SAVVI Financial Hardship Guide

Powers and Duties Relevant to Addressing Financial Hardship

November 2026

SAVVI
Scalable Approach to Vulnerability via Interoperability

improvement service

Powers and Duties Relevant to Addressing Financial Hardship

We've identified some of the powers and duties likely to be relevant to a Scottish local authority's remit to address financial hardship. It is provided for information only and does not constitute legal advice. Organisations must satisfy themselves that any action, decision, processing of or sharing of personal information is lawful and compliant with all applicable legislation, statutory guidance and local governance requirements, and should obtain legal advice where appropriate.

It's also worth considering the extent to which specific duties your local authority has around the administration of entitlements and benefits allow for a proactive approach to finding and supporting those who are likely to be eligible. We've covered these in more detail in the **Information Types for Financial Hardship Risk Factors** resource (See Step 2 of PURPOSE in the main SAVVI Financial Hardship Guide). Considering the full range of your powers and duties holistically could be useful when making the case for a proactive approach in your area. Check out our learning examples, here, to see how other areas have articulated this.

The Improvement Service has created a Powers and Duties portal for Scottish Local Authorities, which is an excellent resource bringing together the full range of powers and duties: Duties and Powers | Duties and Powers

General statutory powers to promote wellbeing

Power/duty	Section 20 of the Local Government in Scotland Act 2003 provides a broad power for councils to do anything they consider likely to promote or improve the wellbeing of their area or persons within their area.
Relevance and limits	This is a broad, permissive power. It allows councils to use data, partnerships, and outreach to identify residents in hardship and direct them to help. This gives a statutory basis for proactive 'find and support' activity around poverty, financial vulnerability, or inequality. **Relevance**: Broad enabling power can support proactive hardship initiatives. **Limits**: Does not remove information governance requirements or create a specific hardship dut8y.
Legislation	Local Government in Scotland Act 2003 — Section 20: https://www.legislation.gov.uk/asp/2003/1/section/20
Further information	Check out the Improvement Service's Powers & Duties Portal for more information about this power, here: Advance well-being of communities and residents | Duties and Powers

Community Planning & Poverty Reduction Duties

Power/duty	Part 2 of the Community Empowerment (Scotland) Act 2015 places duties on local authorities and partners to prepare and deliver Local Outcome Improvement Plans (LOIPs) with duties framed around reducing inequalities of outcome caused by socio-economic disadvantage.
Relevance and limits	Public bodies are required to target efforts at those most in need, which often means using data to identify hardship. Community planning partnerships (CPPs) must actively identify disadvantaged groups and coordinate support. Section 5 says: "In carrying out functions conferred by this Part, a community planning partnership must act with a view to reducing inequalities of outcome which result from socio-economic disadvantage unless the partnership considers that it would be inappropriate to do so." The act requires local authorities in Scotland, as members of community planning partnerships, to: "...take account of— the needs and circumstances of persons residing in the area of the local authority to which the plan relates." (Sections 6(4)(b), 9(4) and 10(5)(b)) **Relevance**: Proactive targeting of disadvantaged groups. **Limits**: Does not itself create data-sharing powers; governance required.
Legislation	Community Empowerment (Scotland) Act 2015 — Part 2: https://www.legislation.gov.uk/asp/2015/6/part/2
Further information	Check out the Improvement Service's Powers & Duties Portal for more information about this power, here: Consider reductions in socio-economic disadvantage in the exercise of strategic functions | Duties and Powers and the broader range of community planning powers and duties: Community Planning | Duties and Powers Scottish Government guidance on Community Planning: https://www.gov.scot/publications/community-empowerment-scotland-act-2015-part-2-community-planning-guidance/ Audit Scotland Principles for Community Empowerment: Principles for community empowerment | Audit Scotland

Child Poverty

Power/duty	Child Poverty (Scotland) Act 2017 requires local authorities and health boards to prepare annual Local Child Poverty Action Reports (LCPARs).
Relevance and limits	In the delivery plans associated with the Act, there is an explicit reference to "income maximisation" as a key approach. For example, one annex states that the delivery plan must include "the provision and accessibility of information, advice and assistance … in relation to social security matters; income maximisation; and financial support. The duty gives an implied statutory power to Scottish local authorities to act on Child Poverty through measures such as income maximisation. **Relevance**: Drives proactive identification/targeting. **Limits**: Reporting duty does not create new data use / sharing powers.
Legislation	Child Poverty (Scotland) Act 2017: https://www.legislation.gov.uk/asp/2017/6/contents
Further information	Check out the Improvement Service's Powers & Duties Portal for more information about this power, here: Produce annual Local Child Poverty Action Reports | Duties and Powers Scottish Government LCPAR guidance: Developing a local child poverty action report: guidance - gov.scot Public Health Scotland LCPAR hub: Local child poverty action reports - Local actions to reduce child poverty - Child poverty - Economy and poverty - Social and economic impacts on health - Population health - Public Health Scotland

Safeguard and promote the welfare of children "in need"

Power/duty	Section 22 of the Children (Scotland) Act 1995 places a duty to safeguard and promote welfare of children in need, including appropriate assistance where lack of resources is harming welfare.
Relevance and limits	It gives a legal remit to identify and support families in financial hardship where that hardship affects children. To identify families where financial hardship is impacting a child's welfare, and to provide direct cash assistance, vouchers / goods, help with essential costs (food, heating, clothing, travel). Act preventatively, not just in crisis. **Relevance**: Supports proactive identification of hardship where it harms children. **Limits**: Child-welfare framed not general poverty duty.
Legislation	Children (Scotland) Act 1995 — Section 22: https://www.legislation.gov.uk/ukpga/1995/36/section/22
Further information	Check out the Improvement Service's Powers & Duties Portal for more information about this power, here: Safeguard and promote the welfare of children in need and support their families | Duties and Powers Scottish Government guidance Scotland's Children: Chapter 2 Planning Children's Services - Scotland's Children - The Children (Scotland) Act 1995 Regulations and Guidance: Volume 1 Support and Protection for Children and Their Families - gov.scot

Adults with care and support needs

Power/duty	Section 12 of the Social Work (Scotland) Act 1968 provides a basis for local authorities to provide assistance to persons in need.
Relevance and limits	Local authorities commonly interpret Section 12 as enabling financial assistance to adults in need, for example: help with food, fuel, essentials when no other source is available; short-term support where lack of resources threatens wellbeing; crisis or preventative payments via social work teams rather than DWP benefits; and short-term support where lack of resources threatens wellbeing. **Relevance**: May support proactive hardship response where welfare risks arise. **Limits**: Less direct basis for population-wide "find and support"; strongest once a need has been identified.
Legislation	Social Work (Scotland) Act 1968 — Section 12: https://www.legislation.gov.uk/ukpga/1968/49/section/12
Further information	Check out the Improvement Service's Powers & Duties Portal for more information about this power, here: Provide emergency assistance in cash or kind | Duties and Powers and here for the fuller range of powers around social care: Adult Social Care | Duties and Powers Social Work Scotland — Prevention or Crisis Response?: Prevention or Crisis Response? - Social Work Scotland