

£400 energy bills discount to support households this winter

- Households to start receiving £400 off their energy bills from October, with the discount made in 6 instalments to help families throughout the winter period
- government confirms today important details of the Energy Bills Support Scheme, which will provide energy bill discounts to 29 million households across Great Britain
- today's announcement comes as the government launches a new online one stop shop setting out ways homeowners can help to heat their properties as part of wider Help for Households campaign

Millions of households across Great Britain will receive non-repayable discounts on their energy bills this winter, as the UK government today (29 July 2022) sets out further details of the Energy Bills Support Scheme.

The £400 discount, administered by energy suppliers, will be paid to consumers over 6 months with payments starting from October 2022, to ensure households receive financial support throughout the winter months.

Those with a domestic electricity meter point paying for their energy via standard credit, payment card and direct debit will receive an automatic deduction to their bills over the 6 month period – totalling £400.

Traditional prepayment meter customers will be provided with Energy Bill discount vouchers in the first week of each month, issued via SMS text, email or post, using the customer's registered contact details. These customers will need to take action to redeem these at their usual top-up point, such as their nearest local PayPoint or Post Office branch.

In all cases, no household should be asked for bank details at any point. Ministers are urging consumers to stay alert of potential scams and report these to the relevant authorities where they are suspected.

Business and Energy Secretary Kwasi Kwarteng said:

People across the country are understandably worried about the global rise in energy costs, and the pressure this is placing on everyday bills.

While no government can control global gas prices, we have a responsibility to step in where we can and this significant £400 discount on energy bills we're providing will go some way to help millions of families over the colder months.

Chancellor of the Exchequer, Nadhim Zahawi, said:

We know that people are struggling with rising energy prices which is why we have taken action with support over the winter months to help ease the pressure on household budgets.

This £400 off energy bills is part of our £37 billion of help for households, including 8 million of the most vulnerable households receiving £1,200 of direct support to help with the cost of living.

We know there are tough times ahead and we will continue to do everything in our power to help people.

Households will see a discount of £66 applied to their energy bills in October and November, rising to £67 each month from December through to March 2023. The non-repayable discount will be provided on a monthly basis regardless of whether consumers pay monthly, quarterly or have an associated payment card.

This means that where a person's housing circumstances change during the 6-month period, such as those leaving or moving home, they will still benefit from the relevant portion of the total £400.

This also applies to students and other tenants renting properties with domestic electricity contracts from landlords where fixed energy costs are included in their rental charges. In these circumstances, landlords who resell energy to their tenants should pass the discounted payments on appropriately, in line with Ofgem rules to protect tenants.

As part of this package, we are confirming today that further funding will be available to provide equivalent support of £400 for energy bills for the 1% of households who will not be reached through the EBSS. This includes those who do not have a domestic electricity meter or a direct relationship with an energy supplier, such as park home residents. An announcement with details on how and when these households across Great Britain can access this support will be made this Autumn.

Details set out today will ensure the scheme is delivered to as many domestic electricity customers as possible over the winter, regardless of which supplier they use or their choice of payment method.

- Direct Debit customers will receive the Energy Bill discount automatically as a deduction to the monthly Direct Debit amount collected, or as a refund to the customer's bank account following Direct Debit collection during each month of delivery
- standard credit customers and payment card customers will see the Energy Bill discount automatically applied as a credit to standard credit customers' accounts in the first week of each month of EBSS delivery, with the credit appearing as it would if the customer had made a payment
- smart prepayment meter customers will see the Energy Bill discount credited directly to their smart prepayment meters in the first week of each month of delivery
- traditional prepayment meter customers will be provided with redeemable

EBSS Energy Bill discount vouchers or Special Action Messages (SAMs) in the first week of each month, issued via SMS text, email or post. Customers will need to redeem these at their usual top-up point

Steps are also being taken to protect consumers from the risk of fraud, gaming, and non-compliance. Suppliers will be expected to report to government action they are taking to ensure the support has been passed onto consumers, including notifying customers in writing they have received the £400 Energy Bill discount from HM Government, and ensuring it is clearly shown on bills or statements for Direct Debit and credit customers.

Greg Hands Energy Minister said:

Today we have set out how the government will deliver discounts to help 29 million households with their energy bills this winter.

I encourage families across the country to engage with these plans and particularly those customers on traditional prepayment meters who need to take action.

Coupled with world-leading action to radically enhance our home-grown energy security, we will continue to be on the side of British consumers now and into the future.

The Energy Bills Support Scheme forms part of the government's £37 million Cost of Living Support package, providing [Help for Households](#) with rising prices, targeted at those most in need.

Households most in need will be eligible for further support in addition to the Energy Bill discount. This includes:

- a £650 one-off Cost of Living Payment for around 8 million households on means tested benefits
- a £300 one-off Pensioner Cost of Living Payment for over 8 million pensioner households to be paid alongside the Winter Fuel Payment
- a £150 one-off Disability Cost of Living Payment for around six million people across the UK who receive certain disability benefits
- a £500 million increase and extension of the Household Support Fund available to councils to support vulnerable households with the cost of essentials such as food, utilities and clothing

Today's announcement comes as the government launches an online service to help homeowners save money on their energy bills by providing a one stop shop of ways to make properties more energy efficient.

[The new GOV.UK website](#), originally available through the Simple Energy Advice (SEA) service, offers a breakdown of support available through various schemes and how much financial support they can receive towards energy improvements.

This is part of the government's 'Help to Heat' support, investing £12

billion to make homes, particularly for low-income households, warmer and cheaper to heat, already delivering average energy bill savings of around £300 a year.

Lord Callanan, Energy and Business Minister, said:

This is a challenging time for many amidst the rising cost of living, which is why the government is stepping in with direct support.

From delivering discounted energy bills throughout the winter months to launching a new website providing homeowners with help to make homes cheaper and warmer, we want to make sure UK residents have the information they need to access all the support that is on offer.

Notes to editors

- See more details on the [design and delivery of the Energy Bills Support Scheme](#)
- to help with the cost of living pressures, the government announced a package of support worth £9.1 billion to help households with rising energy bills on 3 February 2022. This support package contained a range of measures to help households with their bills which included the Energy Bills Support Scheme is one of these measures
- the government will work with Ofgem and suppliers on guidance ahead of implementation of the Scheme from October 2022. This will include a full set of the Energy Bills Support Scheme reporting requirements for suppliers, to be published in due course
- the Energy Bills Support Scheme will apply to consumers in England, Scotland and Wales. The UK government is urgently working to ensure the people of Northern Ireland receive the equivalent of this support as soon as possible. Devolved administrations are receiving extra funding through the Barnett formula in financial year 2022 to 2023, enabling them to provide similar support
- the UK government is today also launching a consultation proposing the continuation of the Hydro Benefit Replacement Scheme. This scheme protects consumers in the North of Scotland from the high costs electricity distribution in that area
- as a further step the government will consult on prices and protections for domestic consumers whose energy supply arrangements do not enable them to move to a tariff protected by the price cap such as those paying for energy through all inclusive rents
- there are rules which can protect tenants and ensure they receive the benefit of this policy. Ofgem's guidance on [how to ensure customers are being charged no more than they should when they buy the electricity through their landlord, including what to do if they think there has been a mistake](#)
- the government committed to set up the [new energy advice website](#) in the [British Energy Security Strategy](#), enhancing the online service that is

currently available through the Simple Energy Advice (SEA) service. This online advice complements £6.6 billion government investment in energy efficiency through Help to Heat schemes and expanded the Energy Company Obligation

Consultation

- full details explaining the design and delivery of the EBSS can be found in the [government's official government response to this year's technical consultation](#), being published today on gov.uk
- the EBSS consultation was published on GOV.UK on 11 April 2022 and closed on 23 May 2022. BEIS received 233 written responses to the consultation from a range of organisations, including large and small suppliers, Distribution Network Operators, consumer groups and interested charities
- BEIS also ran a series of stakeholder engagement sessions before, during and after the consultation, where we presented and discussed the proposals with more than 93 interested parties, including suppliers, consumer groups and charities
- the proposals in this government consultation response document set out the final policy decisions reached for the delivery of the EBSS