

The Highland Council

City of Inverness Common Good Fund Grants Sub - Committee – 11 August 2014

Agenda Item	23a
Report No	CIA/52/14

Inverness Common Good Fund Scheme for Winter Payments 2014/15

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 builds on these amendments to improve the Winter Payment Scheme for 2014/15.

1. Background

- 1.1 The Winter Payments Scheme (the scheme) is designed to help those members of the community most in need of financial support during the coldest months of the year when extra fuel is needed. In a time of ever increasing fuel costs and the cumulative impact of welfare reform, demand for this help is increasing.
- 1.2 The Committee made significant amendments to the Winter Payment Scheme for the year 2013/14. This was detailed in report CIA/61/13 which was approved at the City of Inverness Area Committee held on the 21 October 2013.
- 1.3 At that time the Committee approved that the following amendments be made:
 - The scheme to include all people over 90 years of age without any other qualification criteria required;
 - The scheme to include people that received a Scottish Welfare Fund Crisis Grant payment between December 2013 and February 2014 inclusive; and
 - The sum set aside within the Inverness Common Good Fund revenue budget for the Winter Payment Scheme be increased from £49k to £106K.

2. Scheme for Winter 2013/2014

- 2.1 For Winter 2013/2014 the scheme made payments to those that qualified for Pension Credit Guarantee without the requirement to have a disability benefit. The scheme also paid out to those in receipt of one of the following benefits listed below:
 - Pension Credit Savings Credit

- Income Support
- Income Based Job Seekers Allowance
- Income Based Employment and Support Allowance /Incapacity Benefit

2.2 In addition to the above, a resident in the property must have been entitled to one of the following:

- Attendance allowance
- Disability living allowance (middle or high rate care component)
- Personal Independence Payment (daily living component – standard or enhanced rate)
- Armed Forces Independence Payment
- War Pension

Applicants also had to confirm that there were no people in the household in receipt of a wage at the time of the application or in the previous 6 months. If anyone in the household had capital in excess of £6,000, the applicant did not qualify for a payment.

2.3 The amount awarded for the first payment amounted to £40 per household. A second payment of £33 was paid to those applicants that met the Home Energy Scotland criteria for those people living in the poorest energy efficient homes.

2.4 In winter 2013/2014 620 households received the first payment totalling £24,800 and 590 received the second payment totalling £19,470. In addition there were 58 households that qualified for the full amount totalling £4,234.

	Inverness City	Landward	Total
Over 90 years of age/in receipt of Scottish Welfare Fund	49	9	58
1 st Tier	458	162	620
2 nd Tier	434	156	590
Total	941	327	1,268

2.5 As in previous years, the Council's Customer Income Maximisation Team co-ordinated take- up of the 2013/14 scheme, including the identification of households with potential entitlement and verification of income and household .

2.6 The Team also helped customers to successfully claim entitlements to a range of welfare benefits including Housing Benefit, Council Tax Reduction, Employment Support Allowance, Pension Credit and Attendance Allowance.

2.6.1 A client over 90 years of age was helped by the Customer Income Maximisation Team to claim Pension Credit Savings Credit and Attendance

Allowance which equated to an extra £96.20 income per week or £5,002.40 per year.

- 2.6.2 A working age client with a disabled child was helped to claim Disability Living Allowance which led to an increase in Child Tax Credit which in total increased the household's income by £181.59 a week or £9,442.68 a year.

3. Scheme Review for Winter 2014/2015

- 3.1 The objectives for 2014/2015 remain the same as in previous years which are to:

- Provide help to alleviate any hardship by those people most at risk within the community;
- Establish a payment level within the resources available, whilst still remaining meaningful to claimants;
- Ensure that scheme will be sustainable for future years without the need to liquidate Fund assets;
- Recognise the impact of welfare reform and the increasing cost of living expenses, including rising energy bills.

- 3.2 Retain the Scheme for Winter Payments for 2014/2015 as described in paragraph 2 including the amendments to target people over 90 years of age and those that received a Scottish Welfare Fund Crisis Grant between December 2014 and February 2015 inclusive.

- 3.3 To increase the cover of the scheme and alleviate hardship on the most vulnerable, it is proposed to extend the scheme to those people with children under the age of 5 years who also receive Income Support, Income based Job Seekers Allowance, Income based Employment and Support Allowance, or Pension Credit (Guarantee Credit).

- 3.4 An investigation into the number of people claiming Housing Benefit in Inverness city and landward areas in receipt of these respective benefits and with at least one child under the age of 5 years old showed the following parental claimants:

Income Support	305
Income based Jobseeker's Allowance	16
Income related Employment and Support Allowance	54
Pension Credit Guarantee Credit	1
Total	376

- 3.5 These proposals will retain and extend the objective to help the most vulnerable people in the community.

- 3.6 It is further proposed that the Committee introduce a one tier winter payment instead of the two tier payment strategy which has been utilised in the last few years. In previous years, in order to receive the second tier payment, many applicants have received advice from Home Energy Scotland. This has meant that some customers have not been able to access the second tier payment in the last couple of years as they made energy efficiency improvements three years ago based on the advice received from the then Energy Advice Scotland. By moving to a one tier winter payment, applicants that have taken the responsible steps to make their homes more efficient, will be able to access the full available payment. This approach will also streamline the administrative process and any delays that are inherent with a two tier approach.
- 3.7 It is important to stress that officers will continue to promote Home Energy Scotland and to encourage applicants to seek valuable advice on energy efficiency.
- 3.8 Added together, the 2013/14 first and second tier payment rates total £73. It is proposed to set the basis of the single tier payment rate at £73 with additions that reflect the Consumer Price Index (CPI) and increases in fuel prices, calculated as follows:
- uplifted by 1.5% to reflect the CPI as at May 2014. This would increase the payment to £74 per household; and
 - home energy prices have risen at an average rate of 6% for electricity and 5.7% for gas (to quarter 4 2013/14) This would mean a further increase of £5 resulting in a total 2014/15 winter payment of £79 per qualifying household.

4. Blythswood Care Food Hamper Scheme

- 4.1 Regular reports to the Council's Resources Committee have shown a 27% increase in the demand for the two Foodbanks managed by Blythswood in Inverness. In view of this, it is proposed that £20,000 be donated from the Common Good Fund to the Blythswood Food Hamper Scheme for 2014/15.

5. Publicity

- 5.1 It is proposed to continue the successful approach adopted in previous years to promote the Scheme. This included a public notice in the Inverness Courier, a news release on Moray Firth Radio, promotion via a prominent space on the Highland Council website, messaging via social media and the use of posters at various locations. The Customer Income Maximisation will adopt the same strategy used in prior years to identify and contact customers that potentially meet the Scheme's qualifying criteria.

6. Climate Change and Disability Implications

- 6.1 This policy will have positive climate change impacts and for those people with a disability.

7. Legal Implications

- 7.1 Support for the recommendations below will mean that 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.

8. Resource Implications

- 8.1 If uptake matches or exceeds the current Winter Payments budget, then funds will be drawn from revenue balances of the Common Good Fund to meet the obligations of the 2014/15 Scheme. Noting the extended criteria, it is anticipated that the current budget of £50,000 would need to be increased by £50,000 making a total of £100,000. The Budget set aside within the 2014/2015 Common Good Fund revenue budget would be increased accordingly but this would cause a budget deficit which would require to be funded by realising more of the Common Good Fund investments.
- 8.2 The Inverness Common Good Fund Grants Sub Committee (GSC) considered the principle of extending the Scheme to include those people with children under the age of 5 years who also receive Income Support, Income based Job Seekers Allowance, Income based Employment and Support Allowance, or Pension Credit (Guarantee Credit). The GSC agreed to support the principle of the extension. The ICGF Revenue budget for 2014/15 has been allocated and noting that officers are strongly recommending against the sale of investments to fund further revenue expenditure, the Committee are recommended to agree to £50,000 being Ring-fenced from within the current unallocated GSC Grants Budget. The balance stands at £133,172 if the Committee approve the applications recommended for approval at this meeting. Any unspent allocation would be available for general allocation by the GSC at the end of the financial year.
- 8.3 The revenue balance on the Benevolent Funds was £18,830 at 31st March 2014, and total expenditure was £12,099 from the 13/14 scheme. The funds held investments valued at £396,072. If uptake for the 14/15 scheme exceeds the 13/14 level, this may require the sale of investments from the Benevolent Funds as the revenue funds are unlikely to be sufficient to meet the increased expenditure.

9. Rural Implications

- 9.1 By being inclusive of both the City and Landward Areas, the Scheme will help address the particular need of rural communities with regard to home heating and energy efficiency.

Recommendations

Members are invited to agree the following recommendations for the 2014/15 Winter Payment Scheme.

1. That criteria for the 2013/14 scheme as set out in paragraphs 2.1 to 2.3 above be used as the basis for the 2014/15 scheme.
2. Eligibility for the 2014/15 scheme be extended to include those with children under the age of 5 years that also receive Income Support, Income based Job Seekers Allowance, Income based Employment and Support Allowance, or Pension Credit (Guarantee Credit).
3. A single tier payment of £79 be made to those applicants that satisfy the eligibility criteria for the 2014/15 scheme.
4. The scheme be made available to residents in the City of Inverness and the Landward areas of the seven City Wards.
5. The sum set aside within the Inverness Common Good Fund revenue budget 2014/2015 for the Winter Payment Scheme, be increased to £100,000, with the sum of £50,000 being Ring-fenced within the current Inverness Common Good Fund Grants Sub-committee Grants budget to be used for this purpose and only released back for general allocation if not required.
6. An award of £20,000 to Blythswood Care in principle with power to confirm the award being delegated to the Inverness City Manager in consultation with the Inverness Common Good Fund Grants Sub-committee

Designations: Director of Finance Inverness City Manager

Date: 19 August 2014

Author:

Background Papers: