

Chichester District Council

THE CABINET

2 November 2021

Treatment of War Pensions in the calculation of Housing Benefit

Contacts

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1. Recommendation

1.1. That Cabinet note the content of this report and determine that war pensions continue to be fully disregarded as a source of income by the Council when assessing claims for Housing Benefit.

2. Background

- 2.1. Entitlement for Housing Benefit, which supports low income households to make payments of rent are prescribed by the Housing Benefit Regulations 2006.
- 2.2. Within these rules there is no provision for local discretion, with the exception of the disregard of certain War Pensions as an income. The Regulations allow for Councils to determine whether to disregard these incomes in full, rather than the partial disregard of £10 per week that exists as standard.
- 2.3. Chichester District Council has disregarded these incomes since at least 2007, however there is no formal record of the decision to disregard these incomes being made. Housing Benefit audit requirements now prescribe that this decision needs to be evidenced as part of its annual audit requirements. Therefore this report seeks to gain agreement from Cabinet that this discretion continues to apply and the decision is recorded as such to satisfy audit requirements.

3. Outcomes Achieved

- 3.1. This report seeks confirmation that the position with regard to the disregard of these incomes should remain unchanged, until such a time that an alternative decision is made.

4. Proposal

- 4.1. That War Pension income as listed in Housing Benefit Regulations 2006 continues to be disregarded in full when considering entitlement to Housing Benefit.

- 4.2. The total gross subsidy (subject to external audit) in respect of Housing Benefit for this group of claims for 2020/21 was £11,216.31. The net subsidy received against this expenditure from the Department for Work and Pensions was £8,412.23, which amounts to 75% of the gross expenditure. Therefore the cost to the Council of applying this discretion for 2020/21 was £2,804.08.
- 4.3. In 2020/21 there were three claims that contributed to this expenditure. These claims are all still active claims and therefore for future years we can expect that expenditure will remain at a similar level.
- 4.4. This is something that the Council have committed to since the outset of the discretionary initiative and Officers are just seeking a formality for this decision to be recorded for audit purposes. It is already accounted for in budgetary terms no additional expenditure or changes are proposed. Given the low value of the provision and the intention of the scheme to acknowledge the sacrifice that serving personnel and their families make Officers are recommending that this discretion continue.

5. Alternatives Considered

- 5.1. The Council do not have to exercise its discretion they could chose to only allow the disregards allowed within the Regulations. Schedule 5 of the Housing Benefit Regulations detail the disregards that apply to the calculation of Housing Benefit, these Regulations provide that certain War Pensions are subject to a weekly income disregard of £10.00 per week.

6. Resource and legal implications

- 6.1. The cost of this is already built into Council Budgets as it has been operating since at least 2007. The intention of this report is to formalise existing arrangements in order to satisfy audit requirements. Without this approval the level of subsidy claimed may be reduced.

7. Consultation

- 7.1. As this decision is just formalising what the Council is already doing consultation is not deemed necessary.

8. Community Impact and Corporate Risks

- 8.1. Without this documented approval there is a risk that the auditors will not be satisfied with the approach which may impact on the subsidy that can be claimed from the Department for Work and Pensions.
- 8.2. If the Council chose not to disregard these incomes in full the Housing Benefit entitlement of the claims affected would be reduced, this would create potential financial hardship for the people making these claims.

9. Other Implications

	Yes	No
Crime & Disorder		No
Climate Change and Biodiversity		No
Human Rights and Equality Impact		No

Safeguarding and Early Help

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