

ENERGY DEBT

What to do if you can't afford to pay



FREE ADVICE FROM PEC'S ENERGY TEAM

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'Getting into debt can be very worrying - energy suppliers must provide reasonable support to help you with energy debt.'

Energy bills are at record highs – for many households, it is one of the home's largest bills. Most people will find themselves in energy debt at some point in their lives.

An energy supplier should get in touch with you if they notice that you are falling behind on your payments – this may be by letter, email, phone call or text message.



This booklet covers the steps you can take to try to resolve the situation with your supplier.



Plymouth Energy Community's friendly energy advisors are available to help you with 1-to-1 support if you need additional advice and support to approach your energy supplier to find a way forward.

Our advisors can help you to maximise your income, check you're receiving all the benefits you're entitled to and search for charitable grants.



Engaging with your supplier is an important first step.

MAKE SURE YOUR BILL IS ACCURATE

- ✔ **Check your bill is correct:** Your supplier may have under or overestimated your energy use if you have not given regular meter readings.
- ✔ **Submit an up-to-date meter reading:** Try to send readings regularly to make sure your bills are accurate. If possible take a photo of your readings for your own records. Set a monthly reminder on your phone's calendar to keep track.
- ✔ **Consider switching to a smart meter:** If submitting manual readings regularly is difficult for you, smart meters send readings to your supplier automatically. You can get a smart meter installed by your supplier. They will also give you an in-home display (IHD) screen to help monitor your usage and spend.

IF YOU HAVE SUBMITTED A METER READING AND YOU STILL HAVE DEBT

Create a budget to take control of your finances. This helps you compare your income with your expenses and see if you have a surplus or deficit. If you have spare income, you can make an affordable offer to repay debt over 1-5 years,



although this may impact your credit report. Show your supplier your budget. Prioritise paying off 'priority debts', like energy debt, with any spare income before addressing any 'non-priority debts'.

If you have spare income to offer to your supplier, you could request an increase to your direct debit to cover your ongoing use and an amount towards the arrears. We can help you come to an arrangement with your supplier if you find this difficult.

ADDITIONAL ADVICE FOR PREPAYMENT CUSTOMERS WITH ARREARS



Check the rate that your debt is set to be repaid.

Some suppliers will automatically set your debt deductions from your top-ups at a high rate, such as 25% (for example, if you topped up £20, they would take £5 of this towards your debt balance).

Suppliers can normally lower this depending on your circumstances. You can ask for them to review this and lower it if possible.

Temporary Credit: If you can't afford to top up your meter, your supplier should offer you temporary credit which you will need to pay back at your next top up. Some suppliers will only offer this supply a certain number of times in a set time period.

Other credit options: If you have run out of temporary credit and still cannot top up, contact your supplier as they may be able to offer further credit depending on your situation.

'Friendly Credit': Your supplier may offer 'friendly credit' or 'friendly hours'. This is a feature on prepayment electricity meters (and with some suppliers' gas) that allow customers to continue using power after they have run out of credit or emergency credit during evenings, weekends, or bank holidays. The times that these are offered will vary between suppliers.

Emergency energy vouchers:



There may be some local charities or foodbanks that can offer you an emergency energy voucher. You will not need to pay this back, however there are likely to be qualifying criteria.

You can find your nearest foodbank within Plymouth on the [Plymouth Food Aid Network \(PFAN\) website](#).

Not all foodbanks have this support available. If you are eligible, normally a text message with a code will be sent to your mobile phone and you can use this to top up at the shop in your normal way.

OPTIONS FOR PAYING BACK THE DEBT

Agree an affordable repayment plan with your supplier to cover both your ongoing use and an amount towards the arrears. If you are having difficulty meeting this after setting it up with the supplier, get back in touch with them to ask if another arrangement can be made, perhaps for a lower amount.



Fuel Direct: If you are in receipt of means tested benefits like Universal Credit or Pension Credit, you can investigate paying for your ongoing energy and energy debt through your benefits. You would need to talk to your supplier, who can request fuel direct payments from the DWP if that is how you would like to pay.

MORE OPTIONS FOR PAYING BACK THE DEBT

Financial hardship schemes:

Check if your supplier has any schemes. These are charitable trusts and funds that can help if you're in debt and struggling to repay. You may need to have spoken to a debt adviser before applying. You'll need to complete a full income and expenditure budget sheet. You'll also need to provide proof of your income and give details about the circumstances that led to your account falling into arrears.



Consider requesting a prepayment meter: You could pay for your energy in advance through topping up by key, card or online account or app. The debt is loaded onto the “back” of the meter, and the supplier will take small regular deductions from your top-ups, to pay off the debt.

In the past, prepayment has been a more expensive way to pay for your energy. In the last few years, the prices have been brought into line with what credit customers pay. If you switched to a smart prepayment meter, you can top up online/via app, as well as shop top-ups. Smart prepayment customers can keep a track of their credit balance on their app or in-home display.



A prepayment meter may not be suitable for people with certain physical or mental health conditions - you may want to discuss this with your supplier. Repayments can usually be set as low as £3.80 a week per fuel, so this can often spread repayments over a longer period than a payment plan. These repayments are known to the suppliers as the Debt Recovery Rate or DRR. This may be set as a percentage of your top ups.

PRIORITY SERVICES REGISTER

Check if you are eligible to sign up to your supplier's Priority Services Register (known as a PSR). This is a free service. You can make the supplier aware of any vulnerabilities within the home so they can offer additional support to suit your needs. This includes but is not limited to:

- Blind or partially sighted.
- Chronic illness/ disability.
- Any mental health conditions.
- Being of pensionable age.
- Pregnancy, or have children under 5 or under 18.
- Medically dependent on electricity supply.
- Having communication needs (including support in another language or in an accessible format such as braille).

Your supplier may also have an option for 'financially vulnerable', where you can let them know that you are in a financial situation which may make it difficult to keep up with your energy costs.

You can sign up via Wales and West (the gas distributor) who will share this information with your energy supplier, the electric distributor (National Grid) and South West Water.

OTHER ENERGY SUPPORT

Warm Home Discount: The Warm Home Discount (WHD) scheme changed its eligibility criteria in 2025. If eligible, a household's energy account will be credited £150 each year. Check the [gov.uk website](https://www.gov.uk) or your energy supplier's website for more information.

Winter Fuel Payment: If you have reached State Pension age and have an income of less than £35,000, you may get a Winter Fuel Payment between £100 - £300 to help you pay your heating bills. You will usually receive this by the end of January each year. Most people who are eligible will receive this automatically. For more info and to check eligibility: www.gov.uk/winter-fuel-payment

YOU MAY ALSO CONSIDER:

Energy efficiency: Using less energy will lower your bills. We have lots of useful ideas and information on how to reduce consumption on our website and can offer bespoke energy advice from our energy advisors if you get in touch.



IF YOU NEED SUPPORT, OUR ENERGY TEAM CAN:

- Help to talk to your supplier.
- Look at solutions to deal with your energy debt.
- Discuss ways to reduce your energy usage.
- Support with maximising your income to make sure you are getting everything you are entitled to.
- Look for grants to make your home better insulated.
- Help with small measures such as LEDs to reduce your energy bills.



OTHER HELP AVAILABLE

Scan the QR code to view other relevant advice and accessibility options for this leaflet from our website.

Or call us on 01752 477117 to discuss what help you may be able to access.