

Other people living in your household - The effect on your benefit

Introduction

If you have any adults living with you other than your partner in most cases it will affect the amount of Housing Benefit and/or Council Tax Reduction you receive.

Most adults are treated as non-dependants, however if they are not related to you and you rent out your property on a commercial basis they may be treated as either 'lodgers' or 'sub-tenants'.

This leaflet is intended as a general guide. People have different circumstances so for more detailed individual advice please contact us.

What is a non-dependant?

A non-dependant is a person aged 18 or over who lives in your home on a non commercial basis. Typically this may be a grown up son or daughter, elderly relative or friend.

Will my benefit be affected?

If you have a non-dependant living in your home, or a non-dependant moves into your home we may have to reduce your benefit by a fixed amount. This is called a non-dependant deduction.

How is the deduction calculated?

The amount of deduction is based upon the income and circumstances of the non-dependant. This is supposed to reflect the non-dependant's assumed contribution to the claimant's housing costs.

The deduction applies irrespective of whether the non-dependant makes a contribution to the household or not. The important factors to consider are

- whether or not the non-dependant works over 16 hours a week (remunerative work); and
- If they do, the charge will depend on the level of their total gross income; -The the higher the earnings, the greater the deduction.

Married/unmarried couples/civil partners or same sex couples only attract one non-dependant deduction based on their total income.

Where a non-dependant lives with two relatives (not a couple) the deduction can be divided between them.

Non-Dependent Deductions (effective from 01.04.2017)

In remunerative work (over 16 hours)- including those in receipt of Universal Credit and working		
Gross income before deductions not net income	Housing Benefit	Council Tax Reduction
Greater than £430	£95.45	£12.70
£346.00-£429.99	£86.95	£10.60
£259.00-£345.99	£76.35	£8.40
£200.00-£258.99	£46.65	£8.40
£136.00-£199.99	£34.00	£4.20
Less than £136.00	£14.80	£4.20
Others except those in receipt of Employment and Support Allowance		
Aged 25 or over Under 25 in receipt of Income Support /Jobseekers Income based or Universal Credit and not working	£14.80	Nil
Others-Aged 18 or over not in remunerative work	£14.80	£4.20
Under 25 in receipt of Income Support /Jobseekers Income based or Universal Credit and not working	Nil	Nil
Employment and Support Allowance recipients		
In receipt of ESA (C) any age	£14.65	£4.20
<u>In receipt of ESA (IR)</u>		
Assessment phase		
Under 25	Nil	Nil
Over 25	£14.80	Nil
<u>Main Phase</u>		
In all cases including under 25s	£14.80	Nil
Pensioners		
In receipt of pension credit	Nil	Nil
Other pensioners	£14.80	£4.20
Pensioners working over 16 hours	Depends on level of earnings	

Are there any cases where no deduction is made?

Yes. We would not make a non dependant deduction if

- you or your partner are receiving Attendance Allowance;
- you or your partner are registered blind;
- you or your partner receive the care component of Disability Living Allowance;
- you or your partner are in receipt of the standard or enhanced rate of the Daily Living component of Personal Independence Payments;
- your non-dependant is in hospital for 52 weeks or more;
- your non-dependant is in prison or normally living elsewhere;
- your non-dependant is in receipt of pension credit;
- Your non-dependant is under 18;
- your non-dependant is under 25 and is in receipt of Income Support or Jobseekers Allowance (Income-based);

- your non-dependant is a full-time student (except during the summer vacation if they are working over 16 hours a week);

Please note this list is not exhaustive.

Please note-If you are in receipt of Housing Benefit and you or your partner are aged 65 or over the deduction may be delayed for 26 weeks if

- a non-dependant moves into your home or
- they have a change in their circumstances which results in a higher non-dependant deduction.

What if my non-dependant makes no contribution to the household?

The Council is still obliged to make the deduction and can not vary the amounts according to individual circumstances. You should therefore take the amount of this deduction into account and discuss this with the non-dependant.

Do I need to provide any information?

Yes, we will ask information about non-dependants on the Benefits claim form and will request proof of their income e.g. pay slips.

If they will not give you this information, he or she can send it direct to us.

Alternatively if they are in receipt of state benefits and **give us written permission** to do so we can check their income with the Department for Work and Pensions. (We need the non-dependants National Insurance number in order to do this).

If they fail to provide proof we will make the appropriate deduction based on the available evidence. In some cases the highest deduction may be applied.

Do I need to let you know if the circumstances of my non-dependant changes?

Yes- you should tell as soon as possible if the circumstances of your non-dependant changes as it may reduce or increase the deduction we make. We need to know if

- A non-dependant moves into your home or leaves your home; or
- The income or circumstances of the non-dependant changes e.g. if they have a pay increase or if they become unemployed.

It is important that you provide details of the change, the date that the change occurred and proof where appropriate.

Lodgers and Boarders

These are people who have moved in with you who are paying for board and lodging with some prepared food, and they are not adult children, relatives or friends.

Deductions are not made for boarders and lodgers. Instead some of the rent/board you receive from them each week is added to your income. The first £20.00 per week is ignored together with half of the rest. For example if you receive £50.00 per week board, only £15.00 is counted as the income for benefit purposes ($£50.00 - £20.00$ divided by 2 = £15.00).

The same rules also apply to means tested benefits i.e. Jobseekers allowance (income-based), Income Support and Employment and Support allowance (income-related).

Sub-Tenants

These are people, other than adult children, relatives or friends, who are making a payment to you for a room or rooms and no payment is included for meals.

Deductions are not made of sub-tenants; instead some of the rent you receive from them each week is added to your income. The first £20.00 of rent from each subtenant is ignored; the rest of the weekly rent is counted as income for benefit purposes. For example, if you receive £50.00 per week rent £30.00 is counted as a weekly income for benefit purposes.

The same rules also apply to means tested benefits i.e. Jobseekers allowance (income-based), Income Support and Employment and Support Allowance (income-related).

Our Contact details

If you need more help, please contact us.

TORFAEN RESIDENTS should contact TELEPHONE:01495 766430 or 01495 766570 E-MAIL: benefits@torfaen.gov.uk Minicom for those who are deaf or hard of hearing. The number is 01495 767871	MONMOUTHSHIRE RESIDENTS should contact TELEPHONE:01633 644644 E-MAIL: benefits@monmouthshire.gov.uk	
OUR ADDRESS- Shared Benefit Service Level 3, Civic Centre Pontypool Torfaen NP4 6YB		
IN PERSON at any of our One Stop shops, Community Hubs in Monmouthshire or Customer Centres in Torfaen.		
ABERGAVENNY Abergavenny Market -Cross St, Abergavenny NP7 5HD	CHEPSTOW Chepstow Library- Manor Way, Chepstow, NP16 5HZ	CALDICOT Caldicot Library - Woodstock Way, Caldicot, NP26 5DB
MONMOUTH Monmouth Library, Rolls Hall, Monmouth, NP25 3BY	USK Usk Library - 35 Maryport St, NP15 1AE	
PONTYPOOL Level One Civic Centre, Pontypool NP4 6YB	CWMBRAN Cwmbran Library, Gwent House, Gwent Square, Cwmbran, NP44 1XQ	BLAENAVON Blaenavon World Heritage Centre Church Road Blaenavon NP4 9AS

WELSH TRANSLATION - If you require a copy of this document in Welsh please contact us on the telephone numbers above.