

This is not cosy
This is a crisis



The cold, dark truth about winter **2023/24**

FOREWORD

Candle-lit, cosy nights make winter feel special. But not if candles are your only source of heat and light.

Sadly, for many people in the UK, that will frequently be the case this year. Yes, the energy price cap has been reduced. But unlike last year, there probably won't be any Government support to cover rising fuel costs. In real terms, bills will only be around 7% lower¹ than last winter, yet essentials like mortgage or rent payments, food, and clothing all cost far more. As a result, everyday things many of us take for granted – like being able to switch on the lights, flick on the kettle, and make a hot meal – are becoming a luxury that many households will struggle to afford. But for people who prepay for energy, having no money can

mean having to live without light, heat, and power altogether. We call this Fuel Crisis.

This summer, we helped a record number of people facing Fuel Crisis. Many of them had never needed support with energy costs before. Others were struggling desperately after being moved from direct debit payments to a prepayment meter by their energy supplier. Once they'd paid down their debt, there wasn't enough to keep the lights and heat on for more than a few days. And, given their extreme anxiety about living in Fuel Crisis, adapting to having to meticulously


plan and budget for simple things like washing clothing or taking a hot shower felt all but impossible.

So here's the cold, dark truth about this year's cosy, winter season. As temperatures drop, the days get shorter, and the need for energy increases, there will be a huge surge in the number of people who face living in Dickensian conditions: no heating, hot water, or warm meals, no washing machine, and no lighting. Consequently, many children and adults will become physically or mentally ill, and existing illnesses will worsen. Those with a critical need for energy –

like people who need electricity to keep breathing machines running - will be exposed to significant risk. And for many, life will be unbearably hard. It's a far cry from the usual narrative of hot chocolates and warming comfort foods.

We were founded as a charitable arm of npower in 2015. Our mission was to advocate for the long-forgotten and marginalised group of people who use prepayment meters. Today, we're an independent charity, but our

mission remains the same. We've extended our support to include people who must bulk buy fuel such as heating oil, wood, or biomass pellets, because they live in homes not connected to the mains gas grid.



As temperatures drop, the days get shorter, and the need for energy increases, there will be a huge surge in the number of people who face living in Dickensian conditions...

FOREWORD

As such, we've seen the issue of Fuel Crisis through multiple lenses. We understand the regulatory difficulties and know the challenges suppliers face.

While we help people already in crisis, we believe in that famous Desmond Tutu saying - that it's crucial to go upstream and stop people from falling into the river

instead of simply pulling them out. That's why we do a lot of research into the lives of our client group. Combining those insights with our unique point of view, we can see that - despite commonly-held sector beliefs - being pushed into Fuel Crisis isn't an inevitable life event for the people we support. It can be changed. And we want to change it.

No single group or organisation can do it alone. But if the Local, UK National, Scottish, and Welsh Governments, energy sector, and the charitable sector each make inroads towards this shared goal, we can make a big difference together.



Matthew Cole

Head of Fuel Bank Foundation

Inside this report...

We hope you'll join us in combating this terrible yet preventable problem.

- ✓ Our latest research insights into the causes and impacts of Fuel Crisis, including why the problem is snowballing.
- ✓ An overview of what we're doing about it.
- ✓ Our recommendations on how to stop it from escalating even more.

LIKE A FOODBANK, BUT FOR ENERGY

- ➔ When people must prepay for energy but cannot afford to, they face living without heat, light, and essential appliances.
- ➔ They can turn to us. We provide a crisis fuel top-up so they can stay warm, well, and clean.
- ➔ The people we support - our clients - access our help via our network of partners.
- ➔ Partners send emergency referrals to us when they speak with someone who is already living without access to heat, hot water, and power, or will be within the next few days.



Since launching in 2015, we've helped over 1.14 million people.



In the last 12 months we've...

Helped 623,769 people by providing a crisis fuel top-up

58% of those people were adults, and 42% were children

—

Gifted a free heated throw to 3,239 vulnerable clients in Wales and Scotland
so they can spend less on staying warm and well by 'heating the person, not the home'

—

Provided an emergency delivery of fuel such as coal, wood, or heating oil to 2,125 people living off the mains gas grid
so they weren't forced to live in a cold, damp home

WHO WE SUPPORT

We support people who prepay for energy, but cannot afford to. Some have a prepayment meter for gas, electricity, or both. Others must bulk buy fuel like coal, heating oil, or propane gas, because they aren't connected to the mains gas grid.

4 million
UK homes
have a
prepayment
meter²

1.5 million
UK homes
must bulk buy
unregulated
fuels

43%
of the people we
support have a
critical need for
energy



Gambling as a coping mechanism

Worryingly, our anecdotal evidence suggests that more people are gambling to help pay for energy. With extreme stress, anxiety, addiction, and even suicidal feelings being strongly associated with gambling, this is something we should all be concerned about³.

TRENDS WE'RE SEEING IN 2023

Our client base is trying hard to save money

Skipping meals, rationing heating, hot water, and appliance usage (or not using them at all), and buying less food were some of the most common ways people are trying to save money. Yet, for some, budgets are so tight that no matter how many financial sacrifices they make, it's not enough.

Number of financial sacrifices our client group is making.

99%

at least 1

21%

4 or 5

23%

7 or more

Younger people are desperately struggling

People aged 18 - 35 are most likely to be living in perpetual Fuel Crisis. As the most likely group to have children at home, their outgoings often far exceed the money coming in. They're also the most likely age group to be 'new' to prepayment meters and struggling to adjust to a new way of planning their energy usage and finances.

15% run out of money to 'top up' daily

26% were already disconnected from their energy supply when they applied for a voucher

80% had young children at home

73% used their voucher to pay off meter debt

CATHERINE'S STORY

Catherine is in perpetual debt on her prepayment meter, despite taking drastic measures to save money. She said: “I’m having to stop eating to save money. I make sure he’s fed because he’s a child, but sometimes I just get a sandwich at night.”



Life hasn't always been this way. But when Catherine experienced the death of her daughter and became the sole carer of her young grandchild, things started to spiral. Having spent all her savings on the funeral, she had nothing left for emergencies. On top of that, Catherine developed osteoarthritis and became unable to work. To get around, she now uses a mobility scooter and needs warmth and hot baths to cope with the pain, meaning she has a critical need for energy.

While Catherine has a steady income from benefits, it isn't enough. When she applied for an emergency fuel voucher, she was using emergency credit on both the gas and electricity meter. “I just didn't have the money – there was no money coming in and there's no one to ask because everyone is in the same situation.”

Getting the voucher made a huge difference. “I was really happy. I just felt better, it just felt like something lifted off my shoulders. I knew it

wasn't going to last forever, but it helped. I was able to concentrate on paying something else”. She also went on to act on several pieces of energy efficiency and cost-saving advice given to her when she applied.

But in the long term, Catherine says she still needs more help to survive.

“When it's a bad week I've only got enough to be topping up about £10 and it's not enough.”

OUR RECOMMENDATIONS



Of all Western Europe, the United Kingdom has the leakiest homes. The Government must urgently invest in a national energy efficiency programme that will:

- **reduce the amount of energy needed to keep homes warm;**
- **deliver on the UK's Net Zero targets, and**
- **reduce our reliance on foreign energy sources.**

Priority must be given to homes that are the hardest to heat.



The Treasury is receiving vastly increased VAT receipts from higher energy bills. This money, in addition to the unredeemed Energy Bills Support Scheme payments, should be used to give people on the lowest incomes and those with the highest costs targeted financial support, which is:

- **based upon their unique needs;**
- **provided automatically with no need to apply, and**
- **reduces their energy costs over winter, while helping them stay warm, well and clean.**

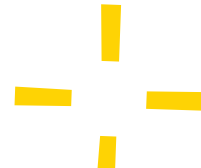
Policymakers must learn lessons from the Energy Bill Support Scheme where households with traditional prepayment meters missed out on over £100m of support.



WHAT THEY SAY

Before support

- “ Gas has been off for about 4 days now. We get the cost of living payment Monday afternoon but life is just so tough at the mo.
- “ Nobody bloody cares.
- “ I am too frightened to use more electric, it is so stressful.
- “ It's the [heating] oil, I panic how much we use, how much it is going to cost, I look at it every night before I go to bed, to see how much I have used.
- “ Our gas is off. The electric I just managed to get our supplier to put it back on but they can't do it for the gas. It's blooming Baltic.
- “ [I felt] like I was stuck in a rut that I couldn't get out of.



After support

- “ It will make my ability to buy food much easier because otherwise it is a choice between food or having heating on. When you are on a small income, and you are disabled it's like you have to make those choices about what you do with that money and so having the ability to heat my home with help from the Heat Fund kind of has meant that I don't have to think twice about whether I can afford certain foods or not to feed myself.
- “ [I felt] much happier when the fuel arrived. I only put it [the heating] on for an hour on an evening to warm the house up, but it made a hell of a difference, I would have been knackered without it to be honest. A big, big difference.
- “ It does make it better, but it is short-term really. It does help me for the rest of that month but then when I get to the next month I'm struggling again, but it's a little bit improved because I'm not that far behind.
- “ [The top-up is] a big cheer up. [it] helped me tremendously, both mentally and keeping me warm.”

OUR RECOMMENDATIONS



Many low-income customers try to save money by rationing their energy usage. But, regardless of how little they use, they still incur standing charges. Understandably, they find this frustrating. While we do not believe that standing charges should be abolished – after all, it would increase the unit cost and financially penalise households that use a lot of energy – we do believe that the way the costs are recovered should be equitable and fair for all. We're ready to work with Ofgem as they begin reforming standing charges. With the vast amount of customer insights we've gathered, we can help create a solution that works for everyone.



SNAPSHOT

The severity of Fuel Crisis today

In the 12 months before receiving a fuel voucher...

51% were choosing between food and energy at least once a week

75% were rationing heating and/or hot water at least once a week

But those with a critical need for energy were more likely to be trading off food for warmth and power daily.

The difference a Fuel Bank emergency fuel voucher makes

As told by the people we support.

- “ It made a big difference to my stress levels
94% agree
- “ It made a big difference to my ability to manage finances in the short term
90% agree
- “ It will make a big difference to how often I run out of money to top up the meter
89% agree

For the people we support, an emergency fuel voucher relieves a great deal of stress.

Many – at 92% – tell us they don't know what they would have done without one, suggesting they couldn't get help elsewhere.

By gifting a week's light and heat, we're also giving people the breathing space they need to get back on top of their finances – at least for the short term. But with everything else getting more expensive, many people say they struggle to stay afloat in the long term, no matter what they do.

OUR RECOMMENDATIONS



71% of our client group are in receipt of benefits. In real terms, Universal Credit and other benefits will be lower than their pre-pandemic levels until 2025. Freezing working-age benefits has pulled people into poverty and destitution because they don't have the resilience to survive crises such as the doubling of energy prices. The Chancellor must increase benefits in line with inflation so that people can afford to pay for the gas and electricity they need to keep warm.



40% of people we surveyed said that their supplier was very or fairly unhelpful when they asked for help with energy bills. This must change. Some suppliers are providing their customer teams with empathy training, and we encourage all suppliers to do the same. In doing so, they will be better able to prioritise the wellbeing of struggling and vulnerable customers, and to treat them with care, respect, and dignity.



RELYING ON UNREGULATED FUEL FOR HEAT

Rural living can be dream-like. Peaceful, picturesque and calm. But, for people living in deep poverty, it can feel nightmarish.

Many rural homes are not connected to the mains gas grid, and therefore, rely on unregulated fuels for heat, hot water, and even to power cooking appliances. Often, these fuels – like coal, wood, heating oil, biomass, and propane gas – must be purchased in bulk, with homeowners paying out hundreds or sometimes over £1,000 per delivery.

Understandably, in these challenging times, households living on tight budgets have found it increasingly difficult to save the money needed to keep their fuel store or oil tank topped up.

An unexpected expense – like a car repair – can derail even the most meticulous of budgeting and savings plans.

When there's no money for a fuel delivery, some households end up relying on expensive electric heaters to stay warm and dry clothing. The cost makes it even more difficult to save up a lump sum for the next fuel delivery. But, they have no alternative.

Others face weeks or even months of living in cold, damp and draughty homes, while they save up for fuel. Many will also be forced to take cold showers, eat only cold meals, and cannot even have a hot drink to warm up. The physical and mental health impacts can be severe.

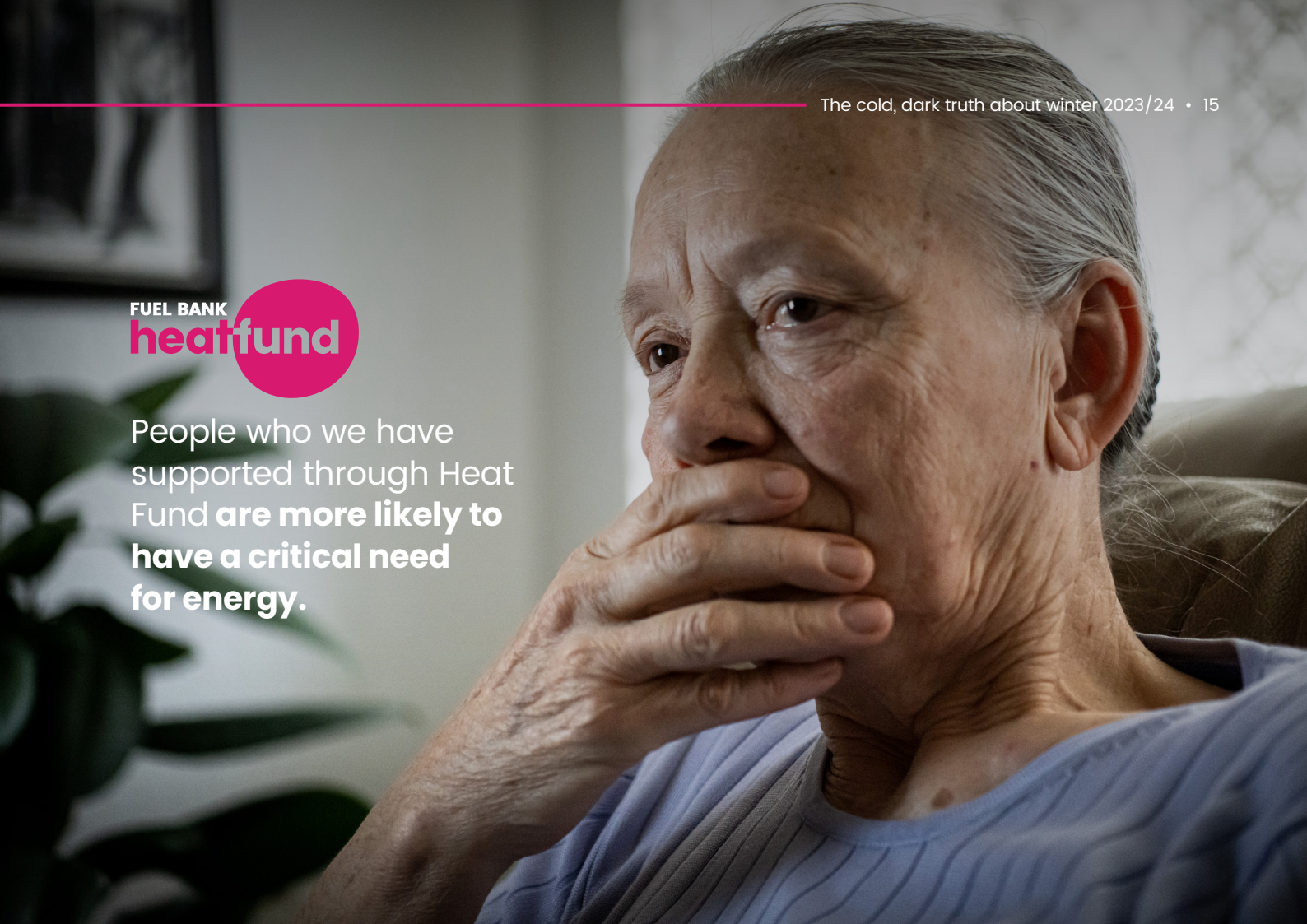
Heat Fund protects people living off-grid from the terrible impacts of prolonged Fuel Crisis. We provide those in dire need with a free delivery of fuel. And, as with our emergency fuel voucher clients, we connect them to further sources for financial and practical support.

56.8% of rural households rely on unregulated fuel for heating and hot water⁴

69% of rural homes are EPC rated D or lower, so heating them uses up a lot of fuel⁴

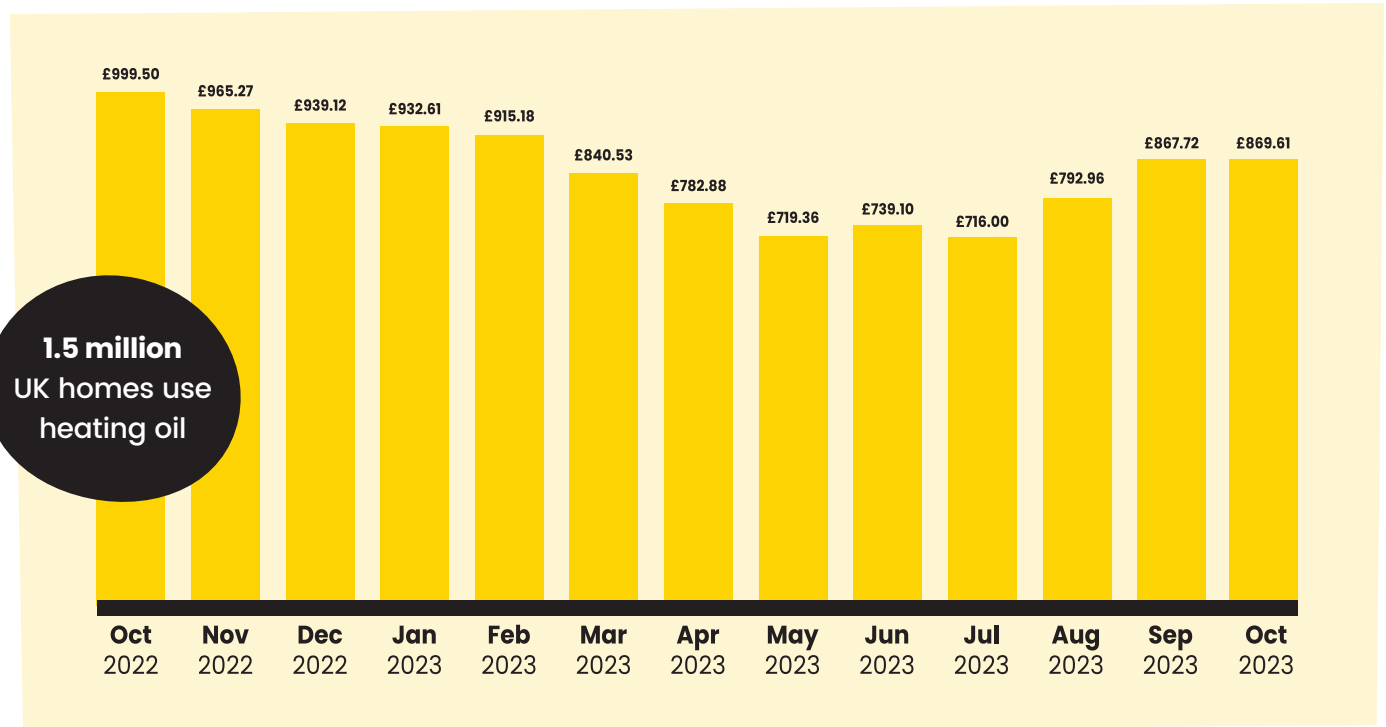
FUEL BANK
heatfund

People who we have supported through Heat Fund **are more likely to have a critical need for energy.**



TRACKING THE COST OF HEATING OIL

The cost of 1000 litres of heating oil from **October 2022** to **October 2023**



At its height, the average cost to fill an oil tank was nearly £1,000. While this is reducing, the issue of having to prepay huge sums remains.

The predictability of direct debit payments lets homeowners forecast their monthly energy spend with ease. Should their usage exceed their monthly payment, they have access to supplier credit. And, they can pay off any debt over the course of a year or more without their supply being interrupted.

But people who rely on heating oil and other unregulated fuels

must save up before buying them. If prices rapidly increase around the time they place their order, they may be unable to afford it. Forecasting usage is also a challenge, as unpredictable weather or changes in people's circumstances can affect how quickly they use up their reserves. Naturally, this makes setting aside an adequate amount each month extremely hard.



After fixing the leak in the oil tank, the Council workman asked if I could afford to put another 500 litres in the tank. I just laughed at him, you must be joking.



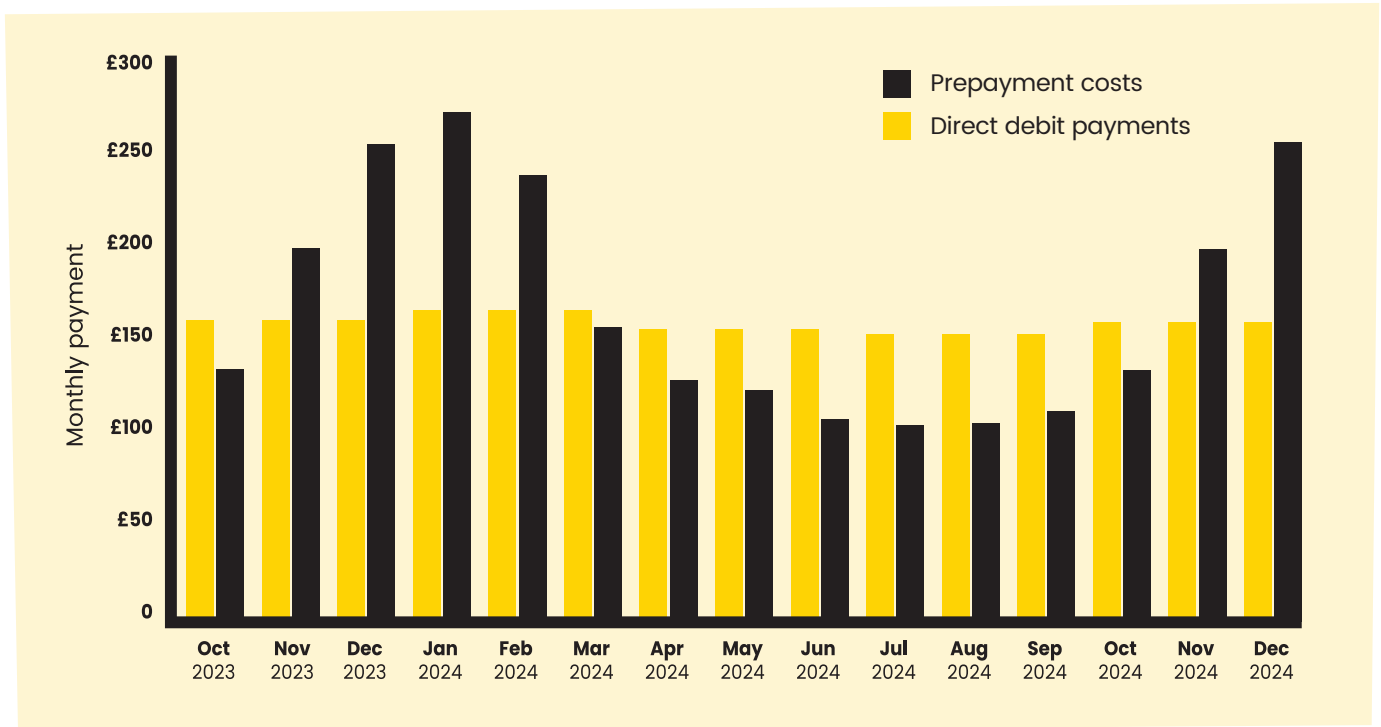
OUR RECOMMENDATIONS



Customers living off the mains gas grid or on a heat network need the Government to step in and give them greater regulatory protection. A price cap would help protect these customers from price changes, and allow them to be more prepared when costs do increase. Limited financial support was provided last winter, and it is surely needed this winter too.

UNPREDICTABLE MONTHLY COSTS

Forecast for average monthly prepayment costs compared to direct debit payments



While direct debit customers can split their annual energy costs into consistent, monthly payments, prepayment meter customers can't.

Instead, the amount they pay for heat, light, power, and hot water fluctuates monthly by up to £167. And when there are multiple essential items competing for every pound in the household budget, saving up the extra £313 they will need to stay warm during the coldest months is often impossible.

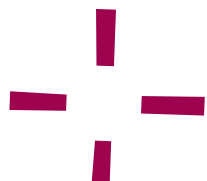
OUR RECOMMENDATIONS



Many customers like their prepayment meters because they don't want any surprise bills they cannot afford to pay. But, in these difficult times, budgeting is a huge challenge. We think that prepayment should mean prepayment. Suppliers should not be able to recoup energy charges if the meter was not set correctly.



54% of our clients used some of their emergency top-up to repay debt to their supplier. During the winter, debt should be put on hold for customers who are regularly unable to access heat, light, and power. That way, every penny pays for warmth. And, by scheduling repayments for the summer, customers will benefit from more consistent, predictable costs each week or month.



THE COST OF LIVING CRISIS

(But not as you know it)

As it drags on, the cost of living crisis is becoming an accepted new norm. The sentiment, it seems, is that as a nation we're grinning and bearing it.

But for our client group, whose resilience faded months or even years ago, the situation is now so severe it's unbearable. They were already struggling to feed themselves and warm their homes. Many had no 'wiggle room' in their budget and were surviving on just bare essentials. Yet, they've been hit the hardest by the sharpest price increases. And now, even the most basic lifestyle is unaffordable for them.

Food price inflation between January 2022 - 2023

Premium ranges up **13.4%**⁵ Value food items up **21.6%**

Percentage of income spent on gas and electricity⁶

Middle income household

2019/2020 **4%** > 2021/2022 **6%** (2% increase)

Low income household

2019/2020 **12%** > 2021/2022 **18%** (7% increase)

Harmful money-saving measures

99% of our clients were rationing heating, hot water, or power; skipping meals; not buying essential clothing for themselves or their children, or similar to reduce costs.

WHAT THIS MEANS

The clients we served, even before the cost of living crisis, are being pushed ever deeper into poverty.

Some reported going without food for up to a week. And with 6 million people now in very deep poverty – a staggering 300% increase compared to 2003⁷ – we're also seeing enormous growth in the size of our client group.



I used to be able to fill my truck (with petrol) for £40 and now it costs £80.

6.3 million

households are in fuel poverty in 2023, up from 4.5 million in 2021⁸

Every 8 seconds

a food parcel was released from a Trussell Trust foodbank in 2022⁹

85% increase

increase in demand for financial fuel crisis support in the last 12 months



Poverty is a broad issue. But the circumstances of people who prepay for energy are unique. While direct debit customers generally have a greater safety net, like access to more credit from energy suppliers, paying in arrears also gives them more time to 'figure out' how to juggle various costs and bills. But the people we support are juggling their budgets and costs on a daily basis.

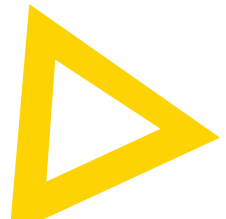
"I used to be able to shop for £25 a week and now it's about £46 for just basic things."

They must also meticulously plan how and when to use their energy as part of their household budgeting. For most, that means answering tough questions, like,

"If we want to eat every day, how much money will we have left this week for heating?" And, "How many times can we afford to run the washing machine?". Or perhaps, "We can only afford to bathe the kids or cook them hot meals before the meter runs out. Which is more important?". It's no wonder many do not have the head space to think about and pursue longer-term solutions to their challenges.

"I don't have a lot of hot meals because I don't use the cooker as much, things like that, just cutting back on a lot of things. I don't get many treats, just living day-to-day. I've got rid of a lot of things I used to have, and I go for the cheapest things."

We're adapting how we support people to keep pace with the growing size and severity of the problem. As well as helping to switch the lights and heat back on, through our network of charity partners we're enabling clients to reduce their energy costs and, where possible, increase their income. And from gifting free heated throws so people can stay warm and spend less, and even flexing the value of our vouchers to keep up with the changing cost of energy, we're determined to support people in relevant and impactful ways. No matter how difficult things get.



OUR RECOMMENDATIONS



Right now, people need extra support – like the Warm Homes Discount (WHD) scheme – more than ever. Yet, recent changes have made it hard for customers to understand and access it. Some who previously received it now don't. Others need an up-to-date EPC to prove they are still eligible, but cannot afford one. And, the differing scheme administration in Scotland compared to England and Wales, has added an extra layer of confusion for customers. WHD must be reformed and simplified as a matter of priority to make it a more useful, helpful, and impactful scheme.

At the same time, many of our clients do not qualify for the WHD, yet cannot afford energy. As a result, they are forced into Fuel Crisis and must turn to us. The Government must progress its work on a Social Tariff, so these clients can better afford to stay warm and keep essential appliances running during the winter. Struggling households should receive a level of support that is relevant to their needs, and allows them to stay warm and avoid Fuel Crisis. Crucially, this support should be funded centrally, and not by inflating energy bills further.



OUR IMPACT

In many cases, living without heat, light, food, and essential clothing causes almost unbearable strain on our clients' mental and physical health, sending them into a downward spiral. Here's how our support helps.

Protecting clients' physical wellbeing

A full 60% of our clients told us that receiving the voucher helped improve their physical wellbeing.

In many instances, the emergency fuel voucher helps clients to feel physically better. Yet, as the cost of living crisis continues, debt levels rise, and people's resilience wears paper thin, we can see its impact trending down. We and the people we support are fighting against a much bigger problem today than we were in years gone by.



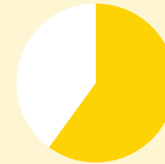
Impact trend | **Physical wellbeing**



87%
Feb 2022



59%
Feb 2023



60%
Oct 2023

For clients with a critical need for energy, having no access to heat or power is dangerous. Some may need to keep medicines temperature controlled. Others may need electronic machines to breathe properly. And many are at risk of rapid deterioration if they are exposed to cold, damp environments for long periods.

“ The voucher helped improve my physical wellbeing.

That means a prepayment meter may not be safe or practical anymore. Our qualitative insights suggest that many clients were put onto, or chose to be on, a prepayment meter years ago. But since then, their health has deteriorated. And with it, their ability to afford to prepay for energy while also buying other essentials.

“ It’s been great, it’s been a godsend. It’s a fantastic organisation and has helped me tremendously, both mentally and keeping me warm.



Critical need

Our research found that 43% of the people we supported had a critical need for energy.



“ I have two types of medication in the fridge.

Reducing the strain on mental wellbeing

Of the people we spoke to in our latest research, 65% said the voucher helped alleviate the strain on their mental wellbeing.



Impact trend | Mental wellbeing



88%
Feb 2022



61%
Feb 2023



65%
Oct 2023

But, again, we're seeing the voucher's impact trend down compared to previous years. As prolonged pressure, stress, and anxiety compounds, many people feel trapped in an inescapable cycle of debt problems.

Many clients are living on a negative budget, despite 'doing without' many essentials. This group - which is growing in size - is perhaps the most at risk of being unable to heat their homes, cook a hot meal, and have a hot bath. And many report feeling worn down by life, and hopeless.

Coping mechanisms we're seeing include:

- going without food
- having cheaper meals
- making sure the family eats first, and
- gambling in the hope of winning money.

Unable to deal with day-to-day reality, many also put their heads in the sand, hope that the power won't go off and try not to worry about mounting debt on the meter.

54% of people used some of the voucher to pay off debt on the prepayment meter.

OUR RECOMMENDATIONS



Suppliers should be required – by a new licence condition – to regularly check in with prepayment meter customers and make sure that prepayment is still safe and practical. This can be done by:

- contacting customers at set intervals to ask if their circumstances have changed, and
- investigating how to access third-party data for warning signs such as new sign-ups to disability benefits.

Suppliers should also make better use of the data they already have to identify clients who may need extra support. Frequent use of emergency credit, significant drops in consumption, or changes to top-up frequency should raise the alarm that help may be needed, and that prepayment may be placing a household at risk.

SUE'S STORY

For the past 11 years, Sue has supported her husband who lives with an alcohol addiction. Recently, Sue found herself and her children in danger, so had to ask her husband to leave. Since then, she has felt incapable of coping with the realisation that she has been manipulated, controlled, and coerced for over a decade.

“**I need to look after the girls and myself and how ill I'm becoming. I am a Type 2 diabetic, and I can't afford to be ill and not look after myself. My doctor has been absolutely amazing, she phones all the time and makes sure I am okay, but I know I am not sleeping, I am not eating properly.**

As a result of poor mental health, Sue has been unable to work and her income has dropped considerably. “I have enough food for the girls and make sure they have everything they need but there are some bills that have not been paid because of that.” She desperately wants to get on top of things but is terrified of reaching out to creditors. “I'm too scared to ring anyone because I don't have anything.”

In May, Sue realised her coal store was running low. She didn't have any money for a delivery, and as her home is not connected to the mains gas grid, she would be unable to keep her children warm. She spoke with her housing officer,

who helped her apply for Heat Fund, as well as running through a debt management and budgeting plan with her.

When she found out that Heat Fund could gift her nearly three bags of coals, she felt a huge sense of relief. She said: “[it was] a lifeline, at the time I didn't know how I would be able to keep the girls warm, it was one pressure off my shoulders.” It also gave Sue some time to start saving up £100 each month to pay for coal in the future.

But sadly, Sue knows she will struggle this winter and desperately needs more help. She commented: “I cannot fall because then the girls will have no-one.”

THANK YOU!

To all of our supporters, partners, and the general public – for the difference you're making to people like Sue. We couldn't do it without you.



nationalgrid



Llywodraeth Cymru
Welsh Government



Scottish Government
Riaghaltas na h-Alba
gov.scot



FOUNDATION
Helping our communities



Energy
Redress
Scheme

e.on



CONCLUSION

Despite the measures that have already been introduced, Fuel Crisis is getting worse and demand for our help is growing rapidly.



Sadly, living without energy is now becoming the norm for many. Without decisive action, it isn't going to get better. After all, Fuel Crisis existed before COVID and before the war in Ukraine.

As a charity, we know we're making a huge difference to our clients. But, to prevent people from being forced into Fuel Crisis, long-term, strategic action is needed. And we can't do it alone. Without some big changes to the way suppliers are regulated, how prepayment meter customers are supported, and the financial circumstances of our client group, we will not be able to stop vulnerable people from being forced into a life lived in a cold, dark, and dank home. The fear and

reality of living without heat, light, and power has impacts beyond energy, and they will be felt by our client group and wider society for years to come. Our vision is for a UK in which everyone can afford to stay warm, have a hot bath, flick on the kettle, and enjoy an evening in front of the TV. All without worrying about when the money in the meter or the fuel store will run out.

Your support so far has been invaluable. We hope you'll continue to work with us to create a better outcome.

RECAP OF RECOMMENDATIONS

-  1: The Government must urgently invest in a national energy efficiency programme that will reduce the amount of energy needed to keep homes warm, deliver on the UK's Net Zero targets, and reduce our reliance on foreign energy sources. Priority must be given to homes that are the hardest to heat.
-  2: The Treasury is receiving vastly increased VAT receipts from higher energy bills. This money, in addition to the unredeemed Energy Bills Support Scheme payments, should be used to give people on the lowest incomes and those with the highest costs targeted financial support, which is based upon their unique needs, provided automatically with no need to apply, and reduces their energy costs over winter. Learnings from the Energy Bills Support Scheme should be reflected in any support programme and its delivery mechanisms to ensure that the unique needs of prepayment meter households are not overlooked again.
-  3: Standing charges should be recovered in a way that is equitable and fair for everyone. Using our vast insight into the unique needs of people who prepay for energy, we're ready to help Ofgem find a solution that works for everyone.
-  4: The Chancellor must increase benefits in line with inflation so that people can afford to pay for the gas and electricity they need to keep warm.
-  5: All suppliers should provide their customer support teams with empathy training to ensure that the wellbeing of struggling and vulnerable customers is prioritised, and that they are treated with care, respect, and dignity.
-  6: The Government should introduce regulations for industries selling fuels such as heating oil, coal, wood, propane gas, and biomass pellets to protect consumers from price fluctuations and unfair treatment. These consumers should also be provided with financial support to help cover the surging cost of fuel.
-  7: Prepayment must mean prepayment. Suppliers should be unable to recoup energy charges if the meter was not set correctly.
-  8: During winter, prepayment meter debt must be put on hold for customers regularly unable to access heat, light, and power. That way, every penny pays for warmth. And, by scheduling debt repayments for the summer months, customers will benefit from more consistent, predictable monthly costs.
-  9: The Warm Homes Discount (WHD) scheme must be reformed and simplified as a matter of priority to ensure households can easily understand and access it. The Government must also progress its work on a Social Tariff to help customers who struggle to pay for energy, yet are not eligible for WHD. Support levels should be tailored to households' needs, allowing them to stay warm and avoid Fuel Crisis. Crucially, this support should be funded centrally.
-  10: Suppliers should be required - by a new licence condition - to regularly check in with prepayment meter customers and make sure that prepayment is still safe and practical. Additionally, they should also be required to use data they already own to proactively identify instances where a prepayment may be placing a household at risk.



For more information

If you would like to know more about Fuel Bank Foundation and its work and how you could support us:

Visit: fuelbankfoundation.org

Email: admin@fuelbankfoundation.org

Survey data based on a poll of 351 adults (18+) prepayment meter customers in the UK, who had redeemed one or more Fuel Bank vouchers between October 2022 and June 2023. Research was conducted by Bluegrass Research Ltd, conducted between 1st and 18th August 2023. A total of 351 responses is a robust and reliable sample. It represents 0.36% of the 97,245 people to whom vouchers were issued from 1 October 2022 to 30 June 2023. This delivers a maximum margin of error of $\pm 5.22\%$, and as such we are using it in this report to draw wider conclusions.

Fuel Bank Foundation is a registered charity in England & Wales (1175049) and Scotland (SCO48330)
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