

# RNIB Scotland response to the Scottish Government Consultation on Pension Age Winter Heating Payment

### Introduction

RNIB Scotland welcome the Scottish Government’s consultation on Pension Age Winter Heating Payment (PAWHP).

The 2023 version of the RNIB Sight Loss Data Tool states that the number of people estimated to be living with sight loss in Scotland is 183,000. This is projected to rise to 214,000 people by 2032.[[1]](#footnote-1)

With rates of sight loss expected to increase as well as an ageing population, financial support to help pensioner households heat their homes is vital, particularly during the winter months.

The ongoing cost of living crisis continues to impact on the finances and wellbeing of blind and partially sighted people. For example, 38 per-cent of respondents in a recent RNIB survey reported a decrease in their wellbeing due to the cost-of-living crisis.[[2]](#footnote-2)

Around two thirds of respondents in the same survey also reported using less energy to try and save money. Blind and partially sighted people, of all ages, have their own unique circumstances when it comes to energy usage. For example, many require adequate lighting levels at home, to move around safely or use any remaining vision. In Scotland the winter months also bring colder temperatures and more risky weather conditions such as icy pavements, which makes it more difficult for a person with sight loss to get out independently. As a result, they may spend longer periods at home and have a higher need for heating.

Whilst this consultation is focussed on the introduction of Pension Age Winter Heating Payment (PAWHP), this response considers the need for a longer-term strategy to ensure pensioner households most at risk of fuel poverty, receive adequate support. This may also include reviewing support for households with higher energy consumption because of an impairment or health condition, including people with sight loss.

### Questions

In response to the questions posed in this consultation we have used internal and external reports, as well as direct quotes from blind and partially sighted people.

Please see contact details at the end of this document if further information is required.

#### Question 1a. Do you agree or disagree with the proposal to replace Winter Fuel Payment with a ‘like-for-like’ replacement?

Partly agree.

#### Question 1b. Please provide further information on why you agree or disagree

Significant numbers of Scottish residents of state pension age who receive Winter Fuel Payment, will be transferred onto PAWHP, with Social Security Scotland administering payments.

Justification for using a like-for-like replacement, seems to be based on resource availability. However, it could be argued a universal approach to supporting all those of pension age may not be in the best interests of those who are in fuel poverty. For example, a 2016 report on Intergenerational Fairness for the House of Commons Select Committee on Work and Pensions said Winter Fuel Payment for pensioner households “is a blunt instrument for alleviating fuel poverty among the least well-off pensioner households and gives a cash payment to many households who do not need it. As its value is fixed in cash terms its real value is set to dwindle gradually over time.”[[3]](#footnote-3)

A more targeted approach may be beneficial in the long term, particularly if it ensures those of state pension age most at risk of fuel poverty, and who have a requirement for extra heating costs due to an impairment or health condition, receive financial support.

#### Question 2a. Do you agree or disagree that this approach is an effective way for the Scottish Government to provide financial support for older people?

Partly Agree.

#### Question 2b. Please provide further information on why you agree or disagree

The consultation documents states: “The main objective of PAWHP is to provide all older people with additional money during winter which will allow them to heat their homes for longer, helping to tackle fuel poverty. Older people are targeted because they may be particularly vulnerable to the effects of cold weather during the winter months and are more likely to be on fixed incomes.”

A recent survey by Age Scotland found 62% of older people had cut back on heating to make ends meet during the cost-of-living crisis. [[4]](#footnote-4) It seems that heating is often the first expense to be affected when household budgets are being squeezed elsewhere with rising costs of food and other expenses.

The charity said the low temperatures and high cost of heating homes was a "recipe for disaster" for health and wellbeing.

It has been suggested by some external reports, that during periods of cold weather, the poorest pensioner households, cut back on spending in other areas, such as food, to finance the additional costs of heating their homes.[[5]](#footnote-5)

It could therefore be argued that the universal payment of PAWHP is not an explicit fuel poverty measure, nor does it target those most in need of financial assistance, particularly amongst pensioner households who have a higher need for ongoing heating costs due to a health condition or impairment.

On the topic of tackling fuel poverty, the consultation document refers to initiatives which may be available to support households, including Area Based Schemes.

However, it cannot be assumed that all those of state pension age facing fuel poverty are able to access support from these initiatives. Without reliable, up to date and accessible information many are simply unaware of support available and could therefore be missing out on financial support.

When information is only available online, or isn’t available in accessible formats, people with sight loss are often prevented from accessing information which could be useful to them. Many energy saving schemes and financial supports associated with them, often rely on people being able to apply to them. If application forms are only available online or are difficult to access, it can create another barrier for people with sight loss.

For example, people with sight loss, are twice as likely to be digitally excluded when compared to the general population. As many as one in five never go online and although 47 per cent use the internet everyday – this is considerably lower than the UK average (78 per cent). A further 36 per cent of people with sight loss either have never used the internet or have no internet access.[[6]](#footnote-6)

Findings from the latest Scottish Household Survey also suggest older disabled people are less likely to use the internet compared to non-disabled people aged 60 and above.[[7]](#footnote-7)

Low awareness of fuel poverty schemes and energy saving measures also seems to be high amongst older people in Scotland. For example, an Age Scotland report published in April 2023, found 47 per cent of respondents had never heard of or used Home Energy Scotland; 54 per cent of respondents had never heard of the Warmer Homes Scotland Scheme; and 58 percent of respondents were not aware of their local Area Based Scheme.[[8]](#footnote-8)

This illustrates the scale of the challenge in delivering support to some of the hardest to reach (often digitally excluded) vulnerable households in Scotland to help keep them warm and well during the winter.

#### Question 2c. Do you have any further comment on the potential longer-term development of this benefit in order to provide the most effective support?

Financial help with heating and energy costs is a priority for many blind and partially sighted people. A broader look at other approaches could be considered such as a social tariff or discounted energy tariff to protect disabled households, struggling with their energy bills from price increases.

At the UK level, RNIB in conjunction with other sight loss charities and disabled people organisations, have already raised concerns about the lack of energy support targeted to those who need it most.[[9]](#footnote-9)

#### Question 3a. Do you agree or disagree with the proposal to name the replacement for Winter Fuel Payment in Scotland ‘Pension Age Winter Heating Payment’ (PAWHP)?

Agree.

#### Question 3b. Please provide further information on why you agree or disagree

We agree this name provides clarity for its intended use; however, it must be clearly communicated that it is replacing Winter Fuel Payment for people of pension age in Scotland when it is launched to avoid confusion.

#### Question 4a. Do you agree or disagree with the proposal to continue making payments to clients in November or December each year?

Agree.

#### Question 4b. Please provide further information on why you agree or disagree

Payment dates in November and December come at a time when temperatures tend to be lower and the need for heat is higher. However, those who rely on off-grid energy sources may need to purchase heating sources many months in advance of the winter months. It may therefore be useful to consider earlier payment dates for some.

#### Question 5. How could we improve delivery for households in remote rural and island communities that are not on the gas grid?

As this is not a policy area RNIB Scotland have much direct involvement in we cannot comment in detail. However, it is worth noting that prices for alternative fuels are not regulated in the same way as gas and electricity prices. This means they can vary day-to-day and between different local areas to a much greater extent.[[10]](#footnote-10)

Those living in remote, rural and island communities of pension age could benefit from more financial assistance earlier on in the year.

#### Question 6a. Do you agree or disagree that our universal approach to identifying eligibility should be based on reaching state pension age?

Partly agree.

#### Question 6b. Please provide further information on why you agree or disagree

The incidence of sight loss tends to increase as a person ages, so reaching state pension age is useful in identifying those who may be more likely to benefit from PAWHP.

A universal approach ensures uptake is high, particularly amongst those of pension age who do not claim social security benefits they are entitled to.

Lack of accessible information can be a barrier for people claiming their full benefit entitlement. Research from Loughborough University from June 2023 found that lack of clear information was a barrier to people with visual impairments claiming benefits to which they are entitled to.[[11]](#footnote-11)

However, the existing approach does not recognise those of state pension age, who have a greater need for heating their homes, due to a long-term condition or impairment. Disabled people, including blind and partially sighted people, often face additional expenditure in other areas of life due to living with an impairment. They could be said to face a greater burden when it comes to heating their homes in winter due to facing financial pressures elsewhere.

#### Question 7a. Do you agree or disagree that the eligibility criteria for the PAWHP are clear?

Partly agree.

#### Question 7b. Please provide further information on why you agree or disagree

It may be beneficial in the long term for the Scottish Government to review eligibility to ensure a more targeted approach so people of pension age, living with an impairment such as sight loss, gain access to essential financial support to help heat their homes.

Additional amounts for those who receive a disability benefit, as well as income maximisation checks and help to apply for energy saving schemes could help target those most in need of support with heating their homes.

As Social Security Scotland takes on administration of disability benefits including Pension Age Disability Payment (PADP) there may be existing ways to target those who may benefit from additional support most.

#### Question 8a. Do you agree or disagree with the proposal to retaining the current value of payments

Partly Agree.

#### Question 8b. Please provide further information on why you agree or disagree

The PAWHP is likely to bring some relief. However, it is being introduced at a time when there are continuous increases to the price of energy. For example, the price of gas in October 2023 was around 60 per cent higher than two years previously, whilst the price of electricity is 40 per cent higher across the same period.[[12]](#footnote-12) In the short-term energy prices will rise again - typical annual energy bills will increase from 1st of January to March 2024 to approximately £1928.[[13]](#footnote-13)

Over the last two years the UK Government has made provision to increase the level of Winter Fuel Payments.[[14]](#footnote-14) It could be helpful for the Scottish Government to conduct an expert review on whether the current rates of PAWHP will have any meaningful impact.

Whilst there has been additional cost of living payments to pension households, provision that adequately reflects continuing increases to energy prices is required.

#### Question 9a. Do you agree or disagree that people in residential care who do not receive the income-related benefits listed should receive half of the ‘full’ rate of PAWHP?

RNIB Scotland does not have specific evidence or insight on this area.

#### Question 10a. Do you agree or disagree with the proposal for PAWHP to be given to clients in the form of a cash payment and not another form?

Agree.

#### Question 10b. Please provide further information on why you agree or disagree

This seems a reasonable approach to offer financial support to those who require help with heating costs. However, in the long-term other measures such as money off or reductions in energy bills may provide welcome relief for some as a direct benefit, particularly for households with disabled people.

#### Question 11a. Do you agree or disagree with the proposal to pay PAWHP as an annual one-off payment each winter?

Agree.

#### Question 11b. Please provide further information on why you agree or disagree

A one-off payment may help towards the costs of heating during the colder weather. It cannot be assumed that customers if paying a direct debit each month on their energy bills will have built up enough credit on their account to cover the additional cost of heating in the winter months.

Disabled people in particular require energy for other reasons on an ongoing basis such as for charging devices, using technology or other independent aids and equipment at home.

#### Question 12a. Do you agree or disagree with the proposals for providing a way for people to opt-out of receiving PAWHP?

Agree.

#### Question 12b. Please provide further information on why you agree or disagree

It seems reasonable to assume there would be a straightforward way for a person to opt-out of receiving PAWHP if there is no need or want for the payment and may help make modest savings in government expenditure.

#### Question 13a. We propose to continue having the ‘qualifying week’ in September to identify eligible clients. Please indicate if you agree or disagree with this approach or whether you don’t know.

Partly Agree.

#### Question 13b. Please provide further information on why you agree or disagree

Ideally the qualifying week should be as close to payment date as possible to ensure maximum take up by those eligible. PAWHP comes at a time when a person may already have seen a substantial drop in income as a result of retirement. At present, those who reach state pension age after the qualifying week in September but in the same year prior to the payment dates, (i.e., in October/November) will miss out on a payment which could provide essential relief for help with energy bills.

It would also be helpful for there to be clear and accessible routes of contacting Social Security Scotland for people who may be eligible for PAWHP but have not received a payment.

#### Question 21. If there is anything else you would like to tell us about the described policy intention, impact assessments or PAWHP in general, please do so here

In the long term the Scottish Government may wish to review its statutory duties under Section 30 of the Social Security (Scotland) Act 2018. This authorises the Scottish Ministers to make provision by way of regulations for assistance to help an individual to meet, or help towards meeting, the individual’s heating costs during the winter months.

We have seen additional provision being made elsewhere, albeit for a smaller population when the Scottish Government announced Child Winter Heating Assistance (CWHA). CWHA is not means tested and is therefore paid to anyone who is in receipt of the qualifying benefit during the qualifying week.

Alternative approaches have already been taken to pay benefits to those most in need. For example, Winter Heating Payment, introduced in February 2023 pays a one-off payment to help those in receipt of qualifying benefits with their heating costs. Unlike the benefit it replaced, Cold Weather Payment, Winter Heating Payment is not tied to the recorded temperature at weather stations, meaning that it provides a guaranteed sum to all eligible households.

It would therefore seem possible that in the longer term a more progressive approach could be used. This may help target those who have a higher need for energy use amongst those of pension age who live with an impairment or long-term condition.

Findings consistently show that disabled people are more likely to face fuel poverty and struggle with costs during the winter. For example, the Health, Disability and the Energy Crisis report[[15]](#footnote-15), based on a YouGov survey commissioned by Consumer Scotland, found:

* Fifty-two per cent of disabled people reported they were unable to heat their home to a comfortable level compared with 36 per cent of non-disabled people;
* Forty-seven per cent of disabled people reported that they were struggling to keep up with their energy bills compared with 29 per cent of non-disabled people;
* Forty-seven per cent of disabled people reported that they had cut back on food compared with 32 per cent of non-disabled people;
* Seventy-two per cent of disabled people reported the energy crisis had an impact on their mental health compared with 64 per cent of non-disabled people;
* Sixty-eight per cent also said the energy crisis was having a negative impact on their physical health compared with 54 per cent of non-disabled people.

These findings show consistently increased energy costs have serious repercussions for disabled people, including people with sight loss, and underline the need to address fuel poverty.

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1. See [RNIB Sight Loss Data Tool - statistics on sight loss | RNIB | RNIB](https://www.rnib.org.uk/professionals/health-social-care-education-professionals/knowledge-and-research-hub/sight-loss-data-tool/) [↑](#footnote-ref-1)
2. Article about the survey: <https://www.rnib.org.uk/news/cost-of-living-is-hitting-mental-and-physical-wellbeing-of-blind-and-partially-sighted-people/> [↑](#footnote-ref-2)
3. Intergenerational Fairness paper (published 2016) for the UK Parliament, Commons Select Committee UK, Work and Pensions, accessed on 18.12.23: [https://publications.parliament.uk/pa/cm201617/cmselect/cmworpen/59/5907.htm#:~:text=Theper cent20Winterper cent20Fuelper cent20Paymentper cent20is,whoper cent20doper cent20notper cent20needper cent20it](https://publications.parliament.uk/pa/cm201617/cmselect/cmworpen/59/5907.htm#:~:text=The%20Winter%20Fuel%20Payment%20is,who%20do%20not%20need%20it). [↑](#footnote-ref-3)
4. Opinium online polling of 1301 UK adults aged 60+, data collected 1st to 3rd of November 2022 referenced via Age UK news item: <https://www.ageuk.org.uk/latest-press/articles/2022/age-uk-calls-on-everyone-to-look-out-for-their-older-family-members-and-friends-this-wintertime/#_edn2> [↑](#footnote-ref-4)
5. Tackling fuel poverty, reducing carbon emissions and keeping household bills down: tensions and synergies: Report to the Committee on Fuel Poverty (2018) Centre for Sustainable Energy: report available via this link: <https://assets.publishing.service.gov.uk/media/5b167c9640f0b634c9002c00/Research_by_CSE_for_CFP_-_Policy_Tensions_and_Synergies_-_Final_Report-.pdf> [↑](#footnote-ref-5)
6. Slade (2019) Understanding Society: comparing the circumstances of people with sight loss to the UK population. RNIB. [↑](#footnote-ref-6)
7. Of disabled adults aged 60+, 66% reported using the internet, compared with 81% of non-disabled adults aged 60+. Scottish Household Survey 2022: Key Findings available at: <https://www.gov.scot/publications/scottish-household-survey-2022-key-findings/pages/6/> [↑](#footnote-ref-7)
8. Age Scotland Housing Survey 2023 available at: <https://www.ageuk.org.uk/globalassets/age-scotland/documents/policy-and-research/housing/full-report-national-housing-survey-2023.pdf> [↑](#footnote-ref-8)
9. <https://www.rnib.org.uk/news/support-cant-wait-rnib-and-74-other-sight-loss-and-disability-charities-tell-the-chancellor/> [↑](#footnote-ref-9)
10. <https://commonslibrary.parliament.uk/research-briefings/cbp-9838/> [↑](#footnote-ref-10)
11. ‘Benefit uptake among blind and partially sighted people in the UK’ Centre for Research in Social Policy (2023, Centre for Research in Social Policy, Loughborough University).
 [↑](#footnote-ref-11)
12. Accessed on 05.12.2023: <https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costoflivinginsights/energy> [↑](#footnote-ref-12)
13. Accessed on 05.12.2023: [https://www.ofgem.gov.uk/publications/changes-energy-price-cap-1-january-2024#:~:text=Fromper cent201per cent20Januaryper cent202024per cent20the,toper cent20per centC2per centA31per cent2C928per cent20perper cent20year](https://www.ofgem.gov.uk/publications/changes-energy-price-cap-1-january-2024#:~:text=From%201%20January%202024%20the,to%20%C2%A31%2C928%20per%20year). [↑](#footnote-ref-13)
14. <https://www.legislation.gov.uk/uksi/2023/549/made#f00004> [↑](#footnote-ref-14)
15. Health, Disability and the Energy Crisis, May 2023, available at: <https://consumer.scot/media/cpkfaqra/disabled-people-health-and-the-energy-crisis-may-2023.pdf> [↑](#footnote-ref-15)