount:** James spends 35 hours a week looking after his 23-year-old son Adam who receives the middle rate care component of Disability Living Allowance and is ‘severely mentally impaired’. James’ mother Jenny also lives in the house but does not look after Adam.

James can be disregarded as a carer and Adam can be disregarded as ‘severely mentally impaired’. Jenny cannot be disregarded. There would be one person considered to be living in the property (Jenny), and so a 25% discount would be applied to the council tax bill.

► **Example of a 50% discount:** Fred and Julie live with their 15 year old son Bob and Julie’s mother Alice. Alice who suffers from dementia receives the higher rate of Attendance Allowance and is ‘severely mentally impaired’. Julie cares for Alice for at least 35 hours a week. Fred also cares for Alice for at least 35 hours a week, during weekends and before and after his paid work.

Fred and Julie can both be disregarded as carers. Alice can be disregarded as she is ‘severely mentally impaired’. Bob can be disregarded as he is under 18 years old. There would be no one considered to be living in the property, and so a 50% discount would be applied to the council tax bill.

## Disability Reduction Scheme

You may be able to get a reduction in council tax under the Disability Reduction Scheme if anyone resident in the property (adult or child) is ‘substantially and permanently disabled’. In addition, one of the following conditions has to be met:

- there is an additional bathroom or kitchen in the property which is needed by the disabled person
- there is a room (other than a bathroom, kitchen or toilet) needed by and mainly used by the disabled person
- there is enough space in the property for the disabled person to use a wheelchair indoors

There is no general test of who is considered ‘substantially and permanently disabled’. If a person is registered as disabled with their local council, this should help to satisfy this condition, as should receipt of disability benefits. It could also help to provide supporting evidence from your GP/consultant.

Caselaw has clarified that if an extra room is required it means that it is additional, ie it would not be required for the relevant purpose if the person were not disabled.

A disability reduction will mean that the council tax bill is reduced to the amount payable for a home in the valuation band below yours. If you are in the lowest band already (Band A) you get a reduction of one sixth of the bill.

**► Example:** Mina has a home which is placed in Council Tax Band C. She qualifies for a disability reduction because there is an additional bathroom in the home which is required by her disabled mother. This means Mina is placed in Council Tax Band B.

To apply for the disability reduction scheme you would need to contact the council tax department of your local council. It is possible to backdate an application for the disability reduction scheme however the rules are slightly complicated - contact the Carers UK AdviceLine for further information - see final page for contact details.

## Discretionary payments for council tax

Some local councils have their own local discretionary funds for council tax. Contact your local council tax department to find out more.

When applying for discretionary funds, you should provide full details about your circumstances and about how being a carer impacts on your finances.

## If you cannot pay your council tax bill

### Talk to your council

If you are not able to pay your council tax bill you should contact your council as soon as possible to let them know. Councils are able to take legal action to recover debts but most will try to find other solutions first. They may be able to arrange a payment plan with you or put you in touch with other agencies who can help you with debt management.

### Seek advice

Contact the Carers UK AdviceLine for a benefit check and to find out more about support near you – see final page for contact details.

You can also seek advice about other benefits you may be entitled to from your local Citizens Advice Bureau or a money advice agency. They may be able to help with form filling through to appeals tribunals. Many local councils will also have their own welfare rights department or directory of local organisations who can help.

## Challenging a decision

### Appeals process

If you feel that you have been overcharged council tax because you have not had Council Tax Reduction (CTR), a discount or exemption applied to your bill, you should first contact your local council within one month of the decision to ask them to reconsider it.

You should write to your council stating why you think the bill is wrong. They will then look at the bill and should either send you a new one if it is wrong, or if they think it is right they should contact you to explain why. The council has two months to reply.

In *England and Wales*, if you disagree with the council's decision, or you don't hear back within two months, you should appeal to the Independent Valuation Tribunal (**t:** 0300 123 2035 | **w:** [www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk)).

- if the council have replied to your letter you have two months from the date of their reply to appeal the decision
- if the council have not replied to your letter you have four months from the date you originally wrote to the council disputing the bill

In Scotland, if you disagree with the council's decision, or you don't hear back within two months, you can appeal to the Valuation Appeal Committee. Regardless as to whether the local council have replied to your letter or not, you have four months from the date you originally wrote to the council disputing the bill to appeal the decision. If the appeal is about a penalty that has been added to your bill, then this is reduced to two months from the date you originally wrote to the council disputing the bill (again regardless as to whether the local council have replied to your letter or not).

**►► Note:** If you fall outside any of the time limits mentioned above, then it may still be possible to challenge the decision. For more information contact the Carers UK AdviceLine – see final page for contact details.

You will need to continue to pay the bill until the matter is resolved.

## Disagreeing with your council tax band

In certain circumstances you can appeal against your council tax band, for example if major changes have been made to the property such as converting it into flats. If they agree your band is wrong, they will correct it. Your council will then update your council tax bill.

If you feel that your home is in the wrong council tax band you should contact the following organisations.

In England and Wales contact the Valuation Office Agency (VOA) on **03000 501 501** (England) or **03000 505 505** (Wales). You can find the email address of your local VOA office online at [www.gov.uk/valuation-offices-council-tax](http://www.gov.uk/valuation-offices-council-tax).

In England, if you make a formal challenge and disagree with the VOA's decision, you can appeal to the Independent Valuation Tribunal. You will need to appeal within three months of the VOA's decision.

In Wales, appeals are usually dealt with by the VOA but you can go to tribunal if an agreement cannot be reached.

In Scotland contact the Scottish Assessors Association – find contact details at [www.saa.gov.uk](http://www.saa.gov.uk). Your proposal will go to the local Assessor. If it can't be resolved through discussion, it will be sent to the local Valuation Appeal Committee for a decision.

## Further help

For information and advice contact the Carers UK AdviceLine on **0808 808 7777** (open Monday to Friday, 10am to 4pm) or email [advice@carersuk.org](mailto:advice@carersuk.org)

Information is also available on our website – visit [www.carersuk.org](http://www.carersuk.org)

## Benefit helplines

### Attendance Allowance

**t:** 0345 605 6055 (textphone: 0345 604 5312)

### Carer's Allowance Unit

**t:** 0345 608 4321 (textphone: 0345 604 5312)

### Disability Living Allowance

- If you were born on or before 8 April 1948:

**t:** 0345 605 6055 (textphone: 0345 604 5312)

- If you were born after 8 April 1948:

**t:** 0345 712 3456 (textphone: 0345 722 4433)

### For Jobseekers Allowance, Income Support and Employment and Support Allowance:

#### Jobcentre Plus

New claims **t:** 0800 055 6688 (textphone: 0800 023 4888)

Existing claims **t:** 0345 608 8545 (textphone: 0345 608 8551)

### Pension Credit

**t:** 0800 99 1234 (textphone: 0800 169 0133)

### Pension Service

**t:** 0345 60 60 265 (textphone: 0345 60 60 285)

### Personal Independence Payment

New claims **t:** 0800 917 2222 (textphone: 0800 917 7777)

Enquiry line **t:** 0345 850 3322 (textphone: 0345 601 6677)

### Tax Credits

**t:** 0345 300 3900 (textphone: 0345 300 3909)

### Universal Credit

#### Jobcentre Plus

**t:** 0345 600 0723 (textphone: 0345 600 0743)

This factsheet is designed to provide helpful information and advice. It is not an authoritative statement of the law. We work to ensure that our factsheets are accurate and up to date, but information about benefits and community care is subject to change over time. We would recommend contacting the Carers UK AdviceLine or visiting our website for the latest information.

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### **Carers UK AdviceLine**

For expert information and advice about caring.



**0808 808 7777**

(open Monday to Friday,  
10am-4pm)



**advice@carersuk.org**

### **Carers UK**

20 Great Dover Street  
London SE1 4LX

020 7378 4999  
[info@carersuk.org](mailto:info@carersuk.org)

### **Carers Wales**

029 2081 1370  
[info@carerswales.org](mailto:info@carerswales.org)

### **Carers Scotland**

0141 445 3070  
[info@carerscotland.org](mailto:info@carerscotland.org)

### **Carers Northern Ireland**

028 9043 9843  
[info@carersni.org](mailto:info@carersni.org)

### **However caring affects you, we're here.**

Caring will affect us all at some point in our lives.

With your help, we can be there for the 6,000 people who start looking after someone each day.

We're the UK's only national membership charity for carers. We're both a support network and a movement for change.

Visit us at our website to join us, help us or access more resources:

**[carersuk.org](http://carersuk.org)**