

## The Highland Council

City of Inverness Area Committee – 21 October 2013

Agenda Item	12
Report No	CIA/61/13

### Inverness Common Good Fund Scheme for Winter Payments - Further Proposals for 2013/14

#### Joint Report by Director of Finance and Inverness City Manager

##### Summary

This report follows on from the revision of the Winter Payment Scheme for 2013/14 and the outcomes from the Inverness City Area Committee on 12 August 2013 when Members asked for more information on the implications of broadening the scope of qualification for citizens for the Winter Payment Scheme 2013 /2014.

#### 1. Background

The Committee have already approved the Winter Payment Scheme for the year 2013/14. This was detailed in report CIA/37/13 which can be found at (<http://www.highland.gov.uk/NR/rdonlyres/7620EC0F-21BE-4EE4-818F-9611E6CA6F70/0/Item5CIA3713.pdf>). Members acknowledged that although the Winter Payment Scheme is valued by the people of Inverness and the landward areas, there is concern that the budget has been regularly underspent in recent years. In consequence Members asked that various options should be looked at with a view to widening the criteria this year and future years.

#### 2. The principal comments on the future operation of the Scheme made at the City of Inverness Area Committee held on 12 August 2013 were as follows

- widen qualification criteria in respect of (i) persons aged 80 or over and (ii) persons in work on low income.
- ensure budget is not underspent
- identify breakdown of expenditure from Common Good Fund in comparison with other funds
- a requirement for better energy advice for citizens and improved information on social tariffs.
- include Third Sector partners and Customer Income Maximisation Team in future discussions.
- arrange specific information days through the Council Service Point Network to increase awareness of the Winter Payment Scheme and other benefits.

Progress is being made in respect of bullet points 4,5 and 6 and officers will implement improvements by the time the Scheme opens for applications. An application to increase the payment from the Common Good Fund to the Highland Food Bank to £20k, is reported later in this agenda.

## 2.1 Persons aged 80 or over - options

In order to close the gap in the benefit system for people who just miss out and are of an age where they may need more fuel to heat their homes, calculations have been made for the following age groups :-

	People in age group	Impact on Fund	50% apply
80 and over	3141	£229,293	£114,647
85 and over	2871	£209,583	£104,792
89 and over	1229	£89,717	£44,859
90 and over	988	£72,124	£36,062

The impact on the fund as per the figures noted above could be substantial. In order to achieve a balanced approach which both provides a substantive extension of the scheme and fits with the financial resource available, it is recommended that the scheme be extended to include those persons 90 years old and over.

Therefore, on proof of age being supplied, applicants aged 90 over as at 28 February 2014, would automatically receive both the first and second payments, amounting to £73 in total.

## 2.2 Persons in work on low income

There is currently no statistical data available nationally or locally for people who are working and living on a low income. In consequence there is no opportunity to provide the Committee with a competent recommendation which would only directly benefit people who would fall into this class.

An alternative would be to take the age restriction off but limit the class of applicant to those who have received a Crisis Grant from the Scottish Welfare Fund (SWF).

The SWF replaced Social Fund Crisis Loans for general expenses and Community Care Grants. It is a national scheme delivered by Local Authorities from 1 April 2013.

The SWF provides grants not loans in this instance the grant is for short term living expenses if there is an emergency or if there is a disaster.

Grants are to meet one-off needs rather than on-going expenses. A Crisis Grant is only awarded if the person has no access to other resources in order to see them through the crisis period. The qualifying benefits for a Crisis Grant are:

- Income Support
- Income based Job Seekers Allowance
- Income based Employment Support Allowance
- Pension Credit

People applying must be aged 16 years or over.

Noting the need to target resources the recommendation is to limit applicants to those who were in receipt of a Crisis Grant during the quarter December 1 2013 to 28 February 2014. The table below summarises the resource consequences for extending the scheme.

Scottish Welfare Fund Crisis Grants Payment for Inverness City and Landward Areas as from April 2013.

	Number of successful applicants	Average Payment per applicant £	Impact on Fund £
April	35	36	2555
May	26	69	1898
June	30	39	2190
July	38	49	2774
August	74	59	5402
September	135	93	9855
Total	338		24674

Estimated claims during December January and February taken as an average from the first 6 months of the scheme would mean that 169 claims can be expected. This would have an estimated impact of £12,337 on the fund.

Apart from the resource implications, extending the scheme beyond the recipients in the winter months may mean that payments are made to those who are no longer experiencing a crisis.

### **3. Resources applied in 2012/13**

Since the last meeting of the Committee a further review of expenditure for the operation of the scheme for winter 2012/13 has been undertaken. This confirms that the outturn was as follows

Common Good Fund	£34,799
Benevolent Fund	£9,862
Total	£44,661

This review confirms that the Scheme was marginally more successful in Winter 2013/14, than was earlier reported.

### **4. Climate Change and Disability Implications**

There are positive implication for climate change and people with a disability.

## **Legal Implications**

In the event that the recommended option is agreed to, the Council will be in full compliance with all its legal obligations as it will be putting a Scheme in place that is financially sustainable and meets all audit standards.

## **Resource Implications**

If uptake exceeded the expected level, then funds would be drawn from revenue balances of the Common Good Fund to meet the obligations under the scheme for 2013/14. Noting the extended criteria, it is anticipated that the current budget of £57K would need to be increased by £49K making a total of £106K. The budget set aside within the 2013/14 Common Good Fund revenue budget would be increased accordingly. This would have an estimated impact of £12,337 on the fund in respect of payments made for those in receipt of a Crisis Grant, and in respect of persons over 90 years of age, £36,062.

### **Recommendation**

The Committee is invited to agree to widen the scope for the Winter Payment Scheme for the City of Inverness and Landward areas of the seven City Wards agreed for the year 2013/14 on the following basis:

- i. that the Scheme operates for Winter 2013/14 to include all people 90 years or over as at 28 February 2014 without any other qualification criteria being required.
- ii. that the scheme also includes people who have received a Scottish Welfare Fund Crisis Grant payment, between 1 December 2013 and 28 February 2014 inclusive and,
- iii. that the sum set aside within the Inverness Common Good Fund revenue budget 2013/14 for the Winter Payment Scheme, be increased by £49K, to £106K.

Designation: Director of Finance

Designation: Inverness City Manager

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Date: 12 October 2013