

Agenda Item	10
Report No	SR/6/23

HIGHLAND COUNCIL

Committee: Skye & Raasay Area Committee

Date: 30th January 2023

Report Title: The Islands Emergency Cost Crisis Fund 2022/23

Report By: Executive Chief Officer, Communities & Place

1. PURPOSE/EXECUTIVE SUMMARY

- 1.1 The Islands (Scotland) Act 2018 introduced measures to meet the needs and improve the quality of life for island communities
- 1.2 Island communities already experience higher costs of living, high fuel costs, and a colder climate, which is further intensifying the impact of the cost crisis in island communities.
- 1.3 The Scottish Government has provided the Highland Council with grant funding to help alleviate the cost crisis in our island communities. This report sets out recommendations for distribution of the share of funding for Skye & Raasay.

2. RECOMMENDATIONS

- 2.1 Members are invited to:
- i. Note that the Council has received Islands Emergency Cost Crisis funding for 2022/23 to help alleviate the impacts of the cost crisis for island communities.
 - ii. Agree that this funding be used to automatically make non-recurring cost crisis payments of £155 per eligible household by 28 February 2023 where the Council holds current bank details, in accordance with the eligibility criteria set out in section 4 of this report.

3. IMPLICATIONS

- 3.1 **Resource** – Funding of £0.113m is required and is deliverable within the grant amount available.
- 3.2 **Legal/Risk** – The proposed use of this fund satisfies the Scottish Government's conditions of grant as detailed in section 4 of this report.

3.3 **Community (Equality, Poverty and Rural)** – The proposal to provide cost crisis payments to eligible households aligns with the Council's commitments and duties relating to equalities, poverty, and rural factors.

3.4 **Climate Change/Carbon Clever** – There are no climate change/carbon clever implications arising from this report.

3.5 **Gaelic** – There are no Gaelic implications arising from this report.

4 The Islands Cost Crisis Emergency Fund

4.1 This Fund has been developed to specifically recognise and tackle the challenges faced by island communities. Local Authorities responsible for islands should use this funding:

- to target island areas only;
- to target immediate need and help those who are struggling due to the cost crisis; and
- for existing schemes and/or other new support where they feel the need is greatest.

4.2 To enable the share of revenue funding to be distributed promptly while also satisfying the requirements set out at paragraph 4.1 above, it is proposed to make a non-recurring cost of living payment of £155 per household to those in receipt of means-tested council tax reduction and those with a council tax liability who are receiving specified council tax exemptions at 16 January 2023. The categories of council tax exemptions for this purpose are Cared For, Care Leaver, those under 18 years, and those who are certified as having a severe mental impairment as defined in council tax legislation. The Council's Service Delivery Team will identify all eligible households and make BACS payments automatically, thus removing the need for individuals to apply while also keeping administrative costs to a minimum.

4.3 Based on the proposed eligibility criteria set out in paragraph 4.2 above, 694 residents in Skye & Raasay would be eligible for an automatic non-recurring payment of £155 each, requiring a total budget of £0.107m.

4.4 £0.006m would be required to meet administrative overheads and to ensure that those households who make a retrospective successful claim for council tax reduction or the specified council tax exemptions as set out in paragraph 4.2 above, will receive an emergency cost of living payment from this fund.

Designation: Executive Chief Officer, Communities & Place

Date: 25 January 2023

Author: Sheila McKandie, Head of Revenues & Business Support