

# **Winter Heating Assistance (Low Income) (Scotland) Regulations 2023**

**Child Rights and Wellbeing Impact Assessment (CRWIA)**

November 2022



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## **Which articles of the UNCRC does this policy/measure impact on?**

### **Article 2 – No discrimination**

1. The introduction of Winter Heating Payment (WHP), previously named Low Income Winter Heating Assistance (LIWHA), will not discriminate against any child or young person. It is anticipated the effects will be broadly positive by ensuring families who are on low incomes<sup>1</sup> and who have a greater need for support because of their age, or because a person within the house has a disability or there is a child under the age of 5, receive additional support towards their heating bills.

### **Article 3 - Best interests of the child**

2. Social security benefits in Scotland have been developed around the principles of dignity, fairness and respect, transparent decision making, a person centred approach and rooted in the belief that social security is a human right. WHP will have these principles embedded both in the policy and in the way in which the assistance is delivered. The WHP eligibility criteria ensures that the best interests of children of low income individuals, where they have a child under 5 in the family, or where they have qualifying benefits with premiums designed for individuals who are responsible for a disabled child, or where the child has parents with disabilities or are living with someone of pension age, are taken into account.

### **Article 12 - Respect for the views of the child**

3. WHP has been developed through the Consultation on Low Income Winter Heating Assistance<sup>2</sup>, including engagement with stakeholders that represent children's views (Child Poverty Action Group Scotland, Save the Children, Family Fund, One Parent Family Scotland). Also through our Winter Heating Benefits Stakeholder Reference Group, as well as having feedback from those with lived experience of the benefit that WHP will be replacing (Cold Weather Payment (CWP)<sup>3</sup>) through our Social Security Experience Panels<sup>4</sup>.

### **Article 23 – Children with disabilities**

4. WHP eligibility criteria targets individuals in receipt of qualifying benefits with premiums which are for those responsible for disabled children and/or who are themselves disabled and are responsible for a child, to help these families meet the additional winter heating costs. This support will help disabled children and their families during the winter months.

### **Article 26 - Social security**

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<sup>1</sup> See Qualifying Benefits table: [Low Income Winter Heating Assistance – Policy Note: Social Security Directorate – Policy Division June 2022 \(www.gov.scot\)](#)

<sup>2</sup> [Published responses](#)

<sup>3</sup> [Cold Weather Payment: Overview - GOV.UK \(www.gov.uk\)](#)

<sup>4</sup> [Social Security Experience Panels: publications](#)

5. We have engaged with individuals and stakeholders to consider the impact that WHP will have on those who previously received CWPs. We have taken an automated approach to ensure that, in the majority of cases, payments will be made to those who meet the eligibility criteria within the qualifying week, without the need for an application, reducing the burden on the client. This will ensure that payments continue to be made to those who need it most and by doing so we meet our underlying principles of dignity, fairness, and respect.

6. The key aim of the WHP is to provide targeted, reliable support to households with low incomes who are most in need with help towards their increased heating costs during the winter. By providing additional support to these individuals it will allow them to maintain warmer temperatures in their home during the winter, helping to provide an adequate standard of living.

### **What impact will your policy/measure have on children's rights?**

7. Positive.

### **Will there be different impacts on different groups of children and young people?**

8. Article 1 of the UNCRC defines a child as anyone under the age of 18, unless under the law applicable to the child, majority is attained earlier. The Child Poverty (Scotland) Act 2017 states that a child is "(a) a person under the age of 16, or (b) a person who is a qualifying young person for the purposes of Part 9 of the Social Security Contributions and Benefits Act 1992." Some of these groups of children who are impacted by WHP will have protected characteristics under the Equality Act 2010 (e.g. disability, race, religion or belief, sex, sexual orientation).

9. The introduction of WHP will have different impacts on different groups of children. The support is targeted towards those who might have a greater need for help with their heating bills including families with a young child (under the age of 5) or those who have a child with disabilities. It will also impact children who have parents with disabilities or are living with someone of pension age who meet the eligibility criteria for a WHP payment.

### **If a negative impact is assessed for any area of rights or any group of children and young people, can you explain why this is necessary and proportionate? What options have you considered to modify the proposal, or mitigate the impact?**

10. One of the most significant concerns that was raised in consultation responses was that people that live in areas where, historically, the household have received more than two CWPs a year (at a value of £25 per payment) may receive less support through WHP. Where children or young people are present within these households then it is possible they will be effected. It is not possible to say whether

this will have a negative effect as we can only measure the comparative value of the payment in retrospect when we know how many contingent payments have actually been triggered.

11. However, the unpredictable nature of weather dependent payments is one of the key drivers of our proposed change in approach. There has been significant variability in payment numbers in previous winters where in many cases people have received no CWPs. Data<sup>5</sup> from previous years shows that approximately 1,000 people who live within the Braemar weather station area have historically experienced more than 2 cold spells in each of the past 7 years, which will have triggered payments totalling more than £50 annually.

12. There are seven other areas which have received more than 2 CWPs in at least 2 of the past 7 years. DWP estimates show that in 2021-22 there were only 6 cold weather spells triggering payments in 4 out of the 27 areas identified through weather stations in Scotland (Aboyne, Aviemore, Braemar and Loch Glascarnoch) with only £325,000 of support provided to these households. Braemar received 3 CWPs (at a value of £75). This resulted in only 11,000 people receiving at least one payment out of the 394,000 eligible recipients<sup>6</sup>.

13. Our change in approach, moving away from weather dependency, means that we will ensure that all households who have been identified as requiring additional support towards paying increased winter heating bills will receive it, regardless of weather, temperature or where they live.

14. We considered a number of options to mitigate the impact, including increasing the value of the payment as well as the possibility of making more than one payment to target areas that have historically seen more frequent cold weather events. However, any increase in value of the payment would significantly increase the budget required and an increase to WHP would not be affordable at this time. Making more than a single payment to eligible clients each winter would inevitably increase the complexity and cost of delivering WHP. The impact on both complexity and cost would depend on how many payment cycles were to be introduced, but making more than one payment to eligible clients each winter would add increased risk to the delivery of the benefit and increased staffing requirements for Social Security Scotland. However, we retain in the underpinning legislation the ability to legislate for additional payments to be made should the need arise and the funding be made available.

## **How will the policy/measure give better or further effect to the implementation of the UNCRC in Scotland?**

15. Through WHP, the Scottish Government continue to take proactive steps to ensure the protection of children's rights, including the right to benefit from social security (Article 26) and the right to a standard of living (article 27) that is good enough to meet their physical and social needs.

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<sup>5</sup> [Social Fund Cold Weather Payments - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>6</sup> [Cold Weather Payment estimates: 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

16. Although it is difficult to quantify the impact the introduction a new benefit like this would have on reducing the fuel poverty rate in Scottish households, data from the Scottish House Condition Survey 2019 showed that, 37% of households receiving CWP were fuel poor. If the weather dependent criterion is removed this would rise to 45%<sup>7</sup>. WHP will provide guaranteed income to families on low incomes who have been identified as most in need of additional support (households with children under 5, a disabled child or children living in a household with a disabled adult or older person).

## **How have you consulted with relevant stakeholders, including involving children and young people in the development of the policy/measure?**

17. Throughout the consultation period we have engaged and had feedback from stakeholders who represent and work with children and disabled people directly including Child Poverty Action Group Scotland, Save the Children, Family Fund, One Parent Family Scotland and Inclusion Scotland.

### **Consultation**

18. In consulting on the proposed introduction of LIWHA the following question was specifically posed to respondents: *‘Please set out any information you wish to share on the impact of LIWHA on children’s’ rights and wellbeing’*

19. A total of 27 respondents provided an answer to this question<sup>8</sup>. Key themes in these responses in regards to children’s rights and wellbeing-specific impacts were:

- Increase in income
- Improving the outcomes (health, wellbeing, development) of children in Scotland
- Families potentially losing out through change from CWP to LIWHA
- Introduction of a ‘qualifying week’ meaning families with a new-born could miss out

20. Responses to the public consultation on LIWHA (now WHP) indicated that the introduction of the benefit would have a positive impact on children and respondents acknowledged the introduction could provide an increase in income for eligible families, improving the health, wellbeing and development of more children in Scotland.

21. Whilst concerns were raised around the value of the payment not being sufficient, in particular for children who have a disability with the Poverty & Inequality Commission for Scotland believing the amount of assistance was not high enough to fully ensure disabled children’s right to ‘enjoy a full and decent life’, in general

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<sup>7</sup> Source: SHCS 2019

<sup>8</sup> [Low Income Winter Heating Assistance \(LIWHA\): Analysis of Consultation Responses: Final Report \(www.gov.scot\)](http://www.gov.scot)

respondents thought it would have a positive effect. Family Fund supported the introduction saying *'We believe that LIWHA will enable more children to enjoy their right to an adequate standard of living that is good enough to meet their physical and social needs and support their development. We also believe that it will support children to enjoy their right to the best possible health'*.

22. Following the analysis of the consultation responses we considered a number of options including increasing the value of the payment and extending eligibility to a variety of groups. Our considerations are set out below:

#### Value of the Payment

23. The consultation proposed a single annual payment of £50, equivalent to the value of two CWPs. Many consultation respondents thought this should be higher; suggestions tended to range between £75 and £100. However, this would increase the forecasted annual expenditure from £20 million to between £30 million and £40 million, assuming the same number of recipients of qualifying benefits.

24. Any increase in value of the payment would affect the annual expenditure and such an increase at this time would not be affordable. We have therefore not made any changes to the value of the payment.

#### Qualifying Benefits

25. Many respondents to the consultation suggested extending eligibility to include other qualifying benefits such as those paid to carers and people with disabilities, including expanding eligibility to those in receipt of PIP and DLA. Others proposed removing the requirement for receipt of premiums relating to disabilities and children in the current qualifying benefits, widening the scope to a wider group of people. Other suggestions included extending eligibility to households on low incomes who do not receive any benefits.

26. Adding to the qualifying benefits for WHP could extend eligibility to potentially a significant number of people who are not necessarily on a low income and who could be in employment. We could not therefore deliver WHP to an extended group of eligible clients and still launch the new benefit by winter 2022-23 as we have committed. Due to the overlap between the current eligibility for CWP and those households who have need for an enhanced heating regime, it is considered that the present proposals are appropriate to ensure that the new payment is targeted to individuals who are most in need. Any increase in value would significantly increase the funding required and this needs to be considered against affordability and value for money.

27. We recognise that the costs associated with heating homes has increased significantly since the initial development of WHP policy. This policy aims to mitigate some of the challenges presented by the volatile winter energy costs for vulnerable households and also to help alleviate poverty and inequalities. The current record rise in global gas prices which has seen wholesale prices increasing significantly in the last year, heightens the risk that despite this financial support, there will be an ongoing need to support those at risk of, or in, crisis.

28. The Scottish Government's annual expenditure on WHP will exceed the funding provided for CWP through the Block Grant Adjustment (BGA). We have made a choice to invest over and above the corresponding level of funding that we are forecast to receive from the UK Government and this therefore limits the scope for additional increases to the value or frequency of payments from within our fixed budget. We do not, therefore, intend to change the eligibility criteria.

29. We also considered the length of time between the qualifying week, when eligibility will be assessed, and the payment. Concerns were raised that the proposed qualifying week in September was too far away from when the payment would be received in February. Respondents also highlighted that a payment earlier in the winter may be preferable. As a result of these considerations we have moved the qualifying week from the proposed date in September to November and have committed to undertaking further work following the launch of the benefit to explore the feasibility of bringing forward the payment date in future years.

30. In replacing CWP with WHP we must ensure that our approach meets the commitment, that people who previously would have received a CWP (should the weather conditions have been met) continue to receive winter heating support with minimal disruption.

## **What evidence have you used to inform your assessment?**

31. A variety of information sources were used in compiling this CRWIA, including:

- Scottish Health Survey<sup>9</sup> 2019 and 2020;
- Scottish Household Survey<sup>10</sup> and Scottish House Condition Survey<sup>11</sup>;
- Scotland's Census 2011<sup>12</sup>;
- Equality Evidence Finder<sup>13</sup>;
- Social Security Experience Panel findings<sup>14</sup>; and
- Low Income Winter Heating Assistance Consultation<sup>15</sup>.

## **Poverty in children and young people**

32. Child poverty and material deprivation is associated with both immediate and long term health issues; cognitive, social, emotional and behavioural development concerns; as well as a negative impact on young people's future life prospects<sup>16</sup>.

33. It is estimated that 24% of children (240,000 children each year) were living in relative poverty after housing costs in 2017-2020. Before housing costs, it is estimated that 21% of children (210,000 children each year) were in relative

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<sup>9</sup> [Scottish Health Survey](#)

<sup>10</sup> [Scottish Household Survey](#)

<sup>11</sup> [Scottish House Condition Survey](#)

<sup>12</sup> [Scotland's Census 2011](#)

<sup>13</sup> [Equality Evidence](#)

<sup>14</sup> [Social Security Experience Panels - Low Income Winter Heating Assistance: survey findings](#)

<sup>15</sup> [Low Income Winter Heating Assistance \(LIWHA\): consultation](#)

<sup>16</sup> [Health and Early Years, Children and Young People](#)



poverty<sup>17</sup>. Children in this context refers to ‘dependent children’; a dependent child is a person either aged 0-15, or aged 16-19 and: not married nor in a Civil Partnership nor living with a partner, and living with their parents, and in full-time non-advanced education or in unwaged government training.

34. We also know that children in households with a disabled person were more likely to be in poverty (30%) than in other households (21%)<sup>18</sup>. The significance of the poverty rate is key as the longer that children experience poverty, the greater the damage to their health, wellbeing and life chances<sup>19</sup>. From birth, without support, children living in poverty are twice as likely to fall behind their peers in all aspects of their development.

35. Between 2018 and 2020, 37% of households in Scotland with dependent children were financially vulnerable in comparison to 28% of households without any dependent children<sup>20</sup>. A household is ‘financially vulnerable’ if there are not enough savings to cover basic living costs for three months. Basic living costs include average costs of rent, food and fuel, such as gas and electricity. The groups of households that are most likely to be financially vulnerable (workless, young, with children, lone parents) are often small, so the bulk of financially vulnerable households is made up of households with different characteristics.

36. Lack of money (regardless of the precise measure used) also appears to be independently associated with worse child health outcomes<sup>21</sup>. Studies show that there are significant negative effects of cold housing in terms of infants’ weight gain, hospital admission rates, developmental status, and the severity and frequency of asthmatic symptoms.<sup>22</sup>

### **Fuel poverty**

37. The Scottish House Condition Survey data (December 2019)<sup>23</sup> indicates that around 613,000 households (24.6%) in Scotland live in fuel poverty, with 311,000 (12.4%) of them living in extreme fuel poverty. Around 16% of households in fuel poverty are families with children.

38. A report by the Children’s Commission on Poverty in 2013 surveyed around 2,000 children between the ages of 10 and 17. Children were asked about the level of warmth in their homes during the winter. Over half of children who said that their family is ‘not well off at all’ (54%) also said that their homes were much or a bit colder than they would have liked and a quarter said that their home had damp or mould<sup>24</sup>. Children and young people living in damp, mouldy homes are more prone to respiratory problems, potentially leading to sleep loss and restrictions on children’s

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<sup>17</sup> [Poverty and Income Inequality in Scotland 2018-21 - analytical report \(data.gov.scot\)](#)

<sup>18</sup> [Child and adolescent health and wellbeing: evidence review - gov.scot \(www.gov.scot\)](#)

<sup>19</sup> [Addressing child poverty in Scotland: the role of nurses](#)

<sup>20</sup> [Wealth in Scotland 2006-2020 \(data.gov.scot\)](#)

<sup>21</sup> [Glasgow Centre for Population Health - Poverty, Parenting and Poor Health](#)

<sup>22</sup> [the-health-impacts-of-cold-homes-and-fuel-poverty.pdf \(instituteofhealthequity.org\)](#)

<sup>23</sup> [Scottish house condition survey: 2019 key findings](#)

<sup>24</sup> [The Children's Commission on Poverty](#)

daily activities. Housing quality can also impact on educational attainment, for example if there is insufficient quiet, warm space for children to do their homework<sup>25</sup>.

39. In a 2015 study commissioned by Affordable Warmth Solutions (AWS) and undertaken by The Children's Society (TCS) and National Energy Action (NEA) which included 20 households, with a total of 20 adult participants and 35 children and young people, the following conclusions were reached. The effects of fuel poverty are far-reaching, spanning different areas of life (personal, social, economic) and penetrating deep into the rhythms and patterns of daily living. Attempts to cope with any given aspect of fuel poverty often result in aggravating other aspects of the problem, and people thereby unwittingly undermine their own efforts to manage.

40. The financial and emotional resources required to cope with the effects of fuel poverty leave inadequate room for pursuing dreams or for coping with life's other hardships. The effects of intervening to alleviate fuel poverty are far-reaching, with the potential to break cycles of negative consequence and foster positive outcomes in emotional and social, as well as economic, terms. The report makes a variety of policy recommendations including the provision of energy bill support and income support, in particular to the most vulnerable families with dependent children<sup>26</sup>.

41. The introduction of WHP will provide guaranteed support to families on low incomes with young children (under the age of 5) or those with disabled children. Whilst we acknowledge that the cost of living crisis has had a significant effect, especially for those on lower incomes, WHP has the potential to have a positive impact for families with children and young people. The removal of the weather dependency aspect of this will provide around 400,000 households with an annual payment of £50. This will be an investment of around £20 million each year to support people towards the costs of heating their homes no matter what the weather or temperature.

## **How will the impact of the policy/measure be monitored?**

42. The Winter Benefits Stakeholder Reference Group will continue to play a vital role in the development of WHP policy and practice. The group membership is comprised of key stakeholders supporting and representing the needs of WHP recipients. The group provides a forum for dialogue and will monitor the implementation of the benefit, raising any issues voiced by eligible recipients and organisations.

43. The Scottish Government will put in place a monitoring and evaluation plan for WHP which takes account of the issues identified within this impact assessment. Monitoring the impact of the WHP will be a continuous process and where any unintended consequences are identified, we will consider what steps can be made to minimise any negative impact.

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<sup>25</sup> [Health and Early Years, Children and Young People](#)

<sup>26</sup> [AWS Fuel Poverty Report](#)

44. The Social Security (Scotland) Act 2018 places a duty on the Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish social security system during the previous financial year. The report is to describe what the Scottish Ministers have done in that year to meet the expectations on them set out in the charter and will include information on the impact on protected characteristics. This work will also be reviewed against progress of commitments within the Scottish Government's Best Start, Bright Futures Child Poverty Delivery Plan.

45. Once payments are being made we will, as with other benefits, seek to make ongoing improvements based on the feedback of applicants. We will collate management information to monitor the characteristics of recipients and will undertake qualitative research to test whether WHP is meeting its policy intentions. This will inform any future consideration of variations to policy or delivery arrangements.

### **Getting it right for every child (GIRFEC) wellbeing indicators**

46. Wellbeing sits at the heart of the GIRFEC approach and reflects the need to tailor the support and help that children, young people and their parents are offered to support their wellbeing.

47. Wellbeing indicators (Safe, Healthy, Achieving, Nurtured, Active, Respected, Responsible, Included) are set out in the Children and Young People (Scotland) Act 2014. Of the eight indicators, WHP policy positively relates to:

**Healthy:** The introduction of WHP will ensure low income households that contain children and young people and that are identified as most in need receive reliable financial support to heat their home during the coldest period of the year. This will improve the financial position of households in this group, supporting them to turn on their heating more often, improving their home environment which will support their health and enhance their wellbeing.

**Achieving:** The introduction of a stable annual payment will ensure all households that meet the criteria will not be as financially constrained due to living in a household with a low income. This will provide a warmer home environment in which a child or young person can do their homework or study, for example, which in turn can support them to achieve good outcomes in their life.

**Nurtured:** The introduction of WHP will help to ensure all those entitled receive support towards their heating bills, reducing the financial constraints in the household, the stress associated with this and support the provision of a nurturing environment.

**Included:** The additional support towards heating costs may mean a household can afford to send their child to an after school activity, for example, making the child feel more included in their peer group and may help to overcome economic inequality.

## **How will you communicate to children and young people the impact of the policy/measure on their rights?**

48. This policy is aimed primarily at supporting adults within the household, whilst taking into consideration the specific household circumstances. We will continue to engage with stakeholders through our Winter Heating Benefits Stakeholder Reference Group, including those who represent the views of children and young people and those with disabilities.

### **Sign & Date**

Policy Lead Signature & Date of Sign Off: Owen Allen, Social Security Policy

Deputy Director Signature & Date of Sign Off: Ian Davidson, Deputy Director, Social Security Policy

10 November 2022