EXPLANATORY MEMORANDUM TO

THE SOCIAL FUND WINTER FUEL PAYMENT REGULATIONS 2025

2025 No. 969

1. Introduction

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

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 Torsten Bell MP, Minister for Pensions at the Department for Work and Pensions, confirms that this Explanatory Memorandum meets the required standard.

2.2 Andrew Latto, Deputy Director for Devolution, Pensioner Benefits and Carer's Allowance at the Department for Work and Pensions, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Lois Teasdale at the Department for Work and Pensions, telephone: 07551474221 or email: lois.teasdale1@dwp.gov.uk, can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 These Regulations make provision for an annual Winter Fuel Payment to be paid to pensioner households in England and Wales from Winter 2025/26.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England and Wales.

5. Policy Context

What is being done and why?

5.1 In 2024/25, Winter Fuel Payments were made to pensioners in receipt of a qualifying means-tested benefit[1] or tax credit. On 9 June 2025, the Government announced[2] that the level of the means test would be increased. Winter Fuel Payments would be made

[1] Qualifying means-tested benefits were Pension Credit, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, Income Support or Universal Credit (see regulation 2(4) of S.I. 2024/869).

[2] https://www.gov.uk/government/news/nine-million-pensioners-to-receive-winter-fuel-payments-this-winter

to all pensioners in England and Wales, subject to Regulation 4 as described in paragraph 5.9. These would then be recovered through the tax system from those who are not in receipt of relevant means-tested benefits and who have a taxable income over £35,000.

5.2 These Regulations put into effect the first part of that policy by making Winter Fuel Payments universal, increasing the numbers entitled from 1.5 million to 10.9 million. Around 2 million of these payments will then be recovered through the tax system, meaning around 9 million pensioners will be net beneficiaries. The tax recovery provisions will be included in the Finance Bill to be introduced in Autumn 2025.

5.3 The Regulations revoke and replace the previous legislation, the Social Fund Winter Fuel Payment Regulations 2024[3], and make provision for the Winter Fuel Payment to be universal.

5.4 Regulation 2 provides that, subject to regulation 4, the Secretary of State must pay a Winter Fuel Payment to a person who has reached State Pension age in or before the qualifying week[4] and is ordinarily resident in England or Wales.

5.5 Regulation 3 sets out the amount of a Winter Fuel Payment a person will receive. Broadly, Winter Fuel Payments are £200 for a household with someone of State Pension age and £300 for a household with someone aged 80 or over. Where the household is not in receipt of a relevant means-tested benefit[5], and there is more than one eligible person in the household, a shared payment will be made.

5.6 A single person living alone will receive £200 if aged between State Pension age and 79, or £300 if aged 80 or over.

5.7 Where no relevant means-tested benefit is in payment and there is more than one eligible person in the household, each person over State Pension age (regardless of their marital relationship, family or other connections to people in the same household) will receive £100 if aged between State Pension age and 79; £200 if aged 80 or over if they are the only person aged 80 or over in the household; or £150 if aged 80 or over and there are other people aged 80 or over in the household. If they are living permanently in residential care – defined as living there throughout the qualifying week and the period of at least 12 weeks ending immediately before the qualifying week, disregarding any period of temporary absence - they will receive £100 if aged between State Pension age and 79, or £150 if aged 80 or over.

5.8 Where a relevant means-tested benefit is in payment, a couple where both partners are aged under 80 will receive £200; where either or both partners are aged 80 or over, the amount will be £300. This payment is made to the "lead claimant" of the relevant means-tested benefit except in the case of a couple where only one partner has reached State Pension age in the qualifying week, in which case the payment is made to that partner.

5.9 Regulation 4 sets out that a person will not be entitled to a Winter Fuel Payment if:

i. they are the partner of, and living with, a person who is in receipt of a relevant means-tested benefit during the qualifying week, because the partner will get the payment on behalf of both of them;

[3] https://www.legislation.gov.uk/uksi/2024/869/contents
[4] The week beginning on the third Monday of September. For winter 2025/26 that is 15 to 21 September 2025.
[5] The term "relevant means-tested benefit" refers to Pension Credit, Universal Credit, income-related Employment and Support Allowance, income-based Jobseeker's Allowance or Income Support.

ii. they are in hospital receiving free treatment for the whole of the qualifying week and have been receiving such treatment for more than 52 weeks ending immediately before the qualifying week, because they are receiving full state support for their living costs through the National Health Service;

iii. they are in prison serving a sentence for the whole of the qualifying week, because they are receiving full state support for their living costs through the prison service;

iv. they are in residential care permanently and are in receipt of a relevant means-tested benefit. This is because receipt of such a benefit means that their income is such that they are likely to receive state support for their living costs through the social care system;

v. they have not made a claim for a Winter Fuel Payment by 31 March following the qualifying week, subject to the exceptions set out in regulation 5 and described in paragraph 5.11.

5.10 Winter heating assistance is a devolved matter in Scotland, and Winter Fuel Payments are a transferred benefit in Northern Ireland. Regulation 4 ensures that a pensioner will not receive a duplicate payment if they move from England or Wales to Scotland or Northern Ireland during the qualifying week. In practice, it is the place of residence on the last day of the qualifying week which determines which payment is made – a Winter Fuel Payment from the Department for Work and Pensions (DWP) in England or Wales, a Winter Fuel Payment from the Department for Communities in Northern Ireland, or a Pension Age Winter Heating Payment from the Scottish Government.

5.11 Regulation 5 sets out the circumstances in which the Secretary of State may make a Winter Fuel Payment without a claim and allows for automated payments based on the information held by DWP. Only a very small number of individuals who either do not have a State Pension or DWP benefit record, for instance those who have deferred their State Pension, will need to claim a Winter Fuel Payment. Claims may be made up to 31 March following the qualifying week.

5.12 Those who do not wish to receive a Winter Fuel Payment may opt out of receiving an automatic payment either by contacting the Winter Fuel Payment Centre helpline or by using an online form available on gov.uk[6].

5.13 Regulation 6 makes consequential amendments to the Social Security (Claims and Payments) Regulations 1987[7].

5.14 Regulation 7 revokes the Social Fund Winter Fuel Payment Regulations 2024 and the Social Fund Winter Fuel Payment (Amendment) Regulations 2024[8].

What was the previous policy, how is this different?

5.15 In 2024/25, Winter Fuel Payments were made to pensioners entitled to a qualifying means-tested benefit or tax credit in England and Wales. They were also made to people who in the qualifying week had reached State Pension age, were resident in a qualifying European Economic Area (EEA) state[9] or Switzerland, were covered by the European Union Withdrawal Agreement[10] or parallel agreements, had a genuine and

[6] https://www.gov.uk/winter-fuel-payment/report-change-circumstances
[7] https://www.legislation.gov.uk/uksi/1987/1968/made
[8] https://www.legislation.gov.uk/uksi/2024/898/contents/made
[9] All except Cyprus, France, Greece, Malta, Portugal and Spain.
[10] https://www.legislation.gov.uk/eut/withdrawal-agreement/contents

sufficient link to the UK[11], and were in receipt of a benefit equivalent to the qualifying means-tested benefits and tax credits in England and Wales. The provisions for payments in the EEA and Switzerland expired on 1 April 2025.

5.16 From 2025/26, Winter Fuel Payments will be made to all pensioners in England and Wales. They will then be recovered from those who are not in receipt of a relevant means-tested benefit and who have a taxable income of more than £35,000 through the tax system. Winter Fuel Payments will not be made outside the United Kingdom.

6. Legislative and Legal Context

How has the law changed?

6.1 The Social Fund Winter Fuel Payment Regulations 2024 made provision for a Winter Fuel Payment to be paid, subject to the exceptions outlined in paragraph 5.9, to pensioners who were entitled to a qualifying means-tested benefit or tax credit.

6.2 These Regulations change the law to make provision for a Winter Fuel Payment that, subject to the exceptions as above, is paid to all pensioners who were ordinarily resident in England and Wales in the third full week of September. The Regulations are free-standing and revoke the Social Fund Winter Fuel Payment Regulations 2024 and the Social Fund Winter Fuel Payment (Amendment) Regulations 2024.

Why was this approach taken to change the law?

6.3 It might have been possible to amend the Social Fund Winter Fuel Payment Regulations 2024 to achieve the policy, but it was considered much simpler and clearer to revoke and replace the existing regulations and make a free-standing instrument.

7. Consultation

Summary of consultation outcome and methodology

7.1 With respect to the making of payments, the Regulations were considered by the Social Security Advisory Committee (SSAC) on 16 July 2025[12]. The Committee decided not to take the Regulations on formal reference. It did, however, write to the Secretary of State to outline its observations, and the relevant exchange of correspondence was published[13].

7.2 With respect to the recovery of payments through the tax system from those who are not in receipt of relevant means-tested benefits and who have a taxable income over £35,000, HMRC informally consulted with key tax stakeholders, including the Chartered Institute of Taxation, Low Income Tax Reform Group, and the Association of Taxation Technicians, during June and July 2025. Stakeholders supported the proposed recovery approach through via PAYE and Self-Assessment, and emphasised the need for clear guidance.

8. Applicable Guidance

8.1 Public information products have been updated to reflect these provisions where applicable on the gov.uk website[14] and corresponding guidance was issued to

[11] https://www.legislation.gov.uk/uksi/2024/936/made
[12] https://www.gov.uk/government/collections/social-security-advisory-committee-minutes-of-meetings
[13] https://www.gov.uk/government/organisations/social-security-advisory-committee
[14] https://www.gov.uk/winter-fuel-payment

operational staff from June 2025. Letters notifying customers will be issued following the qualifying week and before payments are made from November 2025.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because there is no significant impact on business, charities or voluntary bodies.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies, because they are out of scope of the legislation.

9.3 The legislation does not impact on small or micro businesses.

9.4 There is no, or no significant, impact on the public sector beyond their existing obligations.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation will be through the annual Winter Fuel Payment statistics which DWP publishes online[15]. These will allow for the caseload and number of households receiving the Winter Fuel Payment to be monitored.

10.2 The instrument does not include a statutory review clause.

10.3 Existing operational processes will be adjusted to ensure that Winter Fuel Payments are made to eligible households, either automatically or in response to a claim.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 Ministers are laying the Regulations during Parliamentary recess to ensure they are in force on the first day of the qualifying week, 15 September 2025. The Regulations are required by law to be considered by SSAC and, except where there is urgency, this is done in advance of the legislation being laid. Laying the Regulations on 22 August 2025 allows for due process with SSAC as the Committee considered the Regulations formally at the meeting on 16 July 2025 (and considered the policy informally at a meeting on 25 June 2025).

11.2 Unless the preceding Regulations are repealed by 15 September 2025, these Regulations would not be able to supersede them.

12. European Convention on Human Rights

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

[15] https://www.gov.uk/government/collections/winter-fuel-payments-caseload-and-household-figures

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").