

# **£20m cash injection from Holyrood to open up crisis funds for people struggling with the cost of living**

**A £20m cash injection from Holyrood will open up crisis funds to more people struggling with the cost of living this winter.**

West Lothian has seen its Scottish Welfare Fund coffers boosted by £550,000 for the rest of this financial year.

That means the tightest restrictions on who qualifies for crisis grants can be removed and more will qualify for help over the winter, a meeting of the council's Executive heard.

The restrictions were imposed just six weeks ago and Nahid Hanif told councillors that staff had had to turn away many more applicants who did not qualify for the "High Most Compelling Priority" which was imposed by the council on 1 November.

In a report to the Executive Ms Hanif said the decision to move to the most restrictive category was taken "to minimise the impact on council budgets which would have led to an overspend of approximately £144,000 for the financial year 2024/25 if no action had been taken."

On 28 November, the Cabinet Secretary for Social Justice made an announcement to parliament to confirm that there would be a further investment of £20 million into the SWF for this

financial year, 2024/25.

Ms Hanif told councillors: “Moving from the High Most Compelling priority level to the High priority level with immediate effect will enable more vulnerable households to access help and support during the winter months.

“This change is especially important as rising costs of living and increased pressure on household budgets make it more challenging for families to stay warm and manage essential expenses.”

The Scottish Welfare Fund consists of two grants: Crisis Grants and Community Care Grants. Crisis Grants meet short term financial emergencies and Community Care Grants provide furniture for homes to help applicants set up or maintain their home.

Demand on the two funds has surged in West Lothian. The SWF spend as of December 2022 was £644,931 in crisis grants, cash payments made to individuals, and £1,039,087 in community care grants. This was before tighter restrictions were put in place.

The Scottish Government distributes the annual funds using the agreed most recent Income Domain of the Scottish Index of Multiple Deprivation (SIMD) methodology. We have received confirmation that the same methodology will be used for the additional £20 million, West Lothian Council (WLC) should expect to receive an estimated £550,000.

=Ms Hanif’s report said: “The Scottish Government has not yet released guidance but it is expected that the additional funding will be ring fenced to this current financial year. On that assumption, it will be necessary to move the priority level to ensure that funds are utilised effectively.

“The available remaining budget for 2024/25 is £418,000. The estimated £550,000 additional funding will bring the remaining

available budget to £968,000.

This will result in an average monthly budget between December 2024 and March 2025 of £242,000. On the basis that this represents a material change in circumstances, Council Executive is therefore asked to authorise the priority level to reduce from HMC to High.”

Councillor Pauline Stafford asked if the move to the highest priority had any effect on the service.

Ms Hanif replied: “I think the main impact it has on the service is the difficult messages that staff are having to deliver to customers.”

Councillor Sally Pattle said: “ I just really wanted to welcome this. It must be a huge relief for many struggling families. It’s good that more people are going to be helped by this.”

By Stuart Sommerville, Local Democracy Reporter