EXPLANATORY MEMORANDUM TO

THE SOCIAL SECURITY ADDITIONAL PAYMENTS (SECOND QUALIFYING DAY) REGULATIONS 2022

2022 No. 1011

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of His Majesty.

2. Purpose of the instrument

2.1 The purpose of this instrument is to specify the second qualifying date for the £324 Additional Payment, (£324 Cost of Living Payment), as the 25 September. This means the second qualifying entitlement period for the £324 Cost of Living Payment will be the period of one month ending with the 25 September. An individual who has a qualifying entitlement to Universal Credit, income-based Jobseeker's Allowance, income-based Employment Support Allowance, Income Support, Pension Credit, Child Tax Credit or Working Tax Credit for the qualifying entitlement period will receive the £324 Cost of Living Payment.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Extent and Territorial Application

4.1 The extent of this instrument is England and Wales, Scotland and Northern Ireland.

4.2 The territorial application of this instrument is England and Wales, Scotland and Northern Ireland.

5. European Convention on Human Rights

5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation no statement is required.

6. Legislative Context

6.1 The Instrument is being made to implement the £324 Cost of Living Payment which was legislated for in the Social Security (Additional Payments) Act 2022[1] (the "Act"). The instrument sets the qualifying date for the £324 Cost of Living Payment as the 25 September which will ensure the payments are made to eligible individuals as prescribed in section 2 of the Act.

6.2 The Act allowed for the specified qualifying day for the £324 Cost of Living Payment to pre-date the coming into force date for these regulations. This reduces the potential for fraud by ensuring the claimants' eligibility for the £324 Cost of Living Payment has already been established before the qualifying date has been publicised.

[1] Social Security (Additional Payments) Act (legislation.gov.uk)

7. Policy background

What is being done and why?

7.1 Through a package of measures announced on 26 May 2022[2], the government will provide over £15 billion of additional support particularly focused on those with the greatest need. This includes Cost of Living Payments to over 8 million households across the United Kingdom in receipt of eligible means-tested benefits or tax credits and over 6 million people who receive eligible disability benefits.

Explanations

7.2 A £650 Cost of Living Payment will be made in two instalments to those with a qualifying entitlement to a qualifying means-tested benefit or tax credit. The qualifying date for the first £326 Cost of Living Payment was the 25 May 2022 meaning the qualifying entitlement period was 26 April to 25 May 2022. An individual who had a qualifying entitlement to Universal Credit, income-based Jobseeker's Allowance, income-based Employment Support Allowance, Income Support, Pension Credit, Child Tax Credit or Working Tax Credit for the first qualifying entitlement period of 26 April to 25 May received the £326 Cost of Living Payment.

7.3 The second qualifying date for the £324 Cost of Living Payment is 25 September 2022 meaning the qualifying entitlement period is 26 August to 25 September 2022.

7.4 To have a qualifying entitlement to Universal Credit for the £324 Cost of Living Payment, an individual must have been entitled to a payment (or later found to be entitled to a payment) of at least 1p of Universal Credit for an assessment period that ended in the period 26 August to 25 September 2022.

7.5 To have a qualifying entitlement to income-based Jobseeker's Allowance, income-based Employment Support Allowance, Income Support or Pension Credit for the £324 Cost of Living Payment, an individual must have been entitled to a payment (or later found to be entitled to a payment) at least 1p of one of these benefits for any day in the period 26 August to 25 September 2022.

7.6 To have a qualifying entitlement to Child Tax Credit or Working Tax Credit for the £324 Cost of Living Payment, an individual must have received, or later received, either a payment of tax credits or an annual award of at least £26 of tax credits for any day in the period 26 August to 25 September 2022.

8. European Union Withdrawal and Future Relationship

8.1 This instrument does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

9. Consolidation

9.1 Informal consolidated text or instruments is available to the public free of charge via the 'National Archive' website: www.legislation.gov.uk

[2] Cost of Living Support - GOV.UK (www.gov.uk)

10. Consultation outcome

10.1 The Department did not need to consult with the Social Security Advisory Committee (SSAC) due to the regulations coming into force within 6 months of the primary legislation being enacted.

11. Guidance

11.1 Existing guidance found on gov.uk will continue to be used as the regulation supports the policy.

12. Impact

12.1 There is no, or no significant, impact on business, charities or voluntary bodies.

12.2 There is no, or no significant, impact on the public sector.

12.3 A full Impact Assessment has not been prepared for this instrument because an existing Impact Assessment was prepared for the Act[3] which this instrument helps to implement. The Impact Assessment set out that over 8 million benefit units will receive the £324 Cost of Living Payment. The assessment shows the number of individuals who are estimated to receive the Cost of Living Payments by which qualifying benefit they are in receipt of, region, age, gender and parliamentary constituency.

13. Regulating small business

13.1 The legislation does not apply to activities that are undertaken by small businesses.

14. Monitoring & review

14.1 The approach to monitoring of this legislation is that the Department is firmly committed to continuously evaluating and monitoring the impact of its policies.

15. Contact

15.1 Molly Patterson at the at the Department for Work and Pensions, Telephone: 07946323066 or email: Molly.Patterson1@dwp.gov.uk or Anna Sargent at the Department for Work and Pensions, Telephone 07880674780 or email: Anna.Sargent@dwp.gov.uk can be contacted with any queries regarding the instrument.

15.2 Graeme Connor, Deputy Director for Universal Credit, at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.

15.3 Victoria Prentis at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.

[3] Social Security (Additional Payments)ImpactAssesment .pdf (parliament.uk)