The Winter Heating Assistance for Children and Young People (Scotland) Amendment Regulations 2021 28 October 2021

SPICe The Information Centre An t-Ionad Fiosrachaidh

Introduction

This paper suggests themes for discussion on the <u>The Winter Heating</u> <u>Assistance for Children and Young People (Scotland) Amendment Regulations</u> <u>2021 (the CWHA Amendment regulations) based on issues raised in the <u>report</u> by the Scottish Commission on Social Security (SCOSS).</u>

There are two themes suggested:

- Extending eligibility
- Removing the December deadline

Child Winter Heating Assistance

Child Winter Heating Assistance (CHWA) was introduced in 2020. It is a £200 annual payment to families where there is a child in receipt of a qualifying benefit in the third week of September. As introduced the qualifying benefits were:

- higher rate care Disability Living Allowance (DLA)
- higher rate care Child Disability Payment (CDP)

CWHA is currently provided to around 15,000 people at a cost of c.£3m (<u>SFC</u> Forecasts August 2021)

What these regulations do

These regulations make two main changes:

- Extends eligibility to include young people aged 16 to 18 who are in receipt of enhanced daily living element of (Personal Independence Payment) PIP an estimated 3,900 people.
- Removes the requirement to make determinations (decision about eligibility) by 31 December each year.

SCOSS report and Scottish Government Response

<u>SCOSS reported on 16 September</u> with three recommendations. In summary these were:

- Review qualifying benefits for CWHA once transfer to Adult Disability Payment (ADP) is complete.
- Ensure young people in hospital during the qualifying week are not excluded from CWHA
- Do not remove the 31 December deadline

The Scottish Government <u>responded on 21 September</u>, rejecting the recommendation to keep the December deadline.

The following draws on the SCOSS report to highlight issues that members may wish to raise with the Minister.

Suggested themes for discussion.

Theme 1: Extending Eligibility

When SCOSS reported on the original regulations in 2020 they noted that young people on PIP would miss out as PIP was not a qualifying benefit. The Scottish Government has now extended eligibility to young people in receipt of enhanced daily living component of PIP. The response to SCOSS says:

"the Scottish Government came to the conclusion that this client group should have been eligible for CWHA in the first place."

SCOSS welcome the change to eligibility although their report points out that:

"By accepting PIP as a passporting benefit, the Scottish Government is departing from the original rationale for CWHA."

That rationale was that higher rate care DLA is awarded for care needs at night, which implied a need to heat the house at night. PIP has no direct equivalent component for night time care needs.

SCOSS point out that children with lower rate care needs may also have a need for additional heating. They recommend that the qualifying benefits are reviewed once all cases of DLA and ADP are transferred to Social Security Scotland benefits.

In response, the Scottish Government say they "will continue to review CWHA as part of the ongoing evaluation process" and that feedback from users will influence policy development.

When the original regulations were discussed at the then Social Security Committee on 24 September 2020, Jeremy Balfour argued for wider eligibility, hoping that:

"Any child who is disabled will probably have greater issues because of their disability. This is a missed opportunity. We could have extended eligibility

further and wider, benefiting more disabled children and their families. I hope that we will come back at some point to look at that." (<u>Committee Official Report</u> <u>24 September 2020</u>)

Separate legislation sets targets for reducing fuel poverty. The definition of fuel poverty used for that purpose is based on heating various rooms to a certain temperature. The legislation assumes that 'those in receipt of benefits for care or disability' need to heat a room to a higher temperature for longer periods. There is no distinction between different rates of disability benefits.¹ The <u>policy</u> <u>note to those regulations</u> stated:

"The enhanced heating regimes recognise that some households are more vulnerable to the effects of a poorly heated home or need a slightly higher temperature, largely due to age, illness or disability. These households should be heating their home to either a higher temperature, for longer or for both and as a result would have higher fuel bills. We want to ensure that these additional costs can be taken into account when calculating whether these households are in fuel poverty or not."

The Committee has an evidence session planned on fuel poverty, which will provide an opportunity to consider the draft Fuel Poverty Strategy.

The Committee may wish to discuss:

- Whether the Scottish Government will consider extending the qualifying benefits for CWHA to include the lower rates of disability benefits
- What is the rationale for recognising that all those in receipt of disability benefits would have higher fuel bills for the purposes of defining fuel poverty, while at the same time having a more restrictive approach to qualifying for CWHA.

Theme 2: December Deadline

The regulations remove the requirement to make determinations by 31 December each year. SCOSS recommended that this deadline should be kept, but the Scottish Government argued that although they will aim to make the payment by 31 December:

"This may however not be possible for a select number of clients and for these clients we will be seeking to make this payment as soon thereafter"

The Scottish Government argue that:

"The removal of the deadline ensures we are putting our client base at the heart of CWHA. The deadline removal will enable us to safely deliver CWHA to those who need it most and will help us ensure CWHA is not impacted by additional workload of delivering Child Disability Payment.

¹ (The Fuel Poverty (Enhanced Heating) (Scotland) Regulations 2020 SSI 2020/58 made under the Fuel Poverty (Targets, Definitions and Strategy) (Scotland) Act 2019).

Furthermore the 2018 Act ensures we will seek opportunities to continuously improve the Scottish social security system, the removal of the deadline will help us do this by listening to the needs of those who require assistance and determining through time the most appropriate date in which CWHA should be paid in the future."

The Committee may wish to discuss:

- Which group of clients may not get their payment by 31 December and approximately how many clients could this impact?
- How clients will benefit from the removal of the December deadline
- If Social Security Scotland had more administrative resources could the December deadline be kept?
- Could the deadline be extended rather than removed?
- Is it equitable to have a strict qualifying date for clients (third week of September) but no deadline for Social Security Scotland to make a determination?

Camilla Kidner SPICe 19 October 2021