

Hillingdon Council - Council Tax Reduction Scheme

Glossary of terms

- **Council tax** – Local tax set based on the property valuation and occupants. Used to fund public services.
- **Council tax reduction** – Reduces the council tax for an applicant on a low or no income.
- **Current earnings disregard** - If an applicant (or their partner if they have one) work, an earnings disregard is applied depending on their individual circumstances. The standard weekly disregards (only one is awarded) are £5 for a single person, £10 for a couple, £20 if they meet certain conditions such as disablement or part time special employments, £25 for lone parents. If they work additional hours, in some circumstances they may receive an additional £17.10 disregard per week.
- **Dependant** - A dependant is a child or young person for whom an applicant is responsible for and is a member of the applicant's household.
- **Net earnings** - To calculate the net pay, from the gross pay, deduct the income tax, national insurance and half of any private pension contributions.
- **Non-dependant** - A non-dependant is an adult aged 18 years or over, living in your household, who is not your partner or a joint tenant, who would be expected to contribute towards the council tax
- **Pensioner** – Someone who has reached the qualifying age for state pension credit who is not receiving a working age benefit.
- **Part time special employments** - relates to a part time firefighter (on-call or retained), a part time lifeboat worker (on-call), an auxiliary coastguard, a member of the Territorial Army or similar reserve forces.
- **Two child limit** - From 6 April 2017, the government limited the number of child dependants taken into account for Universal Credit, housing benefit and tax credits to two. This was included in the Hillingdon Council tax reduction scheme for new claims from 1 April 2018.
- **Universal Credit (UC)** - UC is a benefit for people of working age on a low income, administered by the Department of Work and Pensions (DWP). It is a single monthly payment which replaces:
 - housing benefit
 - income support
 - income based jobseeker's allowance (JSA)
 - income related Employment and Support Allowance (ESA)
 - child tax credit (CTC)
 - working tax credit (WTC)

These six benefits/tax credits are known as legacy benefits.

- **Working age** – Someone who is 18 years or over but under the qualifying age for state pension credit (currently aged 66 yrs) or they have reached the qualifying age for state

pension credit and they or their partner are receiving income support (IS), universal credit (UC), jobseekers allowance (JSA) or income related employment and support allowance (ESA (IR)).