

# Winter Fuel Payment

Data for winter 2016/17





**Annual** 

Published: 20 September 2017

**Great Britain** 

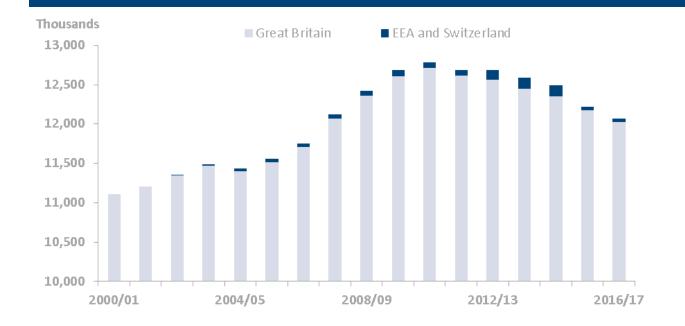
**National Statistic** 

This release contains annual National Statistics for Winter Fuel Payment recipient and household statistics. It includes statistics for residents of Great Britain (GB) and for residents of the European Economic Area (EEA) countries together with Switzerland. Household figures are for GB only.

#### **Main stories**

- 12.03 million people received Winter Fuel Payment (WFP) in 2016/17. A drop of 189 thousand since 2015/16.
- Of these 11.98 million were resident in Great Britain with 42 thousand claimants living in the European Economic Area (EEA) or Switzerland.
- 8.61 million GB households were entitled to Winter Fuel Payment in 2016/17. A drop of 127 thousand since 2015/16.

# 12.03 million people received Winter Fuel Payment in 2016/17



The total number of people receiving Winter Fuel Payment continues to follow a decreasing trend.

In winter 2016/17 the total number of people receiving a Winter Fuel Payment was around 12.03 million.

This represents a decrease of 189 thousand (1.5 per cent) from the total for the previous winter, including a drop of 540 payments in EEA and Switzerland.

# At a glance What you need to know Winter Fuel Payments: Recipients Paid to EEA and Switzerland Winter Fuel Payments: Households 7 About these statistics

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# What you need to know

Winter Fuel Payment was introduced in 1997 aimed at tackling fuel poverty amongst pensioners. It is an annual tax-free payment of between £100 and £300 to those eligible to help meet the costs of heating their homes in winter.

A payment is generally made between November and December but can extend until the end of March. Previously, the qualifying age to receive the payment was 60, but from 2010 this was increased in line with the changing State Pension age for women. Automatic entitlement is based on the individual(s) being in receipt of State Pension or another social security benefit (not Housing Benefit, Council Tax Reduction, Child Benefit or Universal Credit).

The payment amount is based on their circumstances during the qualifying week, which is usually in the September prior to the winter referenced. From July 2002, the residency criterion was extended beyond those people living in the UK to include those living within the European Economic Area (EEA) and Switzerland during the qualifying week who have a genuine and sufficient link to the UK.

From September 2015, the Winter Fuel Payment ceased to be payable to individuals living in countries where the average winter temperature is warmer than the warmest region of the UK (South-West England). The proposed "temperature link" affects people in seven countries: Cyprus, France, Gibraltar, Greece, Malta, Portugal and Spain. More information on claiming Winter Fuel Payment can be found <a href="here">here</a>.

The statistics are released annually alongside tables containing more detailed data and further breakdowns. For further information about data collection and processing for this publication see the Background Information and Methodology Statement that can be found <a href="here">here</a>.

These statistics were released on 20th September 2017 according to the arrangements approved by the UK Statistics Authority.

The UK Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- · are produced according to sound methods; and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed

# Winter Fuel Payment: Recipients

The number of people actually recorded on the Winter Fuel Payment administrative system (recipients) from winter 1999/2000 to winter 2016/17.

## The total number of people receiving a Winter Fuel Payment continues to follow a decreasing trend.

Winter Fuel Payment recipient figures to winter 2016/17.

Time Series	All cases	GB	GB	GB	EEA and
		Resident	Resident	Resident	Switzerland
			(Female)	(Male)	residents
	Number of				
	recipients (Thousands)	recipients (Thousands)	recipients (Thousands)	recipients (Thousands)	recipients (Thousands)
1999/2000	10,084	10,084	6,241	3,843	(Triousarius)
2000/2001	11,106	11,106	6,313	4,793	_
2001/2002	11,202	11,202	6,310	4,892	-
2002/2003	11,356	11,348	6,350	4,998	8
2003/2004	11,486	11,468	6,388	5,080	18
2004/2005	11,430	11,401	6,285	5,116	29
2005/2006	11,555	11,515	6,337	5,218	40
2006/2007	11,750	11,703	6,395	5,308	48
2007/2008	12,123	12,069	6,569	5,500	54
2008/2009	12,421	12,357	6,698	5,659	64
2009/2010	12,681	12,610	6,811	5,799	71
2010/2011	12,783	12,710	6,854	5,855	73
2011/2012	12,686	12,612	6,796	5,814	74
2012/2013	12,683	12,562	6,767	5,795	121
2013/2014	12,585	12,446	6,705	5,741	139
2014/2015	12,489	12,349	6,672	5,677	140
2015/2016	12,215	12,172	6,603	5,569	42
2016/2017	12,025	11,984	6,502	5,482	42

#### **Main Messages**

The number of Winter Fuel Payment recipients (all cases) has been decreasing slowly over the last five years.

This continued in winter 2016/17, where the **total number of Winter Fuel Payments recipients was 12.025 million** to the nearest thousand.
This represented a **decrease of 1.5 per cent** since winter 2015/16.

A similar trend was seen in the number of **GB residents, which stood** at **11.984 million** to the nearest thousand in 2016/17, a **decrease of 1.5 per cent** since winter 2015/16.

In winter 2016/17 the number of **EEA or Switzerland residents receiving Winter Fuel Payments was 42 thousand** to the nearest thousand, There were no changes in eligibility for EEA and Switzerland claimants for 2016/17 from the previous year 2015/16, which was the first decrease since EEA payments were introduced in winter 2002/03. This can be seen by the total number of EEA and Switzerland figures remaining at around 42 thousand. Further information can be found <a href="here">here</a>

From the total number of Winter Fuel Payment recipients in winter 2016/17, 0.4% were EEA residents which has stayed consistent to 0.4% in 2015/16.

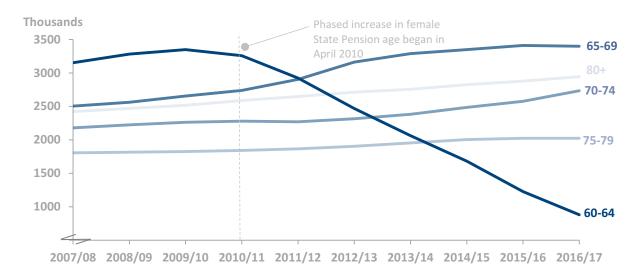
Some cases recorded on the administrative system, may not result in a payment: for example, if the person dies or if invalid bank account or address details have been given. Conversely, late payments are sometimes made to people that are not on the system at the time. This means that the actual number of payments made could be slightly different.

<sup>\*</sup>The increase to women's State Pension age began in 2011/12.

# **Winter Fuel Payment: Recipients**

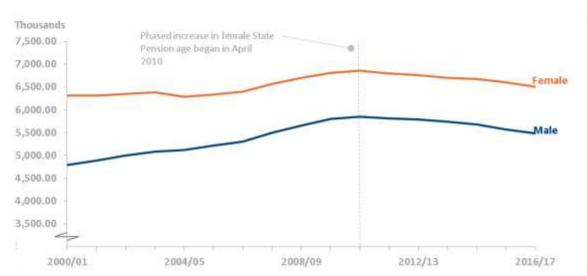
The fall in 60-64 year old claimants is partially offset by the rises in other GB age groups
Winter Fuel Payment recipient figures to winter 2016/17

Main



## The proportion of GB females to males claiming WFP is fairly consistent over time

## Winter Fuel Payment recipient figures to winter 2016/17



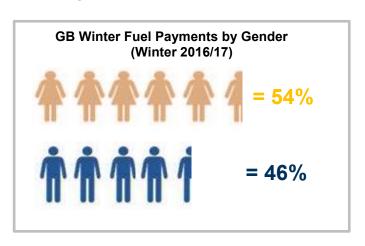
## **Main Messages**

The total recipient figures and those for GB increased from 1999/2000 to 2010/11; since then they have decreased. This is due to the rise in women's State Pension age.

The general increase in the number of pensioners has been off-set by the gradual increase in the women's State Pension age and, therefore, the age of entitlement for WFPs.

The age at which men and women reach State Pension age is gradually increasing. Under current legislation, State Pension age for women will equalise with State Pension age for men at 65 in 2018. Both men's and women's State Pension age will increase from 65 to 66 between December 2018 and October 2020. The Pensions Bill 2013-14 contains provision for a State Pension age of 67 to be reached by 2028.

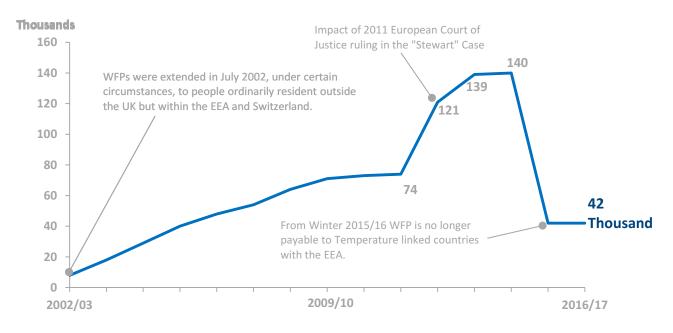
More information can be found in the <u>State Pension age</u> methodological note.

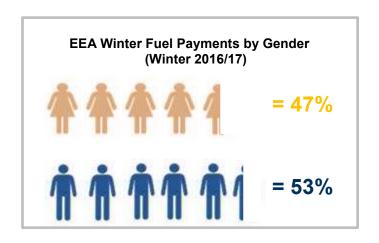


# **Winter Fuel Payment: Recipients**

## The number of WFP recipients for EEA countries and Switzerland has decreased

#### Winter Fuel Payment recipients in EEA and Switzerland, figures to winter 2016/17





#### **Main Messages**

WFPs were initially available only to people who were normally resident in the UK. They were extended in July 2002, under certain circumstances, to people ordinarily resident outside the UK but within the EEA and Switzerland. They were extended again in June 2003 to certain third country nationals (nationals of non-EU countries).

The number of recipients who are resident in the EEA or Switzerland has been gradually increasing and in 2012/13 there was a sharp rise from 74 thousand to 121 thousand to the nearest thousand. This represented an increase of 63 per cent since winter 2011/12. By winter 2014/15 a peak of 140 thousand had been reached.

The sharp rise followed a 2011 European Court of Justice ruling in the "Stewart" Case that meant, as of winter 2012/13, people who live in another EEA country or Switzerland and have a genuine and sufficient link\* to the UK are potentially eligible to receive a WFP, regardless of whether they previously had entitlement to it whilst living in the UK.

Prior to 2012/13 only those who had an existing entitlement to WFP before moving to another EEA country or Switzerland were eligible.

From September 2015, the Winter Fuel Payment ceased to be payable to individuals living in countries where the average winter temperature is warmer than the warmest region of the UK (South-West England). People in seven countries are affected: Cyprus, France, Gibraltar, Greece, Malta, Portugal and Spain. This change has resulted in a marked reduction in the numbers of payments made to the EEA or Switzerland. In winter 2015/16 there were 42 thousand recipients in these areas, a decrease of 70% on winter 2014/15. In 2016/17 the figures remain close to the previous year 2015/16 with no new countries being included in temperature link introduced in 2015/16.

<sup>\*</sup> A genuine and sufficient link may be, for example, that the person has lived or worked in the UK for the majority of their working life

# Winter Fuel Payments paid to eligible people living in EEA or Switzerland

The table below shows the actual number of payments made via the Winter Fuel Payment System. These figures differ from the WFP data provided earlier in the publication, which shows the number of payments that are sent to be processed following data matching; some of these cases may not actually receive a payment as issues may emerge during processing that result in clients not being entitled. For this reason the two sets of statistics, although close, do not match.

The number of WFPs made to people living in the EEA and Switzerland has followed an increasing trend since 2002, but 2015/16 saw a large decrease and figures continue to decrease this year.

Number of Winter Fuel Payments made to the nearest thousand and expenditure on payments to eligible clients living in EEA and Switzerland to winter 2016/17

Time Series	Total Number of Payments made (thousands)	Expenditure on Payments made (£millions)	Proportion of Total WFP Expenditure (%)
2002/2003	8	1.009	0.06
2003/2004	17	2.964	0.15
2004/2005	27	5.548	0.28
2005/2006	40	6.415	0.32
2006/2007	48	7.843	0.39
2007/2008	56	8.982	0.43
2008/2009	65	13.518	0.50
2009/2010	71	15.207	0.56
2010/2011	73	15.593	0.57
2011/2012	75	12.760	0.59
2012/2013	120	21.413	1.00
2013/2014	135	23.716	1.11
2014/2015	138	24.519	1.16
2015/2016	42	8.097	0.39
2016/2017	41	8.185	0.40

In winter 2016/17, 89 per cent of the WFPs made to EEA countries and Switzerland were made to people living in the Republic of Ireland (78 per cent), Germany (6 per cent) or Italy (5 per cent).

78%

6%

All Other Countries 11%

More detailed tables showing the numbers of WFPs made and expenditure, broken down by country are available here.

Benefit expenditure and caseload figures are published <u>here</u>

#### **Main Messages**

The number of WFPs made to people living in the EEA and Switzerland and the associated expenditure have been increasing between winter 2002/03 and winter 2014/15. Winter 2016/17 shows a marked decrease of 520 payments (1.2 per cent) however expenditure has increased by £88,000 (1.1 per cent). This shows an increase of expenditure in 2016/17 since the sharp decrease in 2015/16 with expenditure dropping by over £16 million (67 per cent) which represented the first decrease in the number of WFPs made since these payments were introduced.

See page 5 which details changes to eligibility for WFP.

**The European Economic Area (EEA)** is made up of all 28 EU countries plus Iceland, Liechtenstein and Norway, which are not members of the EU. Further information can be found <a href="https://example.com/here">here</a>.

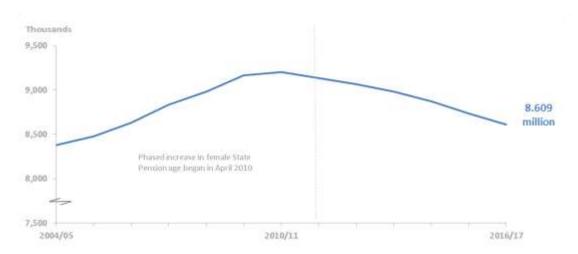
From winter 2015/16 a change to the WFP entitlement conditions means that the WFP is no longer payable to people living in Cyprus, France, Gibraltar, Greece, Malta, Portugal or Spain. This has resulted in a marked reduction in the numbers of payments made and the expenditure from winter 2015/16 continuing in 2016/17.

# Winter Fuel Payment: Households

The number of households in which there are people on the WFP administrative system. These figures will be lower that the recipient figures as there could be more than one member of the same household entitled to a payment.

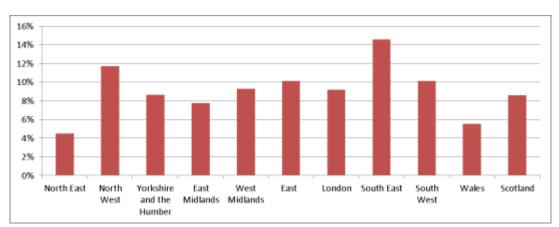
## The number of GB households in receipt of WFP is slowly falling.

#### Winter Fuel Payment recipients by GB households, figures to Winter 2016/17



# Payment of WFP to households varies by region

#### Proportion (%) of Winter Fuel households by region in GB, figures for Winter 2016/17



## Main Messages

In winter 2016/17, the number of WFP households in Great Britain was 8.609 million to the nearest thousand. This represents a decrease of 1.5 per cent since winter 2015/16.

The number of households in GB in receipt of a WFP increased from 2004/05 to 2010/11; since then they have decreased. As with the recipient figures, this decrease is due to the rise in women's State Pension age. The general increase in the number of pensioners has been off-set by the gradual increase in the women's State Pension age and, therefore, the age of entitlement for WFPs.

See Tables for supporting data and additional breakdown

# Variations are seen in the regional proportions of WFP households.

15% of households who received WFP were in the South East, followed by 12% in the North West, and only 5% in the North East.

## **About these statistics**

## **European Economic Area**

The European Economic Area (EEA) is made up of all 28 EU countries plus Iceland, Liechtenstein and Norway, which are not members of the EU. Further information can be found here.

In 1997 (start of the Winter Fuel Payment scheme): Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom.

On 1 May 2004, the following countries joined: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia

On 1 January 2007, the following countries joined: Bulgaria, Romania

On 1 July 2013, the following country joined: Croatia.

Switzerland is not a member of the EEA, but an agreement from 1 June 2002 means that the European Community rules on social security apply from that date. As a result, Winter Fuel Payments may be paid in Switzerland in some circumstances.

### **Supplementary Statistics**

Winter Fuel Payment data (both recipients and households) underlying the charts and figures featured in this summary are available via a separate set of <u>statistical tables</u>. These tables contain further breakdowns by Local Authority, gender, age, and Parliamentary constituency.

A Winter Fuel Payment is made annually to all pensioners between November and December and is a fixed amount that is not weather dependant. However in periods of extreme cold weather between November and March, the Cold Weather Payment scheme provides additional support to pensioners in receipt of Pension Credit and other individuals vulnerable to cold weather by providing an extra £25 payment for every seven day period of below 0°C temperatures in their area. Statistics on Cold Weather Payments (CWP) are available <a href="here.">here.</a>

These statistics are based on the estimated number of benefit units linked to each weather station that is eligible for CWP. A benefit unit is an adult and their partner (if applicable) and any dependent children living with them. More information on claiming CWP can be found here.

Statistics are also released on Fuel Poverty in England by the Department for Business, Energy & Industrial Strategy (BEIS) here.

Fuel poverty in England is measured by the Low Income High Costs definition, which considers a household to be in fuel poverty if:

- they have required fuel costs that are above average (the national median level)
- were they to spend that amount they would be left with a residual income below the official poverty line

The key drivers behind fuel poverty are:

- The energy efficiency of the property (and therefore, the energy required to heat and power the home)
- The cost of energy
- Household income

#### Other National and Official Statistics

Details of other National and Official Statistics produced by the Department for Work and Pensions can be found on the DWP website via the following link:

• A schedule of statistical releases over the next 12 months and a list of the most recent releases: <a href="https://www.gov.uk/government/organisations/department-for-work-pensions/about/statistics">https://www.gov.uk/government/organisations/department-for-work-pensions/about/statistics</a>

In addition, users can find links to DWP additional statistical analyses that have not been included in our standard publications at <a href="https://www.gov.uk/government/organisations/department-for-work-pensions/series/ad-hoc-statistical-publications-list">https://www.gov.uk/government/organisations/department-for-work-pensions/series/ad-hoc-statistical-publications-list</a>

#### Contact information and feedback

For more information, please contact Gillian Hubbard at <a href="mailto:gillian.hubbard@dwp.gsi.gov.uk">gillian.hubbard@dwp.gsi.gov.uk</a>

DWP would like to hear your views on our statistical publications. If you use any of our statistics publications, we would be interested in hearing what you use them for and how well they meet your requirements. Please email DWP at <a href="mailto:stats-consultation@dwp.gsi.gov.uk">stats-consultation@dwp.gsi.gov.uk</a>

An on-going questionnaire, enabling DWP to target future consultations at interested users; shaping the future direction of statistics development to address user needs; and helping ensure value for money, whilst giving users a structured way of expressing their views is available at:

<a href="https://www.gov.uk/government/statistics/winter-fuel-payment-statistics-user-questionnaire">https://www.gov.uk/government/statistics/winter-fuel-payment-statistics-user-questionnaire</a>

Users can also join the "Welfare and Benefit Statistics" community at: <a href="http://www.statsusernet.org.uk">http://www.statsusernet.org.uk</a> DWP announces items of interest to users via this forum, as well as replying to users' questions.

#### **Future Releases**

The next release will be in September 2018 and will contain figures relating to Winter Fuel Payments for the period winter 2017/18.