Factsheet Utility Bill Standing Charges



This factsheet provides information about utility bill standing charges and how to get help if you need support.

What are standing charges?

- A standing charge is a fixed daily fee that is added to your energy bill by your energy supplier, regardless of how much energy you use. This can accumulate to a significant yearly sum.
- The amount you pay is determined by your energy supplier (typically between 5p to 60p per day for electricity and 10p to 80p per day for gas), your <u>location</u> and how you pay for the bill.
- It covers the cost of maintaining the infrastructure, providing services and some government social and environmental schemes such as <u>Warm Home Discount</u>.
- It is included in the energy price cap set by Ofgem, the independent energy regulator.
- Each energy type will require a standing charge so you may see two payments like this on each bill if you pay for both gas and electricity.
- On your energy bill, this fee may be called 'unit of daily usage' or 'daily unit rate.'
- If an energy company doesn't require a standing charge, it will appear on your bill as £0.

You can still run up standing charges on gas meters, or alternative heat sources even if you do not use your supply.

We understand that some tenants opt to have their gas supply capped due to preference or affordability, but did you know that

- even if you opt to have your gas capped, you will still be charged standing charge by your supplier unless you contact them.
- If you make arrangement to repay utility debts (with for example, British Gas of £5 per week) you must still pay your standing charge even if you don't use your supply.

Why we ask you not to contact your supplier or arrange to remove your supply.

We want to make you aware that we do not grant permission for tenants to remove their heating supply completely because

- You are responsible for adequately heating your home and we recommend that you heat and ventilate your homes to avoid damp and mould.
- We have provided a heating system to heat your home which we service regularly to ensure it is safe. If you choose not to use this in favour of alternatives such as Calor gas, then this could be a safety and tenancy issue.
- Removing a gas meter from a property is expensive and reestablishing a supply can take weeks or months, and you will be recharged the cost of reinstating the supply.

Help is available if you need advice to avoid debt increasing on your meters and to get your supply reinstated.

We can signpost you to a range of support, for example

- In some circumstances, Homes First can support vulnerable tenants in financial crisis as long as they work with support services to get their heating supply reinstated.
- Suppliers have the responsibility to support you with gas debt.
- We can signpost you to services who can help you find cheaper suppliers or who can negotiate with your suppliers about your utility debts (e.g. Brighton Housing Trust HT and Citizens Advice).
- Information about Cost-of-Living support can be found at: <u>https://www.lewes-eastbourne.gov.uk</u>.

Please contact your Housing Officer to find out more about the help available.

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