

IMPLEMENTATION EXECUTIVE BUDGET WORKING GROUP  
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**HOUSING AND COUNCIL TAX BENEFITS, THE LOCAL SCHEME**

**Executive Summary**

This summary introduces the concept of a Wiltshire Council local scheme, to replace the scheme which had been operated by the four District Councils. The proposed discretionary scheme enables War Pensions Schemes or Armed Forces and Reserve Forces Compensation Schemes to be disregarded for the purposes of calculating entitlement to housing and council tax benefit.

**Proposal**

To seek the agreement of the Implementation Executive to adopt a scheme across Wiltshire Council and continue to disregard war pensions and armed forces compensations schemes for the purposes of calculating benefit at an estimated cost of £320,000 in 2009/2010.

**Reason for Proposal**

The agreement of a local scheme has to be adopted by resolution of the Council and is a scheme which goes some way to recognise the sacrifice made by a small decreasing number of claimants across the county.

**Sandra Farrington**  
Chief Financial Officer

## **HOUSING AND COUNCIL TAX BENEFITS, THE LOCAL SCHEME**

### **Purpose of Report**

1. The purpose of this report is to explain the concept of a Local scheme within housing and council tax benefit administration which would disregard War Pensions Scheme, (WPS) and Armed Forces and Reserve Forces compensations Schemes (AFCS) from inclusion within the calculation of income for the purposes of calculating entitlement to housing and council tax benefit.
2. This scheme has been operated by the four District Councils since 1898 and this report would approve the continuation of a Local scheme by the Unitary Council.
3. The decision to operate a local scheme can only be made by resolution of the authority.

### **Background**

4. Housing and council tax benefit is a means tested benefit for those on a low income to help pay rent and council tax. Housing and Council tax benefit is administered by the local authority on behalf of the Government and part of the process is to determine what part of an individual's income must be assessed and what can be disregarded.
5. Currently some 26,000 householders receive help with rent and or Council Tax across Wiltshire and some £100million will have been paid out by the end of March 2009.
6. In administering the Housing Benefit and Council Tax Benefit Scheme Councils have very little discretion. Entitlement under the scheme is means tested 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'.
7. Local Authorities currently disregard £10 from payments made under the War Pensions Scheme under the War Pensions scheme (WPS) and Armed Forces and Reserve Forces Compensation Schemes (AFCS) when calculating entitlement to Housing Benefit and Council Tax Benefit. Discretion also exists to operate a local scheme whereby payments made under WPS and AFCS are disregarded in full, although the cost must be met by the Local Authority and is not subject to subsidy.

### **Main Considerations for the Council**

8. Each of the District Councils in Wiltshire operates a local scheme in respect of WPS and AFCS. In 2007/08 the annual cost of operating the scheme across all four districts was approximately £314,000k impacting on 173 individuals. It is likely that operating a local scheme in 2008/09

will incur comparative costs to that incurred throughout 2007/08 and 2008/09 of approximately £314,000.

9. Historically it was thought that those entitled to WPS and AFCS are exceptional individuals who fully deserve any additional benefit to which they are entitled.

### **Environmental Impact of the Proposal**

10. None has been identified as arising directly from this report.

### **Equalities Impact of the Proposal**

11. The proposals in this report are to enable discretion in relation to WPS and AFCS schemes.

### **Risk Assessment**

12. To not adopt the scheme would impact on the current recipients in Wiltshire and could affect the reputation of the Council.

### **Financial Implications**

13. The cost per annum is expected to be £314,000 which is within current budget provision.

### **Legal Implications**

14. None other than those mentioned above.

### **Conclusions**

15. That the new Wiltshire Council should adopt the Local Scheme and for the purposes of awarding housing and council tax benefit disregard any entitlement to WPS, and AFCS.

### **Proposal**

16. That the Council's resolution is to adopt a local scheme and enable a minority of those entitled to housing and or council tax benefit, more benefit at a cost of £314,000

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Unpublished documents relied upon in the production of this report:       None  
Environmental impact of the recommendations contained in this report:       None