

Agenda Item	17(e)
Report No	CIA/25/17

HIGHLAND COUNCIL

Committee: City of Inverness Area Committee

Date: 19 June 2017

Report Title: Inverness Common Good Fund Scheme for Winter Payments 2017/18

Report By: Joint Report by Director of Finance and Inverness City Area Manager

1. Purpose/Executive Summary

- 1.1 This report follows on from the effective revision of the Winter Payments Scheme for 2016/17 and proposes to maintain similar arrangements for the Winter Payments Scheme for 2017/18.

2. Recommendations

- 2.1 Members are asked to agree the following recommendations for the 2016/17 Winter Payments Scheme.
- i. An increase in a single tier payment from £79 to £81 to be made to those applicants that satisfy the eligibility criteria for the 2017/18 scheme. This recommendation is based on the 2% increase in the Consumer Price Index (CPI).
 - ii. An increase in budget from £85,000 to £105,000 to take into account the proposed increase in payment to £81.00 and the increase in demand for the Scottish Welfare Fund Crisis Grants.
 - iii. That the criteria utilised for the 2016/17 scheme as set out in paragraphs 4.1 to 4.11 shall be used as the basis for the 2017/18 scheme.
 - iv. The scheme is to be made available to residents in the City of Inverness and the Landward areas of the seven City Wards.

3. Background

3.1 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.

3.2 In the last 4 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 2016 and February 2017 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 Related Employment and Support Allowance, Pension Credit (Guarantee Credit) and Universal Credit.

4. Scheme for Winter 2016/17

4.1 For Winter 2016/2017 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 Related Employment and Support Allowance /Incapacity Benefit (ESA IR & IB)
- Universal Credit

4.2 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

4.3 The scheme is also available to people over 90 years of age and those that received a Scottish Welfare Fund Crisis Grant between December 2016 and February 2017 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 Related Employment and Support Allowance, Pension Credit (Savings Credit) or Universal Credit.

4.4 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.

- 4.5 In winter 2016/2017 1,184 households received payments totalling £93,536. Residents in Inverness City totalled 912 with 272 residents in landwards areas benefitting from these payments.

Qualifying Criteria	Number of applicants awarded
Pension Credit Guarantee Credit (PCGC)	468
Children under 5 and in receipt of IS/JSA(IB)/ESA(IR) or UC	87
PCSC, IS, JSA(IB), ESA(IR), IB plus with additional qualifying criteria	427
Over 90 years of age	48
Crisis Grant between 1 st Dec 2016 to 28 th Feb 2017	154

- 4.6 During 2016/17 the demand for the Scottish Welfare Fund (SWF) Crisis Grants in the Highlands rose dramatically from 3,475 applications in 2015/16 to 4,171 applications awarded in 2016/17 (20% increase). With the roll-out of Universal Credit (Full Service) for the remaining 5 Job Centres planned by the Department for Work and Pensions (DWP) from July 2017, the demand is only likely to increase and this is discussed in more detail in 5.3.
- 4.7 The administration of the scheme has been delivered by the Service Delivery Team since 2015 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, Scottish Welfare Fund, Education Maintenance Allowance, Discretionary Housing Payments etc.
- 4.8 Embedding administration of the scheme with this single team has also enabled an automatic award to be made for 2016/17 **without** the need for an application for those applicants who had received a payment in the 2015/16 scheme. This was on the basis that for those the customers were still in receipt of the appropriate qualifying benefits and, according to the Council's records already held for other benefit-related purposes and showed 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.
- 4.9 For the 2016/17 scheme payment by BACS was offered to applicants alongside payment by cheque. The aim was to encourage applicants to receive, where appropriate, their payment by BACS as this is a more secure and efficient method for the applicant and the Council, respectively. For the 2016/17 scheme more than 63% of applicants requested payment by BACS.
- 4.10 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.

4.11 The Welfare Support Team, based within the Revenues & Business Support Section, continues to effectively support customers to access their full entitlements of which Winter Payments is one for some customers - including supporting the applicant to re-apply for payment from this scheme.

5. Scheme Review for Winter 2017/18

5.1 The objectives for 2017/18 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.

5.2 It is proposed to retain the Scheme for Winter Payments for 2017/18 as described in section 4.

5.3 Members will wish to note that the Department for Work and Pensions (DWP) are planning to introduce Universal Credit Full Service in all remaining Jobcentres in The Highland Council area from July 2017.

5.4 For the 2017/18 scheme, it is proposed that 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 2017/18 scheme.

5.5 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.

5.6 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.

5.7 It is proposed that the £79 payment rate is increased to £81.00 for the 2017/18 period. This is to reflect the Consumer Price Index (CPI), calculated as follows:

- The Consumer Price Index (CPI) increased by 2% from 0.3% in April 2016 to 2.3% in March 2017¹;
- Home energy prices for Quarter 4 2017 were not available at the time of writing this report

5.8 The identified potential increase in demand coupled with the proposed payment increase to £81.00 will require an increase to this budget. This paper therefore invites Members to approve a budget increase to £105,000.

6. Publicity

- 6.1 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 2016/17 scheme is detailed below:

Inverness Courier	£1,378
Moray Firth Radio	£885
Total	£2,263

7. Implications

- 7.1 Resource – In view of expenditure for 2016/17 and increased demand for the Scottish Welfare Fund Crisis Grants it is considered necessary to request a budget increase. There may be in an increased demand for Winter Payments and this therefore may place extra pressure on the available budget.

There is a proposed provision of £105,000 to be made available for 2017/18 which will be drawn from the Common Good Fund.

Legal – Support and recommendations set out 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

Community (Equality, Poverty 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 and aiming to mitigate some of the challenges presented by welfare reform for vulnerable customers.

Climate Change/Carbon Clever – There are no Climate Change/Carbon Clever Implications

Risk – There are no risk implications.

Gaelic – There are no Gaelic implications

Designation: Designation Director of Finance

Date: 1 June 2017

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Background Papers:

ⁱ Office for National Statistics