

**EXPLANATORY MEMORANDUM TO  
THE SOCIAL FUND WINTER FUEL PAYMENT (TEMPORARY INCREASE)  
REGULATIONS 2009**

**2009 No. 1489**

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

**2. Purpose of the instrument**

2.1 This Instrument makes provision to enable Winter Fuel Payment recipients to receive a higher rate of payment for winter 2009/2010.

2.2 This proposal was announced by the Chancellor in his Budget Statement on 22nd April 2009.

**3. Matters of special interest to the Joint Committee on Statutory Instruments.**

3.1 None

**4. Legislative Context**

4.1 The amount of Winter Fuel Payment paid to older people is set out in the Winter Fuel Payment Regulations 2000, so any change to the amounts require amendments to those Regulations.

4.2 Unlike other benefits the amount of Winter Fuel Payment does not increase every year in the annual up-rating. The Chancellor in his Budget Statement announces any change in the amount of Winter Fuel Payment.

4.3 The Social Fund Winter Fuel Payment (Temporary Increase) Regulations 2008, which provided for an increase for Winter 2008/09, are revoked by these regulations.

**5. Territorial Extent and Application**

5.1 This instrument applies to Great Britain. Similar Statutory Rules are to be introduced in respect of Northern Ireland.

**6. European Convention on Human Rights**

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

## 7. Policy background

- **What is being done and why**

- 7.1 Winter Fuel Payments were introduced as part of the Government's initiative to tackle fuel poverty amongst pensioners. Winter Fuel Payments give older people reassurance that they can afford to heat their homes in winter. They are paid in a lump sum each winter to ensure that money is available when fuel bills arrive. Older people are targeted because they are particularly vulnerable to the effects of cold weather during the winter months and older people are more likely to be on fixed incomes.
- 7.2 The Winter Fuel Payment Scheme paid to most people aged 60 or over in Great Britain. People who have qualified for a payment in Great Britain may continue to receive the payment in another European Economic Area (EEA) country or Switzerland.
- 7.3 This winter the Winter Fuel Payment helped over 12 million older people in Great Britain.
- 7.4 Normally, people aged 60-79 receive up to £200 and people aged 80 or over receive up to £300, depending on circumstances such as household composition, benefits received or if a person is in residential care. Although the Winter Fuel Payment is based on an individual's entitlement, shared payment rates apply in some circumstances, reflecting that fuel bills are received on a household basis.
- 7.5 In his recent Budget Statement, the Chancellor announced that the Government will for this year (2009/2010), increase the Winter Fuel Payment for people aged 60 and over from £200 to £250 and for people aged 80 or over from £300 to £400. The Winter Fuel Payment regulations were amended previously in this way in 2008, when the rate of WFP was increased initially for one year which the 2009 regulations will replicate. This additional amount will be paid to help pensioners with high energy bills.

- **Consolidation**

- 7.6 This instrument modifies the current Regulations to provide for an increase in the Winter Fuel Payment for winter 2009/10, which means that, people aged 60-79 will receive an increase for that winter of up to £50 and those aged 80 or over up to £100 depending on their household circumstances. This legislation will not be consolidated

## 8. Consultation outcome

- 8.1 No formal consultation has taken place as these negative regulations repeat the 2008/2009 Winter Fuel Payment increase as announced by the Chancellor in the budget of 22<sup>nd</sup> April 2009. Welfare rights groups welcome the increased payment and in their submission to the Select Committee, Help the Aged and Age Concern England wrote "Increases in payments of winter fuel payments and cold weather payments for this

winter were welcome “. These regulations were scrutinised by the SSAC under the provisions of section 173 of the Social Security Administration Act 1992. The Committee decided that it did not require the regulations to be formally referred to it for the preparation of a report to the Secretary of State for Work and Pensions and, accordingly, it did not conduct a public consultation exercise upon the proposals.

**9. Guidance**

9.1 All relevant communications, advertisements and press releases will be updated to reflect the changes to payment rates for 2009/10.

**10. Impact**

10.1 The impact on business, charities or voluntary bodies is nil.

10.2 The impact on the public sector is negligible. The administration costs of paying the additional amount to all eligible people will be up to £250,000.

10.3 A full impact assessment has not been prepared for this instrument.

**11. Regulating small business**

11.1 The legislation does not apply to small business.

**12. Monitoring & review**

12.1 This instrument is temporary for 2009/2010 only. Winter Fuel Payments are not subject to annual uprating. The Chancellor in his Budget Statement announces any change in the amount of Winter Fuel Payment.

**13. Contact**

Darren Fellows at the Department for Work and Pensions - Tel: 0113-2327983 or e-mail: [Darren.Fellows@dwp.gsi.gov.uk](mailto:Darren.Fellows@dwp.gsi.gov.uk) can answer any queries regarding the instrument.

**Additional Information on Winter Fuel Payments (Temporary Increase)  
Regulations 2009**

In his recent Budget Statement, the Chancellor announced that the Government “*will for this year (2009/10), increase the Winter Fuel Payment for people aged 60 and over from £200 to £250 and for people aged 80 or over from £300 to £400*”. This additional amount will be paid in acknowledgement of the extra expenses incurred by pensioners such as high energy bills; reassuring older people that extra money for fuel costs will be available next winter

## **Budget 2009 Report References**

The references to this additional one-off payment in Budget 2009 Report are at Page 7(Overview box) and Page 12 (Para 1.24), Page 14 (Para 1.37); Chapter 5 Page 93 (Summary box) and Para 5.57 ; Table A.27 (Budget 2009 policy decisions):

**The reference at Page 6 (Para 1.24)** is under the heading "Helping people fairly" and the preamble states, "*Budget 2009 announces further Government action to support employment, to help savers and families with children, to support pensioners and to help people manage their finances.*"

**The reference at Page 9 (Para 1.37)** under the heading "Helping people fairly" and the preamble states "*The measures introduced in this and previous Budgets and Pre-Budget Reports support the Government's objectives of promoting work and tackling child and pensioner poverty*".

**The reference at Page 101 (Para 5.57)** is preceded by "*Budget 2009 announces additional targeted support for pensioners to ensure they continue to receive support where it is needed most*". It announces "**an additional payment this winter, worth £100 for households with someone aged over 80 and £50 for households with someone aged over 60**"

**Table A.1 (Budget 2009 policy decisions) Page 159 - number 27** presents the additional one-off payment as "***An additional payment to Pensioner households***"