

Agenda Item	16
Report No	CIA/59/18

HIGHLAND COUNCIL

Committee: City of Inverness Area Committee

Date: 22 November 2018

Report Title: Inverness Common Good Fund : Discretionary Scheme for Winter Payments 2019/20

Report By: Joint Report by Depute Chief Executive/Director of Corporate Resources and Inverness City Area Manager

1. Purpose/Executive Summary

- 1.1 This report follows on from the effective revision of the discretionary Inverness Winter Payments Scheme for 2018/19 and proposes to maintain similar arrangements for the Inverness Winter Payments Scheme for 2019/20.

2. Recommendations

- 2.1 Members are invited to agree the following recommendations for the 2019/20 Inverness Winter Payments Discretionary Scheme and are reminded of the original focus of this Scheme.
- i. An increase in a single tier payment from £82 is recommended to be made in accordance with the increase in the Consumer Price Index (CPI) to those applicants that satisfy the eligibility criteria for the 2019/20 scheme. This is the only increase in payment recommended and will be submitted to the June 2019 Committee for Members' consideration.
 - ii. There is an anticipated increase in budget from £132,000 to take into account the anticipated CPI increase which may result in an increase in payment for 2019/20. The recommendation for the budget for 2019/20 will be presented at the City of Inverness Common Good Fund Grants Sub-Committee in June 2019.
 - iii. It is recommended that the criteria to be utilised for the 2019/20 scheme are as set out in paragraphs 4.1 to 4.4 to this report. As set out in Appendix 2 to this report, in addition to a one-off discretionary payment from The Inverness Winter Payments Scheme, the same recipients may also be eligible for:

- **£300** maximum payment from the UK Government's Winter Fuel Payment;
 - **£25** for each 7 day period where the criteria is met for the UK Government's Cold Weather Payments; and
 - **£140** Warm Home Discount from the household's utility bill.
- iv. This discretionary scheme is to be made available to residents in the City of Inverness and the Landward areas of the seven City Wards.
- v. Promote payment by BACS for this scheme as this is the most secure method of payment for recipients of the payment and the Council alike.
- vi. A change to the criteria resulting in a higher number of qualifying applicants and an increase to the payment amount (in addition to the anticipated CPI increase) would mean an increase in the budget. Payment for this scheme is coupled with the level of payments made via the UK Government's schemes as set out in recommendation iii detailed above. Officers' recommendations are to adopt the criteria detailed in Section 4 of this report and increase the payment in line with the CPI increase.
- vii. It is important to manage all related expenditure in a manner that safeguards the Common Good Fund's assets and ensures this important scheme remains sustainable.

3. Background

3.1 The Inverness Winter Payments Scheme is a discretionary scheme designed to support members of the community most in need of financial assistance 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 type of financial assistance which may continue during 2019/20.

4. The Scheme for Winter 2019/20 (contribution to fuel costs)

4.1 For Winter 2019/20 it is recommended that the scheme will make payment to those who qualified for Pension Credit Guarantee Credit without the requirement to have a disability benefit and will pay 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 for non-earners

4.2 In addition to the above, a resident in the property must be 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 It is proposed that the scheme will also be available to people over 90 years of age, people in receipt of Pension Credit (Guarantee Credit) and those that receive a Scottish Welfare Fund Crisis Grant between 1 December 2019 and 31 January 2020 inclusive. To alleviate hardship for the most vulnerable, it is further recommended that the scheme be made available for residents with children living with them under the age of 5 years who also receive Income Support, Income Based Job Seekers Allowance, Income Related Employment and Support Allowance or Universal Credit (non-earners).

4.4 Applicants will also have 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 6 months. If anyone in the household has capital in excess of £6,000, the applicant will not qualify for a payment.

4.5 It is proposed that the 2018/19 payment level of £82 be increased to reflect the Consumer Price Index (CPI). This is the only increase that is recommended.

4.6 The anticipated payment increase arising from the published CPI may require an increase to this budget. If this is the case, Members will be invited at the City of Inverness Common Good Fund Grants Sub-Committee to approve an increased budget for the 2019/20 scheme. As in previous years, payments to residents in Landward areas will be met by a contribution from the Benevolent Funds, subject to the availability of funds.

5. The 2017/18 Scheme

5.1 During winter 2017/18, 1,387 households received payments totalling £112,347 against a budget of £105,000. 1,072 residents in Inverness City received a discretionary award and 315 residents in the Landwards areas benefitted from these payments. Funding comprised £88,000 from the Common Good Fund plus a £25k contribution from the Benevolent Funds.

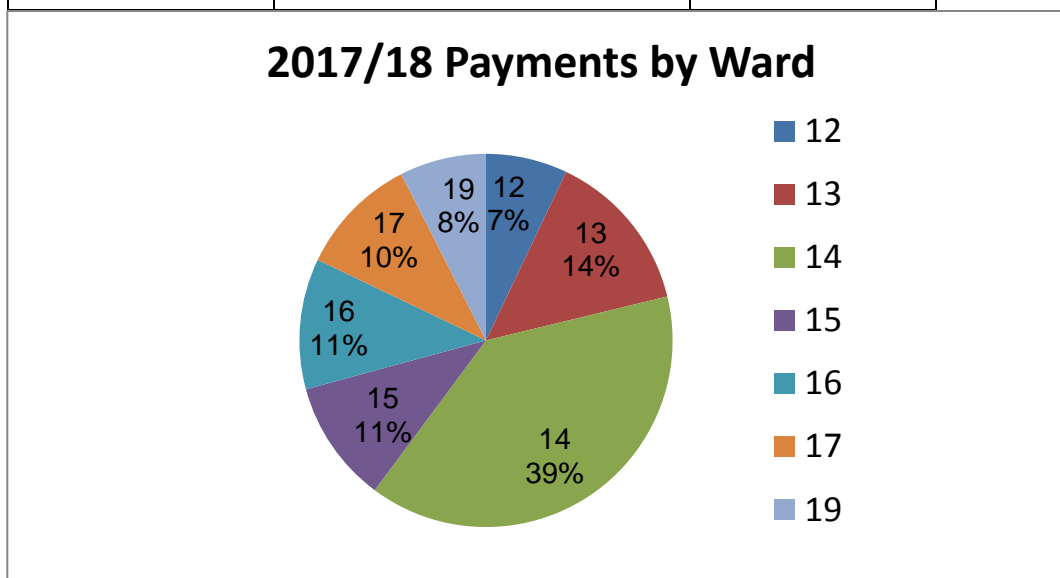
5.2 A breakdown of award by category for 2017/18 is provided in table 1 below.

Table 1 Award by Category	Number of applicants awarded
Qualifying Criteria	
Pension Credit Guarantee Credit (PCGC)	520
Children under 5 and in receipt of IS/JSA(IB)/ESA(IR) or UC	134
PCSC, IS, Universal Credit, JSA(IB), ESA(IR), IB plus with additional qualifying criteria	601
Over 90 years of age	47
Crisis Grant between 1 st Dec 2017 to 28 th Feb 2018	85
Total number of Winter Payment awards 2017/18	1,387

5.3 A percentage breakdown of the total number of recipients for 2017/18, by Council Ward, is detailed in the table and pie chart below:

Ward Number	Ward Description	Percentage
12	Aird and Loch Ness	7%
13	Inverness West	14%
14	Inverness Central	39%
15	Inverness Ness-side	11%
16	Inverness Millburn	11%
17	Culloden and Ardersier	10%
19	Inverness South	8%

5.4



5.5 During 2017/18 the number of Scottish Welfare Fund (SWF) Crisis Grants awarded in the Highlands was 3,287. As the title indicates these awards are available to assist the most vulnerable residents who are experiencing crisis and as a result, the numbers are difficult to predict on an annual basis.

5.6 During 2017/18, 41 households benefitted from advice from Home Energy Scotland.

6. Administration and promotion of Scheme

6.1 The administration of this discretionary scheme has been effectively delivered within the Revenues & Customer Services section by the Service Delivery Team since 2015. This approach continues to deliver efficiencies as the team is able to draw on their considerable experience of administering Housing Benefit, Council Tax Reduction, Scottish Welfare Fund, Education Maintenance Allowance, Discretionary Housing Payments etc.

6.2 Embedding administration of the scheme within the Council's single financial assessment team has also enabled automatic awards to be made **without** the need for applications from residents who had received payments in the previous year and whose circumstances continued to meet satisfy the qualifying criteria. This approach provides advantages for the elderly and the most vulnerable members in the community who had no significant change to their circumstances. For 2018/19 work has already started to process payments for those eligible under the pre-qualifying criteria, with the aim of making these payments by 1 December 2018.

6.3 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.

6.4 Payment by BACS is available to all applicants alongside payment by cheque. The aim is 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 alike. For the 2017/18 scheme 79% of applicants elected to be paid by BACS and BACS will continue to be promoted as the Council's preferred payment method for this purpose in future years. Payment by cheque will only be made where considered appropriate.

6.5 The Welfare Support Team, based within the Revenues & Customer Services section, continues to effectively support customers to (re)-apply for this scheme and other entitlements that may be available. The overall aim of the Council's welfare specialists is to ensure that the correct amount of benefit is paid at the correct time and to assist with budgeting skills to help with paying bills, heating homes and having a better quality of life. Some people are not aware of their entitlement and many benefits do not take income and capital/savings into account; instead, some are based on individual circumstances. There is an option on the application form to request support and advice from the Welfare Support Team.

7. The Aim of the Scheme – contribution to fuel costs

7.1 The aim of this Scheme is for the one-off payment to contribute towards the cost of fuel bills. This payment is not a benefit and is an additional payment made to the successful applicants in addition to the Government's Winter Fuel

Scheme (maximum of £300) and the Government's Cold Weather Payments (£25 for every 7 days where the criteria is met), where applicable. Households may also be eligible for a £140 discount from their utility bill from the Warm Home Discount scheme.

7.2 Example demonstrating the maximum contribution one person may have received towards their fuel costs for the winter of 2017/18

Applicant is 92 years old, lives alone in Inverness and is in receipt of Pension Credit (Guarantee Credit). For the winter of 2017/18, this applicant would have received £646 contribution towards their fuel costs as set out in the table below.

Description of Scheme	Entitlement Amount 2017/18
Inverness Winter Payments Scheme~	£81.00
UK Government's Winter Fuel Payment*	£300.00
UK Government's Cold Weather Payments* (5x£25)	£125.00
UK Warm Home Discount Scheme (deducted from utility bill)^	£140.00
Total amount	£646.00

~Automatic payment for those who satisfy pre-qualifying criteria.

*Automatic payments for most which does not involve an application process.

^Potential applicants are prompted by letter to make a telephone application.

In order to meet the criteria for Cold Weather Payments between 1 November 2017 and 31 March 2018 the average temperature had to be recorded or forecasted as being zero degrees Celsius or below, for seven consecutive days. This criteria was met in Inverness for the following dates for five periods for the following dates:

- From 7 December 2017
- From 6 January 2018
- From 15 January 2018
- From 20 February 2018
- From 27 February 2018

7.3 The following are some of the scheme's objectives which aim to reduce the number of households living in fuel poverty:

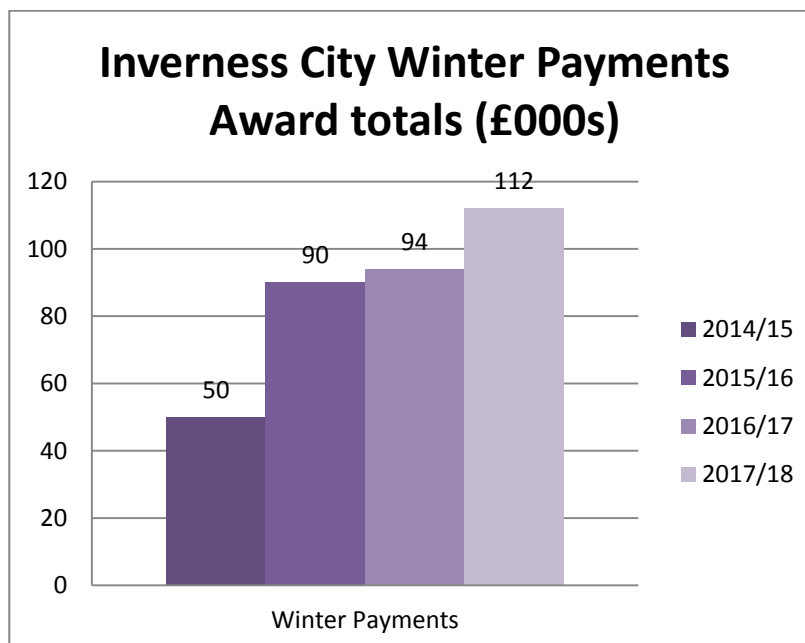
- Applicants have the option on the application form to have their details forwarded to Home Energy Scotland.
- Home Energy Scotland promotes Energy Company Obligation which means that low income and vulnerable households could be eligible for support with insulation and heating costs
- The Scottish Government has put in place a scheme to assist private tenants and homeowners struggling to heat their home and who meet the qualifying criteria to install a range of energy efficiency measures.
- The Affordable Warmth Group originated from the Highlands and Islands Housing Associations Liaison Group. The Liaison Group meets twice a year and its members comprise of all the Highlands and Islands

Housing Associations, The Highland Council and Scottish Government representatives.

- The Welfare Support Team support applicants to maximise their incomes by ensuring that they are receiving their full entitlements from national and local schemes and provide personal budgeting support.

7.4 There has been a positive growth in the number of local households who are receiving payments since 2014/15 when the Revenues & Customer Services section assumed responsibility for strategic development, income maximisation and administrative delivery of the scheme. The 124% increase in take-up when comparing 2014/15 to 2017/18 demonstrates the advantages for customers of adopting the strategic and single operational delivery approach to financial assessments as being delivered by the Revenues & Customer Services section.

7.5



8. Publicity

8.1 It is proposed to continue the successful approach adopted in previous years to promote the 2019/2020 scheme. This may include 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. Posters may also be made available.

8.2 The Welfare Support Team will adopt the same strategy used in prior years to identify and support customers that potentially meet the scheme's qualifying criteria together with supporting them to claim all entitlements, including the UK Government's Winter Fuel and Cold Weather Payments, and the Warm Home Discount. Appendix 1 to this report provides examples of the support provided by the team during the 2017/18 scheme.

9. Budget management

9.1 The 2019/2020 budget will continue to be managed closely including reports to Members as part of the overall budget monitoring process of the Common Good Fund. It is important to manage all related expenditure in a manner that safeguards the Common Good Fund's assets and ensures this important

scheme remains sustainable.

10. Implications

10.1 **Resource** – A high level summary of resource implications are set out in this report with a more detailed report planned for June 2019. Officers' recommendation is for the criteria to remain as it is currently and to only increase the budget by the amount of the CPI increase.

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.

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 policy aims 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: Depute Chief Executive/ Director of Corporate Resources and Inverness City Area Manager

Date: 13 November 2018

Author: Sheila McKandie, Benefits & Welfare Manager
Joan Willars, Policy & Assurance Officer

Background Papers: Internal budget monitoring reports

Inverness Winter Payment Scheme 2017/18

Examples of support provided by the Welfare Support Team

A Welfare Support Officer identified a recently retired disabled gentleman in an Inverness Landward Ward as being under the applicable amount (the amount the Government states a pensioner should live on).

The client was in receipt of a Personal Independence Payment and he lived alone in a rented property. The Welfare Support Officer secured a disability premium as part of his Pension Credit Guarantee Credit award resulting in a payment of £27.58 per week. His entitlement to Pension Credit Guarantee Credit led to a weekly award of £13.80 for Council Tax Reduction and a weekly award of £57.69 for Housing Benefit.

As a result of his new entitlement to Pension Credit Pension Credit together with his entitlement to Personal Independence Payment the Welfare Support Officer identified he would qualify for the Inverness Winter Payment Scheme. The client's application was successful and he was awarded £81.00.

A disabled lady in her early 60's who lives alone, in the Inverness Landward area contacted the Welfare Support Team seeking advice about the Inverness Winter Payment Scheme that was due to close that day (28 February 2018). A friend had made her aware of the scheme.

A Welfare Support Officer established her circumstances and confirmed she satisfied the criteria for payment from the scheme. The Welfare Support Officer arranged to visit her at home, due to her disability, to complete the application form. The prompt action by the Welfare Support Officer ensured that the client's application was completed on time and she was awarded the payment of £81.00 for the Inverness Winter Payment Scheme. The benefit check identified no additional benefit entitlement at that time.

Examples of Fuel Benefits available from the Government

The Government’s Winter Fuel Payment – source gov.uk

Background

The Government’s Winter Fuel Payment is a lump-sum annual tax-free payment made to eligible people to help towards their winter heating costs.

People can receive between £100 and £300 tax-free to help pay their heating bills if they were born on or before 5th November 1953 (for winter 2018/19).

Eligible applicants will usually receive a Winter Fuel Payment automatically if they are in receipt of the State Pension or another social security benefit (not Housing Benefit, Council Tax Reduction or Child Benefit).

How much successful applicants receive depends on their circumstances.

Eligibility and payment amounts

Payment amounts are dependent on individual circumstances.

Circumstance	Born between 24 September 1938 and 5 November 1953	Born on or before 23 September 1938
You qualify and live alone (or none of the people you live with qualify)	£200	£300
You qualify and live with someone under 80 who also qualifies	£100	£200
You qualify and live with someone 80 or over who also qualifies	£100	£150
You qualify, live in a care home and do not get certain benefits	£100	£150

In receipt of certain benefits

Payments may differ if the applicant or their partner receive one of the following benefits:

- Pension Credit
- income-based Jobseeker’s Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Income Support

Circumstance	Born between 24 September 1938 and 5 November 1953	Born on or before 23 September 1938
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You qualify, get one of the benefits and live alone (or none of the people you live with qualify)	£200	£300
You qualify and live with someone who also gets one of the benefits	£200 Only one of you will get the payment	£300 Only one of you will get the payment
You qualify, live in a care home and get one of the benefits	Nil	Nil

Payments

Most payments are made automatically between November and December. If applicants receive any other benefit, they will receive their Winter Fuel Payment at the same time as their regular payments.

If applicants qualify but are not in receipt of a social security benefit (or only receive Housing Benefit, Council Tax Reduction, Child Benefit or Universal Credit), they will have to make a claim.

The Government's Cold Weather Payment – source gov.uk

It is worth noting that in addition to the Government's Winter Fuel Payment individuals could also be entitled to Cold Weather Payments. More information on claiming the Cold Weather Payment is detailed below.

Criteria

This Government scheme is available to the whole of the UK. In order to receive a Cold Weather Payment applicants must be in receipt of one of the following benefits:

- Pension Credit
- Income Support (certain conditions apply)
- income-based Jobseeker's Allowance (certain conditions apply)
- income-related Employment and Support Allowance (certain conditions apply)
- Universal Credit (certain conditions apply)

Payments

Payments are made if the average temperature in the applicant's area is recorded as, or forecast to be, zero degrees Celsius or below for 7 consecutive days.

Payments will be made for £25 for each 7 day period of very cold weather between 1 November and 31 March. After each period of very cold weather, applicants should receive a payment into their bank account within 14 working days. This year's scheme started on 1 November 2018.

Automatic Payment

Applicants will generally not need to apply if the criteria is met a Cold Weather

Payment will be paid automatically.

Applicants must make a claim if they have a baby or a child under 5 comes to live with them **and** if they are in receipt of Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance.

Warm Home Discount Scheme – one-off £140 discount on electricity bills

In addition to the Government's Winter Fuel Payment and the Cold Weather Payment certain electricity suppliers offer the Warm Home Discount Scheme.

Background

The Warm Home Discount Scheme provides a one-off discount of £140.00 on electricity bills between September and March. Applicants may be able to receive the discount on their gas bill instead if they have the same suppliers for both gas and electricity.

This discount does not affect any application for the Government's Winter Fuel Payment or the Government's Cold Weather Payment.

Criteria

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

- Applicants are in receipt of Pension Credit Guarantee Credit – known as the 'core group'
- Applicants are on a low income and meet the criteria set by their own energy supplier – known as the 'broader group'

Applicants in receipt of Pension Credit Guarantee Credit – the 'core group'

In order to qualify as at 8 July 2018 and the following criteria had to be met:

- The applicant's energy supplier was part of the scheme
- Their name (or partner's name) was on the bill
- The applicant was in receipt of Pension Credit Guarantee Credit

The applicant's electricity supplier will apply the discount to their bill by the end of March 2019.

Applicants on a low income – the 'broader group' Different energy providers have different criteria for their broader group. Each electricity supplier decides who can receive the discount and the applicant must remain with that supplier until their bill is paid.

Applicants are advised to check with their supplier as soon as possible as the number of discount awarded can be limited.