

Report title	The Treatment of War Pensions in the Calculation of Housing Benefit
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Department	Customer Services, Digital & Collection services
Exempt?	No

Purpose of report:

- **To recommend to full Council**

Synopsis of report:

To review whether to continue with the current income disregard for war pensions when calculating entitlement to Housing Benefit and ensure parity with Council Tax support schemes and the Council's commitment to the Armed Forces Covenant.

Recommendation(s):

To recommend to Full Council:

- (a) to fully disregard war pensions (as defined in paragraph 5.4) income when calculating entitlement to Housing Benefit

1. Context and background of report

- 1.1 The Social Security Administration Act 1992 gives local authorities the power to modify the Housing Benefit Regulations 2006 (as amended) to disregard some or all of any prescribed war disablement pension or war widow's pension.
- 1.2 In addition, war pension income is also disregarded when calculating Council Tax support for pension age and working age residents.
- 1.3 Runnymede Borough Council has had a long-standing policy to disregard prescribed war disablement pension or war widow's pension, in Housing Benefit, Community Charge Benefit and localised Council Tax Support scheme from 1st April 2013.
- 1.4 This local scheme means the Council meets 25% of the cost of disregarding income from war disablement and war widow(er) pensions in the calculation for Housing Benefit.
- 1.5 As a percentage of this cost falls to the Council, it now seems prudent to undertake a review of this disregard. As Council Tax Support is reviewed annually, this report is focusing just on Housing Benefit.

2. Report and, where applicable, options considered and recommended

- 2.1 Legislation allows councils the discretion to disregard up to 100% of War Disablement Pensions and War Widow's Pensions in the calculation of Housing Benefit entitlement (referred to as the "modified scheme").
- 2.2 These war pensions have been fully disregarded in the calculation of Housing Benefit since the Social Security Act 1986 and amended by the Social Security Administration Act 1992.
- 2.3 Given the length of time that the modified scheme has operated in Runnymede, it is therefore recommended that Members review and confirm that the prescribed War Disablement Pensions and War Widow's Pensions continue to be fully disregarded in the calculation of Housing Benefit to comply with subsidy audit requirements.
- 2.4 The alternatives would be to either reduce or remove the disregard for Housing Benefit purposes. Whilst doing so may produce a negligible saving, this would not be consistent with our commitments under the Armed Forces Covenant.
- 2.5 It would also be inconsistent with the approach agreed in respect of the Runnymede Council Tax Support scheme.

3. Policy framework implications

- 3.1 The disregarding of these benefits for Housing Benefit purposes helps to support the Council's commitments under the Armed Forces Covenant.

4 Resource implications/Value for Money

- 4.1 From April 2004, we receive 0.2% addition to annual subsidy, capped at 75% of the total benefit cost to the LA of the modified scheme.
- 4.2 Due to the cap in 2023 the cost to Runnymede Borough Council was £307.61.

5. Legal implications

- 5.1 Section 134(8)(a) and section 139(6)(a) of the Social Security Administration Act 1992 states:

"An authority may modify any part of the housing benefit scheme administered by the authority-

- (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 part of any prescribed war disablement pension or prescribed war widow's pension payable to that person;
- (b) to such extent in other respects as may be prescribed, and any such modifications may be adopted by resolution of an authority."

- 5.2 The Housing Benefit Regulations 2006 paragraph 40(2) and schedule 5 states:
"Sums to be disregarded in the calculation of income other than earnings £10 of any of the following, namely-
(a) a war disablement pension.
(b) a war widow's pension or war widower's pension;"

- 5.3 Housing Benefit (Persons who have attained the age qualifying for the State Pension Credit) Regulations 2006 Regulation 33(9) sets out how weekly income is calculated and schedule 5 of those regulations set out how for the purposes of Regulation 33(9) amounts to be disregarded in the calculation of income other than earnings.
- 5.4 The Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007

War disablement pensions

The war disablement pensions prescribed are—

- (a) any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003.

- (b) any retired pay or pension payable to a member of the armed forces of the Crown in respect of a disablement which is attributable to service, under—
 - (i) an Order in Council made under section 3 of the Naval and Marine Pay and Pensions Act 1865,
 - (ii) the Army Pensions Warrant 1977,
 - (iii) any order or regulations made under section 2 of the Air Force (Constitution) Act 1917,
 - (iv) any order or regulations made under section 4 of the Reserve Forces Act 1996,
 - (v) any instrument amending or replacing any of the instruments referred to in paragraphs (i) to (iv), or
 - (vi) any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and
 - (vii) a payment made under article 14(1)(b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005.

War widow's pensions

The war widow's pensions prescribed are—

- (a) any pension or allowance payable to a widow, widower or surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person.

- (b) a pension payable, to a widow, widower or surviving civil partner of a member of the armed forces of the Crown in respect of death, which is attributable to service, under—
 - (i) an Order in Council made under section 3 of the Naval and Marine Pay and Pensions Act 1865,
 - (ii) the Army Pensions Warrant 1977,
 - (iii) any order or regulations made under section 2 of the Air Force (Constitution) Act 1917,
 - (iv) any order or regulations made under section 4 of the Reserve Forces Act 1996,
 - (v) any instrument amending or replacing any of the instruments referred to in paragraphs (i) to (iv), or
 - (vi) any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown; and
 - (vii) a payment made under article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005.

- 5.5 Council Tax Benefit was abolished by the Welfare Reform Act 2012
- 5.6 The Schedule to the Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007 prescribes the pensions in respect of which the schemes can be modified.

6. Equality implications

- 6.1 Councillors need to demonstrate that they have consciously thought about the three aims of the Public Sector Equality Duty, as set out in Section 149 of the Equality Act 2010, as part of the decision-making process. The three aims the authority must have due regard for are:
- eliminate discrimination, harassment and victimisation,
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it,
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.2 The Council must pay due regard to any risk of such discrimination arising from the decision before them. There is no prescribed manner in terms of how the equality duty must be exercised though producing an Equalities Impact Assessment (“EQIA”) is the most usual method.
- 6.3 The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief, sex and sexual orientation.
- 6.4 It is anticipated that this policy will have a positive impact on those with protected characteristics. An EQIA has been completed and is appended to this Report.

7. Environmental/Sustainability/Biodiversity implications

- 7.1 N/A.

8. Risk Implications

- 8.1 If Runnymede were to deviate from this majority position, it could lead to several reputational risks:
- Public Perception: The community may perceive Runnymede as less compassionate or less supportive of veterans and their families.
 - Media Attention: Changes in policy often attract media scrutiny. Negative headlines could impact the council’s image.
 - Advocacy Groups: Veteran advocacy groups may express disappointment or concern, affecting Runnymede’s reputation.
 - Political Fallout: Local politicians may face backlash from constituents who value the current approach.

9. Other implications

- 9.1 There are none.

10. Timetable for Implementation

10.1 April 2024

11. Conclusions

11.1 This report has examined the impact of disregarding war pensions in housing benefit calculations. It is important to recognise:

- War pensions are awarded in recognition of injuries or disabilities sustained while serving the country.
- These injuries can have a lasting impact on a veteran's ability to earn income and live independently.
- Including war pensions in housing benefit calculations can create financial hardship for veterans, potentially forcing them into inadequate housing situations.

11.2 Disregarding war pensions for housing benefit calculations would demonstrate a commitment to supporting veterans who have served their country. It would ensure that their essential housing needs are met, allowing them to focus on recovery and reintegration into civilian life.

11.3 It is therefore recommended that the current policy be maintained to confirm Runnymede's continue commitment to war veterans and their widows and exclude war pensions from income assessments for housing benefit purposes. This change would provide much-needed financial relief to veterans at minimal cost to the Council.

12. Background papers

12.1 None

13. Appendices

- Runnymede Borough Council - Modified Housing Benefit Scheme policy
- EQIA