

**ISLANDS COST CRISIS EMERGENCY FUND**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The Scottish Government, as part of its Emergency Budget Review, has allocated £1.4 million to Island Cost of Crisis Emergency funding, which aims to help island authorities take urgent action to support households through the cost of living crisis.
- 1.2 This funding is for 2022/23 financial year only, and will be allocated via a grant offer using 100% population formula across the six Local Authorities with responsibility for islands. At the time of writing this report the allocation per Local Authority has not yet been announced.
- 1.3 In order to ensure that this support reaches communities as quickly as possible once the allocation has been announced, this report recommends that the Policy and Resources Committee agree to delegate the arrangements for Argyll and Bute's allocation of this funding to the Executive Director with responsibility for Development and Economic Growth in consultation with the Leader, Depute Leader, Leader of the largest Opposition Group and the Policy Lead for Islands.

**2.0 RECOMMENDATIONS**

It is recommended that the Policy and Resources Committee:-

- a. Note the funding announced by the Scottish Government as part of its Emergency Budget Review for 2022/23 financial year for Local Authorities with responsibility for islands; and
- b. Agree that arrangements for the fund be delegated to the Executive Director with responsibility for Development and Economic Growth in consultation with the Leader, Depute Leader, Leader of the largest Opposition Group and the Policy Lead for Islands to ensure that the support reaches communities as quickly as possible.

**3.0 DETAIL**

- 3.1 The Scottish Government announced as part of its Emergency Budget Review that an allocation of £1.4 million will be provided to the six Local Authorities with

responsibility for islands.

- 3.2 The funding is for the 2022/23 financial year only. The fund is broken down by £1.1 million of resource and £300,000 of capital being released to provide the £1.4 million of funding to island authorities. The fund will be allocated via a direct grant, however, at the time of writing this report, the allocation for Argyll and Bute has not been confirmed.
- 3.3 The Scottish Government engaged with island authority partner providers to explore measures they are already carrying out to support households this winter and to see how support could align and complement what is already being planned.

#### **4.0 CONCLUSIONS**

- 4.1 The £1.4 million Islands Cost Crisis Emergency allocation will support those on islands facing even more significant cost of living challenges. Estimates indicate that Islands are facing around 20% to 66% higher costs of living than the UK average. High fuel costs, a colder climate and the lack of consumer choice is also intensifying the impact of the cost crisis. The delegation recommended will ensure that the Council can distribute this funding as quickly as possible, once Argyll and Bute's allocation has been confirmed.

#### **5.0 IMPLICATIONS**

- 5.1 Policy – The Scottish Government's £1.4 million Islands Cost Crisis Emergency allocation will support those on islands facing even more significant cost of living challenges.
- 5.2 Financial – Argyll and Bute's allocation of the £1.4 million fund has yet to be announced.
- 5.3 Legal – None.
- 5.4 HR – None.
- 5.5 Fairer Scotland Duty:
  - 5.5.1 Equalities – None
  - 5.5.2 Socio-Economic Duty – None
  - 5.5.3 Islands – The Islands Cost Crisis funding announced by the Scottish Government will help support our island communities who are facing a higher cost of living than the UK average.
- 5.6 Climate Change – None.
- 5.7 Risk – None.
- 5.8 Customer Service – This funding will ensure the Council are supporting our island communities and households across Argyll and Bute.

**Executive Director with responsibility for Development and Economic Growth:  
Kirsty Flanagan**

**Policy Lead for Islands and Business Development: Councillor Liz McCabe**

01 December 2022