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Appendix 5



HM Treasury 1 Horse Guards Road London SW1A 2HQ

Our ref: MC2025/01261

20 February 2025

Dear Ms Kipling,

Thank you for your email of 14 November 2024 to the Chancellor of the Exchequer regarding the decision to restrict Winter Fuel Payment eligibility. I am replying as the Minister for Pensions and I apologise for the delay.

In face of the substantial pressures faced by the public finances, the Government has had to make hard choices, including targeting the Winter Fuel Payment on low income pensioners who need it most.

Despite this very difficult decision, we are determined to protect the poorest pensioners. Winter Fuel Payments will continue to be paid to pensioner households with someone receiving Pension Credit or certain other incomerelated benefits. They will continue to be worth £200 for eligible households, or £300 for eligible households with someone aged over 80.

I would like to thank you for sharing Oldham Metropolitan Borough Council's suggestions regarding alternative methods of determining eligibility for the Winter Fuel Payment. Linking entitlement to Pension Credit and the other qualifying income-related benefits payable to pensioners ensures that we can pay almost all eligible pensioners automatically, without the need to claim the Winter Fuel Payment.

The Government wants those eligible for Pension Credit but not currently claiming it to receive the benefits they are entitled to, including the Winter Fuel Payment. As part of this, we have started a new drive to increase take-up of Pension Credit, which is currently far too low - with a third of eligible pensioners not claiming. We know there are low-income pensioners who are not claiming Pension Credit, and we really urge those people to apply.

In November 2024 we wrote to approximately 120,000 pensioners in receipt of Housing Benefit who could also be entitled to Pension Credit and inviting them to make a claim. To support Pension Credit take-up, we will bring together the administration of Pension Credit and Housing Benefit as soon as operationally possible, so that pensioner households currently receiving Housing Benefit also receive any Pension Credit that they are entitled to. Ahead of this, we will also work with older people's charities and local authorities to raise awareness of Pension Credit, and help identify households not claiming it.

Claims for Pension Credit can be made online at: www.gov.uk/pension-credit/how-to-claim. The service is available to use 24/7, and provides those who may struggle to make their claim alone, the flexibility to have a friend or family to support them when making their claim, at a time that is most convenient to them. Pension Credit claims can also be made through the Freephone telephone number 0800 99 1234, and there is an option to complete a paper application form.

The Government is absolutely committed to supporting pensioners and giving them the dignity and security they deserve in retirement. Our commitment to protect the Triple Lock throughout this Parliament will see over 12 million pensioners benefit. Over the course of this Parliament, the yearly amount of the basic State Pension is forecast to increase by around £1,500. Protecting the Triple Lock even in the current economic climate shows our steadfast commitment to pensioners.

The Warm Home Discount scheme provides eligible low-income households across Great Britain with a £150 rebate on their electricity bill. This winter, we expect over three million households, including over one million pensioners, to benefit under the scheme.

At the Autumn Budget 2024, the Chancellor announced that £1 billion, including consequential funding for the devolved administrations, will be invested to extend the Household Support Fund in England by a full year until 31 March 2026, and to maintain Discretionary Housing Payments in England and Wales. This will help struggling households facing the greatest financial hardship.

We are supporting consumers, including pensioners, through the Government's ambitious Warm Homes Plan which will transform homes across the country by making them cleaner and cheaper to run from installing new insulation to rolling out solar and heat pumps. We have committed £3.4 billion over the next 3 years towards heat decarbonisation and household energy efficiency. This includes £1.8 billion to support fuel poverty schemes, helping over 225,000 households reduce their energy bills by over £200.

The unacceptable state of the NHS is the biggest betrayal of older generations today. We are determined to change that. As part of the Autumn Budget 2024, the Government announced a £22.6 billion increase in day-to-day health

spending and a £3.1 billion increase in the capital budget over this year and next. We are prioritising cutting waiting times in the NHS which will help many pensioners currently waiting in pain and discomfort for treatment.

Thank you for taking the time to write regarding Oldham Metropolitan Borough Council's concerns.

Yours sincerely,

Torsten Bell MP

Minister for Pensions