

Item: 12

Special General Meeting of the Council: 30 June 2020.

Food Voucher Scheme.

Report by Chief Executive.

1. Purpose of Report

To consider homologating the continuation of the Food Voucher scheme.

2. Recommendations

The Council is invited to note:

2.1.

That, at the Special General Meeting held on 16 April 2020, the Council resolved to allocate £5 per head per week for travel restricted Isles' residents for an initial period of four weeks from 20 April 2020, which was subsequently implemented by issuing vouchers.

2.2.

That, in response to the Pandemic, the Scottish Government's restrictions on travel have continued to remain in place since 23 March 2020.

2.3.

That travel to the Orkney Mainland by Isles' residents for food shopping is deemed as non-essential travel.

2.4.

That, after the initial four weeks, as the travel restrictions remained, the Chief Executive exercised emergency powers to continue the Food Voucher Scheme.

2.5.

That, to date, expenditure on the Food Voucher Scheme amounts to £157,380, approximately £58,000 in excess of the £99,000 allocation from the Government Food Fund.

2.6.

That the Council is lobbying the Scottish Government through the Convention of Scottish Local Authorities for additional funding to alleviate food insecurity in the Isles.

It is recommended:

2.7.

That extension of the Food Voucher Scheme for a further eight weeks, from 18 May 2020, be homologated.

2.8.

That the excess expenditure incurred in respect of the Food Voucher Scheme, amounting to approximately £58,000, be met from the unallocated balance of £200,000 of Hardship Funding received as part of the Barnett consequentials.

3. Background

3.1.

In line with UK/Scottish Government and Transport Scotland guidance, the Council has asked Orkney Ferries Limited to ensure that only “key workers” are allowed access to travel on ferries. Therefore, travel to the Orkney Mainland by Isles’ residents for food shopping is deemed as non-essential travel.

3.2.

£30 million of the Food Fund was initially made available to local authorities for structured public sector responses, working via local resilience partnerships to support households who may experience barriers in accessing food. The allocation to Orkney Islands Council from this tranche of funding was £99,000.

3.3.

This first instalment of Food Fund monies was to provide additional resources to ensure local authorities could support families whose children were eligible for free school meals and individuals and households who are vulnerable for other reasons.

3.4.

At the Special General Meeting held on 16 April 2020, the Council approved a Food Voucher scheme to alleviate food insecurities arising on islands where travel restrictions have been imposed as a result of the coronavirus pandemic.

3.5.

The Food Voucher scheme approved the introduction of food vouchers of £5 per head per week for travel restricted Isles residents. This was for an initial period of four weeks from 20 April 2020.

4. Food Voucher Scheme

4.1.

Feedback from the scheme has been positive; however the travel restrictions have remained in place and therefore at the end of the initial four week period, the Chief Executive, following consultation with Elected Members, exercised emergency powers to extend the scheme by a further four weeks on 18 May 2020 and again for a second period of four weeks on 19 June 2020.

4.2.

The cost of the vouchers issued for the initial 4-week period is £52,460. This is for 2623 residents x £5 x 4 weeks. The total maximum cost of the voucher scheme over the twelve weeks of the scheme is £157,380. This will exceed the £99,000 Food Fund allocation by approximately £58,000.

4.3.

The scheme has been helpful for the isles residents in meeting the increased costs of shopping exclusively in their local shops but will not have fully compensated them. Further representation has been made to the Scottish Government to request further Government support for a voucher scheme at £15 per head for islands with less than 750 residents where travel restrictions are in place for shopping trips and where there is no access to national pricing arrangements.

4.4.

The Council did request to reallocate Scottish Welfare Fund funding that has not yet been called upon. The Scottish Government has confirmed that it is not permissible to redirect any of the additional Scottish Welfare Fund funding received which has not been called upon. However, the Council has been awarded £350,000 of Hardship Funding, to be paid as a redetermination in March 2021, some of which could be allocated to the Food Fund. In June 2020, the Council will also be paid an allocation of £1,085,000 from the Scottish Government distribution of £155 million of Barnett consequentials.

5. Corporate Governance

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

6. Financial Implications

6.1.

The cost of the vouchers issued to date will take the total spend to £157,380. This will exceed the allocation from the Food Fund by approximately £58,000.

6.2.

An additional £50 million of Hardship Funding in Barnett consequential for Local Government was announced on 18 March 2020 to be distributed on the basis of GAE (Grant Aided Expenditure) plus SINA (Special Islands Needs Allowance), to be paid to the Council in March 2021. The Council will receive £350,000 of this funding. £150,000 of this has been committed to the Orkney Islands Council Community Resilience Fund with £200,000 unallocated.

6.3.

It is proposed that the expenditure of £58,000 incurred on the Food Voucher Scheme in excess of the Food Fund funding allocation be met from the £200,000 unallocated balance of Hardship funding referred to at section 6.2 above.

7. Legal Aspects

7.1.

Section 95 of the Local Government (Scotland) Act 1973, as amended, obliges the Council to make arrangements for the proper administration of its financial affairs.

7.2.

In terms of Section 20 of the Local Government in Scotland Act 2003, the Council has the power to do anything which it considers is likely to promote or improve the well-being of its area and persons within it, or either of these. This includes a power to give financial assistance.

8. Contact Officers

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