

URN: 22-031

Subject: War Pensions Income Discretionary Disregard

Report to: Executive Leadership Team – 22nd June 2022

Policy and Resources Committee – 12th July 2022

Council – 21st July 2022

Report by: Miranda Lee, Head of Customer Services

SUBJECT MATTER

This report seeks Council's approval to continue to award 25% discretionary income disregard in respect of persons in receipt of a War Pension or War Widow(er) Pension in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

RECOMMENDATIONS

That Council

(1) Endorse the recommendation to continue to apply a 25% income disregard in relation to War Pensions and War Widow(er) Pensions income in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

1. BACKGROUND

1.1 Before the introduction of the Social Security Administration Act 1992, there was a statutory £10.00 per week disregard on War Disability and War Widow(er) pensions in means tested social security benefits including Housing and Council Tax benefit. Above the £10.00 per week disregard, the pensions were counted as income, reducing the amount of benefit received.

2. CURRENT SCHEME

2.1 Section 134(8) of the Social Security Administration Act 1992 allowed councils to disregard up to 100% of war pensions above the £10.00 per week disregard laid down in the regulations.

2.2 For the calculation of Housing Benefit the £10.00 disregard is applied and the remaining income of war pension and War Widow(er) pension is then fully disregarded. This is known as Local Scheme.

2.3 From April 2004, the Government agreed to subsidise 75% of the discretionary disregard councils made if the amount did not exceed 0.2% of the total Housing Benefit subsidy received. This means that the councils now only pay for 25% of the discretionary disregard.

2.3 The £10.00 disregard also applied to Council Tax Benefit. Council Tax Benefit was abolished in 2013, replaced by local Council Tax Reduction schemes. Since the start of the Council's scheme, War Pensions and War Widow(er) Pensions have been fully disregarded for the calculation of Council Tax Support.

3. REQUIREMENTS

3.1 Last year, several councils were asked to provide evidence that they had passed up to date resolutions disregarding War Pensions and War Widow(er) Pensions by external auditors.

3.2 The discretionary disregard has been in place historically with most of the Local Authorities with responsibility of administering Housing Benefit & Council Tax Support continuing to award.

3.3 Subject to approval Members may wish to update the Armed Forces Covenant to reflect this continued support for recipients of War Pensions.

4. FINANCIAL IMPLICATIONS

4.1 The total gross Housing Benefit subsidy claimed for war pensioners for 2021/22 (subject to the audit of the final subsidy claim) is £17,440. There were 9 claims which we received £13,080 in subsidy (75%) from Department for Works and Pensions and £4,360 (25%) from the council's contribution.

5. RECOMMENDATIONS

5.1 Council are asked to endorse the recommendation to continue to apply a 25% income disregard in relation to War Pensions & War Widow(er) Pensions income in the administration and calculation of entitlement to Housing Benefit & Council Tax Support.

Area for consideration	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	Yes
Existing Council Policies:	Yes, Council Tax Support Scheme
Financial Implications:	Yes as outlined
Legal Implications (including human rights):	Yes, Council Tax Support Scheme/Prescribed Requirements, Housing Benefit Regulations
Risk Implications:	Financial - marginal
Equality Issues/EQIA assessment:	

Crime & Disorder:	
Every Child Matters:	