

Classification: Open	Decision Type: Non-Key
--------------------------------	----------------------------------

Report to:	Cabinet	Date: 14 February 2024
	Council	Date: 21 February 2024
Subject:	TREATMENT OF ARMED FORCES COMPENSATION IN THE ASSESSMENT OF DISCRETIONARY SUPPORT	
Report of	Cabinet Member for Finance and Communities	

Summary

1. This recommendation is brought forward following a call by the Royal British Legion to exclude military compensation payments when assessing discretion support. On 9th January Council agreed to the continuation and amendments to the Council Tax support scheme, this report recommends additions to the scheme to exclude military compensation payments from the assessment of the housing benefit and council tax support.

Recommendation(s)

Cabinet to agree and commend to Council that the Council tax support scheme –

- Excludes military compensation for Discretionary Council Tax Support calculations - These are short to mid-term additional credits made to those in receipt of Council Tax Support as a top up towards their Council Tax.

Cabinet to also agree and commend to Council that the Council's Discretionary Housing Payment Policy -

- Excludes military compensation for Discretionary Housing Payments calculations - These are short to mid-term additional payments made to those in receipt of Housing Benefit or Universal Credit as a top up towards their rent.

Reasons for recommendation(s)

2. This will provide the Council with a greater range of options to further support the borough's veterans and ensure those veterans suffering hardship or who find themselves in adverse circumstances can access financial help without compensation payments having a material impact on the level of support available to them.

Alternative options considered and rejected

7. We could not provide for this exclusion in the scheme and leave as is. This option has been rejected.

Report Author and Contact Details:

Name: Chris Brown

Position: Head of Revenues and Benefits

Department: Finance

E-mail: chris.brown@bury.gov.uk

Background

8. Armed Forces personnel and bereaved spouses are able to access compensation from the Ministry of Defence where they sustain an injury or suffer illness whilst in active service. These awards are categorised under:
 - Payments made under the Armed Forces Compensation Scheme
 - Payments made under the War Pensions Scheme
 - Service Invalidating Pension or Service Attributable Pension paid under the Armed Forces Pension Scheme.
9. The size of the payments are dependant on the severity of injury, and are generally included within the assessment of means tested benefits.

Discretionary support

10. Discretionary Housing Payments are centrally funded by government with an allocation received by the Local Authority each year.
11. Whilst there are some central eligibility criteria, it is for each Local Authority to devise their own scheme to best suit the needs of their residents with awards generally being made on a short to mid-term basis and of varying value dependant on the circumstances of the applicant and the reason for application.
12. Discretionary Council Tax Support is locally funded through the Council's Council Tax Support scheme, and it is for each Local Authority to ensure discretionary funding is available to further support eligible residents in hardship.
13. Awards are made via a direct credit to the applicant's Council Tax account in order to reduce their liability and therefore amount they need to pay, with the size of the credit again dependant on circumstances and the reason for application.
14. For both schemes, an assessment of the applicant's full income and expenditure is considered to determine affordability of Rent and/or Council Tax.

15. Military Compensation Payments will therefore have a material effect on the level of award that can be made to an Armed Forces veteran seeking discretionary support.

Links with the Corporate Priorities:

This policy supports our local community particularly those who are experiencing hardship. This relates to both the local and strengths-based elements of the Bury 2030 strategy in order to support our residents from getting into debt.

Equality Impact and Considerations:

No differential Impact has been identified.

Environmental Impact and Considerations:

None

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
The Cost of Living crisis has increased the number of eligible claimants for both schemes.	The number of veterans in receipt of compensation payments and also seeking access to discretionary support is not anticipated to have a significant impact on discretionary budgets or the Council's ability to use these funding streams to support the wider eligible population of the borough. Earlier identification of welfare need through changes to the Council Tax collection process, will also allow a more pro-active approach to welfare.

Legal Implications

Section 13A of the Local Government Finance Act 1992 (“the 1992 Act”) and as amended by The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022 requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the billing authority considers are in financial need. This must be decided by 11th March the preceding financial year.

Financial Implications:

It is important that the Council uses all of its powers and discretions to support its most vulnerable residents, and this is more important during times of economic difficulty. The local council tax support scheme seeks to help those who are struggling financially and who are still liable for council tax.

Background papers:

Council report – CT discretionary scheme 9th January 2024 -

<https://councildecisions.bury.gov.uk/documents/s38224/FINAL%20CTS%20Report%202024-25.pdf>

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning