### **STATES OF JERSEY**



# DRAFT COLD WEATHER BONUS AND PAYMENTS (MISCELLANEOUS AMENDMENTS No. 2) (JERSEY) REGULATIONS 202-

Lodged au Greffe on 27th July 2023 by the Minister for Social Security Earliest date for debate: 12th September 2023

#### **STATES GREFFE**

**2023** P.55/2023

#### Report

The Cold Weather Bonus providers assistance to lower income pensioner households not claiming Income Support. Cold Weather Payments provide similar assistance to some Income Support households. One payment is made per household.

Usually, these benefits are only payable if temperatures during winter months drop below a certain level (15.5 Degrees Celsius). The average monthly payment value for 2021/22 was £29.39, with payments triggered in 6 months, ranging from a minimum of £15.67 to a maximum of £56.83.

In 2022, as part of the mini-budget to assist with the cost of living, the Council of Ministers decided to set both these benefits at a fixed payment value of £70 per month for the winter months of October 2022 to March 2023.

Without intervention, the base of cold weather payments for the 2022/2023 winter would have increased by 23.4% in line with the 12 month increase in the fuel RPI weighting up to June 2022. Combining this with the temperatures experienced over the last winter, households would have received a total of £265.01 using the formula calculations.

With the £70 fixed payments, households actually received a guaranteed amount of £420.

Each eligible household received an extra £154.99 over the winter period. This represents a 58% increase above the formula value.

Fuel prices have stabilised over the last 12 months and the June RPI report shows a 12 month increase in fuel prices of 0.9%. However, future increases in electricity prices have already been announced and the Minister for Social Security has decided to repeat the fixed value payments for the coming winter.

In line with the temporary legislative changes made last year, these Regulations provide for fixed payments of £70 in respect of the months October 2023 to March 2024 inclusive, regardless of temperature.

The Regulations allow for the benefit to be paid at its usual formula amount in the 2024/25 winter, taking full account of the increase in fuel prices.

These Regulations will involve changes to two pieces of legislation – the <u>Social Security (Bonus)</u> <u>Law 2014</u> and the <u>Income Support (Special Payments) (Cold Weather Payments) (Jersey)</u> <u>Regulations 2008</u>.

#### Financial and manpower implications

Setting a fixed monthly value of £70 requires an additional £0.5M in 2023 and £0.5M in 2024. Funding in 2023 will be drawn from existing allocated Tax Funded departmental budgets. The additional funding of £0.5M will be incorporated into the proposed Government Plan 2024-27 to support the additional cost for January to March 2024. There are no manpower implications.



#### **EXPLANATORY NOTE**

*Part 1* of these Regulations amends the Income Support (Special Payments) (Cold Weather Payments) (Jersey) Regulations 2008.

A new Regulation 2B is inserted to modify special payments for cold weather months until 30th April 2024. The modification treats each of the 6 months from October 2023 to March 2024 as a cold weather month and changes the special payment to a fixed amount of £70.

Regulation 2 is amended to affect the special payment for any cold weather months from October 2024 onwards. The base figure used in the calculation of the special payment is updated to reflect the increase in the fuel element of the Jersey Retail Prices Index for the 12 months ending in June 2023. Wording is added so that the base figure is again updated before October 2024 to reflect any changes in the fuel element for the 12 months ending in June 2024.

Part 2 of these Regulations amends the Schedule (cold weather bonus) to the Social Security (Bonus) (Jersey) Law 2014.

A new paragraph 4B is inserted to modify the cold weather bonus payable for cold weather months until 30th April 2024. The modification treats each of the 6 months from October 2023 to March 2024 as a cold weather month and changes the bonus to a fixed amount of £70.

Paragraph 4 is amended to affect the cold weather bonus payable for any cold weather months from October 2024 onwards. The base figure used in the calculation of the bonus is updated to reflect the increase in the fuel element of the Jersey Retail Prices Index for the 12 months ending in June 2023. The base figure is again updated (by existing paragraph 4(2)(a)) before October 2024 to reflect any changes in the fuel element in the 12 months ending in June 2024.





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# DRAFT COLD WEATHER BONUS AND PAYMENTS (MISCELLANEOUS AMENDMENTS No. 2) (JERSEY) REGULATIONS 202-

Made
Coming into force

[date to be inserted]
[date to be inserted]

**THE STATES** make these Regulations under Articles 8 and 18 of the <u>Income Support</u> (<u>Jersey</u>) <u>Law 2007</u> and Article 4 of the <u>Social Security (Bonus) (Jersey) Law 2014</u> –

#### PART 1

AMENDMENT OF THE <u>INCOME SUPPORT (SPECIAL PAYMENTS) (COLD WEATHER</u>
PAYMENTS) (JERSEY) REGULATIONS 2008

#### 1 Application of Part 1

This Part amends the <u>Income Support (Special Payments)</u> (Cold Weather Payments) (<u>Jersey</u>) Regulations 2008.

#### 2 Regulation 2 (special payments to meet heating costs) amended

For Regulation 2(4)(a) there is substituted –

"(a) for each cold weather month from October 2024 to April 2025 inclusive, £193.37 increased or decreased by the same percentage as that of the rise or fall in the fuel element of the Jersey Retail Prices Index published by Statistics Jersey (within the meaning of Article 2 of the Statistics and Census (Jersey) Law 2018) for the 12 months ending on 30th June 2024;".

#### 3 Temporary modification of Regulation 2

After Regulation 2 there is inserted –



## "2B Temporary modification of Regulation 2 – October 2023 to end of April 2024

- (1) This Regulation applies instead of Regulation 2 from 1st October 2023 to the end of 30th April 2024.
- (2) A special payment may be made to defray the expenses of heating a dwelling for a month from October to March inclusive to a household occupying the dwelling if a member of the household throughout the month
  - (a) was under the age of 3 years;
  - (b) was over the age of 65 years;
  - (c) met the criteria for the personal care element of the impairment component under paragraph 6(1)(c) of Schedule 1 to the <u>Income Support (Jersey) Regulations 2007</u>; or
  - (d) was a child who met the criteria in Regulation 3(a) of the <u>Income Support (Special Payments) (Child Personal Care) (Jersey)</u> Regulations 2014.
- (3) However, a special payment may be made only if throughout the month the household
  - (a) was in receipt of income support;
  - (b) was entitled to a special component under Article 5(3)(a) of the Law or resided in the same dwelling as another household that was entitled to a special component under Article 5(3)(a) of the Law; and
  - (c) occupied a dwelling other than a hostel or lodgings.
- (4) A special payment is £70.
- (5) If a dwelling is occupied by 2 or more households entitled to a special payment
  - (a) only one special payment is payable in respect of the dwelling; and
  - (b) the special payment is divided equally between all the households entitled to it.
- (6) This Regulation expires at the end of April 2024.".

#### PART 2

## AMENDMENT OF THE <u>SOCIAL SECURITY (BONUS) (JERSEY) LAW 2014</u> AND FINAL PROVISION

#### 4 Application of Part 2

This Part amends the Schedule (cold weather bonus) to the <u>Social Security (Bonus) (Jersey)</u> <u>Law 2014</u>.

#### 5 Paragraph 4 (amount of cold weather bonus) amended

For paragraph 4(2)(a) there is substituted –

"(a) for each cold weather month from October 2024 to April 2025 inclusive, £193.37 increased or decreased by the same percentage as



that of the rise or fall in the fuel element of the Jersey Retail Prices Index published by Statistics Jersey (within the meaning of Article 2 of the <u>Statistics and Census (Jersey) Law 2018</u>) for the 12 months ending on 30th June 2024;".

#### 6 Temporary modification of Schedule

After paragraph 4 there is inserted –

#### "4B Temporary modification of Schedule - October 2023 to end of April 2024

- (1) The Schedule must be read as modified by this paragraph from 1st October 2023 to the end of 30th April 2024.
- (2) In paragraph 1 (interpretation)
  - (a) in sub-paragraph (1), for the definition "cold weather bonus" there is substituted
    - ""cold weather bonus" means a bonus payable to defray the expenses of heating a dwelling for any month from and including the months of October to March;";
  - (b) in sub-paragraph (1), for the definition "series of cold weather months" there is substituted
    - ""series of cold weather months" means the months from October 2023 to the end of March 2024;";
  - (c) for sub-paragraph (2)(a) there is substituted
    - "(a) each of October, November and December 2023, and January, February and March 2024, is a "cold weather month";".
- (3) For the text of paragraph 2 (payment of cold weather bonus) there is substituted
  - "(1) The Minister must, for each cold weather month, pay the cold weather bonus specified in paragraph 4
    - (a) on behalf of a household that qualifies for it under paragraph 3; and
    - (b) to a member of that household who applies for it in accordance with paragraph 6.
  - (2) A cold weather bonus that is payable for October, November or December 2023 must be paid on or after 1st January 2024.
  - (3) A cold weather bonus that is payable for January, February or March 2024 must be paid on or after 1st April 2024.".
- (4) For the text of paragraph 4 (amount of cold weather bonus) there is substituted
  - "(1) A cold weather bonus is £70.
  - (2) Only one cold weather bonus is payable in respect of a dwelling for a particular month.
  - (3) If a dwelling is occupied by 2 or more households entitled to a cold weather bonus, the cold weather bonus is divided equally between all the households entitled to it.



- (4) A cold weather bonus is not payable if a dwelling is occupied by 2 or more households and one or more of the households receives, or has applied for and is entitled to receive, a cold weather payment under the <a href="Income Support (Special Payments">Income Support (Special Payments) (Cold Weather Payments) (Jersey) Regulations 2008</a> in respect of the dwelling.".
- (5) This paragraph expires at the end of April 2024.".

#### 7 Citation and commencement

These Regulations may be cited as the Cold Weather Bonus and Payments (Miscellaneous Amendments No. 2) (Jersey) Regulations 202- and come into force 7 days after they are made.

