

Agenda Item	6
Report No	CIA/23/26

# The Highland Council

**Committee:** City of Inverness Area

**Date:** 18 May 2026

**Report Title:** Inverness Common Good Fund: Discretionary Scheme for Winter Payments 2026/27

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

## 1 Purpose/Executive Summary

- 1.1 This report follows on from the effective revision of the discretionary Inverness Winter Payments Scheme (the Scheme) for 2025/26 and proposes to maintain the same arrangements for the Inverness Winter Payments Scheme for 2026/27 to reflect economic impacts within Inverness and surrounding area. The budget of £0.250m reflects the capacity of the Inverness Common Good Fund (ICGF) to support the Winter Payments Scheme without prejudice to other budgeted expenditure for 2026/27.
- 1.2 Some examples of good news stories from the Scheme for 2025/26 are included in **Appendix 2** to this report.

## 2 Recommendations

- 2.1 Members are asked to:-
- i. **Agree** to provide an Inverness Winter Payments Discretionary Scheme for 2026/27 having regard to the financial support available from Social Security Scotland (SSS) and other sources as set out in sections 7 and 8 below;
  - ii. **Agree** to accept applications from 1 December 2026 to 31 March 2027 inclusive;
  - iii. **Agree** to provide a total budget of **£0.250m** inclusive for the 2026/27 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. **Agree** to decide whether to apply a Customer Price Index (CPI) increase to the **£115** award rate for 2025/26 in order to determine the 2026/27 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 2026), noting this will establish the 2026/27 award amount at **£119** for eligible applicants;
  - vi. **Agree** that the criteria utilised for the 2025/26 scheme as set out in paragraphs 9.2 to 9.6 shall be used as the basis for the 2026/27 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; and

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.
- 3.3 **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.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no implications.
- 3.5 **Gaelic** - There are no Gaelic implications.

### 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 **Integrated Impact Assessment - Summary**
- 4.3.1 An Integrated Impact Assessment screening has been undertaken on 28 April 2026 as detailed in **Appendix 1**. The conclusions have been subject to the relevant Manager Review and Approval.
- 4.3.2 The screening process has concluded that no further assessments are required. This decision is expected to have a positive impact on eligible households by enabling support to be delivered appropriately, without unnecessary delay.

4.3.3

<b>Impact Assessment Area</b>	<b>Conclusion of Screening Assessment</b>
Equality	Age – Positive Disability - Positive
Poverty and Socio-economic	Positive
Human Rights	No impact
Children’s Rights and Well-being	Positive
Islands and Mainland Rural	No impact
Climate Change	No impact
Data Rights	No impact

## 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 Social Security Scotland and other help with heating costs as set out in sections 7 and 8 below.
- 5.2 At the City of Inverness Area Committee held on 19 May 2025, Members agreed to a one-off increase to the single tier payment for eligible applicants to **£115**. To enable sufficient funding to be available to meet the **£115** award, Members also agreed the Scheme budget to be **£0.237m**.
- 5.3 Proposals for the Scheme for 2026/27 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 and Commercialisation 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 2026, the single tier payment has increased by **45.6%**.
- 6.3 During winter 2025/26, **1,596** households received payments totalling **£183,540** against an award budget of **£0.237m**. **1,121** residents in Inverness City received a discretionary award and **475** residents in the Landwards areas benefitted from these payments. All payments are drawn from the Inverness Common Good Fund.
- 6.4 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 2025/26</b>
PCSC, IS, Universal Credit, JSA(IB), ESA(IR), IB plus with additional qualifying criteria	868
Pension Credit Guarantee Credit (PCGC)	488
Children under 5 and in receipt of IS/JSA(IB)/ESA(IR) or UC	118
Over 90 years of age	87
Crisis Grant between 1 Dec 2025 to 28 Feb 2026	35
<b>Total number of Winter Payment awards 2025/26</b>	<b>1,596</b>
Referred for Energy advice	218

a glossary of the abbreviations is provided at *Appendix 3*

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

<b>Table 2: Ward</b>		<b>2025/26</b>
12	Aird and Loch Ness	133
13	Inverness West	235
14	Inverness Central	511
15	Inverness Ness-Side	192
16	Inverness Millburn	180
17	Culloden and Ardersier	205
19	Inverness South	140
Totals		1,596

6.6 The Council's single financial assessment principles enabled automatic awards to be made for 2025/26 **without** the need for applications from households who received payments in the 2024/25 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.

6.7 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.

6.8 The Council's Welfare Support Team, based within the Revenues and Commercialisation 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.

## **7 Financial support from Social Security Scotland (SSS)**

7.1 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.

7.2 **Pension Age Winter Heating Payment (PAWHP)** - 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.

7.3 In winter 2025, 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. This payment is made to people over State Pension age who receive:-

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

7.4 Most payments will be made automatically during November and December. In 2025, pensioners in Scotland in receipt of a relevant benefit received payments of:-

- £101.70 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

7.5 In 2026, eligible pensioners in Scotland will receive a one-off payment ranging from **£105.55 to £316.70** depending on their circumstances.

7.6 **Winter Heating Payment:** helps people on low-income benefits who might have extra heating needs. It is 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 was **£59.75** and will increase to **£62** in winter 2026.

7.7 **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 was **£255.80** per eligible child and will increase to **£265.50** in winter 2026.

## 8 Other help with heating costs

8.1 **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 is not 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.

8.2 From 2026/27, the Warm Home Discount Scheme will operate under new regulations, as the current framework expired in March 2026. While continuation of energy-bill support is expected, detailed arrangements including eligibility, payment level and delivery have yet to be confirmed.

8.3 **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.

8.4 218 IWP applicants requested to be referred for energy advice, of which:-

- 218 clients were contacted to provide information on Energy Advice. Follow up energy information was supplied where possible by email.
- 89 Clients had an appointment with an adviser to go through some energy topics.
- 6 clients were referred for specialist energy casework for in-depth energy advice.

Feedback from households who received energy advice and advisors who provided advice has been extremely positive and included:-

- clients being more aware of energy saving measures, priority services register, warm home discount, smart meters;
- clients having a better understanding of how Inverness CAB can support them to mitigate the impact of high energy prices; and
- clients having increased awareness of the benefits of Council/CAB joint working on energy matters

## **9 Proposed Discretionary Inverness Winter Payment Scheme for 2026/27**

9.1 Officers recommend that the 2025/26 eligibility criteria be adopted for the 2026/27 Scheme, as set out in paragraphs 9.2 to 9.6, reflecting consistency with recent years. At CIAC on 19 May 2025, it was agreed extending the Scheme end date from 28 February to 31 March in line with previous extensions. Eligibility dates have been updated accordingly to maximise the reach of the fund.

9.2 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 2026 and 31 March 2027 inclusive.

9.3 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); or
- Universal Credit for non-earners.

9.4 In addition to the criteria set out at paragraph 9.3 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; or
- War Pension

- 9.5 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.
- 9.6 Except for those described in paragraph 9.2, 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.

## 10 Scheme objectives for Winter 2026/27

- 10.1 The objectives for the 2026/27 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.

## 11 Budget Implications

- 11.1 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.
- 11.2 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 2 February 2026 members agreed to provide a budget of **£0.250m** to accommodate the scheme.
- 11.3 As detailed in 11.2 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 2026) should Members be minded increasing the 2025/26 single tier payment from the original **£115**. This would establish the 2026/27 award at **£119**.
- 11.4 The number of awards detailed in paragraph 6.3 is the starting point for the award cost of the 2026/27 Scheme. Based on previous years, on average the Scheme awards will potentially increase on the overall awards from the previous year.

Designation: Assistant Chief Executive - Place

Date: 28 April 2026

Author: Gavin Munro, Strategic Lead (Revenues and Welfare)  
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Background Papers: None

Appendices: Appendix 1 – Integrated Impact Assessment Screening  
Appendix 2 – Abbreviation list  
Appendix 3 – Good news stories

## **Integrated Impact Assessment Screening**

### **About proposal**

Inverness Winter Payment Scheme 2026/27 is discretionary scheme which is designed to support residents most in need of financial assistance during the coldest months of the year when extra fuel is needed.

### **Equality and Poverty Impacts**

There are potential positive impacts in relation to key groups and socio-economic impacts as a result of the proposed Inverness Winter Payment Scheme for 2026/27. The Inverness Winter Payment Scheme provides targeted financial support to individuals and households in Inverness and the surrounding area who are most affected by increased winter living costs. The scheme is designed to deliver direct benefits by helping to mitigate financial hardship and support wellbeing during the winter period, particularly for those experiencing vulnerability or socio-economic disadvantage. Appropriate checks are in place to ensure the scheme is administered fairly, is accessible, and operates in an inclusive and non-discriminatory manner, with a focus on supporting those most in need.

## Appendix 2

### Example 1

Client contacted Welfare 0800 telephone number after seeing an advertisement for Inverness Winter Payment Scheme. The welfare support officer assisted the client in applying for IWPS. During the phone conversation the welfare officer also discussed Universal Credit and identified that the customer would benefit from assistance in applying for the Limited Capability work related activity (LCRWA) element.

The welfare officer arranged a follow up appointment and submitted claim which took 10 months to process- during this time the Welfare officer continually monitored progress via emails and calls to Department for Work & Pensions. An award was made for LCRWA of **£97.69** weekly on-going payment and a back-date of **£4,489** was granted.

The total financial annual gain for this client was **£9,683.88**

### Example 2

Client was referred to Welfare Support Team by Housing Services as they were struggling to pay private rent. The Welfare officer made contact and assessed for all benefit entitlements.

The client had a current income made up of Universal Credit and partial payment going towards rent via Universal Credit (Housing Element) – Welfare Officer submitted a Discretionary Housing payment application and was awarded a backdate of **£2,650** and an on-going weekly sum of **£139.61** which met the client's full rental liability. It was also identified within this referral that the client had received a crisis grant within the specified period to qualify for the Inverness Winter Payment Scheme and so an additional one-off payment of £115 was awarded.

The total financial annual gain for this client was **£10,024.72**

### Appendix 3

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