

Report to Council

Subject: Discretionary Local Scheme – War Pensions

Date: 17 April 2024

Author: Housing and Welfare Manager

Wards Affected

All

Purpose

This report seeks approval to reconfirm the 100% discretionary disregard applied without revision in the calculation of Housing Benefit for all War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme income received. This disregard applies to both the customers and any partner’s income.

Recommendation(s)

THAT:

- All income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes be fully disregard when assessing entitlement to Housing Benefit.

1	Background
1.1	The War Pensions Scheme (WPS) is designed to help ex-military service personnel who have suffered an injury whilst serving in the armed forces. It can also provide help for the partner or husband/wife of someone who died serving in the armed forces. The money is either paid as a one off payment or as a weekly pension income.
1.2	The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.

1.3	The Housing Benefit (War Pension Disregards) Regulations 2007 prescribe the payments which make up war pensions that may be disregarded by local authorities operating a discretionary scheme
1.4	<p>Section 134(8)(a) and 139(6)(a) of the Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision.</p> <p>s.134 (8) of the Social Security Administration Act 1992</p> <p><i>An authority may modify any part of the housing benefit scheme administered by the authority—</i></p> <p><i>(a) so as to provide for disregarding, in determining a person's income (whether he is the occupier of a dwelling or any other person whose income falls to be aggregated with that of the occupier of a dwelling), the whole or part of any [prescribed]war disablement pension or [prescribed]war widow's pension payable to that person;</i></p> <p><i>(b) to such extent in other respects as may be prescribed, and any such modification may be adopted by resolution of an authority.</i></p>
1.5	Historically the Council has taken advantage of this provision and fully disregards the income of claimants and their partners who receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes when calculating Housing Benefit.
1.6	The Armed Forces Act 2021 amended the Armed Forces Act 2006 ('the Act') by inserting sections 343AA to 343AF. These place a legal duty (the 'Covenant Duty') on specified public persons and bodies ('specified bodies'), to have due regard to the principles of the Armed Forces Covenant when exercising certain statutory functions in the fields of healthcare, education and housing ('relevant functions'). The specified bodies and relevant functions are listed in sections 343AA to 343AD of the Act. The Covenant Duty came into effect on 22 November 2022.
1.7	<p>The Borough of Gedling signed its Armed Forces Covenant on 29 April 2013.</p> <p>The Armed Forces Covenant for Gedling is a statement of mutual support between local civilian and armed forces communities, and complements the National Armed Forces Covenant.</p>

	<p>The Covenant ensures that the Borough of Gedling:</p> <ul style="list-style-type: none"> • Recognises the contribution made by the Armed Forces community • remembers the sacrifices made by members of the Armed Forces community • shares knowledge, experience and expertise to provide help and advice to current and former members of the Armed Forces community and their families • encourages the integration from service life into civilian life. <p>The Community Covenant also aims to ensure that the local Armed Forces community is not disadvantaged in the services offered in the borough, and enables the Armed Forces community to contribute its skills and experience.</p>
1.8	The granting of a 100% income disregard would also meet the Council's priority in the Gedling Plan in relation to reducing hardship and providing support to the most vulnerable.
2	Proposal
2.1	To continue to disregard 100% of all War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme payments received by either the main applicant and/or their partner following the statutory £10.00 disregard calculation having been applied when administering Housing Benefit claims.
3	Alternative Options
3.1	Local authorities have the discretion to disregard all or just part of any War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme payments once the mandatory £10.00 disregard has been applied when administering claims for Housing Benefit Therefore, there is discretion to disregard none of the income at all or a lesser percentage rather than the current 100% rate.
4	Financial Implications
4.1	For the 2023/24 Housing Benefit subsidy claim, a total of 5 claims were processed which had War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme payments included in the assessment of Housing Benefit.

4.2	Any additional benefit granted due to a 100% disregard being applied after the mandatory £10.00 disregard has been applied and reduces the amount of Housing Benefit subsidy received by the Council.
4.3	The Department for Works and Pensions sets a national formula on the amount of Housing Benefit subsidy that can be reclaimed. To calculate this, 75% of the total war pension scheme expenditure incurred each financial year is compared to 0.2% of the total subsidy claimed by the Council for the same financial year. The lower of these two calculated figures is the amount of subsidy a Council can claim.
4.4	<p>For 2023/24, the provisional Housing Benefit subsidy amounts to £17,742,377. The final claim is due for submission to the Department for Works and Pensions on the 30 April 2024.</p> <p>0.2% of this subsidy amounts to £35,485.</p> <p>The total arising from applying a 100% local discretionary war pension scheme amounts to £8,038.</p> <p>After applying the national formula, 75% of the total war pension scheme expenditure incurred amounts to £6,029.</p> <p>As £6.029 is the lower of the two qualifying financial parameters shown in bold font above, this figure is transferred to Cell 128S of the MPF720A subsidy claim form and relates to the actual amount of subsidy claimed by the Council.</p> <p>The financial impact on the authority after all the relevant subsidy grant allocation have been claimed, amounts to £2,009 for 2023/24. This being the difference between the total expenditure arising from applying a 100% local discretionary war pension of £8,038 and the subsidy claimed back amounting to £6,029.</p> <p>In effect for every £100 of benefit awarded under a 100% disregarded scheme, the cost to the Council is £25.</p>
5	Legal Implications
5.1	Any disregard of prescribed war disablement pension or prescribed war widows pension can be determined by the authority as detailed within this report (para 1.4). This resolution will ensure that those disregards continue and confirms the Council's approach. This determination also supports the Council's duty under the Armed Forces Act 2021 to have regard to the Armed Forces Covenant.

6	Equalities Implications
6.1	An Equality Impact Assessment (EIA) can be found at Appendix 1
7	Carbon Reduction/Environmental Sustainability Implications
7.1	None arising.
8	Appendices
8.1	Appendix 1 - Equality Impact Assessment (EIA)
9	Background Papers
9.1	None
10	Reasons for Recommendations
10.1	The Armed Forces Act 2021 places a legal duty (the 'Covenant Duty') on Gedling Borough Council to have due regard to the principles of the Armed Forces Covenant when exercising certain statutory functions in the fields of healthcare, education and housing. In continuing to disregard 100% of all War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme payments received by either the main applicant and/or their partner, the Council will be complying with these requirements and provide financial support to our Armed Forces community.

<p>Statutory Officer approval</p> <p>Approved by: Date: On behalf of the Chief Financial Officer</p> <p>Approved by: Date: On behalf of the Monitoring Officer</p>
