

Overspend pushes West Lothian Council to stricter qualification rules on payouts

Only the most in need will get help from a Scottish Welfare Fund, West Lothian Council have agreed, despite fears it could impact child poverty locally.

Councillors were told a proposal to delay bringing in the tighter controls over the fund would have cost the council £19,000 a month.

And despite acknowledging that more who are struggling could face hardship, councillors did not back a call to delay imposing the controls while more research into the impact was carried out.

The council is already facing more than £100,000 in overspend on administering the two Scottish Government funds.

The Scottish Welfare Fund has been administered by councils since 2013. The fund consists of two grants: Crisis Grants and Community Care Grants. Crisis Grants (CG) meet short term financial emergencies and Community Care Grants (CCG) provide furniture for homes to help applicants set up or maintain their home.

Grant applications have climbed steadily since

Holyrood introduced the funds. Administration costs had risen with demand, but the reimbursement remains static, and the fund has not risen since lockdown.

The Scottish Government last updated the budget in 2020/21 to £40m. and the fund has always been outstripped by demand. The council has steadily tightened the purse strings to ensure that only the most acute cases receive funding.

A report to the Executive said: "Reducing levels of funding and increased demand have led to an anticipated overspend for 2024/25 of £144,000.

"Between 2021/22 and 2023/24, the council has committed an additional £2.316m to the programme funding of which £2.242m was spent.

"In addition, the annual administration budget from SG of £171,000 on average does not fully cover the cost of administering the scheme with the council supplementing the costs year on year."

Anti-Poverty Service Manager Nahid Hanif told the meeting West Lothian planned to move the strictest category introduced by the Scottish Government, dubbed 'High Most Compelling' which" can be used when budgets are under significant threat and the council is at risk of running out of funds prior to the end of the financial year."

The council's own assessment forms acknowledge that: "Moving to the 'High Most Compelling' criteria could impact local child poverty figures and impact on the council's ability to meet the outcomes of the Tackling Poverty Strategy. Fewer people will be eligible and as a consequence poverty and inequality will increase and become further entrenched for those currently experiencing poverty."

Glasgow and Edinburgh councils have already moved to use strictest category a while several other councils around

Scotland, including Aberdeen and Stirling are also considering following suit.

Ms Nahid said that if West Lothian did not adopt the stricter measure the local fund would face a £144,000 overspend by the end of the financial year.

Moving a motion to accept the proposal Councillor Lawrence Fitzpatrick said, "It grinds against us all."

The report to the Executive detailed: "The change in priority level will still provide the most vulnerable with funds to heat their home, purchase food and have somewhere to rest. Each case will be assessed on its own merit and in line with all other relevant qualifying conditions.

"However, to meet the High Most Compelling criteria, only those applicants with significant vulnerabilities and those whose safety and well-being would be at risk without a grant will qualify.

"This means that although the fund will remain open to everyone to apply, the stricter criteria will reduce the support available and may result in applicants with less vulnerabilities not being awarded at all."

SNP group depute leader Councillor Pauline Stafford said in an amendment: "It's clear that the Scottish Welfare Fund is no longer functioning sustainably as it was intended: to meet one-off needs rather than being used in relation to on-going need or increasing household debt.

"The increase in volume of repeat applications means this is no longer just a safety net but people are looking for it to plug the holes where they are unable to meet their household's basic needs of heating, eating and sleeping. The sticking plaster is no longer big enough."

She criticised the Labour Government in Westminster for

continuing with the same “penny pinching policies of the previous government.”

The amendment called for a month’s delay before any decision “until a full review of the possible impact on applicants’ living standards has been reported back. This should include information on the wider impacts seen within local authorities who have already moved to HMCP level including impact on tenancy sustainment, increase in food bank use and increase in household destitution levels.”

The Executive heard that delaying a decision could add £19,000 a month to the bill.

Councillor Fitzpatrick told the meeting: “Mitigation actions are in place”.

By Stuart Sommerville Local Democracy Reporter