

To: **Executive Member Adult Social Care & Housing**
24th August 2022

Housing Benefit War Pension Disregard Policy (Modified Scheme)
Executive Director: People

1 Purpose of Report

- 1.1 To seek approval from the Executive Director to approve the Housing Benefit War Pension Disregard Policy (Modified scheme), which would reconfirm the full disregard of sums received as war pensions in the calculation of Housing Benefit.

2 Recommendation(s)

- 2.1 **That the Housing Benefit War Pension Disregard Policy be approved by the Executive Director of People**

3 Reasons for Recommendation(S)

- 3.1 The rules about the way in which Housing Benefit is calculated, are primarily detailed within Housing Benefit Regulations 2006 and subsequent amending statutory instruments
- 3.2 In almost every aspect of the calculation, the legislation does not allow discretion in terms of how to treat the income of those who apply. However, the Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007 does confirm the right of each Local Authority to determine how much of the income considered as War Pensions, is to be disregarded (not taken into account) in the calculation after the legislated £10 disregard is applied.
- 3.3 Bracknell Forest Council has previously agreed that the balance of any war pension after the standard allowance of £10 is made, should be disregarded in full but this is a request for formalise and to reconfirm this decision by way of introducing a formal policy.
- 3.4 Bracknell Forest administers the Housing Benefit on the behalf of the Department for Work & Pensions (DWP), and as such all expenditure is subject to external audit. In the external audit completed in February 2022, it was noted that there is no record of full council having agreed the full disregard. This policy is therefore required to meet the needs of external audit and DWP and will serve to avoid the risk of financial loss, albeit minimal, to Bracknell in the form of a penalty in subsidy.

4 Alternative Options Considered

- 4.1 Amending the policy to disregard only part of the prescribed incomes would create a lack of consistency between the administration of Housing Benefit and Bracknell's Local Council Tax Support scheme (CTS)
- 4.2 Revoking the policy and making no alteration to the Housing Benefit scheme in respect of these incomes would equally create a lack of consistency between the administration of Housing Benefit and CTS.

- 4.3 Either of these changes would also potentially bring financial hardship to those in receipt of Housing Benefit and a War Pension by reducing their entitlement. Although this could bring a financial saving to the council, it is likely that it will also create a compensating demand on the Discretionary Housing Payments Scheme, which is already severely strained and potentially create hardship for a specific group in the community.
- 4.4 To not have an approved War Pension Disregard Policy is not recommended as there would be no clear guidance on the agreed approach for claimants and to the Reporting Accountancy undertaking the Housing Benefit Subsidy review.

5 Supporting Information

- 5.1 In principle, a council's expenditure on Housing Benefit, is reimbursed in full by the DWP through a mechanism known as Subsidy. Subsidy payments are demand led and are not subject to fixed term grants. If the Housing Benefit is considered to have been paid in accordance with the governing legislation, the cost is repaid to the Council in full.
- 5.2 In 2021/22, Bracknell made a total gross subsidy claim to the DWP of £19.8m This figure did not include the increased awards made to the 7 recipients of Housing Benefit, who receive War Pensions.
- 5.3 The total cost of disregarding the full amount these 7 households received was £18,457 in 2021/22

6 Consultation and Other Considerations

Legal Advice

- 6.1 The legal issues are addressed within the report. Section S.134(8) of the Social Security Administration Act 1992 allows a local authority to modify any part of the housing benefit scheme in so far as to disregard the whole or any part of war disablement pension or war widow's pension [as prescribed by the Housing Benefit and Council Tax Benefit (War Pension Disregard) Regulations 2007 (as amended)], above the £10 mandatory disregard as specified in the Housing Regulations 2006. The proposed policy is to ratify an existing local practice to disregard 100% of the specified war pensions.

Financial Advice

- 6.2 The costs of formalising this policy are currently being met from existing budgets and as such there are no additional costs to the Council from this recommendation.

Other Consultation Responses

- 6.3 No other parties consulted on this

Equalities Impact Assessment

- 6.4 This proposal ensures funding is provided towards the most vulnerable groups and therefore there is no EIA required. This policy also supports the commitment to the Armed Forces Covenant

Strategic Risk Management Issues

6.5 None

Climate Change Implications

6.6 The recommendations in Section 2 above are expected to:

Have no impact on emissions of CO₂.

The reasons the Council believes that this will have no impact on emissions are that this is a purely administrative decision

Health & Wellbeing Considerations

6.7 None

Background Papers

Housing Benefit War Pension Disregard Policy (Modified Scheme)

Contact for further information

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