

# The Highland Council

Agenda Item	4
Report No	CIA/14/25

**Committee:** City of Inverness Area Committee

**Date:** 19 May 2025

**Report Title:** Inverness Common Good Fund: Discretionary scheme for Winter Payments 2025/26

**Report By:** Assistant Chief Executive - Corporate

## 1. Purpose/Executive Summary

- 1.1 This report follows on from the effective revision of the discretionary Inverness Winter Payments Scheme (the Scheme) for 2024/25 and proposes to maintain the same arrangements for the Inverness Winter Payments Scheme for 2025/26 to reflect economic impacts within Inverness and surrounding area. The budget of £0.237m reflects the capacity of the Inverness Common Good Fund (ICGF) to support the Winter Payments Scheme without prejudice to other budgeted expenditure for 2025/26.
- 1.2 Some examples of good news stories from the Scheme for 2024/25 are included in **Appendix 1** to this report.

## 2. Recommendations

- 2.1 Members are asked to:
- i. Agree to provide an Inverness Winter Payments Discretionary Scheme for 2025/26 having regard to the financial support available from Social Security Scotland (SSS) and other sources as set out in sections 6 and 7 below.
  - ii. Accept applications from 1 December 2025 to 28 February 2026 inclusive.
  - iii. Provide a total budget of **£0.237m** inclusive for the 2025/26 Scheme noting that payments for Landward Areas will be sourced from available income within the Inverness Benevolent Funds first, with the ICGF being utilised for the Landward Areas, in the event that officers decide it financially prudent to do so.
  - iv. Decide whether to apply a Consumer Price Index (CPI) increase to the **£111** award rate for 2024/25 in order to determine the 2025/26 single tier payment rate.
  - v. Should Members agree to apply a CPI increase as set out in 2.1 (iv) above, agree to use the annual CPI of **3.4%** (March 2025 rate), noting this will establish the 2025/26 award amount at **£115** for eligible applicants.

- vi. Agree that the criteria utilised for the 2024/25 scheme as set out in paragraphs 8.2 to 9.6 shall be used as the basis for the 2025/26 Scheme.
- vii. Agree this discretionary scheme is to be made available to residents in the City of Inverness and the Landward areas of the seven City Wards.
- viii. Note BACS payments are used for this discretionary scheme as this is the most secure method of payment for recipients of the payment and the Council alike.

### **3. Implications**

- 3.1 Resource - resource implications for the Common Good Fund are set out in the main body of the report.
- 3.2 Legal – the type of support and recommendations set out in this policy 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.
- 3.4 Risk - There is a risk that demand may exceed the available budget. To reduce this risk, entitlements to wider benefits are being monitored and assessed against the eligibility criteria for the proposed Scheme.
- 3.5 Health and Safety (risks arising from changes to plant, equipment, process, or people) – There are no implications.
- 3.6 Gaelic - There are no Gaelic implications.
- 3.7 Climate Change/Carbon Clever – Those accessing support from Inverness Citizens Advice Bureaux will receive energy advice, creating opportunities to raise awareness regarding fuel efficiency measures.
- 3.8 Community (Equality, Poverty and Rural) – By being inclusive of both the City and Landward Areas, the Scheme will help address the particular needs of urban and rural communities with regard to home heating and energy efficiency. This scheme aims to mitigate some of the challenges presented by the current economic climate for vulnerable customers and also to help alleviate poverty and inequalities. Again, this year, the proposals set out in this report, take cognisance of the current cost of living impacts, within the context of available resources within the ICGF Budget for 2025/26.

### **4. Impacts**

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

## 5. Background

- 5.1 The Scheme is discretionary and is designed to support residents most in need of financial assistance during the coldest months of the year when extra fuel is needed. Scheme payments are in addition to the winter payments provided by the Department for Work and Pensions and Social Security Scotland as set out in sections 6 and 7 below.
- 5.2 At the City of Inverness Area Committee held on 27 May 2024, Members agreed to a one-off increase to the single tier payment for eligible applicants to **£111**. To enable sufficient funding to be available to meet the £111 award, Members also agreed the Scheme budget to be **£0.200m**.
- 5.3 Proposals for the Scheme for 2025/26 are set out in Section 9 below for Members' consideration.

## 6. Inverness Winter Payments discretionary scheme performance

- 6.1 Administration of the Scheme has been effectively administered within the Revenues & Business Support section since 2015 as has policy development and take-up.
- 6.2 The Scheme opens for applications on 1 December and closes on 28 February each year. In the 10-year period to 31 March 2025, the single tier payment has increased by **40.5%**.
- 6.3 During winter 2024/25, **1,687** households received payments totalling **£187,257** against an award budget of **£0.200m**. **1,153** residents in Inverness City received a discretionary award and **534** residents in the Landwards areas benefitted from these payments. All payments are drawn from the Inverness Common Good Fund.
- 5.4 A breakdown of award by category is provided in table 1 below:

<b>Table 1: Award by Category Qualifying Criteria</b>	<b>Number of applicants awarded 2024/25</b>
PCSC, IS, Universal Credit, JSA(IB), ESA(IR), IB plus with additional qualifying criteria	943
Pension Credit Guarantee Credit (PCGC)	504
Children under 5 and in receipt of IS/JSA(IB)/ESA(IR) or UC	111
Over 90 years of age	77
Crisis Grant between 1 Dec 2022 to 29 Feb 2024	52
<b>Total number of Winter Payment awards 2023/24</b>	<b>1,687</b>
Referred for Energy advice	325

a glossary of the abbreviations is provided at *Appendix 2*

5.5 Table 2 below details the number of awards made in each ward:

Table 2: Ward		2024/25
12	Aird and Loch Ness	163
13	Inverness West	233
14	Inverness Central	528
15	Inverness Ness-Side	191
16	Inverness Millburn	201
17	Culloden and Ardersier	223
19	Inverness South	148
Totals		1,687

5.6 The Council's single financial assessment principles enabled automatic awards to be made for 2024/25 **without** the need for applications from households who received payments in the 2023/24 Scheme and continued to meet the eligibility criteria. Those aged over 90 years, and those in receipt of a Crisis Grant payment during the period that the Scheme operates, also received automatic awards.

5.7 Where an applicant qualified in the previous year and it was identified in the pre-qualification checks that the applicant's circumstances had changed, a new form was issued inviting the applicant to re-apply.

5.8 The Council's Welfare Support Team, based within the Revenues & Business Support section, and Inverness, Badenoch & Strathspey Citizens Advice continue to support the elderly and the most vulnerable members in the community to (re)-apply for this scheme and other entitlements that may be available. Where consent is provided by applicants, referrals are made for energy advice to be provided.

## 6. Financial support from Social Security Scotland (SSS)

6.1 In addition to the Scheme payments, and depending upon household circumstances, a resident may qualify for extra financial support during the winter from Social Security Scotland. The following paragraphs provide further information on these benefits.

6.2 **Pension Age Winter Heating Payment (PAWHP):** from winter 2025/2026 onwards, the Scottish Government intends to introduce a universal Pension Age Winter Heating Payment. This payment replaces Winter Fuel Payment in Scotland and is a one-off, tax-free payment of depending on age made during the winter to help with heating costs.

6.3 In winter 2024, someone had to be getting a qualifying benefit on any day in the qualifying week in order to be eligible for a pension age winter heating payment. The Scottish government plans to remove this rule from winter 2025 but the rules have not yet been finalised. This payment is made to people over State Pension age who receive:

- Pension Credit
- Universal Credit
- Income-related ESA
- Income-based JSA
- Income support
- An individual may also be eligible if they were in receipt of at least £26 of Child Tax Credit or Working Tax Credit

- 6.4 Most payments will be made automatically during November and December. Pensioners in Scotland in receipt of a relevant benefit will receive payments of:
- £100 if no qualifying benefit
  - £203.40 if a qualifying benefit and are aged between pension age and 79 inclusive in the qualifying week; or
  - £305.10 if a qualifying benefit and are aged 80 or over in the qualifying week.

6.5 **Winter Heating Payment:** helps people on low income benefits who might have extra heating needs. It's automatically paid once a year and has replaced Cold Weather Payment in Scotland. Unlike the Cold Weather Payment, Winter Heating Payment does not depend on how cold the temperature gets. Those eligible must meet the criteria on at least one day in the first full week of November (called the "qualifying week"). In 2025, the payment will increase to **£59.75**.

6.6 **Child Winter Heating Payment:** is a payment for children and young people up to the age of 18. Those eligible must meet the criteria on at least one day in the third full week of September (called the "qualifying week"). If there is more than one child or young person in a household who qualifies, they will all receive the payment. In 2025, the payment will increase to **£255.80** per eligible child.

## 7. Other help with heating costs

7.1 **The Warm Home Discount scheme:** offers a one-off payment of **£150** (inclusive of VAT) towards the energy bills of those who need it most. The scheme was introduced by the UK Government in April 2011 and is managed by energy suppliers. The money isn't paid directly to the customer; it is a one-off discount that is credited to the customer's energy account, prepayment card or key, during the winter.

There are two ways to qualify for the Warm Home Discount Scheme:

- if someone gets Pension Credit Guarantee Credit; or
- someone on a low income who meets their energy supplier's criteria for the scheme.

How someone applies for the Warm Home Discount Scheme depends on how they qualify for the discount.

7.2 **Inverness, Badenoch and Strathspey Citizens Advice Bureau:** Energy Best Deal project team provides a wide range of support and information to save money on utility bills through income maximisation, advice on energy efficiency measures including energy efficiency or grant schemes and help with fuel debt.

7.3 325 IWP applicants requested to be referred for energy advice, of which:

- 120 received an email containing information on Energy Advice;
- 99 had an appointment with an Energy Adviser;
- 1 joined a workshop to receive in-depth energy advice.

Feedback from households following who received energy advice has been extremely positive and included:

- Being more aware of energy saving measures, priority services register, warm home discount, smart meters;
- Having a better understanding of how Inverness CAB can support them to mitigate the impact of high energy prices;

- Increased awareness of the wider benefits of the Council/CAB joint working on energy matters.

## **8. Proposed Discretionary Inverness Winter Payment Scheme for 2025/26**

- 8.1 Officers recommend the 2024/25 eligibility criteria be adopted for the 2025/26 Scheme as set out in paragraphs 8.2 to 8.6 when compared with prior years.
- 8.2 Automatic awards to be made for those aged 90 years or over and those that receive a Scottish Welfare Fund Crisis Grant between 1 December 2025 and 28 February 2026 inclusive.
- 8.3 Those in receipt of one of the following benefits to be eligible for a Scheme payment:
- Pension Credit Savings Credit (PCSC)
  - Income Support (IS)
  - Income-Based Job Seeker's Allowance (JSA IB)
  - Income-Related Employment and Support Allowance /Incapacity Benefit (ESA IR & IB)
  - Universal Credit for non-earners.
- 8.4 In addition to the criteria set out at paragraph 8.3 above, a resident in the property must be entitled to one of the following:
- Attendance Allowance
  - Pension Age Disability Benefit
  - Disability Living Allowance (middle or high rate care component)
  - Personal Independence Payment (daily living component – standard or enhanced rate)
  - Adult Disability Payment (daily living component – standard or enhanced rate)
  - Armed Forces Independence Payment
  - War Pension
- 8.5 People in receipt of Pension Credit (Guarantee Credit), without the requirement to have a disability benefit, and households with children under the age of 5 years who are in receipt of Income Support, Income-Based Job Seeker's Allowance, Income-Related Employment and Support Allowance or Universal Credit to be eligible for the Scheme.
- 8.6 Except for those described in paragraph 8.2, all applicants will be required to confirm that there are no people in the household in receipt of a wage at the time of the application or in the previous calendar month, and no-one in the household has capital in excess of £6,000.

## **9. Scheme objectives for Winter 2025/26**

- 9.1 The objectives for the 2025/26 remain the same as in previous years:
- Provide assistance to alleviate hardship being experienced by those people most at risk within the community;
  - Establish a discretionary payment level within the resources available, whilst still remaining meaningful to applicants;
  - Ensure that the Scheme will be sustainable for future years without the need to liquidate Fund assets; and

- Recognise the impact of welfare reform and the changing costs of living impacts, including energy bills.

## **10. Budget Implications**

- 10.1 Financial planning requires essential control of the allocated budget in a manner that safeguards the Common Good Fund's assets and ensures this Scheme remains sustainable.
- 10.2 It is critical Members consider the impacts of increasing the Scheme's single rate within the broader context of identified and potential unforeseen additional costs to the Fund. Therefore, the following should be noted:
- At the Committee held on 29 August 2019, Members proposed that the level of the single tier award should be increased annually in line with current Consumer Price Inflation (CPI).
  - At Committee on 3 February 2025 Members agreed to provide a budget of **£0.237m** to accommodate the scheme.
- 10.3 As detailed in 10.2 of this report, Members proposed that the level of the single tier award should be increased annually in line with current Consumer Price Inflation (CPI). Therefore, Officers would recommend using the annual CPI of **3.4%** (March 2025 rate) should Members be minded to increase the 2024/25 single tier payment from the original **£111**. This would establish the 2025/26 award at **£115**.
- 10.4 The number of awards detailed in paragraph 5.3 is the starting point for the award cost of the 2025/26 Scheme. Based on previous years, on average the Scheme awards will potentially increase on the overall awards from the previous year.

**Designation:** Chief Officer of Revenues and Commercialisation

**Date:** 29 April 2025

**Author:** Gavin Munro, Revenues Manager  
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**Background Papers:**

**Appendices:** Appendix 1 – 'Good news' stories  
Appendix 2 – Abbreviation list

## Appendix 1

### Example 1

Following a referral from health partner based in a GP practice, the Welfare Officer contacted elderly couple Mr & Mrs X to discuss disability benefits. During discussions, it became apparent client would be entitled to the Inverness Winter Fuel Payment (IWFP) due to their age. Mr & Mrs X were unaware of this entitlement. The Welfare Officer made the application on their behalf and the payment was awarded; this will continue annually as no further checks each year. Pensioner Adult Disability payment was also awarded at £108.55p/w annually worth £5,644.60, Severely Mentally Impaired Council Tax discount awarded at £6.08pw worth £316.16 annually and IWFP of £111.

This gave the couple an increase in income of **£6,071.76** which they advised will drastically improve their quality of life.

### Example 2

Mr Y e-mailed Welfare Support Team direct as he couldn't understand why he had been refused the IWFP. A Welfare Officer contacted client to explain their crisis grant was out with the qualifying period. However, as a result of Mr Y making contact with the team, the Welfare Officer was able to complete a benefit check with Mr Y. It transpired he did indeed qualify as Mr Y had not updated the council with a change in their circumstances, which in turn qualified him for IWFP. Following on from Welfare Support Team intervention, IWFP was awarded on original application totalling £111. In addition to this the Welfare Officer was able to assist the individual in a full benefit check.

During this the Welfare Officer was able to identify a further entitlement and assist Mr Y in making a successful application for Scottish Child Payment which is worth an additional **£1,411.80** per annum.



## Appendix 2

Abbreviation	Benefit
• UC	• Universal Credit
• IS	• Income Support
• JSA(IB)	• Jobseekers Allowance (Income-based)
• ESA(IR)	• Employment and Support Allowance (Income-related)
• IB	• Incapacity Benefit
• PCGC	• Pension Credit Guarantee Credit
• PCSC	• Pension Credit Savings Credit