### **STATES OF JERSEY**



# DRAFT INCOME SUPPORT (SPECIAL PAYMENTS) (COLD WEATHER PAYMENTS) (JERSEY) REGULATIONS 200

Lodged au Greffe on 30th November 2007 by the Minister for Social Security

**STATES GREFFE** 



## DRAFT INCOME SUPPORT (SPECIAL PAYMENTS) (COLD WEATHER PAYMENTS) (JERSEY) REGULATIONS 200

#### **REPORT**

The States Assembly approved P.89/2007 – Winter Fuel Payment – on 12th September 2007, including 2 amendments.

The report accompanying P.89 set out the mechanism by which winter fuel payments would be made. These Regulations bring that mechanism into effect.

Payments will be made monthly in arrears to households who, during the previous month, qualified for income support and also satisfied the specific conditions to receive a winter fuel payment. The specific conditions are that –

- the household includes someone aged 65 or above,
- the household includes a child aged under three years old, or
- the household includes someone with a high rate of personal care component under the income support scheme.

The household must satisfy these conditions for the whole of the previous month in order to qualify. A payment is made if the temperatures experienced during the previous month were cold enough to trigger a payment.

The parishes currently provide winter fuel payments to needy parishioners. The formula that is used by the parishes has been updated by the Meteorological Office to provide a more accurate representation of the impact of cold weather on domestic heating costs.

The new formula is -

Monthly payment = 
$$1.16 \times \frac{T-90}{450} \times C$$

Where -

The value of T is determined by the temperature during the previous month. It is based on the number of degrees the average temperature drops below a standard threshold of 15.5 degrees Celsius for each day of the month (a degree day). This is used as a measure of how cold it has been and reflects the fact that when external temperatures drop below 15.5 degrees additional heating is needed to maintain internal temperatures of 18.5 degrees Celsius.

The factor C is set at the basic component for an adult in the income support system. As income support rates are increased from year to year the fuel allowance will automatically be increased by the same amount.

The factor of 1.16 has been chosen to match the proposed system with the parish system based on the temperatures experienced during the most recent cold winter (2005/2006). The value of 1.16 would provide a total winter fuel payment of £210 per annum (at current prices) if these temperatures were repeated this winter. In subsequent years the value of this factor can be adjusted to provide additional help to households if there is a disproportionate rise in energy costs compared to the general cost of living, subject to funding being made available.

As an example of the proposed scheme, the following table indicates the monthly payments that would be made if

the temperature remained the same every day for a month –

Daily Temperature	Value of Monthly Payment
5°	£48.48
7.5°	£32.32
10°	£16.16

If approved, these Regulations will come into force on 28th January 2008 and the first payments will be made in February 2008 if the temperatures experienced during January are low enough for payments to be made. The existing parish system will remain in force until then.

#### Financial and manpower implications

The staff resources to administer these payments will be met from the Income Support teams at Social Security. A budget of £560,000 has been allocated to these payments.

It is estimated that up to 3,000 households will benefit from the winter fuel payments. The budget of £560,000 is sufficient for an average winter.

#### **Explanatory Note**

These Regulations enable the making of a special payment for such of the months from October till April in which the aggregate of the amount by which the average daily temperature of each day in that month falls below 15.5 degrees Celsius exceeds 90. Payments are made if the household includes for that month a child under 3, a person over the age of 65 or a person with a specified degree of disability. The payment is only made for that month if the household is in receipt of income support, is entitled to the housing component of income support and owns or rents accommodation other than a hostel or lodgings. The payment is determined in accordance with a formula that pays a proportion of the adult basic component (multiplied by 1.16) up to a maximum of the full amount of the component (multiplied by 1.16) according to the amount by which the average daily temperature for each day falls below 15.5 degrees Celsius and the amount by which the total for the month exceeds 90. If more than one household entitled to a payment shares the dwelling, the payment is split equally between the entitled households.



## DRAFT INCOME SUPPORT (SPECIAL PAYMENTS) (COLD WEATHER PAYMENTS) (JERSEY) REGULATIONS 200

Made[date to be inserted]Coming into force[date to be inserted]

**THE STATES**, in pursuance of Articles 8 and 18 of the Income Support (Jersey) Law 2007<sup>[1]</sup>, have made the following Regulations –

#### 1 Interpretation

In these Regulations "Law" means the Income Support (Jersey) Law 2007<sup>[2]</sup>.

#### 2 Special payments to meet heating costs

- (1) A special payment may be made to defray the expenses of heating a dwelling for any month from and including the months of October to April that is a cold weather month to any household occupying that dwelling where a member of the household throughout that month
  - (a) was under the age of 3 years;
  - (b) was over the age of 65 years; or
  - (c) met the criteria for the rate payable in respect of the personal care element of the impairment component under paragraph 6(3)(c) or (d) of Schedule 1 to the Income Support (Jersey) Regulations 200-.
- (2) However, no payment may be made under this Regulation unless throughout that month the household concerned
  - (a) was in receipt of income support;
  - (b) 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.
- (3) The amount of a special payment under this Regulation shall be calculated according to the formula –

$$1.16 \times \frac{T-90}{450} \times C$$

where -

T is the aggregate of the amount by which the average daily temperature of each day in that month falls below 15.5 degrees Celsius; and

C is the basic component payable under Article 5(2)(a) of the Law.

(4) However, the maximum amount that may be paid under this Regulation for a cold weather month is the amount payable in respect of the basic component under Article 5(2)(a) of the Law multiplied by

a factor of 1.16.

- (5) If a dwelling is occupied by 2 or more households entitled to a special payment under this Regulation
  - (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) In this Regulation a month is a "cold weather month" if the aggregate of the amount by which the average daily temperature of each day in that month falls below 15.5 degrees Celsius exceeds 90.

#### 3 Citation and commencement

These Regulations may be cited as the Income Support (Special Payments) (Cold Weather Payments) (Jersey) Regulations 200- and shall come into force on 28th January 2008.

<u>[1]</u>

L.9/2007

[2]

L.9/2007