

EXPLANATORY MEMORANDUM TO
THE SOCIAL FUND COLD WEATHER PAYMENTS (GENERAL) AMENDMENT
(NO. 2) REGULATIONS 2010

2010 No. 2591

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

2.1 This instrument amends the Cold Weather Payments scheme to provide that the amount of the payment will be £25.00 instead of £8.50. The new amount will apply for the 2010/11 and subsequent winters (unless amended by further regulations).

2.2 It also corrects a minor error in the Social Fund Cold Weather Payments (General) Regulations 1988 ("the 1988 Regulations") and revokes spent provisions to earlier amending instruments.

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

3.1 The Regulations come into force on 1st November 2010, less than 21 days after laying them before Parliament.

3.2 The Department regret this breach of the 21 day rule; also that this measure was not included in the Social Fund Cold Weather Payments (General) Amendment Regulations 2010 (S.I. 2010/2442) which were laid before Parliament on 11th October 2010 and which made detailed changes to weather stations and postcode links. It was not possible to include the rate of the payment in these regulations as the rate was still being considered as part of the Spending Review and was not announced until 20th October 2010 when the rate of £25.00 was made permanent. We are further amending the 1988 Regulations (because previously this rate had applied only as a temporary measure for the 2008/09 and 2009/10 winters and then reverted to the previous rate of £8.50). If the Regulations were to come into force on a date later than 1st November, payments would have to be made at that lower rate in the event of a qualifying period of cold weather in early November.

4. Legislative Context

4.1 The Cold Weather Payment scheme has operated broadly in the same way since 1991. Each year the scheme is reviewed, and where necessary changes made prior to the following winter. The rate was increased to £25.00 for the 2008/09 and 2009/10 winters by regulations which lapsed at the end of those winters. The new instrument ensures that payments will also be made at £25 for winter 2010/11 and future years until the rate is further amended.

5. Territorial Extent and Application

5.1 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 Cold Weather Payments provide help to meet heating costs incurred, or likely to be incurred in cold weather. That is when the average of the mean daily temperature for a period of seven consecutive days at given weather stations is recorded as, or is forecast to be 0 degrees Celsius or below. People who qualify for help are pensioners in receipt of Pension Credit or people of working age who receive Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) and a disability, severe disability, pensioner or child disability premium is in payment or they have a child aged less than 5 years. If someone is in receipt of income-related Employment and Support Allowance they must also receive the support or work-related activity component, a severe or enhanced disability premium, pensioner premium or have a child who is disabled for whom they receive a disability premium within CTC (this also applies to IS and JSA(IB)) or have a child aged less than 5 years

7.2 Each residential postcode in the country is linked to one of the 91 weather stations used in the scheme. The Meteorological Office uses data from these weather stations to calculate a rolling seven day average temperature. DWP is then notified of "triggers" so that automatic payments can be made to eligible customers.

7.3 On 20th October 2010 the Chancellor delivered his Spending Review, making it clear that the Government will ensure that all sections of society who are able to do so make a contribution to deficit reduction, while continuing to support the most vulnerable. Cold Weather Payments provide help with heating costs for some of these vulnerable groups whom the Government is committed to protecting from the impacts of fiscal consolidation. In this context, the Chancellor announced that the rate of a Cold Weather Payment would continue to be £25.00 for each period of cold weather and would not revert to £8.50. Regulation 2 provides for this increased rate.

- *Consolidation*

7.4 "The Law on Social Security" (The Blue Volumes) provides a consolidated version of the regulations and will incorporate the amendments made by this instrument. This publication is available free of charge on the internet at (<http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security>) and in main libraries

8. Consultation outcome

8.1 The Social Security Advisory Committee has considered and approved the regulations without requiring a formal referral. There has been no wider consultation as there are no changes to the structure of the scheme. These regulations continue the long-standing policy of paying Cold Weather Payments for seven consecutive days of severe cold weather (0°C or below) and maintain in place the £25.00 rate which applied to the previous two winters.

9. Guidance

9.1 Guidance in the form of a bulletin on the changes made by these regulations will be provided to Social Fund decision-makers as soon as possible. In addition the Direct.gov website is being amended in relation to Cold Weather Payments to make it easier to understand the qualifying conditions.

10. Impact

10.1 The impact on business, charities or voluntary bodies is nil.

10.2 The impact on the public sector is negligible.

10.3 A full impact assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 There are no changes to the structure of the Cold Weather Payments scheme, only to the rate of the payment. As such, the change is minor and there are no plans to monitor, but the Cold Weather Payment scheme is reviewed annually by the Meteorological Office.

13. Contact

Beverley Walsh at the Department for Work and Pensions Tel: 0113 232 7608 or email: beverley.walsh@jobcentreplus.gsi.gov.uk can answer any queries regarding the instrument.