



## ENERGY SUPPLIERS PLEDGE £400,000 FOR ENERGY BEST DEAL PROGRAMME

*Sessions run by Citizens Advice and supported by Ofgem help consumers to save money*

Four<sup>1</sup> of the UK's six largest domestic energy suppliers have together pledged £400,000 funding to expand Energy Best Deal, a campaign launched in 2008 by energy regulator Ofgem and national charity Citizens Advice.

Since 2008 the campaign has received funding support from the Department for Energy and Climate Changes (DECC) and a number of energy suppliers. The £400,000 pledged will be the most given in one campaign and will see more consumers receive the advice, a timely result as the recession continues and energy prices increase.

Since the campaign was launched frontline workers have helped over 94,000 people to save money and avoid getting into debt. Almost 5,500 frontline workers have been trained to give guidance on switching energy suppliers or tariffs and the range of help available from the Government and energy suppliers for people struggling to pay their energy bills. Over the same period more than 6,600 householders have benefited from the advice given at 1,100 'Energy Best Deal' advice sessions across England and Wales.

Six videos funded by Ofgem were also launched earlier this year on the Citizens Advice YouTube channel and the Ofgem website giving advice on a range of topics such as switching supplier and saving energy. These have proven extremely popular and have so far been viewed over 10,200 times.

The benefits of the campaign will be shared at the public launch of the 2010/11 evaluation report in London on Monday 17<sup>th</sup> October.

The evaluation has been carried out by the Centre for Sustainable Energy and published on 17 October 2011. Findings included:

- Almost a third of consumers attending said they found their winter fuel bills to be a strain; 43% said that energy bills were a worry but they were able to manage.
- Sixty-four percent of respondents said they had never switched to a different tariff with the same supplier.
- 80% of consumers said they would probably or definitely do something as a result of the session. 50% said they would contact their current energy supplier, 40% said

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<sup>1</sup> EDF Energy, Scottish and Southern Electricity, British Gas and E.ON have together pledged £400,000 for Energy Best Deal delivery in the winter of 2011/12

they would look at other energy suppliers' prices, and 38% said they would tell friends and family what they had learnt.

- Following the session, 93% of frontline advice workers said they felt more confident advising on at least one of the topics covered in the presentation, and 29% felt more confident about all topics.
- Follow up interviews with eighty consumers, two months after the session found that 29% had taken action to seek a better deal since the session and 38% had taken some kind of action to reduce their home energy use since the session. 61% had passed on information from the session to friends and family, telling an average of 2.8 people each.
- Follow up interviews with twenty frontline workers, two months after the session found that 65% had given advice on the topics covered in the presentation since the session. 45% had given advice on topics they had not previously advised on.
- Across all 20 frontline workers interviewed, information from Energy Best Deal had, within the average two months since the session, been passed on to an average of 8.7 clients per frontline advice worker since the session.

### **Energy Best Deal key facts:**

- Most people can switch energy supplier, for those paying by direct debit on a standard tariff could save on average between £33- £71 per year depending on where they live.
- Those who don't want to switch should make sure they are on their suppliers' cheapest available tariff.
- Most energy suppliers offer help to customers struggling to pay their energy bills.
- Those on low or fixed incomes may be entitled to a range of benefits including help with home insulation or a new boiler.
- Everyone aged over 60 is entitled to a winter fuel payment, the amount someone can get depends on their personal circumstances.
- **Impartial advice is vital for consumers as Ofgem's research shows only 1 in 5 consumers say they are active in the energy market**
- Last year Citizens Advice Bureaux dealt with over 100,000 enquiries from people seeking help with fuel debts. This year also saw double the number of people than last year looked at the Citizens Advice website, [www.adviceguide.org.uk](http://www.adviceguide.org.uk), for information about how to get a cheaper energy deal.
- **Consumers who did not switch in 2010 paid around £170 more on average for their energy\***

### **Sarah Harrison, Ofgem's Senior Partner for Sustainable Development, said:**

"This evaluation shows the value of Energy Best Deal which is particularly critical given the recent increase in energy prices. Vulnerable customers need all the help they can get to get the best deal. Ofgem is pushing forward with reforms to the retail market which will make choosing a better deal easier for all consumers by removing complex tariffs. Easy to understand prices will help make Energy Best Deal even more effective at helping vulnerable consumers."

**Gillian Guy, Chief Executive of Citizens Advice** said:

“Citizens Advice Bureaux are seeing a huge rise in the number of clients seeking help with fuel debts expected to soar. This year alone Citizens Advice Bureaux has dealt with more than 100,000 enquiries about fuel debt and the Citizens Advice website has seen a 78 per cent increase in the number of people viewing our advice on this issue. Energy Best Deal is a vital source of information for our clients who desperately need help to save money on their fuel costs.”

**\*This is for an offline Dual Fuel Direct Debit customer switching to the best deal available.**

### **Notes to editors**

1. **Energy Best Deal** builds on the research under Ofgem’s Consumer First Programme which showed that many vulnerable customers needed:
  - more information and guidance about tariff and payment options;
  - access to grants to install insulation and central heating;
  - ways to manage bills through energy efficiency.
2. This third Energy Best Deal campaign across England and Wales was funded by EDF Energy and E.ON and supported by Citizens Advice and Ofgem. Energy Best Deal sessions were delivered in the community by members of Regional Financial Capability Forums.
3. The evaluation was drawn from questionnaires completed after the presentations by 1,133 householders and 1,042 frontline workers. Follow-up telephone interviews were conducted with a random sample of 80 householders and 20 frontline workers. The full evaluation report is available on-line.
4. Access further information on Energy Best Deal, here:  
<http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=131&refer=SUSTAINABILITY/SOCACTION/PUBLICATIONS>
5. The Citizens Advice service is a network of independent charities that helps people resolve their money, legal and other problems by providing information and advice and by influencing policymakers. For more information in England and Wales see [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)
6. 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. The Authority's powers and duties are largely provided for in statute, principally the Gas Act 1986, the Electricity Act 1989, the Utilities Act 2000, the Competition Act 1998, the Enterprise Act

2002, the Energy Act 2004 as well as arising from directly effective European Community legislation.

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