

Low Income Winter Heating Assistance – Policy Note
Social Security Directorate – Policy Division
June 2022

This note sets out a broad summary of Low Income Winter Heating Assistance policy. These draft regulations are provided to the Scottish Commission on Social Security (SCoSS) as required by section 97(2) of the Social Security (Scotland) Act 2018.

Background

1. Section 30 of the Social Security (Scotland) Act 2018 confers powers on Scottish Ministers to make regulations prescribing the eligibility rules for assistance provided under section 24 of the 2018 Act to help an individual to meet, or help towards meeting, the individual's heating costs during the winter months.
2. We are introducing Low Income Winter Heating Assistance (LIWHA) which will replace the UK Government's Cold Weather Payments (CWP) in Scotland from winter 2022-23.
3. Everyone who would currently be eligible for CWP due to being in receipt of a specified low income reserved benefit¹ will automatically be eligible for a LIWHA payment. Its key policy aim is to mitigate some of the impact of additional domestic heating costs in winter by providing targeted, reliable financial support to households with low incomes. LIWHA will be a single annual payment of £50, equivalent to the current value of two CWP awards. We anticipate that approximately 400,000 individuals will receive LIWHA each year.
4. The first payments of LIWHA will be made in February 2023. This is considered the optimal date for delivery given the schedule of other benefit delivery this winter and the requirement to build and test capacity for Social Security Scotland to manage the 400,000 cases requiring payment. February was also identified as one of the coldest months where the most CWP were previously paid.
5. We consulted between 1 December 2021 and 25 February 2022 on the proposed policy: replacing occasional, weather-dependent payments of £25 to recipients of certain low income benefits with annual payments of £50 to the same people regardless of weather. The consultation asked about the following areas:
 - Whether the proposals are likely to meet the policy intent;
 - Whether the eligibility criteria are clear;
 - The amount, format and timing of the payment; and
 - Our assessment of the impact of the policy.
6. We received 119 responses to the consultation:

¹ Pension Credit, Income Support, income-based Jobseekers Allowance, income-related Employment and Support Allowance, Universal Credit and Support for Mortgage Interest. Additional qualifying criteria in relation to premiums paid because the client is disabled or because the client has a young or disabled child in their household also need to be met.

- 36 were submitted on behalf of organisations including Energy Action Scotland, The Energy Savings Trust, Poverty Alliance, Child Poverty Action Group, Age Scotland, The Poverty and Inequality Commission, Inclusion Scotland and the Scottish Federation of Housing Associations;
- 83 responses were made by private individuals

7. The consultation analysis was carried out by an independent research organisation and the report has now been published: <http://www.gov.scot/ISBN/9781804355244>. You can find the Scottish Government's response to this here: <http://www.gov.scot/ISBN/9781804355251>

We had additional engagement with people who have experience of the social security system through our Experience Panels. This has been analysed by the Scottish Government's Communities Analysis Division (CAD) who have produced a report: <https://www.gov.scot/isbn/9781804354735>

Eligibility

8. In order to identify eligible clients before any payments are made, we intend to set a qualifying week. This is similar to the approach taken currently by Child Winter Heating Assistance and Winter Fuel Payment (of which a replacement benefit is due to be delivered in winter 2024).

9. A person will be eligible if, during the qualifying week, they are:

- In receipt of a qualifying benefit and premium (set out on the following page)
- Is resident in Scotland

10. We are using qualifying benefits (as well as specific premiums within each benefit) to identify the groups of people who require additional support. This includes households with a child under the age of 5, households with a disabled person (adult or child) and households which include an older person.

11. The benefit will not be exportable and so will only be available to those who are resident in Scotland during the qualifying week.

12. To address concerns about the length of time between the proposed qualifying week in September and the date of payment we now propose to have the qualifying week in November and have committed to exploring making payments earlier than February in future years.

Delivery

13. DWP will provide Social Security Scotland with the data required to make payments for all clients who were in receipt of one of the qualifying benefits (including a premium) for at least one day of the qualifying week and who are resident in Scotland. This data will be processed by Social Security Scotland and payments made to each of these individuals in February.

14. The entitlement to LIWHA of each of these individuals will be subject to a determination without application under the provision in these regulations made under section 52 of the Social Security (Scotland) Act 2018. This mechanism provides Scottish Ministers with powers to make determinations, in such circumstances as prescribed in regulations, without receiving an application. This should ensure take-up levels are high and reduces the burden on the people who are in need of the support.

15. For anybody who wishes to make an application for LIWHA, Ministers would be under a duty to make a determination of an applicant's entitlement on receiving an application in terms of section 37 of the Social Security (Scotland) Act 2018.

16. Each of these determinations will be subject to both redetermination and to appeal rights. It is however unlikely that individuals receiving a payment of £50 would request a redetermination, given that they have already been determined to be entitled to the only level of assistance provided for under LIWHA.

Qualifying Benefits

Benefit in Payment	Qualifying Conditions For LIWHA
Income Support (IS)	A person may be entitled to LIWHA if they receive a disability premium, a severe or enhanced disability premium, any one of the pensioner premiums, a child disability premium within IS or a disability element within Child Tax Credit (CTC) or they have a child under 5 years.
Income Based Jobseeker's Allowance (JSA (IB))	A person may be entitled to LIWHA if their award includes a disability premium, a severe or enhanced disability premium, any one of the pensioner premiums, a child disability premium within JSA(IB) or a disability element within CTC or they have a child under 5 years.
Income Related Employment Support Allowance (ESA (IR))	A person may be entitled to LIWHA if they are placed in the support group or the work-related activity group or receive a severe or enhanced disability premium, pensioner premium, or have a child who is disabled for whom they receive a disability premium within CTC or have a child under 5 years.
Pension Credit (PC)	Entitled to LIWHA
Support for Mortgage Interest loan (SMI)	A person may be entitled to LIWHA if they receive a disability premium, a pensioner premium, have a child who is disabled for whom they receive a disability premium within CTC or have a child under the age of 5.
Universal Credit (UC)	<p>A person may be entitled to LIWHA if:</p> <ul style="list-style-type: none"> • they have a child living with them aged under 5 • their CTC includes a disability element • their UC award includes an amount for a child or qualifying young person who is disabled • the individual is determined as having limited capability for work or limited capability for work and work-related activity <p>In addition they must also not be employed or self-employed, except where there is a child who is disabled in the family.</p>