

**EXPLANATORY MEMORANDUM TO**  
**THE SOCIAL FUND WINTER FUEL PAYMENT (TEMPORARY INCREASE)**  
**REGULATIONS 2010**

**2010 No. 1161**

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 2010/2011.

2.2 This proposal was announced by the Chancellor in his Budget statement on 24th March 2010.

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

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, [http://intranet/1/lg/acileeds/law/pdf/dwp\\_d030387.pdf](http://intranet/1/lg/acileeds/law/pdf/dwp_d030387.pdf) so any change to the amounts require amendments to those Regulations.

4.2 The amount of winter fuel payment does not increase every year in the annual uprating. The Chancellor announces any change in the amount in his Budget Statement.

4.3 The Social Fund Winter Fuel Payment (Temporary Increase) Regulations 2009, which provided for an increase for Winter 2009/10, are revoked by these regulations.

**5. Territorial Extent and Application**

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 Winter fuel payments are 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 Normally, people aged 60-79 receive up to £200 and people aged 80 or over receive up to £300, depending on their circumstances. However, starting in 2010 and ending in 2020, the qualifying age for winter fuel payments will progressively increase for both men and women born after 5 April 1950 from 60 to 65 years. This is in line with changes to the state pension age for women (see Part 1 of Schedule 4 to the Pensions Act 1995).
- 7.4 Although the winter fuel payment is based on an individual's entitlement, shared payment rates apply in some circumstances depending on household composition, benefits received or if a person is in residential care, reflecting that fuel bills are received on a household basis.
- 7.5 In 2008 the Government announced an increase of £50 and £100 in the winter fuel payment for winter 2008/09 to meet the sudden increase in fuel prices. The Government retained this increase for winter 2009/10. In his recent Budget statement, the Chancellor announced that the Government will repeat the increase in the winter fuel payment for another year (for winter 2010/11). The additional amounts will be paid to help pensioners with high energy bills.
- 7.6 The winter fuel payment regulations were amended in a similar way in 2000, 2008 and 2009, these regulations will replicate this.

- **Consolidation**

- 7.7 This instrument modifies the current Regulations to provide for an increase in the winter fuel payment for winter 2010/11, which means an increase of £50 for households with someone aged up to 79 years, and £100 for households with someone aged 80 years and over making their winter fuel payment £250 and £400 respectively. (\* As noted above, the qualifying age for winter fuel payments is the women's state pension age. For payments for winter 2010/11, people born on or before 5 July 1950 will have reached the qualifying age.) This legislation will not be consolidated.

**8. Consultation outcome**

No formal consultation has taken place as these regulations repeat the 2008/2009 and 2009/2010 winter fuel payment increase. These regulations were scrutinised by the Social Security Advisory Committee 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 2010/11.

**10. Impact**

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

10.2 The impact on the public sector is negligible.

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 2010/2011 only. Winter fuel payments are not subject to annual uprating. The Chancellor announces any change in the amount of winter fuel payment in his Budget statement.

**13. Contact**

13.1 Yasmin Ghazali at the Department for Work and Pensions -e-mail: [Fuel.Poverty@dwp.gsi.gov.uk](mailto:Fuel.Poverty@dwp.gsi.gov.uk) can answer any queries regarding the instrument.