



**Department for
Business, Energy
& Industrial Strategy**

Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
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The Rt Hon Graham Stuart MP
Minister of State for Energy and Climate

**Department for Business, Energy &
Industrial Strategy**
1 Victoria Street
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19 December 2022

Dear Meg,

Help with household energy bills – Widening the support

I am writing to inform you that I am today setting out how we will help further households with energy bills this winter.

This follows our announcement on 29 July of additional funding for households not eligible for the part of the Energy Bills Support Scheme which started to deliver for households in Great Britain with a domestic electricity connection in October. As you will know, the Government further stepped in to reduce energy bills for households across the United Kingdom in September with the Energy Price Guarantee. It currently brings a typical household energy bill in Great Britain for dual-fuel gas and electricity down to around £2,500 per year, and at an equivalent level of support in Northern Ireland to around £1,950 per year.

Energy Bill Support Scheme - Alternative Funding

29 million households in Great Britain are receiving the £400 Energy Bills Support Scheme discount over 6 monthly instalments from October to March. For those households not able to benefit from the original Energy Bill Support Scheme (those who do not have a domestic electricity connection), an application process will be launched in January. Those set to benefit include residents of park homes, some care home residents, tenants in certain types of private and social rented homes, homes supplied by private wires, residents of caravans and houseboats on registered sites, farmers living in domestic farmhouses without a domestic electricity connection, and households off-grid.

It is important to note that most households who don't have a direct relationship with a domestic energy supplier benefit from a discount on their energy bills through the Energy Bill Relief Scheme, which is already providing support to intermediaries such as landlords and park home operators. The Energy Prices Act legislation passed earlier in the year ensures those benefits are passed on to consumers who do not pay their energy bills directly to an energy supplier.

An application portal on gov.uk and verification by local authorities will allow the necessary robustness needed for this use of public funds. The process has been made as simple as possible, and a helpline will serve those unable to apply online.

Alternative Fuel Payment Scheme

I have also set out today our intended timings for the £200 Alternative Fuel Payment scheme for households in Great Britain who use fuels such as heating oil, LPG or biomass to heat their homes. Payments will commence in February, with most payments being made that month through electricity suppliers. More details about how we will target the scheme will follow soon in the new year. Households which will not receive automatic payments will be able to apply to the same gov.uk portal used for the Energy Bill Support Scheme Alternative Fund from February.

Northern Ireland Energy Bill Support Scheme

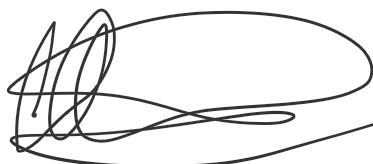
In August, a joint ministerial taskforce concluded that this government should proceed to deliver a comparable scheme to the Energy Bill Support Scheme in Northern Ireland, due to the possibility that no Executive would be in place to deliver in time for this winter. We have therefore developed and will deliver a separate and bespoke Energy Bills Support Scheme, working with the Northern Ireland electricity suppliers, and respecting the very different nature of the energy market in that part of the United Kingdom.

All Northern Ireland households will receive a single payment of £600, which includes the Energy Bills Support Scheme £400 and the Alternative Fuel Payment of £200. This is due to the high level of alternative fuel use in the country, making the NI scheme more generous than the GB one.

It is being delivered by electricity suppliers, either direct to the relevant electricity bill payer's bank account or as a voucher which will need to be redeemed into a bank account or as cash. Suppliers should be able to start paying customers in January. Alternative funding for households which do not pay for their electricity direct to a supplier will be delivered as soon as possible.

The Energy Bills Support Scheme is just one way in which we are helping households with the cost of energy this winter. As mentioned above, we are already delivering the Energy Price Guarantee as well as cost-of-living support to households in Northern Ireland on means tested benefits (up to £650, rising to £900 in the 2023/24 financial year), disability benefits (£150) and pensioner households (£300) to further help vulnerable consumers.

Yours ever,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

THE RT HON GRAHAM STUART MP
Minister of State for Energy and Climate