

Warm Home Discount Scotland

Closing date: 22 May 2022



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Any enquiries regarding this publication should be sent to us at: warmhomediscount@beis.gov.uk

Introduction

This consultation sets out proposals for implementing the Warm Home Discount scheme in Scotland from 2022 to winter 2025/26.

The Warm Home Discount (WHD) Scotland will run alongside the expanded and reformed WHD for England and Wales, the details of which are set out in the Government response to consultation, published on 1 April.

The reforms that are being implemented in England and Wales cannot be directly replicated in Scotland because the Valuation Office Agency (VOA) data, which we will use to identify homes in Core Group 2 which are high cost to heat, does not apply in Scotland and the Scottish Assessors (the Scottish equivalent of the Valuation Office Agency) do not collect equivalent data in Scotland.

Under the Scotland Act 2016, the Scottish Government has devolved powers to design and implement a Warm Home Discount for Scotland although the exercise of these powers requires the agreement of the Secretary of State, and some powers remain reserved, including determining the overall size of the obligation and the obligated parties. The Scottish Government has requested that the UK Government make provision for a continuation of the WHD in Scotland, hence the UK Government is consulting on the provisions we would make for the Scotland WHD.

The Scotland WHD would increase proportionately in line with the GB-wide increase to the scheme: from £350m to £475m in 2020 prices. Based on the apportionment methodology previously consulted on, the Scottish scheme will be 9.4% or £44.65m (in 2020 prices) of the overall scheme value.

The proposals in this document would mean that the WHD Scotland will largely mirror the WHD in place across GB in 2021/22: the Core Group; the Broader Group and Industry Initiatives. The primary difference would be that non-core spending would be around 50% larger due to the increase in overall spending. The value of the rebate would increase to £150 as per the England and Wales scheme. The supplier participation thresholds would be lowered so that more energy suppliers participate in the scheme, particularly from 2023/24 onwards, mirroring how the Warm Home Discount scheme operates in England and Wales.

Contents

Introduction	3
General information	<u></u>
Why we are consulting	5
Consultation details	5
How to respond	6
Confidentiality and data protection	6
Quality assurance	6
Overall value of the Warm Home Discount Scotland	8
Timing	8
Setting the obligation	g
Scheme Structure	
The Core Group	10
The Broader Group	11
Flexibility in non-core spending	12
Industry initiatives	13
Spending cap	14
Financial assistance	14
Debt write-off	15
Boilers and central heating installations	15
Rebate value	16
Scheme administration	16
Impact analysis	16
Next steps	17
Consultation questions	18
Annex 1: Mandatory Broader Group criteria	19
The table below sets out the current mandatory Broader Group benefit.	

General information

Why we are consulting

This consultation sets out proposals for implementing the Warm Home Discount scheme in Scotland from 2022 to winter 2025/26. The proposals in this document would mean that the WHD Scotland will largely mirror the WHD in place across GB in 2021/22.

Consultation details

Issued: 9 May 2022

Respond by: 22 May 2022

Enquiries to:

Please do not send enquiries by post to the department at the moment as we may not be able to access them.

Please email your enquiries to the following address, including 'WHD Scotland Consultation' in your email subject: warmhomediscount@beis.gov.uk.

Consultation reference: 'WHD Scotland Consultation'.

Audiences:

We would particularly welcome views from energy suppliers and charities focused on fuel poverty, vulnerable people, and costs of living.

Territorial extent:

The proposals apply to Scotland and to electricity and gas suppliers in Great Britain.

How to respond

Respond online at: https://beisgovuk.citizenspace.com/home-local-energy/warm-home-discount-scotland

or

Email to: warmhomediscount@beis.gov.uk

Please do not send enquiries by post to the department at the moment as we may not be able to access them.

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our privacy policy.

We intend to share consultation responses, including personal information, with the Scottish Government unless specifically asked not to by respondents.

We will summarise all responses and publish this summary on <u>GOV.UK</u>. The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This consultation has been carried out in accordance with the government's <u>consultation</u> <u>principles</u>.

If you have any complaints about the way this consultation has been conducted, please email: beis.bru@beis.gov.uk.

Overall value of the Warm Home Discount Scotland

In the 2020 Energy White Paper, the Government committed to extending the Warm Home Discount (WHD) and increasing its value to £475m (in 2020 prices) across Great Britain. We subsequently consulted on proposals for England and Wales, and on how to apportion funding to Scotland. As set out in the response to that consultation, we have decided that the apportionment to Scotland will be based on the number of domestic gas and electricity meters averaged over a three-year period from 2017-2019¹. Given the cost of the scheme is spread amongst domestic electricity and gas consumers, we concluded this is the fairest way of ensuring that the costs of the Warm Home Discount are spread evenly across consumers in Great Britain. Distributing spend based on another metric, such as rates of fuel poverty or current WHD rebate distribution in England, Wales, and Scotland, would lead to a mismatch in the distribution of costs and benefits for customers.

The resulting apportionment to Scotland will be 9.4% of the overall scheme or £44.65m in 2020 prices. This compares to Scotland having 8.4% of the GB population as of mid-2020.²

Timing

We propose that the WHD in Scotland would be extended as set out in this consultation until March 2026 and we propose to lay regulations for the four-year period on that basis. This would coincide with the length of the England and Wales scheme. It will be possible for the Scottish and UK Governments to carry out a review and consult on amendments to the scheme during that time should they consider it appropriate to do so. For example, if it is considered desirable to increase the extent to which data matching is relied upon for the delivery of rebates in later scheme years.

1. Do you agree that the WHD Scotland should be extended as proposed until March 2026?

¹ The number of electricity and gas meter points in Scotland as a proportion of Great Britain, averaged over the latest three years of data (2017-2019). Calculated using sub-national electricity and gas meter point data: https://www.gov.uk/government/collections/sub-national-gas-consumption-data

²https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2020#population-change-for-uk-countries

Setting the obligation

Despite the WHD in Scotland being different to England and Wales, as far as possible we want to maintain parity in the costs faced by consumers across Great Britain. Therefore, prior to knowing the details of the WHD scheme in Scotland, we decided to set the obligation threshold and the level of the obligation in England and Wales based on suppliers' GB-wide market share. We propose also to set the obligation threshold and the level of the obligation for WHD Scotland, based on suppliers' GB market share. If the obligation were set based on market shares in the different nations it would have a distorting effect.

As per the England and Wales scheme, in 2022/23 suppliers would be obligated for the whole scheme if they have a GB-wide domestic market share of 50,000 or more domestic customer accounts. From 2023/24 that threshold would reduce to 1,000 domestic customer accounts.

We recognise that there are differences in the proportions of customers suppliers have in the different nations. Due to the differences between the schemes and the consequent impact on delivery costs, it would not be possible to achieve perfect parity in the burden placed on suppliers. There will be challenges for suppliers with a high proportion of customers in Scotland as there will be for those with a smaller proportion. Therefore, we propose to make allowance for these differences in setting the non-core obligation, described further below.

2. Do you agree with the methodology for setting the obligation threshold and the level of individual obligations?

Scheme Structure

We propose to continue the scheme structure that existed so far in Scotland: the Core Group and non-core spending split between Broader Group rebates and Industry Initiatives. Therefore, to a large degree the scheme will continue to operate in Scotland as it has currently, with the following three elements:

- Core Group households with a Pension Credit Guarantee Credit recipient receive direct electricity bill rebates from their obligated energy supplier;
- Broader Group certain low income and vulnerable households can apply to their energy supplier to receive electricity bill rebates. There is a set of mandatory criteria and suppliers can offer additional criteria subject to Ofgem approval;
- Industry Initiatives energy suppliers provide a range of assistance, usually through third parties. This can include benefit entitlement checks, debt assistance, energy advice, smart meter advice and energy efficiency measures provided to low income and vulnerable households. The provision of help is not limited to the customers of obligated suppliers.

3. Do you agree that the WHD Scotland should continue with the Core Group, Broader Group and Industry Initiatives?

The Core Group

The WHD Core Group is made up of households in receipt of the Guarantee Credit element of Pension Credit, including those who also receive Savings Credit.

All participating energy suppliers have to provide rebates to all their customers who are in the Core Group on the qualifying date, which is set each scheme year, usually in mid-July. They are required to provide a rebate even if the customer switches to another supplier following the qualifying date. Smaller suppliers, who are not yet obligated to participate in the scheme, can volunteer to offer rebates to their Core Group customers. Once they volunteer for a scheme year, they are obligated like other suppliers to provide the rebate to their Core Group customers.

DWP informs suppliers which customers should be paid a Core Group rebate, through a system of data matching. Data matching works by taking Government name and address data for households in receipt of Pension Credit Guarantee Credit (held by DWP) and matching this with energy supplier customer records. DWP informs the suppliers which of their customers meet the eligibility criteria, and the suppliers then automatically provide these customers with energy bill rebates.

Data matching means that most households eligible under the Core Group receive their rebate without having to take any action. This is a very cost-effective, customer-friendly process which ensures the rebate reaches those (particularly the most vulnerable) who might otherwise miss out because they fail to apply.

The data matching which takes place under the WHD Core Group is almost universally popular with stakeholders. The vast majority of Core Group customers receive a letter telling them their data has been matched and they will receive a rebate by the 31st of January without having to take action, although in many cases it will be paid earlier.

Not all pensioners in receipt of Pension Credit Guarantee Credit are eligible or receive the rebate automatically as described above. Firstly, customers who are not with a participating supplier or who are not, or their partner is not, named on the electricity account are not eligible. Secondly, there are instances where customers are eligible for the rebate but are not identified in the data matching process, because the name and address details held by DWP and the energy suppliers are different, for example when a customers' maiden name is used. To try and capture this second group of people, Government sends letters to everyone who has not been matched but is in receipt of the qualifying benefit. This letter requests that they call the WHD Helpline to verify their eligibility. Once this process has been completed successfully, they too receive a rebate, usually before 31 March.

All eligible Core Group participants identified on the qualifying date as part of the two processes described above are entitled to a rebate for that scheme year and their participating supplier is obliged to provide it to them.

This process would continue GB-wide, as previously, as this Core Group is continuing in the England and Wales WHD as Core Group 1. For the purposes of distinguishing the Core Group under the WHD in Scotland, we may refer to this in future as the 'Core Group Scotland'. However, for the purposes of compliance, electricity suppliers will have to keep separate records of the rebates they pay to households in Scotland.

4. Do you agree that the Core Group should continue in Scotland?

The Broader Group

Up until this winter, the Broader Group formed part of the 'non-core' spending obligation in the GB-wide scheme and, as a result of the Core Group size reducing year on year, it had become the largest element of the WHD scheme. Suppliers were required to spend a minimum amount on the Broader Group; the minimum is set by Ofgem based on suppliers' market share, once the size of the Core Group obligation for a given scheme year has been calculated. Suppliers often spent beyond this required minimum and were permitted to adjust their spend on other types of non-core spending (Industry Initiatives) or simply spend beyond their obligation (10% of non-core additional spend could be carried forward into next scheme year).

The mandatory eligibility criteria that all participating energy suppliers had to adopt for their Broader Group schemes, allowing for consistency across suppliers and making it more easily accessible to applicants, are set out in Annex 1. The standard criteria are based on a variation of the Cold Weather Payments group and low-income working families in receipt of in-work benefits and with a child under 5 or a disabled child. Alongside this, energy suppliers were permitted to have additional criteria, subject to Ofgem approval.

Data matching is not applied to the Broader Group. Customers have to apply directly to their electricity supplier for the WHD rebate each year, and it is usually awarded on a first-come first-served basis.

We propose that the Broader Group continues to apply in Scotland. The UK Government will set an overall non-core spending obligation, based on the overall spending envelope for Scotland, minus the expected spending on the Core Group in Scotland. Thereafter, Ofgem will use this to set a Scotland-specific non-core spending obligation for each supplier as well as a Broader Group spending target and an Industry Initiatives spending cap, both of which will have to be met via Scottish households. However, as described below, we propose that suppliers will be able to apply to Ofgem to underspend against their Broader Group target and overspend against their Industry Initiatives spending cap. As now, Broader Group notifications would have to be submitted to Ofgem for approval.

We also propose to add Housing Benefit to the mandatory eligibility criteria subject to the recipient also having a child under 5 or a disabled child. Housing Benefit is a means-tested

benefit that is being replaced by Universal Credit and has been included as one of the Core Group 2 qualifying low-income benefits in the England and Wales WHD.

We also propose to increase the income thresholds for Child Tax Credit (CTC) from £16,190 to £17,005 in 2022/23, in line with the threshold for CTC awards,³ and this will automatically increase every year in line with CPI (to the end of September previous to the start of the scheme). Similarly, we would increase the Universal Credit (UC) earnings threshold to mirror the CTC threshold on a monthly basis (CTC income threshold divided by 12) and this will also update every year in line with inflation.

- 5. Do you agree that the Broader Group should continue in Scotland, with the addition of the Housing Benefit to the existing mandatory criteria?
- 6. Do you agree with the proposed threshold increases for Child Tax Credit and Universal Credit?

Flexibility in non-core spending

The first basic requirement for energy suppliers to meet their Broader Group minimum target is that they have enough eligible customers. If they have a much smaller, or even zero, market share in Scotland that will be impossible or very challenging.

Energy suppliers can have their own eligibility rules in addition to the mandatory criteria, subject to Ofgem approval. It is also likely that with rising energy prices; the greater awareness of WHD from media coverage; and the provision of advice services in Scotland alerting people to the availability of WHD, demand for Broader Group rebates will be high. Nevertheless, there will be circumstances where suppliers would be unable to meet a specific Broader Group target if they do not have the requisite market share in Scotland.

Therefore, we propose that suppliers will be able to transfer up to 100% of their Broader Group target to Industry Initiatives, subject to approval from Ofgem. As now, energy suppliers will have until 15 December each scheme year to apply to Ofgem, however we encourage energy suppliers to apply sooner to allow support to reach households as soon as possible in winter. The key criterion Ofgem will use in deciding whether to approve this flexibility will be the supplier's market share in Scotland. Suppliers should prioritise delivery of Broader Group rebates and we would expect applications only from suppliers who have no or disproportionately low market shares in Scotland.

³ Threshold for those entitled to Child Tax Credit only: https://www.gov.uk/government/publications/rates-and-allowances-tax-credits-child-benefit-and-guardians-allowance/tax-credits-child-benefit-and-guardians-allowance.

7. Do you agree that suppliers should be able to transfer up to 100% of their Broader Group target to Industry Initiatives subject to Ofgem approval based on market share in Scotland?

The above solution does not deal with the fact that suppliers with a much higher market share in Scotland than GB may face demand beyond their non-core spending obligation. This will be mitigated with the higher spending target and by not setting a minimum spend on Industry Initiatives. Nevertheless, the risk will remain.

There may be other short and longer-term solutions to deal with the issue of disproportionate market shares. Under the Energy Company Obligation, for example, suppliers can trade obligations so that one supplier can deliver the obligation on behalf of another. Therefore, it may be theoretically possible for one supplier with a higher number of eligible Broader Group customers to trade with one which has a proportionately lower number. Overall, this may be a better outcome in terms of helping the most vulnerable households, though it would present an unusual outcome for suppliers, with supplier A effectively paying for supplier B's customers. Given the potential complexity of trading or certainty over its desirability for energy suppliers, we are not proposing to introduce it.

Another way of achieving a similar outcome within the structure of the current scheme, is to provide financial assistance through Industry Initiatives. For example, a supplier with a surfeit of Broader Group applications could refer customers to an Industry Initiatives financial assistance provider. Such an Industry Initiative would more likely be funded by suppliers with insufficient Broader Group applicants. Having spoken to potential providers of such a service, we are confident it could be set up for this scheme year.

Further details about financial assistance and the changes required to make the above solution possible are described below in the Industry Initiatives section.

We welcome views, particularly from suppliers, on the above and other solutions, noting that complex changes may not be deliverable for winter 2022/23.

Industry initiatives

Within the non-core obligation, suppliers have been able to spend up to £40m GB-wide on other forms of support to benefit fuel poor and vulnerable households; they are not restricted to helping their customers. The amount that suppliers can spend on this element is based on their market share.

The WHD Regulations set out approved activities that energy suppliers are permitted to carry out under the Industry Initiatives section of the scheme. Recipients of Industry Initiatives are wholly or mainly persons in fuel poverty or in a fuel poverty risk group.

Energy suppliers are allowed to work with other organisations, such as charities, to deliver this element of the scheme, as long as the activities remain within the scope of those listed in the WHD Regulations.

Energy suppliers must obtain approval from Ofgem before commencing activities to ensure that their Industry Initiatives spending counts towards their obligations. We propose that spending on industry initiatives taking place between 1 April 2022 and the commencement of the scheme regulations may count towards a supplier's obligations if the spending meets all the rules of the scheme and as long as Ofgem subsequently approve the industry initiative.

In recent years, as a result of action taken by Government and Ofgem, more innovative projects providing more holistic, longer-lasting help to households have been funded. We will continue to work with Ofgem, energy suppliers and third parties to encourage more activities like this to occur under this element of the scheme.

Spending cap

We propose to set the Industry Initiatives spending cap at £7m per annum throughout the fouryear period. This is broadly equivalent to what we expect the value of Industry Initiatives to be in England and Wales in the fourth year of the scheme. The cap would be distributed between suppliers according to their market share.

For the reasons already explained, this will not be a hard cap, however. Suppliers will be able to exceed their cap subject to Ofgem approval.

8. Do you agree with the Industry Initiatives spending cap proposals?

Financial assistance

Financial assistance is a valuable and flexible means of reaching households in need, and in particular those households in, or at risk of, self-disconnection, which particularly affects households on PPMs. As has been the case until now, we propose that to be eligible for financial assistance households must be wholly or mainly in fuel poverty and be:

- living in homes off the gas grid;
- living in a household with a person who has significant health problems or a disability;
- living in communities wholly or mainly in fuel poverty; or
- supplied with gas or electricity through a prepayment meter.

In addition to the above, given that some suppliers may exceed their non-core spending obligation through the provision of Broader Group rebates, we propose to allow households qualifying through the Broader Group mandatory criteria to also be eligible for financial assistance.

Unlike for the England and Wales scheme, we do not intend to introduce a minimum or maximum total spend for financial assistance. This is because some suppliers are likely to meet their non-core spending obligation through their Broader Group, whilst we expect the provision of financial assistance to be attractive to other suppliers and very valuable to households.

As with the England and Wales scheme, we propose to cap individual household payments at £150, but for ease of delivery, not exclude households who have also received a Core or Broader Group rebate.

9. Do you agree with the proposals for financial assistance?

Debt write-off

Whilst we recognise debt write-off can be very valuable to individual households, we want to limit its use to ensure there is a greater variety of assistance provided and more households are helped overall. Therefore, we propose to have the equivalent limits as for the England and Wales scheme with a maximum spend per household of £2,000 and a total spending cap of £600,000 per annum. The cap would be distributed between suppliers according to their market share.

We also propose, to mirror the England and Wales scheme, that a portion of the energy debt write-off cap, equivalent to £300,000 per annum, should be reserved for customers with prepayment meters (PPMs), who are particularly at risk of living in a cold home after self-rationing or self-disconnecting from their PPM.

10.Do you agree with the caps for debt write-off?

11.Do you agree that a £300,000 portion of the energy debt write-off cap should be reserved for customers with pre-payment meters (PPMs)?

Boilers and central heating installations

To mirror the England and Wales scheme, we propose limiting replacements of mains gas boilers and central heating to those households with a specific vulnerability to the cold, and the introduction of an £800,000 cap per annum on all boiler and central heating installations. The cap would be distributed between suppliers according to their market share. Mains gas boilers and central heating installations (including mains gas hybrids) would be permitted only where they replace a previous mains gas boiler or central heating system that has broken down and therefore only in emergency situations. Other Government schemes, such as ECO, that provide longer-term and more holistic support for households, are better suited for non-emergency situations. Boiler and central heating installations are only permitted where they are mains gas, wholly or mainly renewable, or mains gas hybrids. Repairs are also eligible under Industry Initiatives and would not be captured under the proposed restrictions and cap.

TrustMark and PAS requirements on boiler and central heating system installations would continue to be in place.

12.Do you agree with the proposed restrictions and cap for boiler and central heating installations?

Rebate value

To remain consistent across Great Britain we propose that the value of the rebate provided under the Core and Broader Groups should be set at £150. Differentiating the rebate value would mean that proportionately more or fewer households in Scotland would get the rebate, given the fixed overall value of the scheme. It would also make the scheme more complex to understand for consumers and for suppliers to deliver.

13.Do you agree that the rebate value should be set at £150?

Scheme administration

Ofgem will continue as the administrator of the scheme for Scotland given its experience and track record in the 11 years of the scheme so far. As previously, this will mean Ofgem running the reconciliation process, which is linked with the administration of the scheme. Its continued administration was strongly supported in the consultation on the England and Wales scheme. Furthermore, it would not be feasible to appoint another administrator at this point.

This scheme year will begin after the regulations come into force, although as noted above, Industry Initiatives spending from 1 April 2022 will count subject to subsequent approval by Ofgem. From 2023, the scheme years will run from 1 April to 31 March.

14.Do you agree that Ofgem should continue to run the reconciliation process in Scotland?

Impact analysis

We have published previous impact assessments of the WHD scheme in the proposed form (or similar) for Scotland at GB level⁴, which are based on England-only data that was scaled up to represent the whole of GB. It has not been possible to undertake a detailed impact analysis for a Scotland-only scheme at this consultation stage as we do not have access to the required household-level data for Scotland. However, we would assume that the proposed Scottish scheme will have an equity-weighted net benefit, as was shown in GB-level analysis of a similar scheme. The impact on billpayers of the additional spending on the scheme at GB level

⁴ For example: https://www.gov.uk/government/consultations/warm-home-discount-scheme-2021-to-2022

and increased value of the rebate, are set out in the impact assessment to the England and Wales scheme.⁵

Next steps

Following this consultation, we will consider responses and issue a response setting out the final policy position. We will also lay affirmative regulations in the UK Parliament.

⁵ https://www.gov.uk/government/consultations/warm-home-discount-better-targeted-support-from-2022

Consultation questions

- 1. Do you agree that the WHD Scotland should be extended as proposed until March 2026?
- 2. Do you agree with the methodology for setting the obligation threshold and the level of individual obligations?
- 3. Do you agree that the WHD Scotland should continue with the Core Group, Broader Group and Industry Initiatives?
- 4. Do you agree that the Core Group should continue in Scotland?
- 5. Do you agree that the Broader Group should continue in Scotland, with the addition of the Housing Benefit to the existing mandatory criteria?
- 6. Do you agree with the proposed threshold increases for Child Tax Credit and Universal Credit?
- 7. Do you agree that suppliers should be able to transfer up to 100% of their Broader Group target to Industry Initiatives subject to Ofgem approval based on market share in Scotland?
- 8. Do you agree with the Industry Initiatives spending cap proposals?
- 9. Do you agree with the proposals for financial assistance?
- 10. Do you agree with the caps for debt write-off?
- 11.Do you agree that a £300,000 portion of the energy debt write-off cap should be reserved for customers with pre-payment meters (PPMs)?
- 12.Do you agree with the proposed restrictions and cap for boiler and central heating installations?
- 13. Do you agree that the rebate value should be set at £150?
- 14. Do you agree that Ofgem should continue to run the reconciliation process in Scotland?

Annex 1: Mandatory Broader Group criteria

The table below sets out the current mandatory Broader Group benefit criteria and sub-criteria for each benefit.

Base Broader Group Criteria	Further Mandatory Criteria
Income Support	a) Has parental responsibility for a child under the age of 5 who ordinarily resides with that person.
	Or b) receives any of the following in addition to income support:
	- Child tax credit which includes a disability or severe disability element;
	- A disabled child premium;
	- A disability premium, enhanced disability premium or severe disability premium;
	- A pensioner premium, higher pensioner premium or enhanced pensioner premium
Income-related Employment and Support Allowance (IR ESA) which includes a support component	a) has parental responsibility for a child under the age of 5 who ordinarily resides with that person.
	Or (b) receives any one of the following in addition to Employment and Support Allowance
	- Child tax credit which includes a disability or severe disability element;
	- A disabled child premium;
	- A disability premium, enhanced disability premium or severe disability premium;
	- A pensioner premium, higher pensioner premium or enhanced pensioner premium
A person who receives IR ESA and who is a member of the	a) has parental responsibility for a child under the age of 5 who ordinarily resides with that person.

work-related activity Or (b) receives any one of the following in addition to Employment and Support Allowance group - Child tax credit which includes a disability or severe disability element; - A disabled child premium; - A disability premium, enhanced disability premium or severe disability premium; - A pensioner premium, higher pensioner premium or enhanced pensioner premium a) has parental responsibility for a child under the age of 5 who A person who receives Incomeordinarily resides with that person. based Jobseeker's Or (b) receives any one of the following in addition to Income-based Allowance Jobseeker's Allowance - Child tax credit which includes a disability or severe disability element: - A disabled child premium; - A disability premium, enhanced disability premium or severe disability premium; - A pensioner premium, higher pensioner premium or enhanced pensioner premium a) has limited capability for work or limited capability for work and A person who is in work-related activity⁶ receipt of universal credit. and has an Or (b) is in receipt of the disabled child element earned income between zero and Or (c) has parental responsibility for a child under the age of 5 who £1.418 in at least ordinarily resides with that person one of the relevant assessment periods in SY12* (beginning no earlier than 6 months before the

⁶ In accordance with Part 5 of the Universal Credit Regulations 2013. https://www.legislation.gov.uk/ukdsi/2013/9780111531938/contents

start of the scheme year)	
A person who is receiving child tax credit by virtue of an award which is based on an annual income not exceeding £17,005 in SY12 (year on year linked to CPI)*	 a) is in receipt of child tax credit which includes a disability or severe disability element Or (b) is in receipt of a disabled child premium Or (c) has parental responsibility for a child under the age of 5 who ordinarily resides with that person

^{*} Income thresholds for each subsequent scheme year will be increased or decreased by the percentage change in the consumer prices index over the 12 month period ending with the 30th of September in the preceding scheme year.

This consultation is available from: https://www.gov.uk/government/consultations/warm-home-discount-scotland .
If you need a version of this document in a more accessible format, please email enquiries@beis.gov.uk . Please tell us what format you need. It will help us if you say what assistive technology you use.