

Charities concerned over limiting winter fuel payments as energy prices rise



Our unmissable weekly email of all the gossip, rumours and covert goings-on inside the Square Mile

Sign up

I would like to be emailed about offers, event and updates from Evening Standard. Read our [privacy notice](#).

The increase to the energy price cap comes as the [Government](#) removes winter fuel payments for around 10 million pensioners.

The Government announced in July it would issue payments only to pension credit recipients or claimants of some other means-tested benefits, including universal credit. Around 10 million people are set to lose the allowance this year.

The annual tax-free payment of between £100 and £300 was introduced in 1997 to help eligible pensioners meet the costs of heating their homes in winter.

The number of people who received the payment last winter was 214,000 more than the 11.4 million in 2022-23, and it has steadily risen from 11.1 million in 2020-21, statistics released by the Department for Work and Pensions (DWP) show.

The Government has been urged to rethink its plans to means test the payment in light of the energy price cap rising just as households move into the winter months.

[Charities](#) have called for a U-turn, both the [Conservatives](#) and the Greens have called for the payments to be made available to all pensioners this winter, while delegates at Labour's annual conference backed a union motion calling for the cut to be reversed – although the vote is not binding on the Government and ministers have made it clear the policy will not be changed.

Caroline Abrahams, charity director at Age UK, said restricting the winter fuel payment to those on pension credit was “reckless and wrong” and “spells disaster for pensioners on low and modest incomes”.

Means testing the winter fuel payment is expected to save the Government £1.4 billion this year, which Labour said was necessary to make up the gap between the previous government's spending plans and the money that was made available to fund them.

Labour has also criticised the previous government for failing to invest in energy efficiency and renewable power.

The Government also insisted that more than one million pensioners would still receive the winter fuel payment and urged any pensioner worried about the impact of higher bills to check if they are eligible for pension credit.

Other charities and campaign groups have suggested different measures to mitigate the impact of rising energy bills, with [Citizens Advice](#) calling for “targeted bill support” and the End Fuel Poverty Coalition urging the expansion of other support funds and a reduction in standing charges.

Andy Manning, head of energy policy at Citizens Advice, said: “This price rise means bills are now around two-thirds higher

than before the energy crisis.

“With record levels of energy debt, the removal of previous support and changes to the eligibility of the Winter Fuel Payment, people are in desperate need.

“The Government must urgently introduce targeted bill support that reflects the realities of people’s energy needs.”

[Simon Francis](#), co-ordinator of the End Fuel Poverty Coalition, said: “We’re now heading into the fourth winter of sky high energy prices. After October 1, bills will be 65% higher than in 2020/21, meaning the average household will have paid more than £2,500 extra for their energy than had we not been so exposed to volatile energy markets.

“For older people who previously received the Winter Fuel Payment, but will no longer do so under the Chancellor’s new rules, the situation is even worse. For many pensioners, this winter will feel like the most expensive on record.

“What’s worse, there are more price increases on the horizon.

“We welcome the Government’s long term plans to boost home energy efficiency to bring down bills and to improve energy security to stabilise prices, but these reforms will take time to take effect and will be cold comfort to those struggling this winter.

“That’s why it is so vital the ministers bring in more support for vulnerable households this winter, reductions in standing charges and a social tariff.

“The energy industry has made more than £457 billion in profit since the start of the crisis – so there is plenty of money in the system to be able to ensure everyone stays warm this winter and next.”