

# **Supporting Communities Funding statement**

## **Opening**

Presiding Officer, yesterday the First Minister told the parliament that we are facing an unprecedented situation that requires an unprecedented response - at scale and pace - to help people most at risk in our community. And I want to be clear to the chamber – to the citizens of Scotland – that our actions will be guided by doing all that we can to protect the health, welfare and wellbeing of the people of Scotland.

We are in the midst of a worldwide public health emergency that is now being strongly felt here in Scotland. None of us have gone through anything like this before and so we need to respond in new ways. That means being flexible, adaptable and ready to respond to challenges as they arise.

We want to show our support to all sectors and people in Scotland. This will mean through funding, through communication, and through our actions.

Scotland's response to this pandemic will require everyone – councils, the third sector, businesses and communities in their widest sense – to work together and step up to this challenge.

The First Minister, Cabinet Secretary for Health and Sport and the Chief Medical Officer have clearly set out the groups whose health is most vulnerable from Covid-19, and who we are looking to shield most urgently. We will be working with third sector partners who have contact with, and already support, those who are clinically vulnerable, to ensure people receive the right advice on what precautions to take. Those supporting them will also have the best information available on how to keep people safe.

Our focus, of course, will be on the people and communities most at risk financially and socially. But wider society will also need our help – and we must recognise that for many people, they will not be used to asking or accessing such support. This pandemic will disrupt lives like never before and cause financial hardship and negatively impact on our wellbeing.

Actions may range from making sure people can access funds or food in times of financial crisis, to making sure homeless people are looked after, to making sure people are not lonely or feeling cut off with nowhere to turn if they are social isolating or social distancing.

Presiding Officer, we will do our utmost to respond, but just as the FM said yesterday, we need to be open and transparent

and acknowledge that sometimes we won't always get things right. Be assured however that protecting and supporting our people during these unparalleled times is the absolute focus of this government.

## **Response**

We know that as a government we must respond differently in these exceptional times. And we know we cannot do this on our own. Therefore we will work with partners and organisations in all sectors to ensure those that are able to step up and support people and communities are enabled to do so by this government.

The nature and scale of this pandemic means a dynamic and adaptable response is required. Therefore our funding package will be focused on delivery not bureaucracy; support not red tape.

We want all sectors – whether private, public, or third sector – to think about what they can do. Our collective response will be directed by the fact that local authorities, local businesses, community groups and the third sector know and understand the support needs of their communities the best.

Today, on behalf of the Scottish Government, I will announce significant resources. But let me be clear - unless we work with local partners the impact of our investment will not be felt by those that need it most. So my message today is if we can help you to help the people of Scotland, then we will.

Tell me your solutions or ideas to help those most in need, and then let us work together to provide the support required to do that at pace.

## **Announcement**

Presiding Officer, I can announce today that the Scottish Government will be making £350 million available to support people in need.

The £50 million in Barnett consequential from the UK Government's hardship fund is being passed direct to local authorities to support their own local resilience, and hardship plans. I know that the hardship fund for councils in England will be going to shore up their depleted Welfare Funds and provide more council tax relief. This is not needed for this in Scotland as, one, we have maintained our support for the Council Tax Reduction scheme over the last few years, and two, we will provide additional funds to support the scheme if necessary;

thereby freeing councils to use this money to directly address their local needs in the best way they see fit.

We will also provide an additional £45 million for the Scottish Welfare Fund, administered by our partners in local government, which makes Community Care and Crisis Grants available to those in times of crisis and emergency. This more than doubles the current £35.5 million Fund and will be accompanied by an increase in flexibilities and new guidance to make sure this fund is able to fully support people in times of financial crisis.

We also have a robust Council Tax Reduction Scheme in place that is already supporting over 450,000 people and is ready to support more. £50m of this £350m package will go towards supporting increased demand for Scottish social security benefits and increased cost of the Council Tax Reduction that we expect to see.

We will establish a £70m Food Fund to support households who may be worried about accessing food whether due to an income drop or self-isolation, including older people. Local authorities will be able to use funds to continue support to those who receive free school meals and to work with all organisations in all sectors including community groups and

local businesses to coordinate the response. Funds will also be available to support strategic national activity.

£50m will be provided for a Wellbeing Fund to provide support to our third sector partners in the main – but others also - who will require additional capacity to deal with, for example, the societal challenges caused by self-isolation or distancing and compounding the vulnerability of those already living in difficult circumstances, for example those experiencing fuel poverty, or those at risk of or experiencing homelessness.

A £40m Supporting Communities Fund will be established to underpin the inspiring work that is already underway in our neighbourhoods and communities and that will prove essential to our nation's resilience.

A £20m Third Sector Resilience fund will be established to help our valued third sector cope with cash flow and business health.

And finally we will keep £25m in reserve to allow us to flexibly respond and react with agility to the challenging times ahead that we cannot at this point plan for.

And it is with this flexibility and responsiveness that we will respond to those who are seeking to help others. Just as we are responding nationally as a government, we know groups and organisations large and small are wanting to do the same. In many cases they are already planning this response so they can support those they work with every day and their local communities.

Some have already approached us with their plans and sought our assistance. I will provide three examples of where we have agreed funding today to let that support start immediately.

Last week, Age Scotland asked us if we could help them with a significant expansion of their helpline, to increase capacity from about 100 calls a day to around 1,500. Today, the First Minister announced that we are providing £80,000 to allow Age Scotland to provide this essential support to older people.

I am also pleased to confirm today that we will be working in partnership with Social Bite to enable free food and essential supplies to be delivered to organisations working with those in need across Edinburgh, Glasgow and Aberdeen. We have made £500,000 available for this initiative which will provide up to 3,000 meals daily. This will be up and running by Friday.

We also want to ensure we are helping local grassroots organisations.

The Health Agency, a small grassroots organisation in Wester Hailes, one of the most deprived areas of Edinburgh asked us today for assistance to allow them to establish a volunteer ‘buddy’ system, to provide a check-in phone call to people in their community to ensure crucial social connections are maintained and to provide food packages for the next three months to around 400 families in a community where around 85% of children are eligible for free school meals. We have said yes to the £65,000 they need to work with the partners they have lined up to take forward this response.

These are three examples of organisations large and small stepping up when society needs them and we will support them to do so.

## **Rents**

We are also taking action to support people renting their homes. This is a time for all landlords – whether in social or private sector – to be flexible and adaptable to their tenants at a time of both national crisis and possibly personal crisis. Tenants, if you are experiencing issues paying your rent,

please go straight to your landlord and explain them. Because we as a government, and society as a whole, need landlords to help their tenants immediately as part of an overall society response. We cannot have people being made or at risk of being made homeless at this difficult time.

Today we have written to social landlords and have also urged them to be flexible and to provide support and advice to tenants experiencing financial hardship. We expect them to meet this challenge and support their tenants at this difficult time when benefits may take time to be applied for or paid. We know they have their tenants' interest at heart and both national and local government will work with them to help with their contingency and resilience planning.

In the private sector, landlords will need to be equally supportive at during this public health crisis. We need to get the balance right between protecting tenants and ensuring landlords can continue to provide housing. To support this, we will address, through legislation, a temporary change in the current Private Housing (Tenancies) Act. Currently landlords can move to eviction if a tenant is in arrears for at least three months in a row and if at least one month rent is unpaid. At present, first tier Housing Tribunals will not uphold this if the reason for non-payment of rent is a delay or failure in the

payment to tenants of welfare benefits such as housing benefit or universal credit. This is a crucial part of our current legislative protection. But this temporary change we will make goes further and will increase that rent arrears period from the current three months to six months. Let me be clear we do not want private sector landlords to be disadvantaged by a lack of rent. However, the reality of what we face means that if landlords don't support their tenants, then it's not just the tenants who will be negatively impacted, it will be all of society who will have to collectively pay for the price.

We know that many landlords have mortgages. And we know that the banks have agreed a three month mortgage holiday. We commend this and we urge private landlords who need this facility to apply for it. But we need more. We need this to be increased to six months and to provide for all mortgages including buy to rent. So I have written to UK Finance and the UK Government urging them to move to providing 6 month mortgage holidays for all mortgages. Such a move would help tenants and landlords across the UK needing this vital support . To paraphrase Fiona Hyslop from yesterday, just as the people helped our financial institutions at a time of crisis, now is their time to do the same.

## **Our actions**

Presiding Officer, this is our response to Covid-19 in terms of supporting communities. Using the powers we have, we will build on the existing support systems already in place.

We will step up our support, but we are very aware that the safety net of Statutory Sick Pay and 85% of welfare benefit spending lies with the UK Government, including all policy and administration over income replacement benefits.

Therefore, I want to urge people to ensure you are getting Statutory Sick Pay if you are eligible. If not and you have a fluctuating or reduced income or hours, or, unfortunately have been made unemployed, I strongly urge you to access Universal Credit which is a benefit that covers variety of elements including an income replacement element, rent element and child tax credits.

I know many people may not have accessed the welfare benefits system outside of child benefit or a pension before, but that is what the social security system is for.

This is the social contract we pay into – we pay for this safety net so it is available in our hour of need. Presiding Officer, this is most definitely our hour of need.

## **Welfare**

And given this is a time of great need, and whilst we welcome the actions of the UK Government to date, there are actions which can only be taken by the UK Government, as this is where policy and administration of Sick Pay and welfare benefits lies. Because the numbers relying on them will increase.

Now would be a good time for the UK Government to reconsider its approach to date on welfare and look to increase child benefit, increase the levels of Sick Pay and increase Universal Credit – or UC.

UC must be made more flexible, Hardship grants – not loans - need to be made available

The UK Government must also lift the benefit cap, increase local housing allowance rates, and most importantly reverse the cap on children.

I appreciate these are areas which the UK Government have been opposed to in principle before but these are not normal times and I would urge them to reassess these policies given the unprecedented challenges we face. I say this, not to score political points, but because of the impending and massive

need to support those already in hardship and those that will be plunged into hardship because of the impact of this pandemic.

And if the UK Government take these actions now, we will welcome them unreservedly.

## **Communities**

Presiding Officer, in amongst the many negatives we are seeking to mitigate today, what gladdens my heart are the countless acts of kindness and empathy I have seen on display.

There is no getting away from the fact that this is an uncertain time for everyone – including for government. Life as we know it is changing. We need to get used to a new normal.

And while there is a medical need for social distancing, we cannot, we must not, forget that it is connectedness and kindness that helps sustain our wellbeing.

Our communities are strong and they are resilient. And it is that strength, along with a deep desire to help, that is motivating so many groups, charities, organisations, businesses, and importantly individuals, to do what they can to look out for one

another, particularly those most at risk. That community response has been fantastic, is to be commended, and is to be emulated. We know that people will want to help others and we know we need to keep people safe.

Our first step has been to establish the funding packages I have just outlined to the chamber. Our next step will be to move to directly work with partners and community groups to ask how they can help harness this community spirit. To back up the measures to support people that I've outlined, and to also fill the gaps in lives that people may now face.

And we will be working fast to provide advice and information on how the public can help fulfil that urge and determination to help. Because I have seen it's there in abundance and we need to harness it for the public good.

We need to provide a safety net for people experiencing hardship.

And we also need to provide a community safety net for people without close families or friends nearby to help them through these challenging times.

So if any groups or organisations can safely support others in their community - whether it's with befriending phonenumber services, helping people with the messages, or walking the dog, to help people cope with the social isolation and loneliness that they could now face - we encourage them to do so.

We also are aware of the pressures that staying at home, and the potential impact for services offering support for victims of gender-based violence. We are offering weekly teleconferences with stakeholders to review impact and demand on services. Information on the support services available will be widely disseminated .

Presiding Officer, Scotland's response to tackling COVID-19 will primarily and rightly be a medical and scientific one, but the human qualities of kindness and empathy are critical to help our country emerge through this tough challenge.

Thank you.