

Dealing with constituent issues

Council Tax, Business Rates and Housing Benefits

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Head of Revenues and Benefits



Business Rates

Raised £100m

Medway
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Serving You



6,329 Businesses

Housing benefit

Paid £71m

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14,621 Claimants

Council Tax

Raised £146m

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115,599 Properties

Council Tax Reduction

Paid £13m

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16,691 Claimants

Self-service – www.medway.gov.uk

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Benefits

- Housing benefit
- Discretionary housing payments
- Council tax reduction (technically a council tax discount)

Housing benefit

Housing benefit is an income-related social security benefit to help people pay their rent.

Since the introduction of Universal Credit, we can only accept new claims from:

- Pensioners (from 15 May 2019, both members of a couple must be pensioners)
- People in supported (specified) accommodation
- People who are entitled or have been entitled in the last month to a severe disability premium within a legacy benefit
- People placed in temporary accommodation by Medway Council



Can I claim housing benefit?



What is a Benefit Cap?



How do I claim Universal Credit?

Discretionary housing payments

- Hardship payments for housing costs (rent)
- Budget is limited (£644k 2019/2020)
- Can be paid to people who receive housing benefit or housing costs under universal credit

How do I claim discretionary housing payment (DHP)?

Revenues

- Council Tax
- Non-Domestic Rates (NDR)

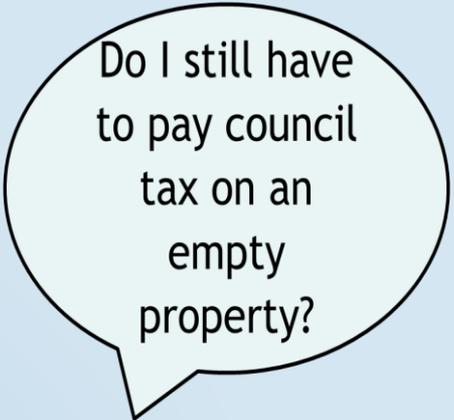
Council Tax

- One bill for each dwelling irrespective of whether it's owned or rented.
- Each property is placed in one of eight bands (A to H) based on the property's estimated purchase value in April 1991. Charge based on proportion of Band D where
A=6/9ths of Band D; B=7/9ths; C=8/9ths; D=9/9ths
E=11/9ths; F=13/9ths; G=15/9ths and H=18/9ths
so if band D is £900 then Band A equals £600
- Hierarchy of liability
- The full Council Tax charge is based on two or more adults living in the property, so if there is only one adult resident you can claim a discount of 25%.

How can I get my council tax reduced?

Council Tax

- Discounts/Disregards/Exemptions
- Council Tax Reduction
- Recovery of charges

A white speech bubble with a black outline, containing text about council tax on empty property.

Do I still have to pay council tax on an empty property?

A green speech bubble with a white outline, containing text about council tax affordability.

What if I can't afford to pay my council tax?

Non Domestic Rates (NDR)

- Business rates are a tax on property used for business purposes
- Business gross rates are calculated based on a property's (hereditament) 'rateable value' (RV) and an appropriate national multiplier is applied either standard or small business (2019/20 = 50.4p and 49.10p respectively) e.g. Gun Wharf 2019/20 bill is £1,000,000 RV x 50.4p = £504,000
- Reliefs/exemptions applied
- Business Rate information
- Recovery of unpaid bills

What do I do if I think someone should be paying business rates?

What is Business rates retail relief/discount?

...any questions?



Contact details

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Revenues and Benefits



The Revenues and Benefits Service is responsible for payment of £71m housing benefit and £13m council tax reduction as well as the collection of £146m council tax, £100m business rates, £12m housing benefit overpayments and £8m sundry debts.

Housing benefit

What is Housing benefit?

Housing benefit is an income-related social security benefit scheme to help people pay their rent. It can also be referred to as rent allowance or rent rebate. If you qualify, housing benefit can be paid whether you are working or not. The amount of housing benefit paid may be restricted by the local housing allowance rate for private tenants and could also be restricted for social tenants who under occupy their property.

I need help with my rent, what can I do?

We can only accept new housing benefit claims from:

- Pensioners (from 15 May 2019, both members of a couple must be pensioners)
- People in supported (specified) accommodation
- People who are entitled or have been entitled in the last month to a severe disability premium within a legacy benefit
- People placed in temporary accommodation by Medway Council

I am experiencing hardship and my housing benefit/Universal Credit does not cover my rent, can you help?

We administer discretionary housing payments, which are effectively hardship payments for people who are in receipt of housing benefit or housing costs under universal credit. More can be found at https://www.medway.gov.uk/info/200131/council_tax_and_benefits/414/extra_help_paying_the_rent

How do I claim Universal Credit?

Universal Credit replaces the following working-age benefits:

- Housing Benefit
- Income Support
- Jobseekers Allowance (Income Based)
- Employment and Support Allowance (Income Based)
- Working Tax Credit
- Child Tax Credit

The Department for Work and Pensions administer universal credit. You can claim it here

<https://www.gov.uk/apply-universal-credit>

I have a housing benefit overpayment, do I have to pay it back?

Sometimes we overpay benefit, this may happen because:

- it takes time to deal with changes
- the customer may have given us wrong information, not told us something we needed to know, or been slow to tell us about a change
- we may have made a mistake

We can require customers to pay it back if:

- it was their fault we overpaid benefit. For example because they did not tell us about a change
- it was not strictly the customer's fault but it was not our fault either. For example, because you got a pay rise in June, backdated to April that they could not have told us about earlier.
- it was our fault but the customer could have realised we were overpaying them and did not tell us.

Why have I been capped?

The benefit cap is a limit to the total amount in some benefits that working age people can receive. If someone is in receipt of housing benefit, the cap is administered by reducing the amount of housing benefit they receive. The current cap amounts in Medway are £384.62 per week for couples and lone parents and £257.69 for single people. More information about the benefit cap can be found at <https://www.gov.uk/benefit-cap>

Council tax reduction

What is council tax reduction?

In 2013 the national council tax benefit scheme was abolished and in its place every council in England had to design their own scheme. There are regulations to follow and certain requirements that must be within each scheme for example pensioners must receive the

same level of support as they would have done under council tax benefit. However, working age schemes can be designed to suit each local authority so there may be significant differences in the level of support available in the country.

The council tax reduction scheme must be agreed by full council by 11 March in time for the scheme to start on 1 April.

Medway's scheme is available here

https://www.medway.gov.uk/downloads/file/2780/council_tax_reduction_schemes

In Medway, all working age tax payers are expected to pay at least 35% of their council tax unless they are in receipt of a war pension.

Appeals

Why do people appeal?

If a customer is unhappy with a decision made in respect of housing benefit or council tax reduction, they can appeal. Initially appeals should be made to the local authority where they will be reconsidered by a different member of staff to the person who initially assessed the claim.

If we believe our original decision is correct for housing benefit, the appeal can be heard by an independent tribunal, which is a part of HM Courts, and Tribunal Service.

Appeals for council tax reduction are heard by the Valuation Tribunal and can further information can be found here

<https://www.valuationtribunal.gov.uk/your-appeal-type/council-tax/council-tax-reduction/>

Council Tax

My council tax band is higher than my neighbour's but our properties are identical - how can I get the band reduced?

The Valuation Office Agency is responsible for determining the council tax band for each property and the council then charges council tax based on the band. You can contact the Valuation Office Agency and ask them to review your band at www.gov.uk/challenge-council-tax-band.

What do I do if I can't afford to pay my council tax?

Contact us as soon as possible by emailing counciltax@medway.gov.uk or by phoning 01634 332222. You can find further information on our website www.medway.gov.uk where you can set up a direct debit and also find out what happens if you've missed a payment.

If you are on a low income you can apply for council tax reduction. Please go to www.medway.gov.uk/counciltaxreduction for further information and to apply.

Do I still have to pay council tax if my house is empty, even though I don't use any council services?

Yes. Council tax is a tax and not a payment for services and you would still want the police or fire

brigade to attend your property if there was a problem. There are reductions though - if your house is unoccupied and unfurnished you can apply for a 100% discount for up to three months - if it is unoccupied and furnished you can claim a 10% discount.

Reductions are available for unoccupied properties in certain circumstances - for example where the owner of a property has died and probate hasn't been granted yet, or where a property is undergoing major repairs. Full details are on our website where you can also apply for a reduction.

If your property stays unoccupied and unfurnished for more than two years, you will have to pay an extra 50% in council tax.

What reductions are available for people with disabilities, or those that need to be cared for?

A reduction may apply if your property is occupied by a person with a disability and they have to use a wheelchair indoors, need a second bathroom or kitchen or an additional room because of their disability.

Depending on the number of people living in your property, you may also get a reduction if someone is severely mentally impaired (including those with dementia or Parkinson's) or someone is providing care for another resident of the property (not their partner or child under 18).

You can find further details and make an application on our website.

Business rates

My neighbour is running a business from his home - should they be paying business rates?

It depends on the extent of business use. If they just use a small part of the home such as a bedroom as an office, they probably won't have to pay business rates, but if they sell goods to people who visit the property or they've converted part of the property for business use then they may have to.

If you are unsure, please email details to rates@medway.gov.uk and if there appears to be sufficient use, we will report this to the Valuation Office Agency who are responsible for business rate valuations.

What is retail relief/discount?

It is a reduction of one third of your business rates bill and it applies to retail businesses with a rateable value below £51,000. The relief will only be available for 2019/20 and 2020/2021 and in most cases has been awarded automatically. Please go to www.medway.gov.uk/rates for further details.

There are roadworks outside my shop which is affecting my business - can I get a reduction in my business rates?

You may be able to get your rateable value reduced. Contact the Valuation Office Agency at www.gov.uk/correct-your-business-rates for further details.