

# Orkney Islands Council

## Scottish Welfare Fund Policy



### 1. Introduction

- 1.1 From 2013 the Council is responsible for administering a new system of Crisis Grants and Community Care Grants under a scheme called the Scottish Welfare Fund.
- 1.2 The grants are available to people who do not have alternative means of paying for what they need, they do not have to be paid back and are intended to meet one-off needs rather than ongoing expenses.

### 2. Crisis Grants

- 2.1 The purpose of a Crisis Grant is to provide a safety net in a disaster or emergency, when there is an immediate threat to health or safety of the applicant or their family.
- 2.2 The key test of eligibility for a crisis grant is the severity of the applicant's situation and the likely impact on them and their family.
- 2.3 An emergency is a circumstance of pressing need which requires immediate action. The following are examples of what might be considered to be an emergency:
  - 2.3.1 An unexpected expense has resulted in all the applicant's benefit or income being spent;
  - 2.3.2 Where money has been lost or stolen and living expenses are required;
  - 2.3.3 There is, or has been, a breakdown of relationships within the family;
  - 2.3.4 A person has nowhere to stay and may resort to rough sleeping;
  - 2.3.5 Being stranded away from home without any means to get back.
- 2.4 Disasters are unforeseen events of great or sudden misfortune. They will normally result in significant damage to, destruction or loss of, possessions or property. The following are examples for which a grant may be awarded:
  - 2.4.1 a serious flood or fire, causing substantial damage;
  - 2.4.2 loss or destruction to possessions or property;
- 2.5 To apply for a Crisis Grant the applicant should be aged 16 years or over, and be on a low income. It is for the Local Authority to determine what constitutes

a low income. A person entitled to one of the following benefits will be considered to have met the conditions of being on a low income. However it is not essential to be in receipt of one of these benefits to be eligible:

- 2.5.1 Income Support;
- 2.5.2 Income –based Jobseekers’ Allowance;
- 2.5.3 Income –related Employment and Support Allowance;
- 2.5.4 Pension Credit;
- 2.5.5 Universal Credit; or
- 2.5.6 Payment on account of one of the above benefits.

2.6 If an applicant does not meet the qualifying criterion noted above but the Council is satisfied that the applicant does not have any other means of support, and that an award would avoid serious damage or serious risk to the health or safety of the applicant or their family, an exception to the requirement for qualifying benefits may be considered: for example:

- 2.6.1 The applicant is fleeing domestic abuse and needs immediate help;
- 2.6.2 The applicant is a grandparent or other relative who is in work but has taken on care of a child/children and a transfer of the benefits in respect of the children is pending;
- 2.6.3 The applicant has received the outcome of a fit for work assessment for Employment Support Allowance and is not in receipt of benefits while they consider an appeal.
- 2.6.4 The applicant has a gap in regular income, for example due to redundancy or a significant change in working pattern.

2.7 The need must be current at the time of application, not an anticipated or past need. A short-term need may be for an item which will have a long-term use. For example, following a disaster a family may need a cooker and pans.

### **3. Community Care Grants**

3.1 The purpose of a Community Care Grant is to enable independent living or continued independent living, preventing the need for institutional care (the threat of care may not be immediate): to

- 3.1.1 to help people establish themselves in the community following a period of care where there is a risk of the person not being able to live independently without this help;
- 3.1.2 to help people remain in the community rather than going into care where there is a risk of the person not being able to live independently without this help;
- 3.1.3 to help people set up home in the community, as part of planned resettlement programme, following an unsettled way of life;

- 3.1.4 to help families facing exceptional pressures and who lack the resources to meet irregular costs to provide safe and secure environment for their family.
  - 3.1.5 to help people care for a prisoner or young offender on release on temporary licence.
- 3.2 To apply for a Community Care Grant the applicant should be aged 16 years or over, and be on a low income. It is for the Local Authority to determine what constitutes a low income. A person entitled to one of the following benefits will be considered to have met the conditions of being on a low income. However it is not essential to be in receipt of one of these benefits to be eligible:
  - 3.2.1 Income Support;
  - 3.2.2 Income –based Jobseekers’ Allowance;
  - 3.2.3 Income –related Employment and Support Allowance;
  - 3.2.4 Pension Credit;
  - 3.2.5 Universal Credit;
  - 3.2.6 Payment on account of one of the above benefits.
- 3.3 If the applicant’s circumstances suggest that they are likely to be in receipt of any of these benefits on leaving an institution or residential accommodation in which they have received support or care, the Council may make an exception to the requirement for qualifying benefits. Where this is the case and the applicant needs support to make a benefit claim, they should be referred for support to do so.
- 3.4 Applicants should not be permitted to apply for a Community Care Grant if they are:
  - 3.4.1 resident in a care home, unless there are plans for discharge within 8 weeks;
  - 3.4.2 a hospital in-patient, unless there are plans for discharge within 8 weeks;
  - 3.4.3 lawfully detained unless there are plans for release within 8 weeks, or a release on temporary licence;
  - 3.4.4 a member of a religious order who is being fully maintained by it.
- 3.5 The length of time the applicant has received care should normally either be:
  - 3.5.1 a period of three months or more or;
  - 3.5.2 a pattern of frequent or regular admission to institutional or residential care clearly linked to the nature of the applicant's disability or circumstances.
- 3.6 In the case of prisoners, the minimum period served in civil custody (rather than sentence) should be three months.

## 4. Exclusions for Crisis Grants and Community Care Grants

- 4.1 If a person has applied for a Community Care Grant or a Crisis Grant for the same items or services within the last 28 days for which an award has been made or refused and there has not been a relevant change of circumstances, the Council is not required to make a decision on the application; unless there has been a relevant change of circumstances.
- 4.2 A person should not get a Crisis Grant or Community Care Grant for any of the range of excluded needs as shown at **Annex 1** of this policy:
- 4.3 A Crisis Grant should not be paid if the applicant can access other resources to tide them over the crisis.
- 4.4 A Community Care Grant should not be awarded if the applicant or their partner has savings of over £700 if they are below pension age or £1200 if the applicant is above pension age.
- 4.5 If an applicant is without a regular income but has capital assets of over £16,000, they will be expected to raise money against those assets. If they are unable to release or raise money on the assets immediately but are able to demonstrate that they are taking steps to do so, a Crisis Grant may be appropriate in the interim.

## 5. Making an Application

- 5.1 An applicant must make a claim for a Crisis Grant or Community Care Grant on a form approved by the Council and submit the application to the Council's Enterprise & Sustainable Regeneration Service - Revenues and Benefits Team, Council Offices, Kirkwall.
  - 5.1.1 The Council will offer a face-to-face service at the Council Offices, Kirkwall;
  - 5.1.2 The Council will provide an on-line facility to download the application form;
  - 5.1.3 The Council will work with other external organisations and outlets to provide access to the application process;
  - 5.1.4 The applicant will also be offered or referred for other information or services that the Council thinks they might find useful, such as Citizens Advice Bureau, debt advice, money management, welfare advice, social services, housing services, employability, advocacy.
- 5.2 An applicant will normally be resident within Orkney.
- 5.3 The application form will request information that the Council needs to make a decision.
- 5.4 Claims will also be accepted from someone acting on behalf of the person concerned, such as an appointee or advocate if the person is vulnerable and

requires support or if the person has requested someone to act on their behalf.

- 5.5 Applicants may claim a Crisis Grant and a Community Care Grant at the same time if their circumstances make this necessary, for example a person who has left home because of violence and is in need of immediate support and longer term help to set up home.
- 5.6 The Council should not refuse Crisis or Community Care Grants on the basis that the applicant has outstanding debts to the Council; for example Council Tax arrears or an unpaid parking tickets. Any grant made to the individual should not be used to pay outstanding debt to the Council.
- 5.7 The applicant must notify the Council of any changes in circumstances that may be relevant to their application.

## **6. Income and Capital**

- 6.1 The Council shall gather information, income, savings and capital in order to determine if the applicant qualifies for a grant payment. Further information may be gathered if there is not enough information on the form or there is reason to clarify or question the information. A home visit may also be arranged to gather more information if it is considered necessary.
- 6.2 The main examples of capital to be taken in to account, though not an exhaustive list, are:
  - Current accounts
  - Savings accounts
  - National savings certificates
  - Fixed term investments
  - Endowment policies which are not held as security over property.
  - Friendly society or other deposit accounts
  - Trust funds
  - Property other than the applicant's home.
- 6.3 Certain capital assets sources of income should be disregarded for the purposes of calculating savings. Details of these are shown at **Annex 2** to this policy.

## **7. The Decision and Review Process**

- 7.1 The stages that will be followed in reaching a decision on whether or not to award a grant are as follows:
  - 7.1.1 Initial eligibility checks - including income, capital and identity checks and ensuring that the application is not excluded;
  - 7.1.2 Meeting the requirements of the grant – checking personal circumstances;

- 7.1.3 Checking if there are more appropriate support available and whether other services have already undertaken any assessments which might inform the decision making process;
- 7.1.4 Determine the priority of the application, including the nature, extent, severity and urgency of the circumstances;
- **High** priority should be given to an application if the nature of the applicant's need is judged to be immediate and severe, they are judged to be highly vulnerable, an award for the item or money requested will have a substantial or immediate sustained effect in resolving or improving the health and wellbeing of them or their family and there will be significant adverse consequences if the item or money is not provided;
  - **Medium** priority should be given to an application if the nature of the applicant's need is judged to be less immediate or severe, they are judged to be moderately vulnerable, an award for the item requested will have a noticeable effect, although not substantial or immediate, in resolving or improving the health and wellbeing of the applicant and there will be moderate adverse consequences if the item or money is not provided;
  - **Low** priority should be given to an application if the nature of the applicants need is not judged to be time critical, they are judged to have a degree of personal resilience, an award for the item requested will have only a minor effect in resolving or improving the applicant's health and wellbeing and there will not be identifiable adverse consequences if the item or money is not provided.
- 7.1.5 Checking that there is available budget to pay a grant;
- 7.1.6 Consider, according to the vulnerability of the applicant, the likely consequences of a refusal.
- 7.2 It is not intended that Crisis Grants and Community Care Grants should duplicate other provision. Grants should not be substituted for support provided under established community care arrangements.
- 7.3 The decision process will take the following factors into account:
- 7.3.1 The eligibility of the applicant in accordance with this policy and the Scottish Welfare Fund Guidance provided by the Scottish Government;
  - 7.3.2 How the grants fit in with existing social work services (including crisis payments made under Section 12 of the Social Work (Scotland) Act 1968 and Section 27 payments to offenders released from prison);
  - 7.3.3 The impact on Housing Services and support provided by registered social landlords, for example for young people leaving care or taking

up a tenancy after a period of homelessness, to ensure that the support provided is complementary;

- 7.3.4 Links with Community Planning Partners, Citizens Advice Bureau, third sector organisations, advice agencies, credit unions and other sources of affordable credit, to connect with the services and support that they provide;
- 7.4 A key element of obtaining wider support is to help prevent repeated applications in the longer term. For example, applicants may benefit from financial advice, income maximisation advice, support for housing and tenancy issues or signposting to other services.
- 7.5 All applicants should receive an official decision in writing. Crisis Grant decisions should be given as quickly as possible and should include the option of telephoning in the first instance to ensure that the applicant knows the outcome.
- 7.6 If the applicant is unhappy with the outcome of their application they may ask for a review of that decision:
  - 7.6.1 The first tier review will be undertaken by the Council's Corporate Services' – Revenues and Benefits service and will be considered by a different decision-maker, not involved in the original decision.
  - 7.6.2 The application for review should be submitted in writing to the Council's Corporate Services' – Revenues and Benefits service within 20 working days of the original decision and explain the reason for requesting a review of the decision.
  - 7.6.3 The original decision will be reviewed and either confirmed or changed in light of the information received.
- 7.7 If the applicant remains unhappy with the outcome of the first tier review of their decision they may request a second tier review of that decision.
  - 7.7.1 For Community Care Grants this review will be undertaken by a minimum panel of two people who do not work for the Council's Corporate Services' – Revenues and Benefits team.
  - 7.7.2 For Crisis Grants this review will be undertaken by a minimum panel of one person who do not work for the Council's Corporate Services' – Revenues and Benefits team.
  - 7.7.3 The original decision will be reviewed and either confirmed or changed in light of the information received.
- 7.8 If the applicant accepts the decision on their application but feel they were treated badly or have other complaints about customer service or other matters that can't be dealt with through the review process, they should make a complaint through the Council's complaints process.

- 7.9 If an applicant is not satisfied with the outcome of the second tier review, they can make a complaint to the Scottish Public Sector Ombudsman (SPSO). The SPSO will judge the actions of the Local Authority against the standards of maladministration or service failure which are the standards set out in their legislation.
- 7.10 Decision making documentation should be retained for six years in addition to the current financial years.

## **8. Payment of Crisis Grants**

- 8.1 Applications for Crisis Grants should be processed as soon as possible, but within two working days.
- 8.2 Payment may be made direct to a bank account, in cash or in kind, including, for example: food; essential heating costs; nappies; toiletries; travel costs; or costs for accommodation in a hostel.
- 8.3 There shall be no minimum payment amount for a Crisis Grant.
- 8.4 The maximum amount that a person can get for living expenses should be in proportion to the benefit they receive:
- 8.4.1 For applicants who are non-householders - 30 per cent of the Income Support personal allowance rate plus the full rate of the Income Support allowance rate for each dependent child on a pro rata basis for the number of days until their next benefit payment is due.
  - 8.4.2 For applicants who are liable for rent/mortgages etc or who are without accommodation - 60% per cent of the Income Support personal allowance rate plus the full rate of the Income Support allowance rate for each dependent child on a pro rata basis for the number of days until their next benefit payment is due.
  - 8.4.3 A child is 16 or under or aged 17-19 and still in full time education or included on their parent's benefit claim. The Council may use discretion to reduce the award where there is a very large family and the award seems out of proportion with likely living costs.
- 8.5 The number of awards that any person can receive should normally be limited to three in any rolling 12 month period across all Local Authorities. The Council is not required to make a decision on any applications received following the 3rd award.
- 8.6 The Council may use its discretion to allow more than three awards in exceptional circumstances where the applicant can evidence no fault on their part. In these cases the Council may wish to seek additional evidence and/or support the applicant to identify and address any underlying problems which are resulting in repeated crisis.
- 8.7 The Council shall set up payment systems in accordance with the Council's Financial Regulations and guidance provided by the Scottish Government.

## **9. Payment of Community Care Grants**

- 9.1 Applications for Community Care Grants should be processed within 15 working days.
- 9.2 Payment may be made in cash or kind. Awards may include delivery and installation or fitting fees: for example:
- Furniture (for example, settee, armchair, carpets, curtains, wardrobe);
  - Household equipment (for example, cooker, fridge, washing machine, bed, bedding, clothing);
  - travel costs;
  - removal expenses;
  - storage charges;
  - installation charges for cookers and washing machines;
  - connection charges for gas and electricity.
- 9.3 In making payment the Council should use a standard list of prices to identify the costs of commonly applied for items, including a guideline amount for a starter pack for setting up home. The Council will decide what support should be given and the amount of any grant, with the aim of achieving best value for money.
- 9.4 Applicants may be awarded money, or another form of support, for example travel vouchers, fuel cards, white goods or retail vouchers for items.
- 9.5 The Council shall set up payment systems in accordance with the Council's Financial Regulations and guidance provided by the Scottish Government.
- 9.6 The Council may request proof of purchase to ensure that the award has been spent on items for which it was intended.
- 9.7 The Council will make appropriate links into existing Council systems for risk assessment and detecting fraud.

## **10. Management of available funds**

- 10.1 The Scottish Welfare Fund is ring-fenced and monies allocated to the Council by the Scottish Government cannot be used for any other purpose.
- 10.2 There is a fixed budget determined by the Scottish Government but the Council can augment the Scottish Welfare Fund if it chooses to do so.

## **11. Monitoring and Evaluation**

- 11.1 The Council will be required to undertake regular statistical monitoring to help improve performance, for benchmarking, accountability and providing information for management and government purposes.

11.2 This policy will be reviewed on an annual basis and more frequently if required by changes to legislation or good practice.

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**1. EXCLUSIONS FROM A CRISIS GRANT OR COMMUNITY CARE GRANT**

1.1 A person should not get a Crisis Grant or Community Care Grant for any of the following range of excluded needs:

- 1.1.1 a need which occurs outside the United Kingdom;
- 1.1.2 an educational or training need including: clothing and tools, distinctive school uniform or sports clothes for use at school, equipment to be used at school, travelling expenses to or from school, school meals taken during school holidays by children who are entitled to free school meals;
- 1.1.3 expenses in connection with court (legal proceedings) such as legal fees, court fees, fines, costs, damages, subsistence or travelling expenses;
- 1.1.4 removal or storage charges, if the person is being re-housed following a compulsory purchase order, a redevelopment or closing order or a compulsory exchange of tenancies.
- 1.1.5 a television or a radio or a licence, aerial or rental costs, costs of purchasing, renting or installing a telephone (unless this is for the purpose of a personal alarm), mobile phones and any call charges;
- 1.1.6 repair to Council property or the property of housing trusts;
- 1.1.7 debts, debt interest, debts to government departments or Council Tax, Scottish Water water and waste charges;
- 1.1.8 any expense which the Council or other organisation has a statutory duty to meet, for example regular costs for care or housing;
- 1.1.9 a medical, surgical, optical, aural or dental item or service (note that needs under all of these headings can be provided free of charge by the National Health Service, if they are getting Income Support, income-based Jobseeker's Allowance, Employment and Support Allowance (income-related), or Pension Credit). Medical expenses, treatments, items and medications;
- 1.1.10 domestic assistance and respite care;
- 1.1.11 work related expenses;
- 1.1.12 investments;
- 1.1.13 holidays;
- 1.1.14 ongoing needs which are, or are likely to become, a feature of expenditure;

- 1.1.15 travelling expenses, with the exception of one-off expenses relating directly to the qualifying criteria, for example travelling expenses to help someone move to a new home where that move is essential to their re-integration in the community;
- 1.1.16 Maternity expenses covered by a Sure Start Maternity Grant – see regulated Social Fund;
- 1.1.17 any costs related to a person's funeral – see regulated Social Fund;
- 1.1.18 expenses to meet the needs of people who have no recourse to public funds.

## 2. **CAPITAL**

2.1 Certain capital should be disregarded. These categories of capital include:

- business assets;
- rights in schemes such as pension schemes, life insurance and funeral plans;
- amounts earmarked for special purposes such as essential repairs to property or money set aside for the future care needs of a disabled person;
- payments made for arrears of, or compensation for late payment of, social security benefits;
- payments made for expenses relating to supporting children, for example child maintenance; and
- a recent grant made by any organisation for a specific purpose or purchase relating to a disabled child or person.

2.2 The following sources of income should be disregarded for the purposes of calculating savings:

- housing benefit;
- Social Fund payments;
- Disability Living Allowance, Personal Independence Payments, Attendance Allowance or equivalents paid through industrial injuries or war pensions schemes;
- payments under Section 12 of the Social Work (Scotland) Act 1968 except where these are made for the same purpose as the application;
- savings for a child or young person who is looked after (under the Looked After (Scotland) Regulations 2009) whether in a junior ISA or other account;
- the value of the applicant's home, or premises acquired for occupation by the applicant within the next 6 months;
- the value of any premises occupied by a relative or former partner of the applicant;
- the value of any reversionary interest;
- the assets of any business owned by the applicant;
- any sum paid to the applicant in consequence of damage to or loss of the home or any personal possessions and intended for its repair or replacement;
- any sum acquired on the express condition that it is used for effecting essential repairs or improvements to the home;
- any personal possessions, except those acquired for the purpose of securing eligibility for a Crisis Grant;
- any payment made under section 22 of the Children (Scotland) Act 1995 unless the payment was made for the same need as the Crisis Grant application;
- any run-on payment of council tax discount or housing benefit;
- any compensation award set aside for the replacement of lost livelihood;
- any integration loan granted under The Integration Loans for Refugees and Others Regulations 2007 (SI 2007/1598);

- The mobility component of Disability Living Allowance or the mobility component of Personal Independence Payment.