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Rt Hon Sir George Howarth MP House of Commons

16 December 2021

Dear Sir George

Thank you for your email of 18 November to the Secretary of State on behalf of your constituents about support for older people with energy costs. I am replying as the Minister for Pensions.

Cold Weather Payments help vulnerable people in receipt of certain incomerelated benefits to meet the additional costs of heating during periods of unseasonably severe cold weather. This includes older people in receipt of Pension Credit, and those in receipt of an income-based benefit with a disability component or where there is a child aged under five in the household.

Eligible households automatically receive £25 when the average temperature in their postcode district is recorded as, or forecast to be, zero degrees centigrade (0°C) or below for seven consecutive days during the Cold Weather Payments season.

In 2020/21, there were around 4 million payments made at the cost of £98.8 million. There are currently no plans to introduce any additional Cold Weather Payments.

Further information is available via the Government website at www.gov.uk, specifically: www.gov.uk/cold-weather-payment.

We recognise that some people may require extra support over the winter, which is why vulnerable households across the country can now access a new £500 million support fund to help them with essentials. The Household Support Fund will provide £421 million to help vulnerable people in England through local authorities. The Barnett Formula will apply in the usual way, with devolved administrations receiving almost £80 million (£41 million for the Scottish Government, £25 million for the Welsh Government and £14 million for the Northern Ireland Executive), for a total of £500 million.

Local Authorities in England have discretion to design their own bespoke local schemes, within the overall parameters of the Household Support Fund, with help primarily focused on food and utility bills. Up to 50 per cent of the fund is available for councils to use on households without children, including those of State Pension age. Local Authorities will use their resources to identify vulnerable households who are in most need in their area and can apply their own discretion to eligibility and size of the award.

I should add that the Government has committed to keeping the Winter Fuel Payment. This gives reassurance, particularly to poorer pensioners that they can keep warm during the winter months.

We will continue to pay £200 for households with somebody who has reached State Pension age and is under age 80 or £300 for households with somebody aged 80 and over.

It is estimated we will pay around 11 million pensioners a Winter Fuel Payment this coming winter at a cost to the taxpayer of £2 billion. A significant contribution to winter fuel bills.

The Warm Home Discount provides short-term support with energy bills through rebates, helping households stay warm in winter. The scheme currently provides over 2 million low-income and vulnerable households with a £140 rebate off their winter energy bill. Warm Home Discount funding for the 2021/22 year is worth £354 million.

Finally, Ofgem rules require energy suppliers to offer customers at risk of debt, or in debt, the facility to repay their debt in instalments and require suppliers to take into account a customer's ability to pay, where they are facing financial difficulties.

Emergency measures have been secured by the Government through a voluntary agreement with energy suppliers to support consumers in financial distress due to the Covid-19 pandemic, and this agreement remains in place this winter. Vulnerable people and those experiencing financial difficulty should contact their supplier to discuss available support including reassessing, reducing or pausing debt repayments.

I hope this helps to explain the position.

GUY OPPERMAN MP
MINISTER FOR PENSIONS AND FINANCIAL INCLUSION