EXPLANATORY MEMORANDUM TO

THE SOCIAL FUND COLD WEATHER PAYMENTS (GENERAL) AMENDMENT REGULATIONS 2013

2013 No. 248

1. This explanatory memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

This instrument makes changes to the Cold Weather Payment (General) Regulations 1988 http://www.legislation.gov.uk/uksi/1988/1724/contents/made to enable Universal Credit to act as a gateway to the Cold Weather Payment scheme if a claimant satisfies certain eligibility criteria.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Context

The introduction of Universal Credit means that the current income-related benefits (i.e. Pension Credit, Income Support, income-based Jobseeker's Allowance, and income-related Employment and Support Allowance) which, at present, act as a gateway to the Cold Weather Payment scheme will be phased out. The Cold Weather Payment Regulations must be amended in order to incorporate Universal Credit as a gateway to entitlement.

5. Territorial Extent and Application

This instrument applies to Great Britain.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- What is being done and why
- 7.1 Currently, people in receipt of Pension Credit are automatically awarded a Cold Weather Payment if the weather conditions are such that payments are triggered. In order for people of working age to be entitled to a payment they must not only be in receipt of either Income Support, income-based Jobseeker's Allowance or income-related Employment and Support Allowance but must also satisfy other criteria relating to either disability or age (i.e. children must be under 5 years or partners must have reached pension age).
- 7.2 When Universal Credit is introduced, the working age income-related benefits that currently provide eligibility for Cold Weather Payments will start to be phased out. Unlike

the income-related benefits however, Universal Credit is available to people both in and out of work. Therefore, simply extending the Cold Weather Payment regulations to include Universal Credit as a gateway to the scheme would undermine the underlying principle behind the scheme (which is primarily to help only the most vulnerable with the extra costs associated with heating a home during periods of extremely cold weather). In addition, even though Universal Credit applies a much stricter definition to disability and does not make additional provision for partners who have reached pension age, annual expenditure for Cold Weather Payments could increase by as much as £180m (depending upon the severity of the winter) if the qualifying conditions remained unchanged. For these reasons the Cold Weather Payment scheme has not been extended to include all Universal Credit recipients who satisfy the qualifying criteria.

7.3 From the start of the 2013 winter season (1st November) the Cold Weather Payment regulations will be extended to allow recipients of Universal Credit who are not employed or self-employed to access the Cold Weather Payment scheme if they or their partner receive either a limited capability for work element or a limited capability for work element with a work related activity element; or a disabled child element within their assessment; or they have a child under the age of 5 years in the family. Universal Credit recipients who are employed or self-employed will not have access to the Cold Weather Payment scheme unless they have a disabled child in the family.

Consolidation

7.4 Informal consolidation of this instrument will be included in due course in the Department's "The Law relating to Social Security" (The Blue Volumes) which are available at no cost to the public in main libraries and on the internet at: (http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security).

8. Consultation Outcome

8.1 A formal consultation exercise has not been undertaken as the amendment is a consequential change following the Welfare Reform Act 2012, which introduced Universal Credit as a new benefit. The introduction of Universal Credit was subject to a full consultation.

http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/universal-credit/

8.2 The draft Regulations have been considered by the Social Security Advisory Committee which is content with them and has not referred them for consultation.

9. Guidance

Before the Regulations come into force a bulletin will be provided to Department for Work and Pensions decision makers to inform them of the changes prior to the start of the winter season (i.e. 1st November 2013).

10. Impact

- 10.1 There is no impact on business or civil society organisations.
- 10.2 The impact on the public sector is negligible.

10.3 An impact assessment has not been published for this instrument.

11. Regulating small business

The legislation does not apply to small business.

12. Monitoring & review

The Cold Weather Payments scheme is reviewed annually by the Department for Work and Pensions in consultation with the Meteorological Office.

13. Contact

The Social Fund Policy Team at the Department for Work and Pensions (email: socialfundstrategy.singlepointofcontact@dwp.gsi.gov.uk or telephone 020 7449 5266) can answer any queries about this instrument.