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BETTER TARGETING NEEDED TO HELP COMBAT FUEL POVERTY

- **New innovative approaches are key to targeting help at the most hard to reach fuel poor customers**
- **Ofgem working with the industry, the Government and other organisations to bring about a more co-ordinated approach to tackling fuel poverty**
- **Suppliers introduced special initiatives to combat fuel poverty - but more work remains to be done**
- **Social Action Strategy launched at Ofgem Seminar held to address fuel poverty issues**

Energy regulator Ofgem is today (Thursday) highlighting the need for continuing innovative approaches to target help at the hardest to reach fuel poor customers.

Fuel poverty affects two million British households and, although support is available from suppliers, the Government and various organisations, fresh approaches are needed to help those customers most in need.

Speaking at the Ofgem seminar held to look at this issue, Chairman, Sir John Mogg, said: "A year ago, I called for a more joined-up approach to tackle fuel poverty. I am pleased to note most companies have responded to this and followed Ofgem guidance in bringing in a number of social tariffs. This is to be welcomed.

"As part of our Social Action Strategy, we want to ensure that no one takes their foot off the pedal and that there is a continuing drive to introduce innovative approaches to reach those most in need of help. One example is today's launch by npower of its 'Spreading Warmth' scheme - other companies have followed suit. Let's hope this effort continues."

Also as part of its Social Action Strategy, which is published today (Thursday), Ofgem announced that it is helping to fund a database showing where concentrations of fuel poor households exist around the country. This will help suppliers and other organisations to identify concentrations of fuel poor customers.

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Notes to Editors:

The Ofgem seminar 'Delivering Sustainable Solutions for Affordable Warmth' is the third seminar under the umbrella of 'Powering The Energy Debate'. It will take place at Ofgem's office in Millbank, London on Thursday 13 October.

1. Npower's 'Spreading Warmth' scheme provides a package of measures to help the fuel poor. A number of other suppliers have similar schemes.

2. Fuel poverty is defined as when a person spends more than 10 per cent of their income on energy bills. The number of households in fuel poverty fell from 6.5 million in 1996 to 2 million in 2003 (the latest figures available), mainly due to improved incomes and falling energy costs. However, the Department of Trade and Industry (DTI) estimates that an additional 400,000 people will have fallen into fuel poverty following the recent price increases announced by energy suppliers.

3. A year ago Ofgem called for a more joined-up approach between the energy industry, the Government and other organisations to tackle fuel poverty. Most energy suppliers answered that call by introducing special deals or price freezes to cut energy bills for fuel poor customers. Suppliers also have other initiatives in place to support customers who have difficulty paying their bills. These include:

- Benefit 'Health checks' to ensure customers are claiming all the payments they are entitled to
- Trust funds to assist people in financial crisis through grants and other emergency assistance
- Advice on payment options for energy bills and financial advice for people in debt
- Work with charity partners to ensure help is delivered where it is most needed through a trusted intermediary
- Special advice helplines to assist customers, or their representatives, with expert advice from staff specially trained to deal with the vulnerable.

4. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem's aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000.

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