
COVID-19 RESPONSE – PROPOSALS TO FURTHER SUPPORT INDIVIDUALS FACING FINANCIAL HARDSHIP

Report by Service Director of Customer & Communities

EXECUTIVE COMMITTEE

9 February 2021

1 SUMMARY AND PURPOSE

- 1.1 This report presents a number of proposals for the allocation of the Scottish Government “Addressing future need to support individuals at financial risk 2020/21” Fund. It also outlines further measures to provide wider financial support to those individuals who require additional help.**
- 1.2 Scottish Government announced on 20 October 2020, a fund of £30M would be made available to Local Authorities to support those who are facing financial hardship as a result of coronavirus (Covid-19) over the winter period and to continue the provision of Free School Meals during the forthcoming school holidays. The Fund has been split into 2 areas – Supporting Individuals at Financial Risk (£20m), Free School Meals (£6.95m to cover the October, Christmas and February school holidays), with the balance of £3.05m expected to be provided to support school meals during the Easter holidays in 2021/22.
- 1.3 Scottish Borders Council have been allocated approximately £330k of the £20m element for Supporting Individuals at Financial Risk, providing that any claims made are in accordance with the Fund’s criteria and guidance. The £6.95M element of the funding for Free School Meals (of which Scottish Borders Council received £111k) has also been allocated to provide Free School Meal vouchers for the October, Christmas and February school holidays.
- 1.4 A Financial Insecurity Group made up of relevant Officers and led by the Service Director of Customer & Communities, has met to discuss the Fund and potential spend. Proposals for the allocation are presented at Section 4, which are based on the Scottish Government guidance, main objectives and the expected outcomes of the fund. All claims for this phase of the Fund have to be made by 31 March 2021.
- 1.5 This approach is in line with other Local Authorities, and reflects the need to maximise the opportunities to disperse this funding in a timely, direct and

efficient manner across each of our five locality areas of the Scottish Borders.

- 1.6 Approval is being sought in order to ensure that Scottish Borders Council expedite and maximise the opportunity to make claims in an efficient and timely manner using existing third sector and other organisations with established networks. To delay could have a significant impact on both the Scottish Borders community and prevent assistance reaching those who are suffering financial hardship.
- 1.7 All claims, monitoring and evaluation will be in accordance with the guidance and requirements of the Fund.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:

(a) Delegates authority to the Service Director of Customer & Communities to allocate funding as per the areas detailed below:

- i. Fund the expansion of the Connecting Scotland Project to address the shortfall at a local level;**
- ii. Provide a one off emergency payment to vulnerable families across the Scottish Borders as detailed in Section 4;**
- iii. Allocate funding to a range of existing third sector networks, Community Planning Partners (including Registered Social Landlords) and any other partnerships, networks, resilience groups or other organisations who are already working with vulnerable individuals, to assist with essentials in accordance with the guidance, based on the principles of digital, fuel and food poverty and other items deemed as emergency essentials;**
- iv. Provide payments for families with disabled children under 18 years old who are not eligible for the Child Winter Heating Assistance payment.**

(b) In relation to the Discretionary Housing Payments Policy:

- i. Approves an increase in the removal costs to £500 for moves within the Scottish Borders and £800 for moves from another Local Authority area, to take effect from 1 February 2021;**
- ii. Approves an addition to disregard income of up to £20 per adult and £5 per child as detailed in paragraph 5.3.2.**
- iii. Approves to disregard all Scottish Child Payment awards.**

- iv. Delegates authority to the Service Director of Customer & Communities to review and update the maximum removal costs which can be paid through Discretionary Housing Payments Policy on an annual basis.**

- (c) Agrees to a marketing and promotion campaign to raise awareness of the Scottish Welfare Fund; and**
- (d) Agrees that all claims, financial monitoring and evaluation will be undertaken in accordance with the guidance and requirements of the Fund.**

3 BACKGROUND

- 3.1 Scottish Government announced, on 20 October 2020, a fund of £30m would be made available to Local Authorities to support those who are facing financial hardship as a result of coronavirus (Covid-19) over the winter period and to continue the provision of Free School Meals during the forthcoming school holidays. The Fund has been split into 2 areas – Supporting Individuals at Financial Risk (£20m), Free School Meals (£6.95m to cover the October, Christmas and February school holidays), with the balance of £3.05m expected to be provided to support school meals during the Easter holidays on 2021/22.
- 3.2 Scottish Borders Council have been allocated approximately £330k of the £20m element for Supporting Individuals at Financial Risk, providing that any claims made are in accordance with the Fund’s criteria and guidance. The £6.95M element of the funding for Free School Meals (of which Scottish Borders Council received £111k) has also been allocated to provide Free School Meal vouchers for the October, Christmas and February holidays.
- 3.3 COSLA Leaders have agreed allocations for each Local Authority for the first element of this Fund and a Grant Offer Letter has been received in connection with providing a flexible fund to support individuals at financial risk. The allocation is based on Scottish Index of Multiple Deprivation (SIMD) formula.
- 3.4 Scottish Borders Council will be able to draw down approximately £330k of this Fund for other types of support described above, providing that any evidence of spend is in accordance with the Fund’s criteria and guidance. The Grant Offer Letter and relevant guidance sets out principles, criteria and timescales for claims and spend.
- 3.5 The main objectives and expected outcomes to be achieved from the Fund are set out below:
- i. Provision of cash-based support to tackle food insecurity, or alternate provision where this is more appropriate or is the preference of individuals themselves, including for households whose children are registered for Free School Meals;
 - ii. Supplementing local budgets for the Scottish Welfare Fund to ensure demand is met in full;
 - iii. Providing support to meet fuel costs, for example, through existing schemes such as fuel cards or a locally targeted fuel grant;
 - iv. Further boosting local funding for Discretionary Housing Payments as needed;
 - v. Other activities and services, as necessary, to support individuals to overcome financial crisis and support wellbeing.
- 3.6 The first phase of the Fund is open and closes on 31 March 2021, and therefore the proposals have been developed with these timescales in mind.

4. PROPOSALS FOR USING THE FUNDING

- 4.1 The Financial Insecurity Group, led by the Service Director of Customer & Communities, has considered the issues and impacts from the ongoing

pandemic, and using a range of established networks, have identified a range of high level actions that they believe can be delivered in the timescales and which align with the main aims and objectives of the Fund.

4.2 Whilst there are a number of existing support mechanisms to support those suffering financial hardship, this funding is intended to enable Local Authorities to provide additional support being deployed to specific areas, based on immediate need and local insight.

4.3 In reference to the main objectives and outcomes of the Fund, it is the Financial Insecurity Group's opinion that the Fund should be allocated in the following 4 ways:

4.3.1 Expansion of the Connecting Scotland Programme to address shortfall: The Connecting Scotland Programme will have provided 765 devices to vulnerable people within the Scottish Borders once the current phases are complete. Details of applications and awards made are detailed below:-

	Programme Phase	Applications	Awards/ Allocation	Shortfall
1	Phase 1 – Shielding & clinically vulnerable group	449	217 awarded	232
2	Phase 2 – Families & Care Leavers (round 1)	675	409 awarded	266
3	Phase 2 – Families & Care Leavers (round 2)	96	30 available (to be allocated)	66
4	Winter support package - People who are older and/or disabled (round 1)	10	10 awarded	-
5	Winter support package - People who are older and/or disabled (round 2)	176	99 available (to be allocated)	77
	Totals	1406	765	641

- i. Each phase has been targeted to provide devices, connectivity and digital champion support to different vulnerable groups. Each phase has been oversubscribed with applications from a range of organisations in the Scottish Borders, meaning some organisations have only been granted partial or no awards.
- ii. The two current phases, shown at 3 and 5 above, are focused on providing support to individuals who are (1) Families & Care Leavers, and (2) Older People and/or People with a Disability. The expected shortfall of these phases within the Scottish Borders is around 143. Organisations will be required to make decisions about who the devices and support are awarded to.
- iii. Additionally, there are other cohorts known within the region who have not qualified for the Connecting Scotland programme yet, but

are vulnerable, digitally excluded and face barriers to digital inclusion such as financial, connectivity, skills and motivation.

- iv. The expansion of the programme 'Connecting Scottish Borders' would replicate Connecting Scotland at a local level and build upon local partnerships in its delivery. These partnerships would focus on the provision of digital champion support where recipients lack digital skills, provide appropriate opportunities for training and skills development, and other support such as maximising income through access to benefits, financial inclusion and household budget management.
- v. This approach aligns with the 'No One Left Behind' theme of the National Digital Strategy for Scotland, which seeks to support those in greatest need by providing training and support to ensure that people have the skills, confidence and information literacy required to make the most of being online.
- vi. The Connecting Scotland programme has provided a robust framework to support Local Authorities and organisations to enable individuals to become digitally connected. This includes providing digital champion training and a range of support materials for both champions and recipients. We believe the Connecting Scotland procurement process can also be used for regional expansions of local programmes.
- vii. Although the overall shortfall of applications to date is around 641, this does include some duplication where a number of organisations have applied on behalf of the same individuals. An immediate task would be to address the gap in the current phases where there is unmet demand. If the initial expected shortfall is 143 then it is proposed that £75,000 is allocated to expand the Connecting Scotland programme.
- viii. Beyond that, engagement would take place with the Third Sector Interface within the Scottish Borders and other key partners, to identify organisational capacity to support individuals and identify further gaps in digital inclusion of those who have not met Connecting Scotland criteria to date.

- 4.3.2 **An emergency payment for vulnerable families:** Vulnerable and low income families that may be in hardship are considered a high priority. During the current Covid-19 restrictions, Scottish Borders children from 3 to 18 are receiving remote learning instead of being in school. This situation is placing additional financial strain on families, including additional costs for utilities and printing resources etc, that are required to support online learning. This pressure on family budgets will be proportionately greater on those families with the lowest incomes, coupled with the negative impacts due to parents and carers having to adjust hours or being on furlough.

- i. It is therefore proposed that an emergency payment of £75.00 (totalling £98,475) is made to those families (approximately 1313 families/2246 children) that qualify for Free School Meals across the Scottish Borders.
- ii. This funding will assist these high priority families during the winter period, whilst remote learning is in place, with the direct emergency payment, providing a dignified way of receiving this support.

4.3.3 **Support via Third Sector and other Organisations:** Delegate authority to the Service Director of Customer & Communities to provide funding for vulnerable households via key organisations. These may include third sector organisations, Resilient Communities Groups, Community Planning Partners (including Registered Social Landlords), and any other existing and established partnerships or networks across the Scottish Borders where financial support is required to enable those organisations to provide assistance around digital, fuel and food poverty, and any other items that are deemed emergency essentials. This will be managed through the Community Assistance Hubs.

4.3.4 **Child Winter Heating Assistance Payments:** Some families are not eligible for the Child Winter Heating Assistance payments, which is payable to children who received the high rate of Disability Living Allowance (Care Component) because they were migrated to Personal Independence Payment before September 2020. They still meet all the eligibility criteria, but have been excluded from the Scottish Government scheme which pays all children up to 18 years old.

4.3.5 It is proposed that the funding be used to make payments of £200 per child, which mirrors the Scottish Government payments. Those families, who would have otherwise been eligible if their claim had not been migrated by DWP, would be identified from the information the Council already holds. Although the anticipated number of families within this category is likely to be very low, this payment could make a significant benefit to those families.

5 FURTHER PROPOSALS TO INCREASE FINANCIAL SUPPORT

- 5.1 The Council already have a range of support in place to provide financial support to individuals. The Financial Insecurity Group have considered this range of support and are proposing some further actions to ensure the right level of support is reaching those that need it.
- 5.2 **Scottish Welfare Fund** - The Scottish Welfare Fund provides Crisis Grants and Community Care Grants to individuals on low incomes and is administered by the Customer, Advice & Support Service in line with Scottish Government Guidance. In order to ensure that individuals are assisted in maximising their income, it is proposed that a marketing and

promotion campaign is undertaken to raise further awareness of the Scottish Welfare Fund. The cost will be met from existing resources within the Customer Advice & Support Service.

5.3 Discretionary Housing Payments - Discretionary Housing Payments are again administered by the Customer, Advice & Support Service and provide additional help for those eligible for Housing Benefit or Universal Credit to cover housing costs. The current Discretionary Housing Payment Policy is attached at Appendix 1 and to ensure that the funding supports those who require it officers are seeking approval for the following amendments to the policy which will take effect immediately and will be funded from the existing Discretionary Housing Payments budget.

5.3.1 Section 7.2 of the policy states the maximum removal costs which can be awarded are £300. Under recent restrictions, applicants have been unable to get assistance from family or friends and the need for removal companies have increased. It is proposed that the maximum level for Discretionary Housing payment awards is increased to £500 for moves within the Scottish Borders and £800 between Local Authority areas. This should be reviewed annually and with the Authority for any further amendments to removal costs within the Policy being delegated to the Service Director of Customer & Communities.

5.3.2 Under section 6.2, in assessing income, it is proposed that a weekly disregard of up to £20 for adults or £5 for children is applied, in accordance with the hardship level, as well as a disregard for all Scottish Child Payment awards which is in line with the Scottish Government's policy intention.

5.4 The above proposals will aim to address the poverty that is being experienced across a number of different circumstances across the Scottish Borders – emergency assistance to vulnerable families, supporting all within our communities to maximise income and benefit take up, enabling digital support, and providing emergency solutions to food, fuel and digital access poverty.

6 IMPLICATIONS

6.1 Financial

Scottish Government announced on 20 October 2020, a fund of £30m would be made available to Local Authorities to support those who are facing financial hardship as a result of coronavirus (Covid-19) over the winter period and to continue the provision of Free School Meals during the forth-coming school holidays. Scottish Borders Council have been allocated approximately £330k of the £20m element for Supporting Individuals at Financial Risk, providing that any claims made are in accordance with the Fund's criteria and guidance. The £6.95m

element of the funding for Free School Meals (of which Scottish Borders Council received £111k) has also been allocated to provide Free School Meal vouchers for the October, Christmas and February holidays with the balance of £3.05m expected to be provided to support school meals during the Easter holidays on 2021/22. In order for the Council to successfully claim the £330k share of the £20m funding to support individuals at financial risk by the 31st March 2021, it is crucial that decisions can be made in a timely way to allocate funding to Borderers in line with the proposals outlined in this report.

6.2 **Risk and Mitigations**

If we do not action these proposals in accordance with the timescales of the Fund we will be unable to claim the Scottish Borders Council share of the £20m funding (£330k) which will result in the extent of hardship being greater for communities within the Scottish Borders, and there will be a further impact on those who are at financial hardship risk as the continuing effects of the pandemic are known.

6.3 **Integrated Impact Assessment**

This funding will go towards addressing some of the inequality and hardship as a result of the ongoing pandemic over the winter period.

6.4 **Acting Sustainably**

It is anticipated that as a result of this funding there will be a positive effect on the following community outcomes:

- a) Include under-represented or excluded groups
- b) Improve community quality of life
- c) Improve community capacity
- d) Take into account equal opportunities

6.5 **Carbon Management**

There will be no impact on the Council's carbon footprint as a result of the recommendations in this report.

6.6 **Rural Proofing**

Not applicable.

6.7 **Changes to Scheme of Administration or Scheme of Delegation**

No changes are required to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

7 **CONSULTATION**

- 7.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

Jenni Craig
Service Director, Customer & Communities

Signature

Author(s)

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Background Papers: Appendix 1 – Discretionary Housing Payment Policy

Previous Minute Reference: [insert last Minute reference (if any)]

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Shona Smith can also give information on other language translations as well as providing additional copies.

Contact us at Council Headquarters, Newtown St Boswells, Melrose TD6 0SA.