

Agenda Item	10
Report No	HCW/12/21

## THE HIGHLAND COUNCIL

**Committee:** Health, Social Care and Wellbeing

**Date:** 19 May 2021

**Report Title:** Welfare Update

**Report By:** Executive Chief Officer – Health and Social Care

### 1. Purpose/Executive Summary

- 1.1 This report provides summarised information on the current status of welfare benefits and entitlements for eligible families including Universal Credit and Best Start Grants.
- 1.2 The report also provides information on the Local Child Poverty Action Update Report 2020 – 21 outlining key partnership actions to reduce child poverty.

### 2. Recommendations

- 2.1 Members are asked to:
  - i. Note the range of benefits and support available to families and comment on the work undertaken by The Highland Council to ensure that the right people receive the right benefit at the right time.
  - ii. Note and comment on the work being undertaken to produce the Local Child Poverty Action Update Report 2020 – 2021.

### 3. Implications

- 3.1 Resource – Resource implications are set out in the paper including those payments managed by the Council.
- 3.2 Legal - The extent of the Council's legal duties is set out in section 6 below.
- 3.3 Community (Equality, Poverty, Rural and Island) – The report highlights a range of issues that particularly impact on rural areas. The whole report seeks to consider and address the issues arising from welfare and low income that impact on poverty, vulnerability and inequalities, and aims to acknowledge current welfare issues which exacerbate the causes of debt and poverty within the Highlands.

- 3.4 Climate Change / Carbon Clever - There are no implications arising from this report.
- 3.5 Risk – there are a number of health, social and economic risks for adults and children who are dependent upon welfare payments. The support available from the Council’s Welfare Support team and Citizens Advice aim to mitigate these risks by ensuring that benefits and entitlements are paid to those entitled
- 3.6 Gaelic - There are no implications arising from this report.

#### 4. Support Available for Families

4.1 Funded by the Scottish Government, the Council has successfully administered a number of schemes to reduce financial insecurities and inequalities. These include:

- Free School Meal vouchers for qualifying low-income families whose children receive free meals in schools.
- a Christmas **£100** COVID Hardship Payment for qualifying low-income families whose children receive free meals in schools.
- a local Fuel Support Scheme for households in receipt of council tax reduction who are also experiencing fuel insecurities.
- an Easter **£100** COVID Hardship Payment for qualifying low-income families whose children receive free meals in schools and early learning and childcare settings
- Pandemic Support Payments of **£130** are planned for households receiving Council Tax Reduction. Timescales for delivery of these payments will be announced by the Scottish Government in due course.

4.2 In addition to the Covid specific payments outlined in paragraph 4.1, and depending upon household circumstances, a household may qualify for welfare benefits, Scottish Welfare Fund payments and other financial support.

4.3 **Universal Credit:** supports low income or out of work households. It includes a monthly payment to help with living costs, can include an amount to help with the costs of looking after children and if responsible for paying rent or have a mortgage, Universal Credit may provide help towards these costs.

4.4 In Highland, overall **19,830** claimants are in receipt of Universal Credit of which approximately **7,600 (38%)** are in some form of employment.

4.5 The following table details the increase in UC claimants in Highland since Covid-19 measures began (Mar 20):

JC	March 2020			January 2021			Total % +/-
	Out of Work	In Work	Total	Out of Work	In Work	Total	
Dingwall	606	358	<b>965</b>	985	624	<b>1,609</b>	<b>+67%</b>
Ft William	483	338	<b>818</b>	988	692	<b>1,678</b>	<b>+105%</b>
Invergordon	1,080	507	<b>1,584</b>	1,676	872	<b>2,552</b>	<b>+61%</b>

Inverness	3,667	2,234	<b>5,900</b>	6,190	4,146	<b>10,334</b>	<b>+75%</b>
Portree	284	130	<b>411</b>	656	334	<b>993</b>	<b>+142%</b>
Wick	1,118	500	<b>1,612</b>	1,732	934	<b>2,669</b>	<b>+66%</b>

Data source: DWPstats-xplore

- 4.6 **Child Benefit:** Child Benefit is a monthly payment that can help with the costs of looking after children. Eligible families receive **£21.05** a week for the first child and **£13.95** a week for additional children. Some families may have to pay back some Child Benefit in tax if their individual income is over **£50,000**. If an individual earns over **£60,000** the family is ineligible for Child Benefit.
- 4.7 In August 2019, **23,150** Highland families were in receipt of Child Benefit, whilst **1,235** families opted out of receiving Child Benefit. The reason for opting out will primarily be due to incomes being over **£50,000** and not wishing it to impact on tax liabilities.
- 4.8 **Working Tax and Child Tax Credits:** Universal Credit has replaced working and child tax credits for most people. However, some families will still be in receipt of both/either of these tax credits. The amount they receive will be dependent on their circumstances.
- 4.9 The most recent official statistics show for 2018/19 in Highland, **7,300** households (out-of-work and in-work families) were either in receipt of child tax credits, working tax credits or both, which had an average annualised value of **£6,316**
- 4.10 The benefits and entitlements highlighted in the preceding paragraphs are not exhaustive and are provided to highlight the main support available for households with children.

## 5. The Scotland Act 2016

- 5.1 The Scotland Act 2016 provides the legal gateway for delivery of devolved benefits, including some specifically targeted to households with children.
- 5.2 Best Start Grants and Foods:
- **Best Start Grant Pregnancy and Baby Payment:** A one off payment of up to **£600** from 24 weeks in pregnancy up until a baby turns 6 months for families who are in receipt of specified benefits.
  - **Best Start Grant Early Learning Payment:** A one off payment of **£250** when a child is between two and three years and six months for families who received specified benefits.
  - **Best Start Grant School Age Payment:** A one off payment of **£250** when a child would normally start primary one for families who receive specified benefits.
  - **Best Start Foods:** A pre-paid card from pregnancy up to when a child turns three, to help buy healthy food, for families in receipt of specified benefits.
- 5.3 The latest statistics on applications and payments are as follows:
- Best Start Grant from 10 December 2018 to 30 November 2020; and
  - Best Start Foods from 12 August 2019 to 30 November 2020

show **7,240** total applications and payments totalling **£1,567,801** have been awarded for the various Best Start benefits in Highland. The following table provides details of the individual grants:

Highland		
Benefit	Applications	Total award value £

Best Start Grant Pregnancy and Baby Payment	2,490	£528,900
Best Start Grant Early Learning Payment:	2,465	£397,250
Best Start Grant School Age Payment	1,810	£325,000
Best Start Foods	3,215	£316,651

Please note: An application does not mean an award was made.

- 5.4 **Job Start Payment: £250** for 16 to 24-year olds who have been on certain benefits for six months or more to help with the costs of starting a job.
- 5.5 In Highland, **50** applications were made to Social Security Scotland, with approximately **20** successful awards for Job Start Payment from 17 August 2020 to 31 December 2020.
- 5.6 **Young Carer Grant** is an annual payment of more than **£300** for people 16, 17 or 18 who care for people in receipt of a disability benefit from the DWP for an average of 16 hours a week or more.
- 5.7 For the period 21 October 2019 to 31 January 2021, a total of **165** applications have been made by young carers in Highland, of which around **110** application have been successfully awarded with an overall value of approximately **£32,000**.
- 5.8 **Child Winter Heating Assistance** is a new **£200** payment to help families with a child on the highest rate care component of Disability Living Allowance.
- 5.9 Social Security Scotland has not published any statistic on uptake or awards for Child Winter Heating Assistance. However, Members may wish to note, in August 2020, **552** children in Highland were in receipt of the highest rate care component.
- 5.10 **Scottish Child Payment** is a new benefit that provides qualifying parents and carers **£40** every four weeks to help towards the costs of looking after each child **under 6**. It is planned to be fully rolled out to children under the age of 16 by the end of 2022.
- 5.11 The pre-application window opened from 9<sup>th</sup> November 2020, ahead of the payment starting on Monday 15 February 2021, to help manage the expected demand. Scottish Child Payment will be paid every four weeks, equivalent to £10 per week, per child. Eligible families with:
- one child under six will receive up to £520 per year;
  - two children under six will receive up to £1,040 per year;
  - three children will receive up to £1,560.
- 5.12 The latest Social Security Scotland statistics show as of 31 December 2020, **1,770** applications had been made in Highland.

## 6. Benefit Take up

- 6.1 In September 2020, the Scottish Parliament Social Security Committee requested written submissions on benefit take up. The Head of Revenues and Business Support submitted a corporate response and provided oral evidence on behalf of Highland Council detailing evidence of the impact of benefit take up within Highland.
- 6.2 Full details of the Committees report can be found:

- 6.3 As previously reported to Members, many benefits and entitlements are not fully claimed by those with entitlement. To mitigate these factors, advice and information (A&I) services are proven to be a critical approach in alleviating poverty and are vital to the health and wellbeing of many households, all with varying needs of support. The Council's commitment to these services aligns with its legal duty to provide advice and information services for the general population and for specified groups. These duties are set out below:
- Social Work (Scotland) Act 1968, section 12: provision of Social Welfare advice;
  - Carers (Scotland) Act 2016, Part 6 Chapter 1, Section 34(2)(b): requires local authorities to provide information and advice on income maximisation for carers.
  - Child Poverty (Scotland) Act 2017 - the provision and accessibility of information, advice and assistance to parents in relation to
    - (i) social security matters;
    - (ii) income maximisation;
    - (iii) financial support.
- 6.4 The Christie Commission promoted “prioritising preventative measures to reduce demand and lessen inequalities,” and providing services that treat the root cause of problems, rather than treating the symptoms. Within the context of reducing poverty and inequalities, the Council advocates an emphasis on early intervention and prevention with the aim of preventing people reaching crisis point, and as a consequence, requiring more significant support. As crisis-based interventions are the most resource intensive responses for customers' circumstances, there is an ongoing focus on encouraging customer engagement at an early stage.
- 6.5 In addition, advice and information services do not choose their customers; the fact that supporting individuals and households, all with diverse requirements, is another factor driving the need for agile customer-focused service delivery models that are able to flex and respond to the changing needs of the customer base. For example, there is a notable increase in customers presenting with complex needs, including drug and alcohol dependencies, mental ill-health and adverse childhood experiences.
- 6.6 Benefit take-up, and ensuring that the right people receive the right benefit at the right time provides a variety of positive health and inequalities outcomes which can have a significant effect on the most vulnerable in society including: lower stress and anxiety, better sleeping patterns, more effective use of medication, smoking cessation, improved diet and physical activity, broader and ambitious aspirations, and improved engagement with services. In the context of tackling the wider social causes of health, the benefits of quality advice services and the positive impact on reducing health inequalities are well evidenced.

## **7. Local Child Poverty Action Update Report 2020 – 2021**

- 7.1 In 2017, the Scottish Government introduced the Child Poverty (Scotland) Act. This replaced the previous UK Child Poverty Act 2010 and included duties on both the Scottish Government and local partners to address child poverty. It also introduced income targets as a driver for reducing child poverty across Scotland. Child poverty can have negative effects on the health, wellbeing and educational attainment of the children who experience it. It also has a wider cost for society. By introducing a Child Poverty

Act, which sets out clear targets for reducing the number of children living in poverty, progress can be monitored on meeting these targets.

- 7.2 The Scottish Government produce a Child Poverty Delivery Plan every four years highlighting how it intends to meet the child poverty targets laid out in the Act. It must also publish annual progress reports setting out progress towards meeting the child poverty targets. The Scottish Government's first Delivery Plan – 'Every Child, Every Chance', sets out policies and proposal to help reach the child poverty targets set for 2030.
- 7.3 Local authorities and health boards jointly prepare annual Local Child Poverty Action Reports which set out activities that have been undertaken in the local authority area during the previous year to reduce child poverty and contribute to the delivery of the national targets and any planned future activities.
- 7.4 The latest iteration of this report is currently being finalised and provides a summary of actions undertaken to address Child Poverty during 2019/20 and actions to be taken during 2020/21.
- 7.5 This report will be presented to the next Health, Social Care and Wellbeing committee and provides a focus on the themes below;
  - Impact of COVID-19 on employment
  - Educational Outcomes
  - Impact of COVID-19 on cost of living
  - Fuel Poverty
  - Debt
  - Food Insecurity
  - Impact of COVID-19 on income from social security and benefits

Designation: Executive Chief Officer - Health and Social Care

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