



Department for
Business, Energy
& Industrial Strategy

The Rt Hon Graham Stuart MP
Minister of State for Energy and Climate

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Darren Jones MP
Business, Energy and Industrial Strategy Committee
House of Commons
London
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6 December 2022

Dear Darren,

I am writing in response to your letter of 29 November regarding certain households who have not currently received the benefits of schemes designed to support households with their rising energy bills. I share your desire for Government support to reach these households quickly and I wrote to Members of Parliament from all parties in Great Britain on 25 November to set out what we are doing to deliver these schemes. In this letter I will also cover what we are doing for similar households in Northern Ireland.

Energy Bills Support Scheme

As I described in my letter of 25 November, the £400 Energy Bills Support Scheme Alternative Funding will provide much-needed help for those households who do not have a domestic energy supply and have not received support through the main Energy Bills Support Scheme.

This includes residents of park homes and care homes, as well as other households who either receive their energy through commercial intermediaries or are off the energy grid entirely. We will be publishing further detail about eligibility shortly. As these households cannot be identified by their energy supply, the scheme cannot be delivered in the same way.

The Government has worked through a number of alternative delivery options, including procuring an external delivery partner and administering the scheme centrally. We have concluded that the best way to deliver the scheme is through Local Authorities in Great Britain, who are best placed to process applications and carry out verification checks.

As there is no single register of eligible households, payment is still a complicated matter. We are working to ensure that the right money gets to the right people at the right time. This includes making the process as simple as possible for applicants. An eligible household will be able to fill out a short form on GOV.UK with a few simple details, including their name and address. Much of this data will be verified up-front to reduce burdens on local authorities, who will then verify the address and administer the payment.

We are currently finishing and testing the application model, including verification and anti-fraud measures, to ensure that it functions as intended before it can go live. Whilst we understand that speed is of the essence, we must do all we can to prevent errors that could result either in households not receiving the support they need, or in a loss of public money.

The scheme will open for applications in Great Britain in January 2023, and we are committed to delivering the payment to households this winter. The exact date that an eligible household will receive support will depend on when the application is made and when the payment can be processed by the relevant local authority.

It will be extremely important to make clear to potential applicants how they can apply for the Alternative Funding. Public messaging will need to provide clear guidance on eligibility criteria and key groups likely to be in scope, on timings and the application window, as well as information on how to apply via GOV.UK. Alongside general communications to the public, it will be important to work with core stakeholders to reach specific groups, bearing in mind that potential applicants may be disproportionately elderly and more vulnerable compared with those covered by the main Energy Bills Support Scheme.

In Northern Ireland, whilst much of the work I describe above will also need to be done to ensure we are ready for delivery, we will need to use a different delivery partner. This is because our discussions with Local Authorities there have shown they do not currently have the capacity to deliver the funding and they have indicated to us that they therefore did not want to take on responsibility for it. We are progressing other options for a delivery partner, and I will provide an update on this soon. I intend for the support to be available to households there in January.

Energy Bills Relief Scheme

The Chancellor confirmed at the Autumn Statement that the Energy Bill Relief Scheme, which supports non-domestic consumers, will be reformed from April 2023, and targeted at the most affected businesses. The Government will bring forward a more appropriate route to deliver bespoke support, to meet our commitments to those on heat networks, and other domestic households supplied through commercial energy contracts. Further details on this support will be published shortly.

Alternative Fuel Payments

The majority of Alternative Fuel Payments eligible households in Great Britain will receive payment automatically via their electricity supplier with no need to take any action, and we anticipate this payment being made shortly. There will be a number of customers who are unable to receive the funding automatically. We will ensure there is a route for those households to apply for and receive the £200 support. This support will be delivered as soon as possible in the new year.

As you are probably aware, there is no central register of alternative fuel users in the UK, and so I will set out how we are targeting the fund in Great Britain soon.

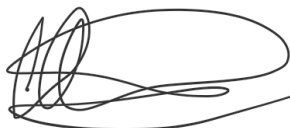
We are paying the Alternative Fuel Payment to all households in Northern Ireland to get payments as quickly as possible to households which use alternative fuels – this is most households in Northern Ireland (68%). This is different from our approach in rest of the UK, but the energy market in Northern Ireland is very different so it is right that we take a bespoke approach to ensure support to households this winter. Our aspiration is that this payment will be delivered in Northern Ireland as a single £600 payment with the Energy Bills Support Scheme in January.

For those households without a relationship with an electricity supplier, our intention is to appoint one delivery body to which those households can apply for a single £600 payment.

Bespoke consumers

I can confirm that this support ensures that every household across the UK has access to the £400 EBSS scheme and support that offers equivalence to the Energy Price Guarantee, even where consumers receive their electricity via a commercial contract, or their heating via alternative fuels.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Graham Stuart', with a large, sweeping flourish underneath.

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