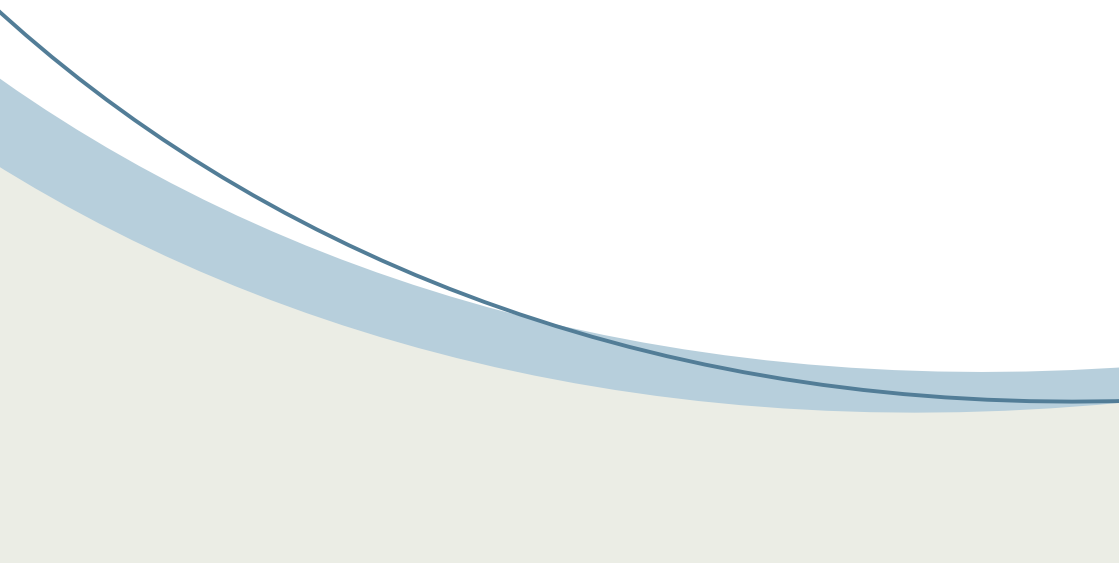




**Royal Air Force  
Benevolent Fund**

MAXIMISING YOUR  
INCOME AND REDUCING  
YOUR OUTGOINGS





This booklet provides tips and guidance on how to maximise your income by reducing expenditure and ensuring you are claiming/receiving the correct entitlements and discounts available to you.

The information in this booklet is correct as of May 2018. To check for any changes, please go to **[www.rafbf.org/advice](http://www.rafbf.org/advice)**



## Council Tax

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If you are struggling to pay your Council Tax, you can ask your council to spread the payments over 12 months instead of the usual 10. This will reduce the amount you pay each month.

### **Council Tax Reduction/Support**

Each council has its own rules for Council Tax Reduction which helps people on low incomes with paying their Council Tax. To apply for Council Tax Reduction, contact your local council benefits department.

## Council Tax Discounts

Council Tax is based on the assumption that there are at least two people living in your home.

- People who live alone qualify for a 25% reduction in their Council Tax bill.
- If no one is seen to be living in your home you will qualify for a 50% reduction.

Some people, such as children under 18 years, students, some carers who meet certain conditions and people who are 'severely mentally impaired', are disregarded when the council works out how much Council Tax you have to pay. This means that Council Tax will be calculated as if they do not live there.

## Northern Ireland

The above does not apply to Northern Ireland. Instead, people on a low income may get help with their rates through the rate relief scheme. For further information contact the Land & Property Services if you own and occupy your home or the Northern Ireland Housing Executive if you rent your home.

## Disability Reduction Scheme

You may be able to pay less Council Tax under the Disability Reduction Scheme if your home has had work carried out on it to help you or someone else living there with a disability. For example, widening of doors to enable wheelchair access.

If you think you may qualify for a discount or reduction in your Council Tax you should contact your local council to make an application.

# Help with fuel costs (gas/electricity)

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Energy suppliers constantly change their rates so it is worthwhile regularly checking that you are getting the best deal for you. There are many sites available to make it easy to compare including:

- [www.moneysupermarket.com/gas-and-electricity](http://www.moneysupermarket.com/gas-and-electricity)  
or call **0800 177 7087** and
- [www.uswitch.com/gas-electricity](http://www.uswitch.com/gas-electricity)  
or call **0800 6888 244**

## Winter Fuel Payments

You will qualify for between £100 and £300 Winter Fuel Payment if you were born before 5 August, 1953, provided you have lived in the UK throughout the week of 17 to 23 September 2018. Most payments are made automatically however, if you have not received a Winter Fuel Payment before you should contact the Winter Fuel Payment Centre on **0800 7310160** to make sure you get the payment.

## Warm Home Discount

You could get £140 off your electricity bill through the Warm Home Discount scheme. You may be entitled to this discount if you are on a low income or in receipt of certain means-tested benefits such as Pension Credit. Contact your energy provider to check if they are part of this scheme and for further information.

## Cold Weather Payments

You'll qualify for a £25 per week Cold Weather Payment if you are in receipt of certain means-tested benefits and the weather in your local area falls to/is forecast 0 degrees Celsius or below for seven consecutive days. If you do not receive your payment

automatically you should contact the office that pays your benefit to enquire further.

## Getting help from your energy supplier

Your energy supplier may offer you a grant to make improvements to heating your home through the Affordable Warmth Obligation. This could include insulation, a replacement boiler or other upgrades to your heating.

You will need to be on a low income and in receipt of certain benefits such as:

- Child or Working Tax Credit;
- Universal Credit;
- Pension Guarantee Credit (you won't be eligible if you only claim Pension Savings Credit);
- Income Support/Jobseeker's Allowance (JSA);
- Income-related Employment and Support Allowance (ESA)

You can get help with improvements if you own your home or live in privately rented housing or social housing. If you rent you must have the owner's permission to do the work.

Contact the Energy Saving Advice Service to find out if you're eligible for help. They'll also tell you how to apply. They can also advise you on schemes by other energy suppliers, not just your own:

- England, Wales and Northern Ireland **0300 123 1234**
- Scotland **0808 808 2282**
- **[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)**

# Help with water charges

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If you are struggling to pay your water bill, you can ask your water supplier to spread the costs over 12 months instead of the usual 10. This will reduce the amount you pay each month. If you are in receipt of certain benefits, you can ask your benefit provider to deduct an amount to pay directly to your water provider to cover your water charges.

Depending on the size of your household you may be better off having a metered bill:

- England and Wales. You can calculate whether you are likely to save money by switching to a water meter using the following site:  
[www.ccwater.org.uk/watermetercalculator/](http://www.ccwater.org.uk/watermetercalculator/)
- Scotland. You can calculate whether you are likely to save money by switching to a water meter using the following site:  
[www.scottishwater.co.uk/You-And-Your-Home/Your-Home/Water-Efficiency/Water-Calculator](http://www.scottishwater.co.uk/You-And-Your-Home/Your-Home/Water-Efficiency/Water-Calculator). (Please note in Scotland water metres are not fitted for free.)

Additionally, 'Watersure Schemes' are available to those who are in receipt of eligible benefits such as income-based ESA, Pension Credit, Housing Benefit or Tax Credits and who have a high essential use of water due to a medical condition, or families with three or more children for whom they receive Child Benefit. Contact your water provider for further information.



# Help with car tax

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## Vehicle Tax Exemption

You will be exempt from paying vehicle tax if you receive:

- High rate Mobility component of Disability Living Allowance (DLA); or
- Enhanced rate Mobility component of Personal Independence Payment (PIP); or
- War Pensioner's Mobility Supplement; or
- Armed Forces Independence Payment (AFIP)

The vehicle must be registered in the disabled person's or nominated driver's name. It must only be used for the disabled person's personal needs. It cannot be used by the nominated driver for their own personal use.

## Vehicle Tax Reduction

You can get a 50% reduction in vehicle tax if you get the standard rate Mobility component of PIP.

If you qualify for an exemption or reduction in vehicle tax you should contact the DVLA on **0300 7906802**.



## Help with bus travel

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### England

You can get a bus pass for free travel when you reach State Pension age.

### Wales and Scotland

You can get a free bus pass when you turn 60.

### Northern Ireland

If you are 60 or over, or you have a disability, you may be entitled to concessionary travel on bus and railway journeys within Northern Ireland.

Apply to your local council for a bus pass.

# Help with health costs

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If you're in receipt of certain benefits or have a low income you may qualify for help with NHS costs including:

- free prescriptions;
- free dental treatment;
- free NHS eye tests and vouchers to help pay for glasses/contact lenses;
- reimbursement of fares to hospital for treatment for you or your child. (And fares of a companion where reasonable).

If you are aged 60 and over, you can get free prescriptions and NHS eye tests regardless of your income.

If you don't qualify for free NHS benefits, there are Prepayment Certificates for prescriptions which can reduce costs if you regularly pay for medication.

You can request a claim form and get more information by calling NHS Low Income Scheme helpline on **0300 330 1343** or visit **[www.nhs.uk/NHSEngland/Healthcosts](http://www.nhs.uk/NHSEngland/Healthcosts)**

# Children

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## Child Maintenance

Both parents are legally responsible for the costs of bringing up their children. If you have children from a previous relationship and you are the main day-to-day carer of the children, you may be able to claim Child Maintenance from their other parent.

The income you receive from Child Maintenance will not affect any means-tested benefits you receive however, it is a good idea to make sure benefit providers are aware of any Child Maintenance income to avoid any confusion.

You can contact Child Maintenance Options on **0800 988 0988 / [www.cmoptions.org](http://www.cmoptions.org)** or the Gingerbread Single Parent helpline on **0808 802 0925 / [www.gingerbread.org.uk](http://www.gingerbread.org.uk)** for specialist advice on Child Maintenance and your options.



## Downsize or 'rent-a-room'

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If your home has become too big for you (for example if family members have moved out), you could consider downsizing to a smaller house or flat. Living in a smaller home should reduce the amount you spend on household costs such as fuel to heat your home, water charges and Council Tax.

Alternatively, the rent-a-room scheme is an optional scheme open to owner-occupiers or tenants who let out furnished accommodation to a lodger in their main home. It allows you to earn up to £7,500 a year tax-free, or £3,750 if you're letting jointly.

You don't have to be a homeowner to take advantage of the scheme. If you're renting you can also lease out a room to a lodger, as long as your own lease allows you to do so.

# Tax codes and bank accounts

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## Tax codes

If you are being taxed on your income it is always worthwhile checking your tax code to ensure you are being taxed at the correct rate. Most people are taxed using the code 1185L.

If you have more than one job or are of pension age you may have a different tax code. For more information go to: [www.gov.uk/tax-codes](http://www.gov.uk/tax-codes) or contact HMRC on **0300 200 3300**.

## Packaged bank account fees

You may be paying a monthly fee towards your bank account provider for things which you do not need such as travel insurance, vehicle breakdown cover or mobile insurance.

Or, you may be paying such a fee to more than one bank provider or have taken out separate insurances with independent insurance providers and are therefore paying out more than once for the same cover. If you are paying for a packaged account which is of no use to you, you should contact your bank and ask to switch to a fee-free account.

# Managing debts

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If you are struggling to repay your debts or have fallen into arrears, you should contact a debt charity who will be able to offer tailored advice and practical solutions to help you manage your financial affairs.

You can contact a debt charity such as:

- StepChange **0800 138 1111**  
**[www.stepchange.org](http://www.stepchange.org)**
- National Debtline **0808 808 4000**  
**[www.nationaldebtserivce.org](http://www.nationaldebtserivce.org)**

Or you can get in touch with the Money Advice Service on **0800 138 7777** or your local Citizens Advice who will be able to advise you of your options:

- England **03444 111 444**
- Wales **03444 77 20 20**
- Northern Ireland **0800 028 1881**
- Scotland **0808 800 9060**



# About us

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If you have any queries or would like further advice on any of the topics raised in this leaflet, please contact the RAF Benevolent Fund on **0800 169 2942** and ask to speak with a Benefits Executive.

We provide a range of support for serving and former RAF personnel. To find out more about how the RAF Benevolent Fund can help you, please visit **[www.rafbf.org](http://www.rafbf.org)**

**Royal Air Force Benevolent Fund,  
67 Portland Place, London, W1B 1AR**

The RAFBF is a registered charity in England and Wales (1081009) and Scotland (SC038109)