

REPORT TO THE EXECUTIVE		Report No. 14
Date of Meeting	1 st November 2007	
Title of Report	Housing Benefit and Council Tax Benefit Local Scheme	
Portfolio	Housing	
Link to Corporate Priorities	Customer	
Key Decision	No	
Executive Workplan Ref	B365	
Public Report	Yes	

Summary of Report

To obtain Members' approval to include payments from the Armed Forces and Reserve Forces Compensation Scheme within the discretionary local benefit scheme.

Officer Recommendations

The Council uses its discretion to disregard in full, payments in respect of the Armed Forces and Reserve Forces Compensation Scheme when assessing entitlement to Housing Benefit and Council Tax Benefit.

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
Yes	None	None	None	Yes

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1. Introduction

- 1.1 Under existing Benefit legislation, Councils have the discretion to disregard income received from specified sources when calculating entitlement to Benefit. This is known as operating a local Benefit scheme. This report seeks to obtain Members' approval to include payments from the Armed Forces & Reserve Forces Compensation Scheme (AF&RFCS) within the Council's existing local Benefit scheme, so that this income is disregarded in full.

2. Options and Options Appraisal

- 2.1 Option One: The Council uses its discretion to disregard in full payments in respect of (AF&RFCS) when assessing entitlements to Housing Benefit and Council Tax Benefit.
- 2.2 Option Two: To decide not to include payments from (AF&RFCS) within the scope of the Council's local Benefit scheme.
- 2.3 Option Three: To decide not to continue to operate a local Benefit scheme and to set a date to withdraw the scheme for existing customers.

3. Background

- 3.1 Local Authorities have very little discretion in administering the Housing Benefit & Council Tax Benefit schemes. Entitlement under the scheme is means tested therefore customers' personal and financial circumstances are taken into consideration when calculating the level of benefit awarded. However, there are specific circumstances where Local Authorities can use their discretion to grant extra benefit under a 'local scheme'.
- 3.2 The local scheme allows Local Authorities to disregard payments made under the War Pensions scheme (WPS) when calculating entitlement to Housing Benefit and Council Tax Benefit. The (WPS) scheme includes war widows, war widower's and war disablement pensions together with war pensions for surviving civil partners.
- 3.3 Since 1990 the Council has been operating an enhanced local scheme for those people entitled to payment under the (WPS). The local scheme disregards in full income from the (WPS) when assessing entitlement to Housing Benefit and/or Council Tax Benefit, which often leads to an enhanced award.
- 3.4 The Ministry of Defence (MOD) are replacing the existing (WPS) with a new (AF&RFCS) for those who suffer injuries, ill health or death due to service in the Armed Forces or Reserve Forces on or after 6th April 2005.
- 3.5 The current (WPS) will still remain in force for:
- existing beneficiaries of the scheme
 - new claims when the cause of injury, illness or death is due to service before 6 April 2005

4. Proposal to Extend the Existing Local Scheme

- 4.1 It is recommended that the Council treats income from the new (AF&RFCS) in the same manner as income from the (WPS). This would mean applying a full disregard when calculating entitlement to Housing and/or Council Tax Benefit.

5. Financial Implications

- 5.1 In 2006/07 year, the existing local scheme affected 51 residents at an annual cost of £72,568. This is £3,000 less than it cost to operate the scheme in 2005/06. It is unlikely that extending the current scheme to include (AF&RFCS) will incur any additional costs as far fewer recipients' are likely to come within the scope of the (AF&RFCS) than the previous scheme. It should be noted that to date no customers receive (AF&RFCS) payments.

6. Equality and Diversity Implications

- 6.1 Recipients under the new (AF&RFCS) should be afforded the same opportunities to access the enhanced local Housing Benefit and Council Tax Scheme. To exclude them would be a failure on the Councils part to integrate the principles of equality within its own policies and procedures.

7. Risks

- 7.1 If Members decide to operate a local benefit scheme, but not include (AF&RFCS) compensation payments within its scope, the Council could be accused of treating customers inequitably. Furthermore, if (AF&RFCS) payments are included, it is possible, but highly unlikely, that expenditure in respect of the local scheme could increase.

Appendices:	
Background Documents Used in the Preparation of this Report:	

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Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference