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## **85% OF CONSUMERS STILL CONCERNED ABOUT THEIR WINTER ENERGY BILL DESPITE MILD WEATHER**

85% of consumers are still concerned about their winter energy bill, despite the milder weather this year<sup>[1]</sup>, according to new research from uSwitch.com. The impact of the £224 or 21% hike in energy prices from the end of 2010<sup>[2]</sup> has seen the number of people cutting down or rationing their energy use soar to 83% this winter<sup>[3]</sup>, while 5.3 million more households have gone cold to keep their winter energy costs down<sup>[4]</sup>.

- **Over eight in ten people (83%) have cut down or rationed their energy use this winter because of cost – a 7% increase on last year and 14% higher than 2010<sup>[3]</sup>**
- **Three quarters of households (75%) - potentially 19.5 million – have gone without heating at some point this winter to keep energy costs down – 5.3 million more than last winter<sup>[4]</sup>**
- **Almost three quarters of people (72%) have been cold at home this winter, although 53% say that it would have been worse without the mild weather<sup>[5]</sup>**
- **The main reason people have gone without heating this winter is the high cost of energy (71%) rather than the mild weather (24%)<sup>[6]</sup>**
- **Almost a third of people (31%) say that the mild weather this winter has not been enough to mitigate the £224 or 21% increase in prices seen in little over a year<sup>[2]</sup> – 64% say it has only partly softened the impact<sup>[7]</sup>**
- **57% of people have already made their home energy efficient<sup>[8]</sup>, and yet still Britain goes cold.**

Higher energy prices have led to another shock rise in the number of people cutting down or rationing their winter energy usage, according to new research from [uSwitch.com](http://uSwitch.com), the independent price comparison and switching service. Over eight in ten people (83%) have cut down or rationed their energy use this winter – a 7% increase on last year and 14% higher than in 2010<sup>[3]</sup>. Such has been the impact of the £224 or 21% hike in prices from the end of 2010<sup>[2]</sup>

that 85% of consumers are still concerned about their winter fuel bill, despite the exceptionally mild winter seen this year<sup>[1]</sup>.

Three quarters of households (75%) have gone without heating at some point this winter to keep energy costs down – 20% higher than last year. This means that potentially 19.5 million have gone without, 5.3 million more than last winter<sup>[4]</sup>. As a result, almost three quarters of people (72%) have been cold at home this winter, although 53% agree that this would have been worse without the mild weather<sup>[5]</sup>.

In fact, the mildness of the winter has been the saving grace for many households who would otherwise have suffered far more from the cutbacks they have been forced to make. Four in ten (41%) say they would not have been able to achieve the right balance between keeping their home warm and managing costs if it hadn't have been for the milder weather. But still 15% of people say that cutting back on energy usage is affecting their quality of life or health<sup>[9]</sup>.

The milder weather has allowed over a quarter of people (27%) to cut back substantially on their energy compared with last winter, while 27% say that they have cut back just the same, but the milder weather this winter has made the experience less unpleasant<sup>[10]</sup>. While suppliers will suggest that the warmer winter has reduced consumption, the reality is that cost is still the biggest driver. The main reason people have gone without heating this winter is the high cost of energy (71%) rather than the mild weather (24%)<sup>[6]</sup>.

But even though cost is in the forefront of people's minds, almost a third (31%) say that the mild weather this winter has not been enough to mitigate the £224 or 21% increase in prices seen in little over a year<sup>[2]</sup> - 64% say it has partly softened, but not mitigated, the blow<sup>[7]</sup>.

Even more worrying, given the amount of hope that the Government has pinned on energy efficiency measures, 57% of people say they have already made their homes more energy efficient<sup>[8]</sup>, and yet still Britain goes cold.

**Ann Robinson, Director of Consumer Policy at [uSwitch.com](http://uSwitch.com), says:** "This is about people going cold – the fact is that the £224 or 21% increase in energy prices since the end of 2010<sup>[2]</sup> has led to a corresponding 14% increase in the number of people rationing their energy use in the winter. With self-rationing now running at 83% of the population, the only saviour has been the exceptionally mild winter we have seen this year. This has allowed many to cut back, turn down or switch off without feeling the full brunt of winter cold. But what happens next year?

“We have been lucky because of the mild weather and next year households will hopefully feel some benefit from the recent £34 or 2.6% cut in energy prices<sup>[2]</sup>. Consumers can also make their money go further by making their homes energy efficient and making sure that they are paying the lowest price for the energy they do use.

“But if Britain isn’t to carry on freezing we need a helping hand and I would now urge the Government to look at making our gas and electricity exempt from VAT so that every household can enjoy some respite and not be forced to go cold next winter. Energy is an essential for life like certain foods and water, which are zero-rated. Without adequate warmth health can be badly affected and quality of life impaired. The Government needs to act now. Reducing bills by 5% through zero-rating the VAT could take 262,500 households out of fuel poverty<sup>[12]</sup> and give much-needed help to millions more who will struggle to keep warm.”

**How people are keeping warm this winter instead of putting on the heating<sup>[11]</sup>:**

Wearing more layers	85%
Wrapping up in a blanket when sitting down	54%
Leaving the oven door open after cooking	41%
Only using 1 or 2 rooms	34%
Eating hot food or soup	33%
Wearing a hat/scarf indoors	16%

**Source: uSwitch.com**

**For more information visit [www.uSwitch.com](http://www.uSwitch.com) or call 0800 093 06 07**

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**Notes to editors:**

All research referred to below was conducted with the uSwitch.com Consumer Opinion Panel amongst 1,225 respondents in January 2012. Previous research from last year was also conducted with the uSwitch.com Consumer Opinion Panel amongst 1,557 respondents between 27<sup>th</sup> December, 2010 and 3<sup>rd</sup> January, 2011. 2010 research was conducted with the uSwitch.com Consumer Opinion Panel amongst 4,734 respondents between 1<sup>st</sup> March and 5<sup>th</sup> March, 2010.

1. In response to: ‘Despite the mild weather are you still concerned about your winter energy bill?’ 85.4% said ‘yes’.
2. Based on a medium user customer using 3,300 kWh of electricity and 16,500 kWh of gas, on a standard dual fuel plan, paying quarterly by cash or cheque with bill sizes averaged across all big six suppliers and all regions.
3. In response to: ‘Have you cut down or rationed your energy use this winter due to the increased cost of energy?’ 83.3% said ‘yes’.
4. In response to: ‘Have you gone without heating this winter to keep energy costs down?’ 25.3% said never, 47.7% said occasionally, 24.4% said regularly and 2.6% said always. This adds up to 74.7% who went without heating at some point. Assuming that each person represents one household and on the basis of 26 million households in the UK we estimate that 19,500,000 households have gone cold at some point this winter. This total is over 5.3 million people greater than the estimate based on the comparable 2011 research which concluded that 54.5% of people went without heating during the winter, equivalent to 14,170,000 households.

5. In response to: 'Have you been cold at home this winter?' 18.5% said yes, 53% said 'yes, but it would have been worse without the mild weather. 28.5% said 'no'.
6. In response to: 'What was the main reason for why you went without heating this winter?' 24% said 'The mild weather' while 70.6% said 'the high cost of energy'.
7. In response to: 'Energy prices increased in the last 18 months by £224 or 21%. Do you think the exceptionally mild winter has allowed you to mitigate these increases?' 4.9% said 'yes – completely', 64.3% said 'yes – partly' and 30.8% said 'no'.
8. In response to: 'Have the recent price rises/increased cost of living made you more likely to introduce energy efficiency measures at home e.g. loft insulation, energy efficient boiler, better radiators?' 26.8% said 'yes', 10.2% said 'no', 57.1% said 'I've already made my home energy efficient' while 5.9% said 'don't know'.
9. In response to: 'Do you think you're achieving the right balance this winter between keeping your home warm and managing costs?' 14.6% said 'No – the cut backs I'm making are affecting my quality of life and/or health'. 41.2% said 'Yes – but I would not have been able to do so without the weather being far milder than usual.'
10. In response to: 'Which of the following do you agree with?' 26.6% said 'The milder weather has allowed me to cut back substantially on my energy use compared with last winter.' 26.8% said 'I have cut back on my energy use just the same as last year, but the milder weather has made it less unpleasant.'
11. In response to: 'Have you done any of the following to keep warm this winter rather than put on the heating?' Tick all that apply.
12. Fuel Poverty Advisory Group estimated that for every 1% rise in energy prices a further 45,000 – 60,000 households are pushed into fuel poverty (Chapter 7: FPAG 9<sup>th</sup> Annual Report). Total fuel poverty numbers come from research conducted by YouGov on behalf of uSwitch.com. Total sample size was 2,323 adults with bill paying responsibility for their household. Fieldwork was undertaken 12<sup>th</sup>-15<sup>th</sup> April 2011. The survey was carried out online. The figures were weighted and representative of all GB adults (aged 18+). The groups identified as in fuel poverty were calculated by cross referencing type of household and social grade (ABC1 classified as middle class, C2DE classified as working class) with net monthly household income and average monthly energy spend. Respondents who answered "Don't Know" or "Prefer not to say" have been excluded from fuel poverty calculations. Fuel poverty calculation = Monthly energy bill divided by net monthly income. Those who were spending 10% or more of their net monthly income on energy bills are classified as being in fuel poverty. The research showed 6.3 million or 24% of all households could be classed as fuel poor. Taking a mid-point of 52,500 from the FPAG's estimate, the 14.2% increase in prices seen subsequently will have added 745,500 households while the recent price cuts will have removed 136,500 households leaving a new total of 6.9 million. Removing 5% VAT would remove a further 262,500 from fuel poverty.

### **About us**

uSwitch.com is a free, impartial, online and telephone-based comparison and switching service, helping consumers compare prices on gas, electricity, water, heating cover, home telephone, broadband, digital television, mobile phones and personal finance products including mortgages, credit cards, current accounts and insurance. In 2010 uSwitch.com celebrated ten years of saving customers money.

uSwitch.com is the first comparison website to achieve the Plain English Campaign's Internet Crystal Mark, which is recognised as a standard that a website has clear language, is accessible and easy to use, and has been tested on a sample of its users.

uSwitch.com is dedicated to helping consumers save money whether they have internet access or not. It offers a dedicated call centre, manned by uSwitch customer service representatives, as well as a freepost 'Send us your bill' service, whereby customers can post their latest energy bills with their telephone number to FREEPOST USWITCH, to get a free call back from a dedicated customer services representative. The service is also available via fax, email and post. Consumers should fax 0203 214 8417, email [CustomerServices@uswitch.com](mailto:CustomerServices@uswitch.com) or write to Customer Services, uSwitch.com, Centro 3, 19 Mandela Street, London, NW1 0DU with their postcode and usage details.

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