## Cabinet Secretary for Social Justice Shirley Anne-Somerville MSP



T: 0300 244 4000

E: scottish.ministers@gov.scot

Collette Stevenson MSP Convener Social Justice and Social Security Committee The Scottish Parliament EDINBURGH EH99 1SP

By email to: siss.committee@parliament.scot

## 14 August 2024

Dear Collette,

As you know the UK Government recently announced an intention to move away from a universal Winter Fuel Payment and to restrict entitlement to those in receipt of Pension Credit and other means-tested benefits from this winter. I am disappointed that this decision has been taken without due consultation or discussion with Scottish Ministers.

This decision has resulted in a significant reduction in the Block Grant Adjustment associated with the devolution of the UK's Winter Fuel Payment by an estimated £140 million to £160 million in 2024-25 – nearly 90% of the cost of the Scottish Government's new replacement benefit, Pension Age Winter Heating Payment.

Following careful consideration of the options available for Scotland it is with deep regret that I can confirm that the Scottish Government must replicate the decision made by the UK Government and restrict eligibility for Pension Age Winter Heating Payment to older people on relevant eligible benefits. This has been a very difficult decision and not one we want to or expected to be making. However, despite all efforts to review our financial position it is a necessary decision when faced with such a deep cut to the budget and in the most challenging financial circumstances since devolution.

The timing of the UK Government announcement has meant it is not practical to make changes in good time for the launch of Pension Age Winter Heating Payment. Delivery will therefore be deferred until winter 2025. However, I can offer reassurance that the Scottish Government is in discussion with the Department of Work and Pensions, which has committed to make payments this winter to eligible pensioners in Scotland on terms equivalent to Winter Fuel payments in England and Wales.

Given the UK Government's decision to restrict to those in receipt of means-tested benefits, such as Pension Credit, and the implications for the Scottish Government detailed above, I have urged the Secretary of State to undertake a benefits take-up campaign for Pension Credit and to move forward with plans for a social energy tariff. Both of these measures will provide some further protection to energy customers in greatest need.

SHIRLEY-ANNE SOMERVILLE