

Agenda Item	14(c)
Report No	CIA/ 32/16

## Inverness Common Good Fund Scheme for Winter Payments 2016/17

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

#### Summary

This report follows on from the effective revision of the Winter Payment Scheme for 2015/16 and proposes to maintain similar arrangements for the Winter Payments Scheme for 2016/17.

## 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. At this time of welfare reform, there is still an increasing demand for this help.
- 1.2 In the last 3 years members agreed to the following amendments being made:
  - The scheme to include all people over 90 years of age without any other qualifying criteria required;
  - The scheme to include people that received a Scottish Welfare Fund Crisis Grant payment between December 2015 and February 2016 inclusive; and
  - The 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, Pension Credit (Guarantee Credit) and Universal Credit.

## 2. Scheme for Winter 2015/2016

- 2.1 For Winter 2015/2016 the scheme made payment 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 (PCSC)
  - Income Support (IS)
  - Income Based Job Seekers Allowance (JSA IB)
  - Income Based Employment and Support Allowance /Incapacity Benefit (ESA IB & IR)
  - Universal Credit

- 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
- 2.3 The scheme is also available to people over 90 years of age and those that received a Scottish Welfare Fund Crisis Grant between December 2015 and February 2016 inclusive. To alleviate hardship on the most vulnerable, the scheme was extended 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, Pension Credit (Guarantee Credit) or Universal Credit.
- 2.4 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.
- 2.5 In winter 2015/2016 1,084 households received payments totalling £85,557. Residents in Inverness City totalled 795 whereas 289 residents in landward areas benefitted from these payments.

<b>Qualifying Criteria</b>	<b>Number of applicants awarded</b>
Pension Credit Guarantee Credit (PCGC)	465
Children under 5 and in receipt of IS/JSA(IB)/ESA(IB) or UC	97
PCSC, IS, JSA(IB), ESA(IB), IB plus with additional qualifying criteria	396
Over 90 years of age	49
Crisis Grant between 1 <sup>st</sup> Dec 2015 to 28 <sup>th</sup> Feb 2016	77

- 2.6 The administration of the scheme was undertaken by the Finance Service's Operations Team based within the Revenues and Business Support Section. This change has continued to deliver efficiencies as the team were able to draw on their extensive experience of administering housing benefit, council tax reduction, the Scottish Welfare Fund and Education Maintenance Allowance.

- 2.7 Embedding administration of the scheme within the Operations Team enabled an automatic award to be made for 2015/16 without the need for an application, to those applicants who had received a payment in the 2014/15 scheme providing they were still in receipt of the appropriate qualifying benefits and, according to the Council's Finance Service's records, had no significant change to their household circumstances. This approach provided advantages for the elderly and the most vulnerable members in the community who had no significant change to their circumstances while also introducing an efficient and effective service delivery model.
- 2.8 For the 2015/16 scheme payment by BACS was offered to applicants alongside the normal payment by cheque which had been used in the previous years. The aim was to encourage applicants to receive, where appropriate, their payment by BACS as this is a more full proof and cost effective method for both the applicant and the Council. For the 2015/16 scheme over 56% of applicants requested payment by BACS.
- 2.9 Where an applicant qualified in the previous year and it was identified in the pre-qualification checks that the applicants' circumstances had changed, a new form was issued inviting the applicant to re-apply.
- 2.10 The Welfare Support Team, based within the Revenues & Business Support section, continues to support customers to access their full entitlements, including payment from this scheme.

### **3. Scheme Review for Winter 2016/2017**

- 3.1 The objectives for 2016/2017 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 the scheme will be sustainable for future years without the need to liquidate Fund assets;
  - Recognise the impact of welfare reform and the changing costs of living expenses, including energy bills.
- 3.2 It is proposed to retain the Scheme for Winter Payments for 2016/2017 as described in section 2.
- 3.3 Members will wish to note that the Department for Work and Pensions (DWP) will be introducing Universal Credit Full Service in Inverness Jobcentre from June 2016. The Full Universal Credit service will be open to all new claims and all claimant types on existing benefits or Tax Credits that has a change of circumstance that would naturally trigger a new claim to Universal Credit.

Additionally anyone who is currently claiming Universal Credit through the live current service will then migrate onto the full service over the first three months of operation.

- 3.4 For the 2016/17 scheme, it is proposed that those households where at least one person is in receipt of a wage, or has received a wage in the previous 6 months are not eligible for an award from the scheme. Households with capital in excess of £6,000 will not be eligible under the 2016/17 scheme.
- 3.5 These proposals will retain the objective to help the elderly and most vulnerable people in the community and enable the continuation of automatic awards where appropriate.
- 3.6 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.
- 3.7 It is proposed that the £79 payment rate remain unchanged for the 2016/17 period. This is to reflect the Consumer Price Index (CPI) and changes in fuel prices, calculated as follows:
- The Consumer Price Index (CPI) was unchanged in the year to March 2016, that is a 12 month rate of 0.5%, the same rate as in the year to February 2015<sup>1</sup>; and
  - home energy prices have decreased by an average rate of 0.6% for electricity and 4.2% for gas (to quarter 4 2014/15)

#### 4. **Publicity**

- 4.1 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, and messaging via social media. The Welfare Support Team will adopt the same strategy used in prior years to identify and contact customers that potentially meet the Scheme's qualifying criteria.

The total cost of the Publicity for the 2015/16 scheme is detailed below:

Inverness Courier	£960.00
Moray Firth Radio	£2,861.85
<b>Total</b>	<b>£3,821.85</b>

## **5. Implications**

### **5.1 Climate Change/Carbon Clever**

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

### **5.2 Legal and Risk**

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.

### **5.3 Resource Implications**

There is a provision of £85,000 for the 2016/17 which will be drawn from the Common Good Fund. It is expected that the budget will accommodate anticipated demand.

### **5.4 Equality and Rural**

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.

### **5.5 Gaelic**

There are no Gaelic implications arising from this proposal.

## **Recommendations**

Members are invited to agree the following recommendations for the 2016/17 Winter Payment Scheme.

1. That criteria utilised for the 2015/16 scheme as set out in paragraphs 2.1 to 2.9 shall be used as the basis for the 2016/17 scheme.
2. The scheme be made available to residents in the City of Inverness and the Landward areas of the seven City Wards.
3. A single tier payment of £79 be made to those applicants that satisfy the eligibility criteria for the 2016/17 scheme.

Designations: Director of Finance Inverness City Area Manager

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Background Papers:

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<sup>i</sup> Office for National Statistics