



Fuel poverty, energy affordability and COVID-19 (1 April)

Before the COVID-19 crisis, around four million UK households were estimated to be living in fuel poverty, unable to afford the energy needed to stay warm, safe and healthy at home.

With the current situation now driving increases in household energy consumption and decreases in household income, this issue is likely to become even more acute. People who were already struggling with their energy costs may find that they are plunged deeper into crisis, while others may be experiencing these challenges for the first time. Some who are ill or self-isolating may also have concerns about practical challenges in paying for their energy, particularly if they have a pre-payment meter.

Measures to support vulnerable energy customers during COVID-19

The Government and energy industry have announced that their current priority is ensuring continuity of supply. To this end they have introduced a package of support to make sure that no one is disconnected during the crisis.

Customers with **pre-payment meters** who may not be able to add credit can speak to their supplier about options to keep them supplied. This could include 'nominating a third party for credit top ups, having a discretionary fund added to their credit, or being sent a preloaded top up card'.

Support for other energy customers in financial distress was also announced, which 'could include debt repayments and bill payments being reassessed, reduced or paused where necessary'. It was also confirmed that no one would be disconnected during the crisis.

People who are vulnerable, of pensionable age, have children under five, a disability or long-term medical condition, or have additional communication needs should also alert their energy supplier and distribution network operator (DNO) so they can be placed on their **priority services registers**. This means they will receive additional services such as password security and information in different formats. They will also be prioritised in the event of a situation like a powercut. While both suppliers and DNOs keep separate registers, if permission is granted then suppliers will share data with the DNO and vice versa. At the present time customers may find it quicker to contact their DNO rather than supplier and agree to their details being passed to their supplier. This can be done by telephone or online, and they can find details of the relevant DNO on their electricity bill.

Guidance for:

- England
- Wales
- Scotland

COVID-19 FACT SHEET #5

#CV19HOUSING

Note: we are aware that some suppliers are currently prioritising telephone calls relating to pre-payment meter enquiries and emergencies, meaning limited capacity to deal with enquiries from standard credit customers who are in fuel debt or have billing issues. Ofgem advises that where possible people check online advice and communication options before attempting to contact suppliers.

More information can be found at <u>www.gov.</u> <u>uk/government/news/government-agrees-measures-with-energy-industry-to-support-vulnerable-people-through-covid-19</u>

Maximising income to make energy bills more affordable

To improve energy affordability it remains vital that people claim all of the benefits that they are entitled to. In addition to existing benefits, a package of employment and financial support has been introduced by the Government to help ease financial distress during COVID-19. National Energy Action (NEA) provides support with accessing benefits through its Warm and Safe Homes Advice Service (England only) online referrals can be made at nea.org.uk/ advice/wash-advice/. Citizens Advice have a page dedicated to information for those struggling to pay their bills due to coronavirus - https://www.citizensadvice.org.uk/debt-andmoney/if-you-cant-pay-your-bills-becauseof-coronavirus/. The Government also has more information available at www.gov.uk/ coronavirus.

Understanding home energy use

Household improvements such as installing new insulation and heating systems will largely be on hold, but there are other small changes that people can make to save energy at home. Blocking draughts, drying washing outside instead of using the tumble dryer, and using thermostats and heating controls correctly all help.

It's important that people know how to read their meters and understand their bills, as this can help prevent debt issues.

More information, including top tips on saving energy and guidance on how to identify and assist people in fuel poverty are available at www.nea.org.uk/advice.

Other sources of information

Ofgem has a page of key information on wider energy issues relating to the COVID-19 situation, such as impacts on smart meter installations, and what people should do if they have a problem such as gas leak or powercut. www.ofgem.gov.uk/coronavirus-covid-19/coronavirus-covid-19-and-your-energy-supply.

About National Energy Action

NEA is the national fuel poverty charity, working to ensure that everyone can stay warm and healthy at home. During the COVID-19 crisis, we will be campaigning to make sure that energy affordability issues are recognised and addressed by Government and the energy industry. We'll also be providing advice and guidance to people struggling to afford their energy bills.

For more information visit <u>www.nea.org.uk</u> or contact sarah.wright@nea.org.uk. You can also find us on Twitter <u>@NEA_UKCharity</u>.