

View from Citizens Advice

Citizens Advice warns people will face 'desperate choices' this winter without targeted support. Citizens Advice is particularly concerned about people on the lowest incomes who could be hit by a triple whammy of financial hardship: rising energy costs, a cut of £20-a-week to their Universal Credit, and a higher cost of living due to inflation.

Rising energy costs

People moved to a new energy company because their supplier has gone bust are likely to be landed with £30-a-month price hike.

The charity analysed deals offered by the five largest failed suppliers to date, against the price increase customers typically experience when moved onto a default tariff at another supplier. With a squeeze on family finances underway, it is calling for urgent targeted support to avert a 'cost of living crisis' this winter.

Additionally, Citizens Advice has raised concerns that the 1.1 million low income households would lose out if the Warm Home Discount is not carried over when they're moved to a new supplier.

Frontline advisers at the charity say they fear many will be left facing 'desperate choices' due to fuel poverty this winter, including turning off their fridges and freezers, relying on hot water bottles for warmth and requesting support to buy extra duvets and blankets.

'I'm terrified thinking about how I'm going to cope this winter'

Shaun is a single dad from Northumberland and has a son in primary school. He previously worked in the fishing industry but has had to take time off due to health issues. He's worried about how he'll pay his bills this winter.

"I'm terrified thinking about how I'm going to cope this winter. As my Universal Credit is cut and bills go up, I just won't have the extra to pay for any increase on my gas and electric.

"It's starting to get colder and I'll need the heating on for my son. I'll just have to wrap up when he's at school, so I can put it on when he gets home. Even then I'll only be able to have it on for a couple of hours, not the whole evening."

Higher bills are weighing on people's minds

Citizens Advice polling found that more than a third (35%) of people are worried they'll struggle to pay their energy bills this winter. This rises to almost half (45%) of people earning less than £21,000 per year, and households with children (44%).

As the cost of living crisis begins to bite, Citizens Advice is calling on the government to reverse its cut to Universal Credit and introduce emergency winter grants for those

on the lowest incomes. These could be delivered through local authorities in the same way Covid winter grants were last year.

Dame Clare Moriarty, Chief Executive of Citizens Advice, said:

“Overnight price hikes will be a shock for more than a million households whose energy companies have gone bust.

“We’re particularly worried about those who’ll face desperate choices this winter because of the cumulative impact of soaring bills, the cut to Universal Credit and inflation.

“The government and Ofgem must guarantee that the Warm Home Discount will be continued for people moving to new energy suppliers. People on the lowest incomes should be able to access emergency winter grants so they can stay warm in the cold months ahead.

Citizens Advice in Lyme Regis is now running advice sessions on Wednesdays 10.00 am-3.00pm at the Council Offices, Church Street, DT7 3BS. Please ask at Town Council reception or drop-in between 10.00-12 noon. Alternatively telephone Freephone 0800-144-8848 or send an email using the contact form on the website www.bridportca.org.uk.