

# Testimonies From The Energy Crisis

**Low income households' experiences of  
paying for energy in a cost of living crisis**

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## Summary

Research conducted at the University of Bristol, in collaboration with National Energy Action, has uncovered the lived experiences and behaviour changes made in some homes as people sought to reduce their energy bills in the winter of 2022/23. Using interviews and financial diary methods, researchers collected testimonies to understand experiences during the energy crisis, and how current and future policies might provide support.

This work found that energy security in the winter of 2022-23 came at a great cost to households, particularly in terms of strained finances, hidden labour, and social isolation. A key finding was that many felt that they had done all they could to save energy and that there was no more room to cut back further. This has been complicated by high inflation and interest rates.

Identified energy-saving strategies included: heating only one room in the house, reducing showering (in some cases to once a week), using candles for lighting, and reducing how often people see friends and family. Others resorted to borrowing from family members, cutting spending on essentials such as food, or running up debt arrears to ensure their children's health. Many respondents reported rising energy prices leading to significant impacts on their physical health, emotional wellbeing, and personal resilience.

The financial support provided by the government in the winter of 2022/23 worked for many: with respondents highlighting that it provided a sense of certainty about what assistance was available to prevent them from going into deeper arrears and long-term financial insecurity. Despite this support, many households continued to face financial challenges driven by rising costs.

The phasing out of support – particularly in the next winter – risks eroding this security. Many feel that the greatest insecurity is not knowing what their bills will be, or what support will be available to them.

Based on these findings, we recommend the following:

### The Government should establish:

■ **Proactive action to provide certainty for households ahead of cold weather energy needs:** Respondents often spoke of the importance of certainty regarding what support was available to counter anxieties caused by increasing bills. Future policy being anticipatory, rather than reactive, will help households plan accordingly in the face of future changes.

■ **Energy bill support should be tailored towards low-income households, including those in work:** This work uncovered examples of how experiences and anxieties of rising bills were shared and similar across many households, including those in-work and out-of-work. These shared experiences highlighted broader issues that affect a household's ability to pay rising bills. Future policy should not just link support to whether a household is in the social security system but seek to support all who are struggling.

■ **A social tariff to recognise the right to cover basic energy needs:** Vulnerable households should have access to energy at an affordable price. Providing discounted energy bills to those unable to afford rising prices would support those most in need and most vulnerable to fuel poverty.

### Regulators and energy companies should devise:

■ **Streamlined, visible financial support and consumer advice:** Available support for households must be simplified and illuminated to all customers – allowing households to see and understand routes of support. This would address numerous concerns raised by respondents about the difficulty in accessing support and the necessity of extending available advice services.

■ **Interventions to ensure a fairer distribution of bills through ending standing charges to prepayment customers.** Whilst support should become more visible, the most effective form of support can be automatic and applied directly. Standing charges place a burden on those already struggling financially. Their removal, which could be implemented through the current Energy Price Guarantee, would allow policy support for households in- and out-of-work.

■ **Long-term strategies to mitigate bill arrears:** Whilst energy prices may now be dropping, the consequences of last winter remain in the form of debts and bill arrears. A mechanism is needed to provide a longer-term route to reducing and managing these debts and support households in addressing their knock-on consequences.





# Preparing for the coming winter

## Context

Increased energy prices have [driven rising rates of fuel poverty in the UK](#). A household experiences fuel poverty when they spend a high proportion of household income to [access the energy services](#) (e.g., heating, lighting, cooking) that they require to stay warm, healthy and well. Fuel poverty has a range of drivers including low incomes, high energy needs, energy inefficiency and high costs of energy.

National Energy Action [estimate](#) that 6.6 million households in the UK are living in fuel poverty and are unable to heat their homes to a temperature allowing them to keep healthy and warm<sup>1</sup>. This is a substantial increase from 4.5 million households in 2021. Certain households are more likely to be in fuel poverty; including those living on low incomes, those with dependent children, people with a disability or long-term health condition, or Minority ethnic households. As energy bills increased, the number of UK households in fuel poverty also increased: including households that whilst not on an income [low enough to qualify for support](#) have struggled to pay spiralling costs.

Households using prepayment meters (PPM) have attracted particular attention as energy prices have risen. PPM operate on a pay-as-you-go basis with residents 'topping up' their meter, either online or by visiting a local store. An [estimated 4.5 million](#) domestic energy customers use a PPM in the UK. Many of these customers are on lower incomes.

Due to the nature of their metering arrangement, PPM consumers have traditionally paid on average more for their energy than those on direct debit arrangements, due to a price premium. This price premium has [recently been scrapped](#), saving PPM households around £21 a year on their bills. Those using prepayment meters are often disproportionately exposed to price fluctuations due to demand spikes. Whilst households paying via direct debit arrangements can spread payments across the year, those on PPM must pay up-front. They are therefore vulnerable to self-disconnection and dangerous under consuming of energy.

Measures have been introduced to alleviate fuel poverty during the energy price crisis, with a particular focus on financial support with bills. Central government policies introduced have included: the Energy Bills Support Scheme (EBSS) which provided £400 discounts over the winter of 2022/23, a £150 council tax rebate, and discretionary funding for local authorities.

The 2022 Energy Price Guarantee set maximum consumer prices from October 2022 to June 2023. This operated alongside an [energy price cap](#), set by Ofgem to define the maximum amount that can be charged per unit of energy on a standard variable tariff. In the 2023 Spring Budget, the UK government [announced](#) that the Energy Price Guarantee would align costs between PPM and direct debit consumers.

Ofgem has announced the energy price cap will drop to £1,923 a year for a typical household from October to December 2023. However, problems of energy insecurity remain: unless the government announces further support, household energy bills may be higher than the winter of 2023. This is due to the Energy Bills Support Scheme concentrating payments (of £67 a month) between October 2022 and March 2023. Households that use relatively little energy may see their energy bills rise due to the high cost of standing charges. All indications suggest that the winter of 2023/24 will be another period of energy insecurity for many.

[Citizens Advice data](#) shows a record rise in the number of households unable to top up their PPM in December 2022 – 35% higher than June 2022 and 368% higher than June 2021. This suggests that government support at the time did not go far enough to support these households in keeping their homes warm and lit. A subsequent decline is likely linked to warmer weather, Ofgem's temporary ban of energy companies forcing people onto metered supply, and broader government support (such as Cost of Living payments).

The financial repercussions of last year's high energy bills will also persist into the next winter. Many will have energy debts: before the pandemic, council tax arrears were the most common form of debt. In 2023, it is energy bill arrears – which can [extend into the thousands of pounds](#). The need to repay debt arrears complicates spending and financial resilience in the next winter. Such arrears can also have a longer-term impact, affecting credit ratings for example.

Whilst energy support schemes may continue, they will become more targeted. This will entail important decisions about who is able to access what support. Energy bill support schemes may overlap with pre-existing frameworks. This may include the [cost-of-living payments](#) (in its 2023-24 phase) that supports those on means-tested benefits. However, a lesson from last winter is that fuel poverty can impact households beyond those already receiving financial assistance.

To ensure that future support is effective in its aims, the next round of funding should be informed by the energy insecurity of those households who faced energy cost rises and increased fuel poverty last winter. This involves the collection of both qualitative and quantitative data to detail the impacts of rising costs.

Our work follows other research that has highlighted experiences of energy crisis. This includes work by the [Poverty Alliance and Scottish Women's Budget Group](#) that highlighted gendered impacts of energy insecurity, The Wise Group that has shown the impacts of cold homes on children, and [Citizens Advice](#) evidencing widespread problems of cold, damp and mould in the private rented sector.



<sup>1</sup> Based on a 10% fuel poverty indicator.

# Our approach

This project, conducted by a team of researchers at the University of Bristol in collaboration with National Energy Action, explored people's experiences of energy insecurity over a five-month period from January to May 2023. Our research sought to offer insight into the following questions:

- What changes did people make to domestic energy use (both electricity and gas) to address and manage the impacts of increased energy prices in early 2023?
- What were the consequences of rising energy prices for other patterns of household spending and behaviour?
- What policies do people want to see implemented in the event of continued high energy prices in the winter of 2023/4? What policies, already in place, have worked?

To explore these questions, we adopted a research approach that went beyond simply taking snapshot of a particular moment in participants' experiences. To do so, we derived a longitudinal approach that conducted interviews at different points in time: January or February 2023 and May 2023. This was to explore how experiences had changed, as seasons changed and government support was phased out. Interviews were supplemented by participants keeping financial diaries during this period, noting emergent pressures and changes to spend and consumption.

Our study directly recruited 25 people from a variety of geographic regions across the United Kingdom. All were from low-income households<sup>2</sup> who were struggling to pay for gas and electricity. Participants had varying experience with PPMs: some had used them for several years or more; others had recently been moved to PPMs (either willingly or through bill arrears), others faced the potential of such a move due to arrears.

Six participants were in arrears or could not top up the meter when we spoke to them (Fig 1). Meanwhile, 15 respondents had fallen behind or not topped up the meter from time to time over the last year. Just three people reported that they always paid on time or kept the meter topped up

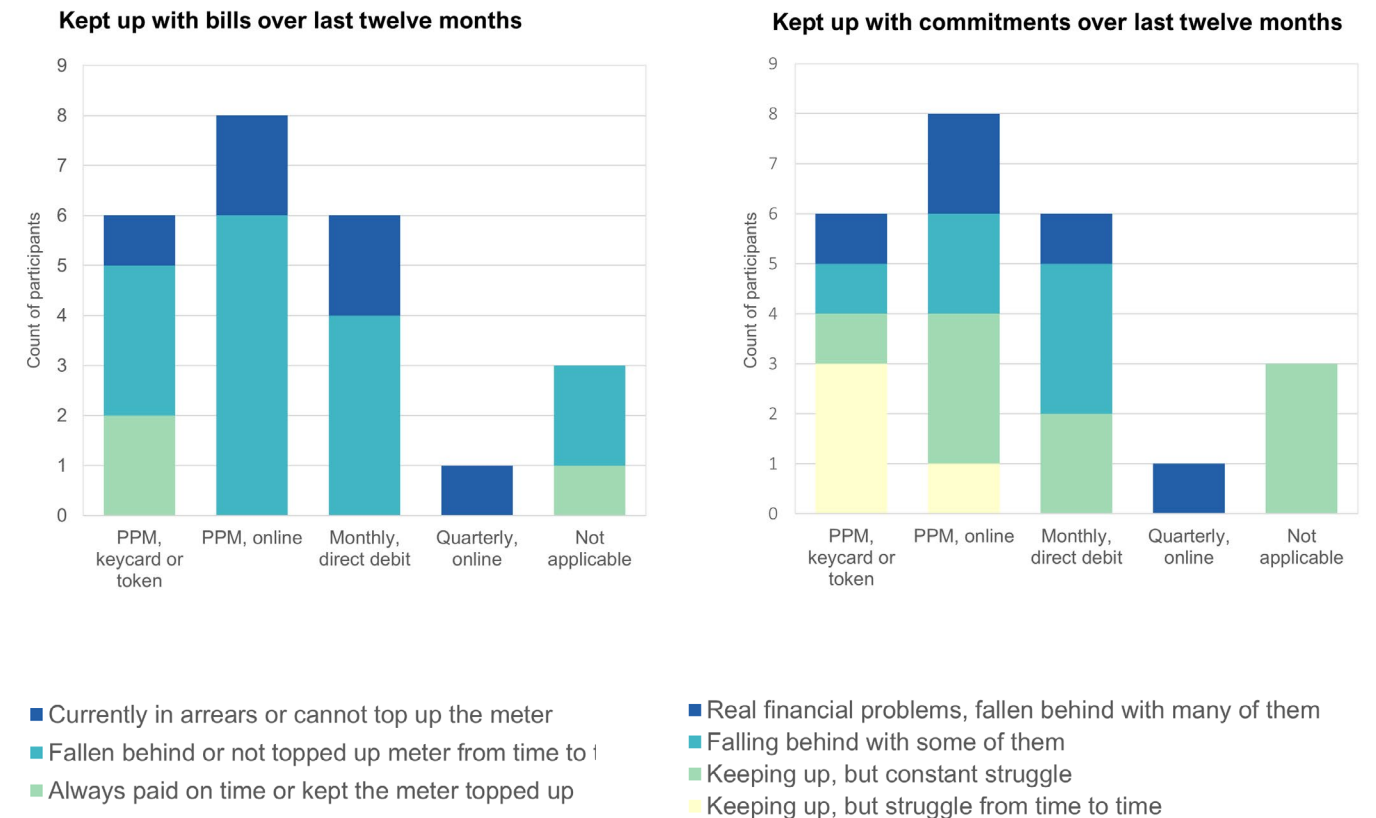
topped up. Additionally, all participants felt that they were not able to keep up with wider commitments at some point over the last 12 months. The only respondents that always paid on time or kept the meter topped up, paid for their bills using a PPM or did not provide information about payment type (Fig 1). Evidence suggests that households on tight budgets can prefer PPM as a means of managing their spending. However, it is also likely that some people are underspending on energy, endangering their health and wellbeing.

Participants represent a wide range of backgrounds, family situations, and sources of income: including full-time students, full-time carers, or those in full-time work. Some were single parents, others had eldercare or other care responsibilities. Many received financial support: including Universal Credit, Carer's Allowance, Disability Living Allowance, and Employment Support Allowance. Current housing situations also varied in both the size of the dwelling and the tenure. Whilst several participants were owner-occupiers, the majority rented: including both those living in social housing and privately rented accommodation.

Interviews focused on understanding the experiences of households struggling to manage their gas and electricity bills. Questions included asking about energy bill increases, other parts of life or spending, the consequences of rising bills on physical and emotional/mental health, and the policies that respondents would like to see introduced in the future.

After the first interview, participants were sent online financial diaries. These were to note household costs over a two-week period. Whilst focused on energy costs, this included other costs that may limit their capacity to pay their energy bills as well as strategies that households used to keep their bills low. A paper diary was also provided to allow a more informal noting of costs. Participants were also asked to note any points where they made the conscious decision *not* to use electricity or gas.

Fig. 1. Keeping up with bills and commitments over twelve months disaggregated by payment method for gas.



<sup>2</sup> All either received means tested benefits or were recruited via a poverty reduction organisation



# Key findings

Analysis of interviews and financial diaries uncovered seven key behaviour changes and experiences from the energy crisis:

## Behaviour changes

1. Energy behaviours changed
2. Cutting back on essentials
3. Payments increased in frequency

## Experiences

4. Managing limited budgets is exhausting
5. Borrowing to pay energy bills increased
6. Living conditions deteriorated
7. Lack of support from energy providers

# What changes have people made?

## KEY FINDING 1: ENERGY BEHAVIOURS CHANGED

In response to high energy prices many households changed how they used energy at home. While efforts to reduce energy use and demand can have a positive impact, especially when considering climate change mitigation, our participants were typically under consuming energy in a way that was detrimental to their health and wellbeing.

Despite the financial diaries being filled out in February 2023 when temperatures are likely to be low, most of our participants spent less than the average bill on gas and electricity (Fig. 1). Low average bills show how participants managing on low incomes are often making substantial reductions in their energy use in response to the high price of energy.

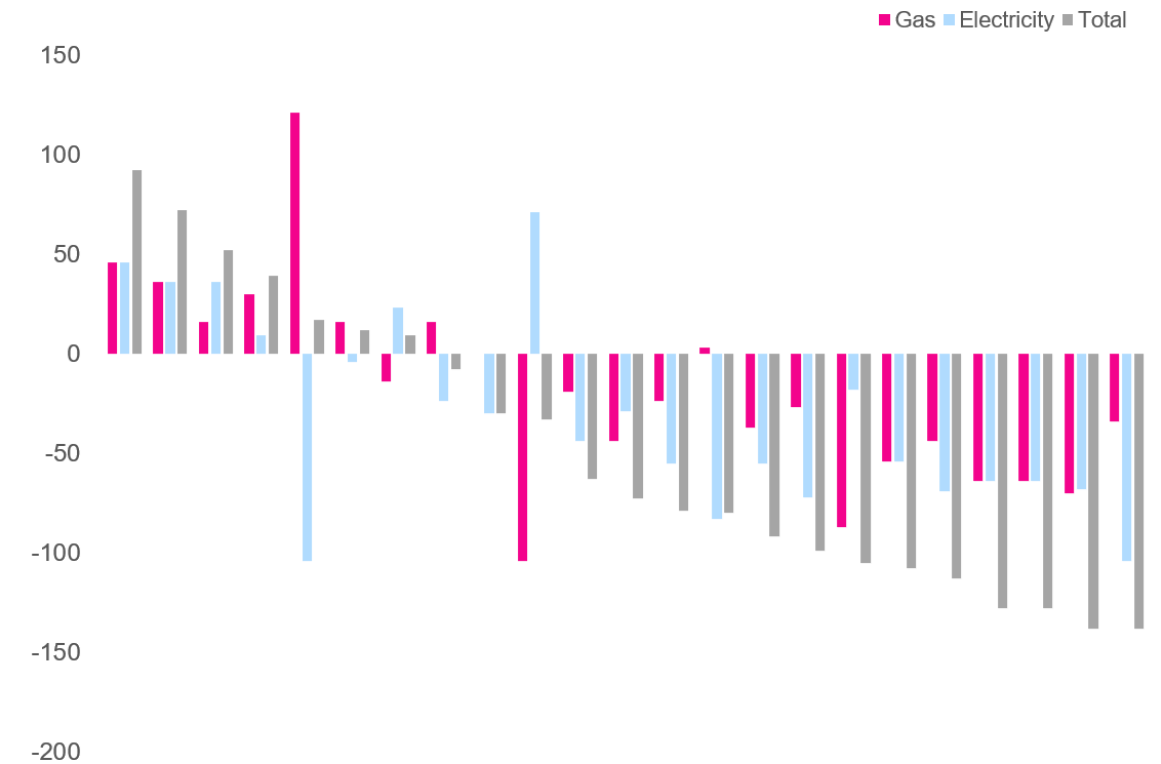
**“I have literally turned my boiler off and gone ‘I can’t afford any more for another week’. Or I’ve even had to go and stay with family”**

Young woman living alone in Wales

Additionally, the reported costs are likely to suggest an even greater underspend compared to the average household, given that many participants are reliant on a PPM. Unlike direct debit consumers, PPM consumers are unable to spread energy costs across the year meaning that their bills are typically higher during the winter months. All the participants that were paying more than the average bill also used a PPM, reflecting the higher cost of energy in winter.

For many participants the amount of time that they spent at home had actually increased, in part due to the cost-of-living crisis restricting the number of activities they were able to engage with outside the home. This meant that there was a greater need to heat their home. As a result, basic days involved staying at home, keeping busy and trying to keep warm.

Fig. 2. Difference between participants monthly gas and electricity bill and the average household energy bill in February 2023.



Note: Each group of bars represents a participant. The price is based on the difference between the cost of energy reported by participants and the typical dual-fuel household direct debit bill under the Energy Price Guarantee of £2500 (or £208 per month) per annum based on the price cap in early 2023 (Money Saving Expert 2023). Although comparing with the average bill, a variety of living situations were reported across the graph, with people living alone not necessarily having lower than average bills than participants living with several other people.

Many participants reported rationing their heating, only turning it on for two or three evenings a week, despite low winter temperatures. Others did not use their heating at all, instead preferring to use an electric heater to heat one room to conserve energy or to wear additional layers. Some households reported using new warm banks.

Participants also reported new, inventive, and often dangerous ways to heat living spaces including, for example, plant pot heaters using tealights. These ad-hoc heating methods pose a fire risk and are also likely to reduce indoor air quality. Air fryers and microwaves were very common, whilst others reported only eating cold food to save on energy for cooking. Clothes horses and heated air dryers replaced tumble dryers.

**“you’re scared to turn on the cooker and we’ve had to go and buy a little air fryer to try and compensate for not using the cooker or had to stop using our tumble drier and we’re using clothes horses to dry clothes with. ... The only thing that’s left running is my fridge and freezer because you can’t afford to let that run down, but everything else is off. It’s off and to think that we’re meant to live in a country that’s meant to be rich in resources and that we’re now having to live in that kind of way. It makes you so depressed sometimes, you don’t see a way out”**

Single parent with young daughter, and adult children moved back in

Many households could identify ways to improve the energy efficiency of homes, including insulation and double-glazing as well as a larger changes such as heat pumps and solar PV. However, few participants had the finances or capacity to do so. Others had investigated potential ways of making improvements but were unable to, often due to rental dynamics or properties being unsuitable. Other were unable to make alternations due to structural factors: one respondent had three companies evaluate the potential to install insulation but were unable to due to vents in the flooring.

**KEY FINDING 2: CUTTING BACK ON ESSENTIALS**

As the 8<sup>th</sup> [Financial Fairness Tracker](#) has highlighted, cutting back on household costs has become the ‘new normal’ for many. The same was found in this study with many participants reporting that real financial problems led to cutting back to essentials.

**“Now we are left with nothing actually, because we have to use all the money to pay for bills, gas and electricity, how is somebody on my own income level going to cope? ... then the government started giving us some support, they give us vouchers so that would help us with shopping, and then we were sent to a pantry, a local pantry to buy the shopping cheaply”**

**Single mum in Scotland**

For most households, money only covered their essentials. This meant they had cut back on almost everything; not just keeping energy use to a minimum, but changing shopping habits, only buying essentials, and not socialising as much, or at all. Participants reported shopping around for cheaper prices, changing food purchases from branded to unbranded, switching from fresh to frozen foods and cancelling subscriptions. They often postponed the purchase of expensive goods – such as TVs or white goods – purchases that in the long-term might be more efficient and save energy.

**“I feel it’s hit quality of life, we can’t do what we want to do anymore... we still can’t afford to take our foot off because we need to try and build up that little buffer zone of money in the bank to get us through next winter when potentially it could double again”**

**Person in their 50s living in Northwest England**

One person was directed by their GP to attend a local food cooperative rather than grocery shopping, paying £2 for reduced items donated by local supermarkets, and a number had taken to using ‘community larders’. Another woman cancelled seeing her friends because her house was too cold to host them, and another couldn’t afford her MOT, so was no longer able to visit family. One respondent even stopped going out for a coffee with an old friend as they felt they could put that money towards two meals instead.

**KEY FINDING 3: PAYMENTS INCREASED IN FREQUENCY**

Many participants who used a PPM reported a high frequency of payments or top ups for both electricity and gas during the winter. In February 2023 (Wave 1), 12 participants paid more than once for gas, and 13 paid more than once for electricity (Fig. 2). Two participants were paying almost every day for gas (10+ times over a fortnightly period), with the issue becoming particularly acute during April 2023.

The high frequency of payment was unusual and at times challenging. One person said they had to top up the meter every 1-2 days whereas previously they topped it up much less frequently. They are paying £10-15 every two days of gas and electricity.

**“I’m not really happy with it because the price has gone so up. I have to top up every like 1 to 2 days now basically. Because before, we were topping up after 5 to 7 days but now it’s like 1 to 2 days I’m doing it now”**

**Young man living at home with family in London**

Another family was topping up £2 at a time to make sure they didn’t drop into emergency credit, at which point they would have to top up a minimum of £16.

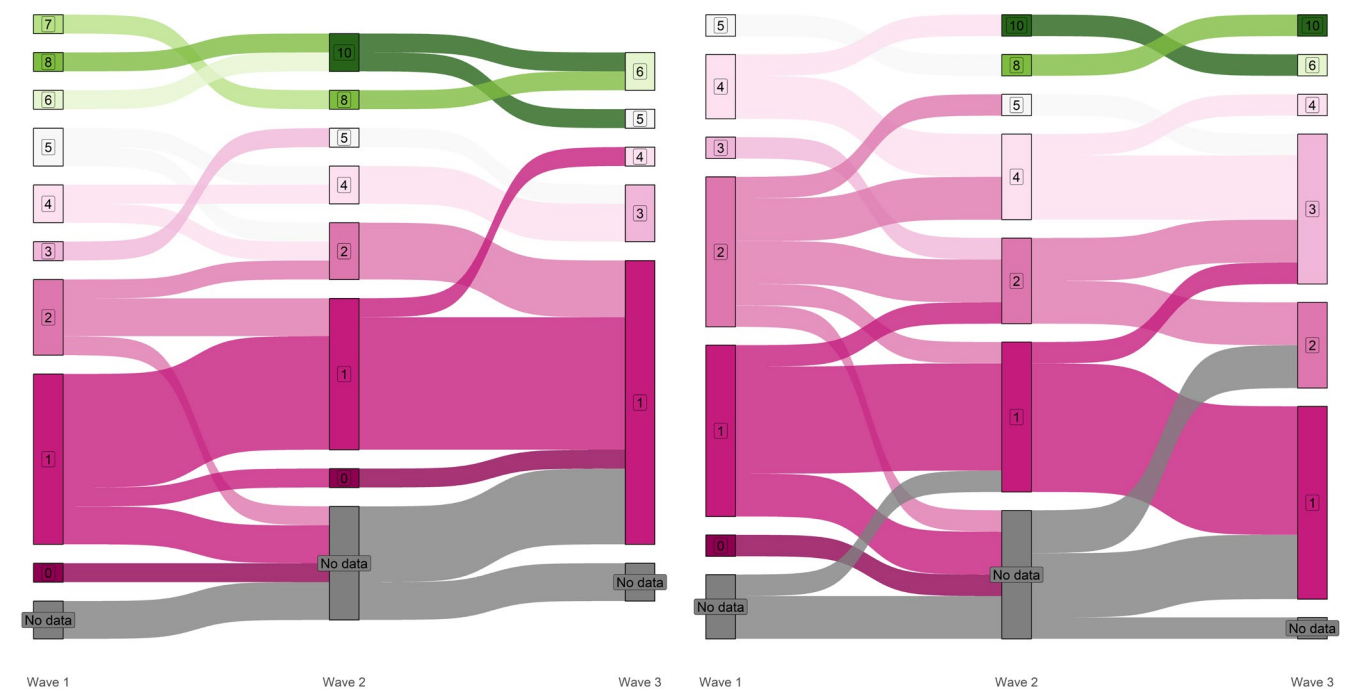
**“every so often my partner will just be like, quick the gas is nearly gone, and it would be put on the minimum which is £2 just to keep it out of the emergency credit, just to keep the supply on and that’s what we’re having to do”**

**Parent living in Southeast England, currently on maternity leave**

For households using other forms of payment including direct debit payments, the lack of flexibility to make multiple payments could also be a challenge. It prevented them from managing tight financial budgets and in some cases led them to borrow from friends and family. Others were conscious that they were falling into arrears but could not do much about it.

Although the frequency of payments was relatively similar between gas and electricity across the study period there was some evidence of the impact of seasonality. 14 participants paid only once for gas by May 2023 (Wave 3), compared to eight participants in February 2023 (Wave 1). Warmer spring weather reduced the frequency of gas payments as households no longer needed gas heating. However, the frequency of electricity payment remained high for many participants into the summer, as topping up electricity was still a challenge.

**Fig. 3. Number of times each household paid for gas (left) and electricity (right) during a two-week period in February 2023 (Wave 1), April 2023 (Wave 2), May 2023 (Wave 3).**



# How have people experienced the energy crisis?

## KEY FINDING 4: MANAGING LIMITED BUDGETS IS EXHAUSTING

**“...when you’re a single parent and you’ve got a child to look after and you’ve got heating and you’ve got electricity and you’ve got food to make sure you’ve got in, it’s very, very stressful”**

Single parent, living in Scotland

The overall impression was a huge sense of weariness – fundamentally, those we spoke to were struggling, trying desperately to balance their budgets, and paying huge energy bills while living colder, damper lives – worse than they had a year ago. Respondents spoke of a feeling that their family life had ‘imploded’ due to rising costs. Whilst they felt comfortable a year ago, they were now financially struggling.

Despite receiving considerable financial support from the government via cost-of-living payments, the vast majority had been eaten up by energy bills. Financial support was also not likely to be there for much longer. No one saw things getting better any time soon, and it was this more than anything that weighed heavily. They were running out of the energy needed to just keep surviving rather than living.

Feelings of stress and anxiety often overlapped with other challenges such as post-partum or seasonal depression, anxiety over existing debt, and health issues or chronic illnesses. As a result, people reported finding themselves reliant on other family members for emotional support.

Participants also reported feelings of inadequacy and personal failure. Households were hyper-aware of the energy they were consuming and its cost. There was a real sense of the necessity of heating, including for example feeling responsible for keeping the house warm for children. This was especially the case around Christmas, when respondents reported being increasingly reliant on charities to meet the additional costs associated.

More broadly, there was a feeling of lost opportunity and future, as previous savings depleted and opportunities to buy home or rent their own place felt increasingly unachievable due to rising costs. The feelings of exhaustion and lost opportunities were compounded by sustained consequences of Covid-19 pandemic and a sense that their living situation no longer supported their hopes or aspirations: for example, one respondent spoke of having delayed having a child due to rising costs.

**“I’ve wanted to have a child for the last couple of years because me and my partner have been together for 5 years now and we don’t live together and it’s been difficult, we’ve been wanting to live together but we’ve just not managed to find a way, and then to then think about having a child in all of that, .. not even think about that right now.”**

Woman in her 30s, living in a flat share in London

## KEY FINDING 5: BORROWING TO PAY ENERGY BILLS INCREASED

**“I am trying to be efficient and there are sacrifices which are required at times, but equally I am trying to live a normal life. If it costs me, it costs me”**

Parent in full-time employment, living with partner and children

Multiple households reported accruing debt or arrears. Some respondents had applied for credit cards for the first time, unable to make ends meet otherwise. Others reported using store cards, especially towards the end of the month to pay for food. One participant had been given £100 credit for their PPM by the energy supplier but was aware they would have to pay it back in April. A number of those who were paying on receipt of bills were in substantial arrears and were very worried about it how to pay it back. The

figures were considerable – someone who had been paying £300 a month over the winter was left owing £800 at the end of the quarter. This was often coupled with other arrears for essential costs, including rents.

Participants on PPM had also borrowed money from (at times, multiple) family members, often from their parents or working-age children. Amounts borrowed varied, from regular small amounts to large lump sums. By May/ June, some has started to repay their borrowing, either to family and friends, or commercial borrowing, but many were left with these debts remaining.

In response, some households felt that they had no option but to switch to PPM to manage their energy costs, and there was often a sense that this was imposed on them. Other households made the choice to have a PPM installed to prevent them from getting into debt.

Average energy costs were typically lower by May 2023 (Wave 3), reflecting the warmer temperatures in the spring months that negated the need for spending on heating. However, this was not always the case. For several participants their household energy bills increased as time went by, suggesting that they accrued debt over the winter months that they were unable to clear. For one person their bill in May 2023 sat at over £2,000 meaning that they had to contact as the situation was getting worse not better. This is in keeping with [recent figures](#) from Ofgem that have shown a surge in household energy debts.

## KEY FINDING 6: LIVING CONDITIONS DETERIORATED

The knock-on impact of households cutting spending has been a material deterioration in people’s quality of life, as well as the state of repair in their home. Many respondents spoke about changing energy practices lead to important alterations in their day-to-day life. These included consequences for personal hygiene and, with it, a sense of physical wellbeing. Respondents spoke of reducing bathing (in one case, down to once a week). Other’s timed showers to minimise associated energy costs.

Two respondents sold cars both to raise funds and because they could no longer afford to drive it. This impacted their ability to see family and friends, as well as their broader independence.

Households were kept colder, tumble dryers went unused, drying clothes was problematic, and launderettes unaffordable. A few reported that asthma had returned, or their children had chest infections more frequently this year. Others noted that mould had appeared or worsened this year. In one household, mould had expanded rapidly due to condensation in their unheated bedroom – with this condensation dripping and running down the wall. Despite using dehumidifiers, this problem persisted.

**“We’ve dried in the sitting room with the clothes horse and put the cloth around them and put the dehumidifier underneath and it has dried. but the problem with that is that, well we noticed that it was causing mould in the corner of the room. So you know, we said leave it, I said I’m not going to use, to dry it that way again, we’ll just put it in the drier instead”**

Mother of five living in the north of England

This study also uncovered troubling episodes of sacrifice, in which parents went without to support their children. One respondent, who themselves suffers from rheumatoid arthritis, osteoarthritis, and osteopenia in their spine, reported wearing the same clothes for a week at a time – to save on washing and dedicate energy to washing their child’s clothes instead.

**“it’s not very nice to think that my personal hygiene sometimes is not the best or it’s not what I would like it to be. I will, it’s not that I don’t wash but it’s just like I will maybe stand and I’ll maybe put a small drop of water in the sink and I’ll just quickly wash standing at the sink or standing in the shower thing because I have to make that gas last and heating the house is the most important thing”**

Single parent student

Another shared that they regular ate leftovers from their children’s plates rather than cooking a meal for themselves. Both testimonies highlight the difficult decisions likely made by many: parents putting a child’s comfort above their own by keeping their children fed warm and in clean clothes, rather than themselves.





#### KEY FINDING 7: LACK OF SUPPORT FROM ENERGY PROVIDERS

Respondents sourced support via multiple routes, including government support (i.e., Warm Homes Discount, Covid Crisis Grants, Cost of Living payments), local and regional discretionary funding, or additional sources of advice: such as Citizens Advice, the Money and Mental Health Service, and sites or programmes, such as those provided by Martin Lewis.

Respondents' anxieties were often linked to an uncertainty of what the future might hold once the UK Government's Energy Price Guarantee was phased out. For many, its withdrawal represented a context in which energy providers might raise prices with little consequence or deliver limited support for those in need. For many, this represented a return to a problem that existed in the medium-to-long term and required intervention.

Participants discussed a perceived lack of flexibility in the energy companies that provided their electricity and gas. This was evident in the experiences of some who had been transferred from energy companies that had gone bankrupt to other, larger energy companies. Several respondents spoke of how their bills increased rapidly after such a move, with limited communication from the new energy company.

Elsewhere, respondents highlighted the limited support made available by respective energy companies. One respondent highlighted that, although his provider said to contact them if in difficulty, he was offered no support other than to contact a debt advice agency. Another was eventually contacted after they hadn't topped up their PPM for over six weeks, but no practical support was offered to them. Conversely, some respondents praised energy companies that provided direct, simplified messaging and easily navigable websites to signpost help that was available.

It is apparent that respondents were often highly aware of news related to energy companies, particular regarding their profits or dividends in times of rising costs. This led to a sense that the long-term consequences of energy price crisis were driven by a system designed around ensuring dividends paid to shareholders rather than used to support customers. Two respondents highlighted the continued charging of the gas and electricity standing charges as evidence of this: with people still charged despite reducing their usage to near-zero.

**“I think it's very unfair because people are paying out extra for standing charge for having the privilege of being able to pay for your gas and the electricity”**

**Grandparent with kinship caring responsibilities**

**“We pay 53p a day standing charge for electric and about 30p a day standing charge for gas, so it's like, it's about 83p a day before you even use anything. So that's £25, £26 a month for absolutely nothing.”**

**Full time carer living in Scotland**

Both respondents highlighted the pause or removal of these standing charges as a key route to supporting households managing increased costs. This mirrors popular reporting of price rises but is also linked to the sense that energy prices often rose without transparency or clear reasoning.

## Primary recommendations

**This report has highlighted the numerous consequences of rising energy bills for households. The testimonies collected provide a significant insight into the changes that many households made and how such changes, coupled with ever-rising bills, affected many. In light of these testimonies, we recommend that:**

#### The Government should prioritise:

**Proactive action to provide certainty for households ahead of cold weather energy needs:** Respondents spoke about the importance of certainty of what support was to be available as an effective counterweight to anxieties about paying the next bill or topping up the meter. Effective action needs to be anticipatory rather than reactive to provide households with certainty about their bills and allow them to plan accordingly.

**Energy bill support should be tailored towards low-income households, including those in work:** This research has uncovered incidences of in-work households having similar experiences to out-of-work households despite income from employment. Reasons for this might include low pay or precarity, often through zero-hours contracts. Linking energy bill support to whether or not the household is in the social security system may lead to these households missing out and continuing to suffer from the consequences of high bills.

**A social tariff to recognise the right to cover basic energy needs:** Vulnerable households should have access to an affordable price of energy. Energy tariffs can be restructured to do this by taking into account how energy use intersects with other socioeconomic vulnerabilities. The development and implementation of a social tariff would provide a discounted energy bill for those who may struggle with their bills. These might include those with disabilities or chronic health issues, older people, or full-time carers.

#### Regulators and energy companies should devise:

**Streamlined, visible financial support and consumer advice:** Respondents highlighted the importance of clear, accessible guidance on what support was available. Energy companies were criticised when such advice was not made available. Regulators should work with relevant parties to simplify and illuminate what support is available this winter, how it is accessed, and who can access it. With respondents drawing on a broader range of national, regional, and local support services, this information should mirror such a variety.

**Interventions to ensure a fairer distribution of bills through ending standing charges to prepayment customers:** A direct way to support households using prepayment meters (PPMs) is through ending the premium they pay in comparison to those paying via direct debit. Recent policies to remove the PPM payment premium are welcome; however, ending standing charges for those using PPMs would provide further support. As well as paying on a pay-as-you-go basis, households on prepayment meters will also pay a daily fee for being connected, known as a standing charge. These standing charges increase costs: a typical user may pay £129 extra per year for their electricity. They also continue to accrue even if no energy is used, prolonging periods of self-disconnection. The [current Energy Price Guarantee policy can be used](#) to remove this premium, providing an additional layer of support to those using prepayment meters and reducing their vulnerability to high prices.

**Long-term strategies to mitigate bill arrears:** Whilst the winter of 2022/23 has passed, its consequences remain. Many households remain in bill arrears or debt – be it to credit cards, family members, or others. Formal debt repayment plans can lead to high prices of energy, creating further pressures on household spending. [Establishing a 'help to pay' scheme](#) to provide people with a longer-term route of reducing and managing these debts would help mitigate their knock-on consequences. In particular, Ofgem should place more stringent expectations on energy suppliers to support customers that are in arrears or at risk of self-disconnection.

This report has highlighted the numerous, often-dramatic changes households have made to their energy use in an effort to reduce their gas and electricity bills. The message from many is clear: they can't cut back any further. Planning for the coming winter should form part of a longer-term strategy about how to protect households from future price shocks. Such a strategy should include broader investments and support for energy efficiency and the expansion of renewable energy. It also includes efforts to ensure that every household is entitled to energy to cover their essential needs and ensure a quality of life.



