

Item: 6

Policy and Resources Committee: 17 June 2025.

Islands Cost Crisis Emergency Fund.

Joint Report by Chief Officer, Orkney Health and Social Care Partnership and Director of Education, Communities and Housing.

1. Overview

- 1.1. In December 2022, the Scottish Government established an Islands Cost Crisis Emergency Fund, in recognition of the higher costs of living experienced by residents of Scotland's islands. The fund was to be used to provide immediate help to families, communities and businesses who were struggling most, either through existing schemes and/or other new support where need was greatest. Allocated funds were to be distributed by local authorities "based on their local knowledge and understanding of the impacts of the cost crisis on their islands".
- 1.2. Orkney's share of the Islands Cost Crisis Emergency Fund for 2022/23, amounting to £305,000, was allocated by the Council to the Third Sector Cost of Living Crisis Fund, administered by Voluntary Action Orkney.
- 1.3. Orkney's share of the Islands Cost Crisis Emergency Fund for 2023/24 and 2024/25 was £218,000 for each year. For 2023/24 and 2024/25, the Orkney Community Planning Partnership's Cost of Living Task Force was invited to make recommendations to the Council on local distribution of the funds, and to action their recommendations once approved. Delegated authority to scrutinise and approve the recommendations was assigned to the Corporate Director for Enterprise and Sustainable Regeneration. The new mechanism proved successful, with the funds distributed promptly and efficiently to those in greatest need.
- 1.4. The Scottish Government announced in May 2025 that the Islands Cost Crisis Emergency Fund was to run for a fourth year, with Orkney's allocation being £214,000. The criteria for 2025/26 are to provide 'immediate help to families, communities and businesses who are struggling most, either through existing schemes and/or other new support where need is greatest' with a 'strong focus on tackling child poverty.'

Funding Allocation by Local Authority

Local Authority	Population*	Allocation	£
Argyll & Bute	14,957	0.145	145,000
Highland	11,022	0.107	107,000
Na h-Eileanan Siar	26,030	0.253	253,000
North Ayrshire	5,932	0.058	58,000
Orkney Islands	22,000	0.214	214,000
Shetland Islands	23,000	0.223	223,000
SCOTLAND	102,941	1.000	1,000,000

- 1.5. It is proposed that the same distribution mechanism should be used for the 2025/26 allocation of the Islands Cost Crisis Emergency Fund as was used for the 2023/24 and 2024/25 allocations.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
- i. Agree that the Orkney Community Planning Partnership's Cost of Living Task Force should be invited to make recommendations to the Council on the local distribution of Orkney's allocation of the Islands Cost Crisis Emergency Fund for 2025/26, and to action their recommendations once approved.
 - ii. Agree that authority to scrutinise and approve the recommendations made by the Cost of Living Task Force should be delegated to the Director of Enterprise and Resources.

3. Background

- 3.1. In June 2022, the Orkney Partnership Board agreed to adopt a Poverty Pledge which stated:
- “We believe that it is not acceptable that people in our community live in poverty. Over the coming years, we will commit our time, energy, and resources to do all we can, in partnership, to work towards the elimination of poverty throughout Orkney.”
- 3.2. The Orkney Community Planning Partnership established the multi-agency Cost of Living Task Force with a brief to co-ordinate an agile response to the cost of living crisis, supporting both immediate need and longer-term prevention of poverty and disadvantage, including the co-ordination of partnership action plans relating to child poverty, food dignity and fuel poverty. Since June 2023, the Chair of the Cost of Living Task Force has been the Chief Officer of the Orkney Health and Social Care Partnership.

- 3.3. Collectively, the members of the Task Force can offer unparalleled expertise, capacity and local knowledge, as well as direct access to the people and communities who are still struggling the most as a consequence of the cost of living crisis. Many of the projects and services delivered by the organisations represented by members of the Cost of Living Task Force directly support the people and communities targeted by the Islands Cost Crisis Emergency Fund.
- 3.4. A report on the allocation of the funds for 2024/25 was submitted to the Scottish Futures Trust, which administered the fund on behalf of the Scottish Government, in March 2025, and is appended to this report at Appendix 1.
- 3.5. A letter confirming that the Scottish Government has allocated £1 million resource to the Islands Cost Crisis Emergency Fund for 2025-26, was received from the Cabinet Secretary for Rural Affairs, Land Reform, on 7 May 2025.

For Further Information please contact:

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Implications of Report

1. Financial:

Orkney's allocation for 2025/26 is £214,000, which will be paid as a redetermination of the General Revenue Grant during the last two weeks of March 2026. This funding has been allocated to spend in the 2025/26 financial year.

Local authorities are asked to submit a short report by 31 March 2026, setting out:

- How the funding was used to tackle the challenges faced by our island communities due to the current cost crisis;
- The impact the funding has had within the communities;
- Any challenges they encountered whilst delivering the funding.

2. Legal: Where an award of funding is made to an enterprise providing goods or services, care must be taken to ensure that such award is made in compliance with the Subsidy Control Act 2022.

3. Corporate Governance: Not applicable.

4. Human Resources: No implications.

5. Equalities: A full Equality Impact Assessment was undertaken on both the [Orkney Community Plan 2025-30](#) and the [Orkney Child Poverty Strategy 2022-26](#), and published at the same time as the approved plans. The proposals in this report will additionally contribute toward The Fairer Scotland Duty, set out in Part 1 of the Equality Act 2010, which requires public bodies in Scotland to pay due regard to how

they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.

6. **Island Communities Impact:** Island Communities Impact Assessment is not required for the local distribution of a Scottish Government fund with criteria set by Scottish Ministers.
7. **Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - Growing our economy.
 - Strengthening our Communities.
 - Developing our Infrastructure.
 - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
 - Cost of Living.
 - Sustainable Development.
 - Local Equality.
 - Improving Population Health.
9. **Environmental and Climate Risk:** Not applicable.
10. **Risk:** Not applicable.
11. **Procurement:** Not applicable.
12. **Health and Safety:** Not applicable.
13. **Property and Assets:** Not applicable.
14. **Information Technology:** Not applicable.
15. **Cost of Living:** The recommendations in this report contribute directly to the mitigation of the impact on individuals, families and communities of the cost of living. A priority of the Orkney Children’s Services Plan 2023-26 is “Reducing Poverty and Disadvantage”. Statutory annual Local Child Poverty Action Reports include information about how partner agencies have sought to mitigate the impact of the Cost of Living on children’s lives and outcomes during the year in question.

List of Background Papers

Letter from Scottish Government dated 18 June 2024 confirming the criteria and Orkney’s allocation of the Islands Cost Crisis Emergency Fund 2024-25

[Orkney Child Poverty Strategy 2022-2026](#)

[Orkney Children’s Services Plan 2023-26](#)

[Orkney Local Child Poverty Action Report 2022-23](#)

Appendix

Appendix 1 – Report on the allocation of the Islands Cost Crisis Emergency Fund 2024-25.

**MONITORING TEMPLATE
ISLANDS COST CRISIS EMERGENCY FUND 2024-25**

Name of Local Authority: Orkney Islands

Name and role of respondent (on behalf of LA): George Vickers, Community Planning Business Manager.

Date: 26/03/2025

1. *This form is designed to help Scottish Government understand how your Local Authority has utilised funding provided by the Islands Cost Crisis Emergency Fund.*
- Please send completed templates by **31 March 2025** to ann.macdonald@scottishfuturetrust.org.uk.*
- Thank you for your assistance.*

Activities Funded through Islands Cost Crisis Emergency Fund

Please use the table below to briefly detail the main activities being funded to tackle the challenges faced by your island communities due to the current cost crisis in 2024-25 financial year. (See Annex A for further detail on policy intent and activities).

Details of activity	How has the level of need for this activity been determined?	Are there specific groups to whom this support is targeted or adapted?
1. Grant funding to older people as a replacement for the Winter Fuel Grant - Age Scotland Orkney.	Through grass roots feedback to local Third Sector organisations, it was identified as a major concern.	Older people
2. To allow the Café Cubbie to provide Self-Care and Home Care products, free of charge to those aged 12-24 years – Youth Cafe.	From a pilot period of the Cubbie use (over 120 users) and evaluation and planning for items in the Cubbie from café users.	12-24 year olds.
3. To set up and maintain a weekly hub during cold months – Stronsay Island Development Trust.	"We prepared posters and advertised on our Facebook page and in the limpet island magazine electronic emails list. We requested prebooking to ensure fair allocation was given to those who had not had opportunity to receive	Weekdays accommodated for older folk and Saturdays accommodated families with children. It was open to all folk who

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Details of activity	How has the level of need for this activity been determined?	Are there specific groups to whom this support is targeted or adapted?
	one of these meals. We pre-booked community transport to support everyone attending no matter their circumstances.”	had been impacted by the higher cost of living crisis living on an island. 65 folk booked
4. Baby weaning and Paediatric first aid training.	“Many of our families do not have the confidence to make or cook food for their baby during baby lead weaning. Some have not got the essential resources or knowledge of the which foods are safe to offer.”	Families with young children.
5. Ensure that there is always a free healthy snack for the children and young people who attend Youth Service activities.	Knowledge that children need nutritional food to be healthy and prosper.	Children and Young People
6. The Participation Fund ensures a lack of money is not a barrier to pupils participating in all school activities – most schools in Orkney. (A detailed breakdown of many of the activities the fund supported is available.)	Free School Meals (FSM) numbers but also concerns of families just above the FSM criteria struggling with enabling their children to have the correct equipment to fully participate in school activities. FSM numbers were used to allocate the fund between 22 schools.	Families and children who are struggling with money. FSM and just above the criteria for FSM support.
7. To provide vouchers and debt relief for households that are in fuel poverty – Orkney Money Matters, CAB, THAW etc.	Through provision of cash-first vouchers in previous years.	Households in extreme fuel poverty.
8. For energy efficiency upgrades for households that were in fuel poverty - THAW.	Through installations support for fuel poor households in previous years.	Households in extreme fuel poverty.
9. Every Child Deserves a Christmas Grants to families living in Orkney, with Children under 16 years old who needs some additional ‘magic at Christmastime’. The Grant	The level of need has been determined over the last ten years the Orkney Charitable Trust has offered Christmas grants to help alleviate the pressure of winter and festive	The grant is targeted at any families living in Orkney, with children under 16 who are needed

**MONITORING TEMPLATE
ISLANDS COST CRISIS EMERGENCY FUND 2024-25**

Details of activity	How has the level of need for this activity been determined?	Are there specific groups to whom this support is targeted or adapted?
from the Islands Cost Crisis funded targeted cash-first financial support in December 2024 to alleviate winter and festive poverty.	poverty. Each year we have seen an increase, and the request from the Island Crisis Grant was based on last year's figures.	further additional financial support at Christmas time. From the data collected we know these are families within high risk groups of poverty (single parent families, 3 plus children, children with additional support). The families we support are a mixture of families on benefits and also the working poor.
10. Emergency vouchers for supporting housing association tenants in a crisis – Orkney Housing Association Ltd.	Through tenant feedback to their Housing Officers that they struggled to access immediate support in times of crisis.	Tenants of Orkney Housing Association.
11. Purchase supermarket vouchers to add to a food parcel so clients can purchase fresh items – Orkney Food Bank.	Based on year on year activity and spend.	Those in food poverty.
12. For holiday provision of free school meals.	The number of potential children and young people that would benefit is a 'known' figure, equating to the number who are registered for free meal entitlement.	Children and young people with Free School Meal entitlement, growing up in household with a low income, the majority of whom will be in poverty.

MONITORING TEMPLATE ISLANDS COST CRISIS EMERGENCY FUND 2024-25

2. Delivery

Please list the amount (£) of spend allocated to each of the activities described above.

1. £36,228
2. £4508.57
3. £3000
4. £15,000
5. £9000
6. £36,190
7. £36,228
8. £36,228
9. £27,000
10. £3,600
11. £15,000
12. £15,000

Is the allocation sufficient to fund these activities? Have you utilised your entire allocation?

1. Age Scotland Orkney: "We have allocated £34,419.03. We are awaiting further details to allow us to make final payments to people for the remaining £1808.97."
2. Youth Café: "Not yet as we are providing food items and want to be able to provide a variety with long shelf life so have staggered the purchasing of items to be able to provide for a longer period of time. £491.43 remaining but will be used by the end of the financial year."
3. Stronsay Development Trust: "The entire allocation has been spent or allocated."
4. Home-Start Orkney successfully utilised all allocated funding, with strong demand for similar activities that could have benefited from additional resources. The initiative was exceptionally well received, significantly enhancing parents' confidence around food preparation and nutrition. As a result, many parents are now motivated to participate in the HENRY training, further supporting their long-term engagement in healthy family practices.
5. OIC Youth Services: "Yes, however this has been so well received by so many that we could definitely have utilised more funding for similar activity and to make this more sustainable as a key part of attending the activity as the feedback has been so overwhelmingly supportive to providing this."
6. The entire amount has been paid directly to school funds and is ringfenced.
7. The allocation was used to top up the cash-first fund, which is fully committed to supporting clients within the Orkney Money Matters Cash-first pathway.

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8. “We have committed the full amount to installations, and this was sufficient for our current waiting list. The process of moving from assessment and estimate to installation and quality control can take time, so final costs of activities are still to be confirmed.”

9. “Yes, we used our entire allocation. As our Christmas grants were down from last year (451) we had additional resource to support families in additional Crisis.

10. “Yes, the entire allocation has been used to purchase Tesco Shopping Vouchers.”

11. “We have allocated all £15,000 to purchase these vouchers and provide cash to isles clients so they can use local shop (where prices are higher than in supermarket). To date we have spent £23,740 so the £15K is very welcome to assist in offsetting this in our finances.”

12. To date, the fund has supported 251 children and young people (or 10% of the school age population) from 138 families across Orkney

3. Partnership Working

Please list any delivery partners associated with each of the funded activities and briefly explain their role. How were they selected?

1. Project led by Age Scotland Orkney: “We worked in partnership with Orkney Citizen Advice Bureau to undertake Income Maximisation checks on older people to complete an application for Pension Credit and other benefits. This allowed us to target individuals who needed the most support.”

2. Project led by Youth Café: “Community Learning and Development (OIC) have helped promote the Cubbie to groups within the age range that would benefit from the project. Youth Café and CLD have a good working relationship, often working with similar young people.”

3. Project led by Stronsay Development Trust: “We selected Fishmart Cafe as they were recently reopened and could assist the dates we wanted to cover. We used Bayview Transport our island community bus and school bus providers. We will use Development Trust Staff to support all other meal preparation for events and the Community Hall due to size of event space required.”

4. Home-Start Orkney delivered sessions in-house, fostering direct engagement and tailored support. Parents gained confidence around food, encouraging participation in upcoming HENRY training and promoting long-term healthy habits. Guidance was informed by Childsmile, NHS guidelines, and Scottish Government policies on tackling child poverty. Delivery Partners: Childsmile – Oral health promotion. HENRY Training – Nutrition and lifestyle education. NHS Guidelines – Health and wellbeing standards. Scottish Government – Child poverty policies.

5. Led by the Council’s Youth Services, the partners included: Pickaquoy Centre, Action for Children, Stromness Community Centre, Youth Clubs (Hoy, Hope, Stromness, Dounby, Firth, Westray, Stronsay), Papdale Primary School, Stromness Academy, Stromness Youth Achievement Group, Kirkwall Youth Achievement Group, Youth Café, NHS, Youth Awards Ceremony (Voluntary Action Orkney), Young Parents Group and others.

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6. Partnership led by the Council's education department and 22 individual schools: "Parent council bodies were made aware of the funding that had been allocated to schools."

7. The Orkney Money Matters is administered by 3 frontline organisation, THAW, CAB and Orkney Foodbank, who work together to ensure a joined-up pathway to advice and support for financial insecurity. Along with wider partners in the Orkney Money Matters Partnership (OIC, NHS Orkney, Voluntary Action Orkney, Orkney Housing Association Ltd, Blide Trust, Orkney Charitable Trust, Scottish Welfare Fund, Social Security Scotland), the organisations work together to ensure a no-wrong-door approach as well as ensuring access for any local partners that provide client support.

8. Lead agency is THAW, Orkney's fuel poverty agency. Installation work has been sourced via referral partners with direct contact with clients, including Wellbeing Coordinators, Care and Repair and Orkney CAB. THAW has worked with other installation grant funders, such as Warmworks, and Home Energy Scotland, to ensure efficient use of resources whilst also working with local installation contractors with good levels of accreditation and customer service.

9. "Orkney Charitable Trust delivers all of its projects in Partnership. Every project or grant is verified by a statutory agency or third sector. We work closely with Education, health, Food Bank, THAW, Home Start, CAB, Social Work."

10. Orkney Housing Association Ltd is the lead for this project: "Tesco's because they are the main supermarket on the island and have a voucher scheme. They also provided a top up of £90.00 to support the initiative. Housing Officers then follow up any awards to ensure that the tenants' income is health checked and maximised where appropriate via our partnership work with Orkney CAB."

11. The lead agency for this project is The Orkney Foodbank who work in partnership with THAW Orkney and Orkney CAB to undertake Income Maximisation checks so they can be sure clients who need support can get it.

12. The project is led the Council's education team and the money allocated directly to families.

How was the funding available through the Islands Cost Crisis Emergency Fund promoted among local communities?

1. These grants advertised through: Voluntary Action Orkney, Orkney Islands Council, Orkney Citizen Advice Bureau, Kirkwall BID, BBC Radio Orkney and Age Scotland Orkney all promoted the advice sessions using social media and an advert was place in the local newspaper, The Orcadian. Gillian Skuse, CEO Age Scotland Orkney and Barbara Brown, Manager, Orkney CAB were interviewed by Radio Orkney which was broadcast on the morning programme.

Information was also shared with the Wellbeing Coordinators on our ferry linked isles to ensure we covered the whole of Orkney.

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2. "The Cubbie and funding has been promoted via word of mouth and social media channels. We want the Cubbie to be as anonymous as possible to reduce stigma of using it."
3. "We utilised our Facebook pages, local newsletter and email. Posters and word of mouth and school page."
4. Our service was promoted through local networks, events, and direct outreach, social media at our current group sessions and when supporting families ensuring accessibility to families in need.
5. "We shared this funding via various programmes that we run and those that we run with partners. Therefore, it has all been promoted in various ways, mainly to young people, families and the wider community offering free healthy snacks when attending specific youth work activities."
6. "Schools promoted the participation funds amongst their own school communities. In many instances the small schools spoke directly with their parent body. The additional rurality of our ferry linked isles cannot be underestimated."
7. Available funding and links to access the funding was shared with all the partners listed above. Although these new funds were not explicitly promoted to households, the Orkney Money Matters pathway which provides access to the funds continued to be promoted through promotional materials from the project initiation. The fund was also directly available through The Orkney Foodbank and CAB, the main avenues of support for food and financial insecurity.
8. Information was shared with the Island Wellbeing coordinators, Care and Repair, National scheme operators and other partners supporting clients with housing issues across Orkney.
9. The 'Every Child Deserves a Christmas' grant was promoted through the local Newspaper, radio and our Facebook Page. There were also emails from our charity to our main partners through our extensive networks.
10. Housing Officers distribute the vouchers at point of crisis and have full autonomy and discretion. The scheme was not publicised to prevent over-subscription and to allow discretion in the awarding this funding.
11. "Our referrers are aware of this aspect of our service."
12. The families entitled to the money were contacted.

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4. Need and Impact

Please provide a brief assessment of the impact of the funded activities/schemes. How was local need identified and to what extent was it met? Please share any data or statistics that can demonstrate need and/or impact.

1. "We have financially supported 166 households with many more being successful in claiming Pension Credit and other benefits. We collected feedback from many of the people we have supported with this funding and the overall results are that without this extra cash they would not have been able to heat their homes as much as they have, and life would have been more difficult for them."

2. "Users of the café helped plan which products would be of most use in the Cubbie, these have included sanitary and hygiene products, exam stationary, water bottles, store cupboard food and cleaning products."

3. "The hot meals were funded for 83 individuals, the stay-n-play is estimated at reaching 15 family members each of the 4 sessions The community events the remainder of the fund to reach 100."

4. Home-Start Orkney operates on a parent-powered support model, addressing key stressors affecting families, including food insecurity, heating, poverty, and education. By fostering trust and companionship, this approach helps parents regain capacity, identify concerns, and access specialist support before crises escalate.

Local needs were identified through direct engagement with families. The demand for practical assistance, particularly around nutrition, budgeting, and childcare, was clear. Cooking and weaning workshops have been highly effective, equipping families with essential skills while reducing financial and environmental strain through meal planning, waste reduction, and batch cooking.

Delivering on the 2024-25 Child Poverty Priority: Activities funded through the Islands Cost Crisis Emergency Fund directly aligned with the strengthened child poverty focus. Workshops empowered parents with confidence in food preparation and fostered community connections. Weaning sessions ensured families received holistic support, with volunteers providing stress-free learning environments.

Childcare remains a significant barrier to accessing training and support, and Home-Start Orkney' model actively mitigates this challenge. 23 Families who attend our sessions feel confident and engaged, leading them to participate in further opportunities such as First Aid, Budgeting, Baby Massage, and wellness sessions. If this continued we could expand the sessions and widen the reach.

5. "As the cost of living is still very much a daily battle for most families, we felt offering a healthy free snack at our activities could help families prioritise their budget on other expenses and provide young people with a healthy snack option which included soup and smoothies, all provided free."

6. "On almost all of the small islands 100% of the school population have been impacted by the spend.

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“This funding enabled children to access a wide range of activities, paying for the cost of transport and the fees to attend sports club. This included flights from the isles and taxi travel on the mainland. This is leading to greater inclusion and increased confidence in the children.

“Some schools the funding has ensured that activities such as out of doors trips are fully funded. Therefore, families can attend at no cost. There are less children who do not attend residential trips as a result. Families have also expressed their relief knowing that the costs can be covered as this is an area where families keenly worry. In addition, when considering overnight and residential trips schools have also begun to think differently about the needs of families. For instance, toiletries for overnight trips have been put into dorms so that families did not have this additional cost. Funding to pay for overnight bags and clothing to attend residential trips such as pyjamas, shoes etc.

“Many of the schools have bought additional clothing with the funding, this has been done in consultation with many families. In some cases, this clothing provides an additional school sweatshirt and t-shirt. Schools have reached out to families and have provided a cash first approach to enable the families to buy trainers, coats, wellies, swimming goggles, swimming socks, swimsuits.

“By reaching out to families this has helped develop confidence to ask for help. One family reached out to get more help to apply for the Scottish Child Payment.”

7. The funded activity provided a flexible fund to cover the costs of unexpected or unmanageable bills for clients in financial crisis. This has included a wider variety of support, including necessary travel costs, fuel costs or energy debt write-off, car repairs, vet bills and replacement kitchen goods. The flexibility of the fund is key and was developed in response to the inability of previous crisis funds to respond to the root causes of financial insecurity. As a support fund within the Orkney Money Matters pathway, it from a clear assessment and referral pathway prior to financial support. 96% of clients have said it made a significant improvement to their circumstances, with a 4.85/5 rating for the service.

8. Almost all the installations provided through the ICCEF were for clients with high need and urgency. This included obvious emergency support such as heating repairs for boilers and heat pumps, to window and door replacement and roof repairs. The impact of many of these measures was to ensure households could keep warm, reduce water ingress into their property and/or avoid loss of heat through inadequate property fabric. The average cost of £1329/property is quite small relative to the ability for households to improve their overall wellbeing.

9. “The need for our Christmas grant was that it supported 390 children this Christmas, this money was spent on food, clothes, Santa gifts, a family day out treat /event, bedroom furniture or improvements. Each family was asked their intention of spend.

“The additional money was spent as a direct result of these families explaining their circumstances and any additional need in their current crisis situation. The additional support was tailored to their need and had a huge impact. We know this from the thank you emails and cards we received from these families. Furthermore, there has been a few

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families we helped at the time of crisis which has stopped further debt or hardship, and they have not fallen in further into the river of poverty.”

10. “We have been able to purchase 123 vouchers of £30.00, Housing Officers have been able to distribute these at the point of need.”

11. “Households supported included 1510 people – so these clients received supermarket vouchers, but the funding meant we were able to reallocate our own funding to ensure we could purchase items that meant our parcels are generous.

Mainland (Orkney) based clients get £20 – for up to 2 clients, £30 – 3 or 4 clients and £40 – 5 and above. Isles £25 for up to 2 clients, £40 for 3-4 clients and £55 – 5 and above.”

12. Provision of free school meals has widely accepted social, health and economic long-term benefits, as well as, in the short/immediate term, helping to mitigate other adverse effects for children and young people growing up in poverty.

The 2024-25 round of the Islands Cost Crisis Emergency Fund had a strengthened focus on child poverty. How have your activities delivered on that priority?

1. “This funding supported children in poverty in Orkney as many grandparents undertake childcare for their children who are working parents due to a shortage of childcare options. This has allowed children to be looked after in a warm home and be fed with the grandparents utilising their existing budget on food rather than energy.”

2. “Providing young people with basic but often unaffordable self-care and home care products, reducing financial strain and social stigma, allowing young people to be on par with their peers.”

3. “Our activities have ensured families with children have been reached and in particular the school children in particular receiving the hot fish n chip supper and the stay n play lunches.”

4. All of the families helped are identified as those needing assistance and they are disproportionately suffering due to poverty. Home-Start Orkney addresses child poverty through parent-powered support, helping families manage stress and build stability. Cooking and weaning workshops improve food security, budgeting, and nutrition, reducing financial strain. Volunteer-supported childcare ensures parents can access learning without barriers. Families gain skills in meal planning, waste reduction, and sustainable living, fostering economic and environmental resilience. Support sessions empower parents to pursue training, employment, and education, enhancing long-term financial security. By partnering with local services, Home-Start Orkney delivers targeted interventions, ensuring families receive holistic support during financial challenges.

5. “By providing a free and healthy snack to every young person at our sessions. Additionally, we have bought resources and upskilled staff to deliver more ‘Confidence to Cook’ courses to young people and their families. These courses are very much focussed on equipping participants how to cook healthy meals on a budget. We have targeted a wide range of young people including those in our targeted programmes such as young parents and those who attend out universal youth activities such as Friday afternoon drop ins.

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Headteacher quote:

‘They have been so grateful for the support. I had two families that were tearful because they were so relieved to have some help as the cost of living makes undertaking activities in the holidays and taking children to clubs really difficult. They were so pleased that the funds were there. They have really appreciated the very quick and straightforward access to practical help.’

7. The Orkney Money Matters (OMM) cash-first fund sets financial support based upon household demographics, as set out by the Minimum Income Standard (MIS). In practice this means that families, especially lone parents, are provided with significantly greater financial support. This is multiplied in the Isles, where families have even greater costs, so the fund is indexed to the Remote Rural Scotland MIS, which again ensures a higher value of support. Working to promote the OMM pathway through schools and the NHS, via the OMM partnership, also works towards family households having improved access to that support.

8. Almost one third of all THAW clients are households with children. The provision of support is dependent upon both fuel poverty level as well as other intersectional priorities, which includes caregiving for children and adults. Therefore, families are often eligible for higher values of financial support from the installation fund as well as increased financial support from onward referrals for other emergency support, such as the Orkney Money Matters cash-first fund.

9. “Over November and December, we verified and administered 390 Christmas grants. Each grant was £60 bank transfer for each child. Before Christmas we distributed £23,400. An additional £2,428 was allocated to families in acute crisis over Orkney, this included additional grant funding for Christmas grants for children over 16, plus other items such as coal, bedding, nappies, winter jackets. Some of these families due to circumstances had many weeks including over Christmas with no UC. From the remaining money we bought TESCO vouchers of a value of £1200 to support additional families in need. £40 x 30 vouchers. Therefore, the total spend over this period was £27,028.”

10. These vouchers are able to immediately assist families and are awarded higher values to ensure that children’s well-being is maximised at the point of crisis.

11. 541 of that number were children so as well as adding in extra items to a parcel for children the vouchers also supported them. Staff use their own discretion as to whether an additional allocation of £ is required in the case of large families and extreme need.

12. The beneficiaries were children who were entitled to free school meals, so all in households with low incomes.

5. Challenges

Have you faced any challenges so far in delivering these activities, or reaching the intended groups? Please give brief details.

1. “Initially it was difficult to get older people to engage as they did not want to share personal financial information. However, we were able to give them assurance that the process was confidential.”

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2. “Providing food with a longer shelf life, staggering the purchasing of food to allow for a longer term use.”

3. “Some mentioned they did not want to pre book through the [Trust’s] Wellbeing team as they felt vulnerable in doing so highlighting their need. We tried various options to prevent booking, but the cafe needed numbers in advance, and we needed to ensure tables were pre booked to restrict the numbers at each sitting and fair allocation. The stay ‘n’ play numbers are known for pre-allocation of funds, so we did not require pre booking it is open to all who attend. The same for the school allocation was open to ALL children at school nursery to S4 so we could provide estimated numbers for catering this and costs.”

4. Home-Start Orkney has faced some barriers, particularly around childcare availability, which limits parents’ ability to attend training sessions if volunteers aren’t available. Additionally, transportation issues can make consistent engagement difficult for some families. Ensuring volunteer capacity to support workshops while managing demand for assistance has also been a challenge.

5. “I would not say we have faced any challenges as such in delivering this, as food seems to be a key for all activities we offer now and is certainly an encouragement to get young people to participate.

“However, I applied for this funding in August time when many of our group start but unfortunately as we only received notification of our successful bid in the Autumn and this meant that we had limited time to spend this funding and were only able to offer this free food for approximately 3 – 4 months which we would ideally have liked to offer for the entire duration of the programmes.

“We also had to make sure snacks were healthy and allergen free so as to be suitable to all. Care was taken when selecting to ensure these needs were met.”

6. “Schools found it difficult to have conversations about money and financial hardship with their parents. Parents were reluctant to come forward, so schools had to think differently. However, after reaching out and establishing the trust with families this picture is changing. Schools are also becoming more confident to ask the difficult questions to parents and are also more confident to signpost families to the benefits which they may be entitled.”

7. The need to develop a fair but flexible process via the Orkney Money Matters pathway and cash-first fund, including in the provision of capital payments, did delay the first payments. However, the speed of provision has increased significantly in the last quarter.

8. As noted above, the primary challenge is the time required to follow through from assessment to the final installation, but similar work in the past has allowed THAW to keep a waiting list ready for when funding is available to speed up the process.

9. “We have not faced any challenges delivering our plans projects, however, as we are volunteers running the charity, time and resources can be a real challenge. We reached our intended groups with ease and trust as we have been running our Christmas grants for over 10 years.”

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10. "No, the vouchers are impactful and facilitate greater trust in the Association to assist with tenants' financial challenges."

11. "Only challenge is the increasing dependence on services such as the foodbank as the cost of living crisis continues to affect the vulnerable in our society."

12. None identified

Any other observations you want to share?

1. "Recipients of the grants have been very grateful for the extra money towards their energy costs over the long winter months in Orkney. It would be very much appreciated if this could continue in future years."

2. "Young people have used it well and are supportive and grateful for the space."

3. "We would look at vouchers as an alternative in future so ALL receive vouchers and they can book seats direct with the cafe as normal but just hand over the voucher instead of payment."

4. Despite these challenges, families who attend feel empowered and engaged, with many progressing to additional learning and support programs like First Aid, Budgeting, and Baby Massage. The model's trust-based approach continues to be vital in strengthening family stability and confidence.

Funding for parenting support is essential in empowering families. These sessions help parents gain confidence not only in daily caregiving but also in considering education and employment opportunities.

Providing basic cooking essentials is crucial, as many families lack the skills, resources, or confidence to prepare meals. Social eating and cooking strengthen community ties, allowing parents to share knowledge, build relationships, and support one another. These connections create lasting impact, fostering a network of mutual learning and encouragement that benefits both parents and children.

5. "Offering healthy snacks has meant the young people at our sessions are making healthier choices with nutrition during activities."

"This funding has been very welcome and extremely well received by so many. I would strongly argue for this to be available for another year to make sure that we can continue to offer this provision within all our activities in a more sustainable way."

6. "This Participation Fund has enabled people in Orkney to really consider the need that is within their school community. Rural poverty was never discussed in such detail or considered so fully."

"Schools have begun to unpick the reasons for non-participation and realise that many families are struggling with money, and this financial barrier applies to more people than was first considered."

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“It has taken a little time for schools to realise the reach that this fund can have. This is the second time that the Islands Cost Crisis Emergency Fund has been successfully bid for to enable this project. Now schools are demonstrating creativity of spend to reduce the cost for families in many different sensitive and thoughtful ways.

“This work has linked well with the wider professional development activities that have been created for headteachers and parent councils to attend around child poverty.

“The Participation Fund has provided much needed additionality to schools to help families. There is a keen desire from both parents and schools to see how this support can continue.”

7. None.

8. None.

9. “This Crisis Grant money meant the charity could focus on where the needs are and local project, without being concerned about fund raising. The additional money or items received by families, was gratefully received, and we could see poverty and hardship effects all parts of family lives, not just heating and eating. Distribution of this money also strengthen partnership working and local connections.
Thank you for this opportunity.”

10. None.

11. “Being able to provide additional funding to clients so they can purchase fresh items is very much valued by clients – we temporarily had to suspend this aspect of our service in previous years due to the volume of clients we were supporting resulting in a cash flow issue for us until we secured specific funding and the feedback from referrers was how much clients missed being able to go and purchase fresh items. Ongoing funding would be very much appreciated.”

12. None.

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Annex A

Policy Intent and Activities

Scotland's islands already experience higher costs of living, with high fuel costs, a colder climate, geography, reliance on ferry or air travel and the lack of consumer choice further intensifying the impact of the cost crisis.

Whilst island communities can access a wide range of existing funding from the Scottish Government, the continuation of the Island Cost Crisis Emergency Fund represents an additional £1 million investment in 2024-25 which has been developed to specifically recognise and tackle the challenges faced by island communities.

This funding is intended to help Local Authorities with responsibility for islands to support islanders most impacted by the cost crisis. Local Authority decisions on where funding will be directed should be based on their local knowledge and understanding of the impacts of the cost crisis on their islands. The fund should be used to target island areas only, by providing immediate help to people, communities and businesses who are struggling most, either through existing schemes and/or other new support where need is greatest. While the spirit and deliverables of the ICCEF remain the same, this year's round of the fund will have an even stronger focus on tackling child poverty. Many of the projects Local Authorities have delivered with ICCEF support so far have already had the reduction of child poverty levels as one of their main objectives. Through this additional funding, the Scottish Government and Local Authorities can increase efforts to support children in low income households on our islands.

Local Authorities have discretion to identify and support those most vulnerable and in need.

Given the flexibility around this funding, Scottish Government expects the administrative cost to Local Authorities to be minimal. In all cases, administrative costs should be kept to a minimum.

Scottish Government anticipates that the funding will be spent by 31 March 2025.

ICCEF Funding Allocation by Local Authority

Local Authority	Resource
Argyll and Bute Council	£141,000
Comhairle nan Eilean Siar	£257,000
Highland Council	£105,000
North Ayrshire Council	£57,000
Orkney Islands Council	£218,000
Shetland Islands Council	£222,000