Community Housing Cymru



Energy Bill Relief Scheme

September 2022

Introduction

The UK Government has released the details of its energy support for businesses under the **Energy Bill Relief Scheme** for **non-domestic consumers**, which sits alongside the <u>Energy Price Guarantee</u> for households (see our previous briefing <u>here</u>).

There are now three schemes operated by BEIS:

- Energy Bill Relief Scheme (EBRS) non-domestic customers to be covered by the energy price cap
- **Energy Bills Support Scheme (EBSS)** domestic customers, all households to receive a £400 payment between October 2022 and March 2023
- **Energy Price Guarantee (EPG)** domestic customers, households to be covered by the energy price cap

Energy Bill Relief Scheme

Gas and electricity for all UK businesses, the voluntary sector and public sector bodies are to be capped at £211 per megawatt hour for electricity and £75 per MWh for gas. This is equivalent to the wholesale element of the Energy Price Guarantee for households. It includes the removal of green levies paid by non-domestic customers who receive support under the scheme.

The cap under the Energy Bill Relief Scheme will apply to fixed contracts for non-domestic customers agreed **on or after** 1 April 2022, as well as variable and flexible tariffs and contracts. It will apply to energy usage from 1 October 2022 to March 31 2023, running for an initial six-month period for all non-domestic energy users.

BEIS have stated that, as with the Energy Price Guarantee for households, non-domestic customers do not need to take action or apply to the scheme to access the Energy Bill Relief Scheme. Support will be automatically applied to bills.



For those not connected to either the gas or electricity grid, equivalent support will also be provided for non-domestic consumers who use heating oil or alternative fuels instead of gas. Further detail on this will be announced shortly.

To date, 'non-domestic consumers' have only been defined as 'businesses, charities and public bodies'. CHC, NHF and SfHA will be contacting BEIS today to ask for clarity on whether housing associations will be included within this list.

The UK Government intends to publish a review into the operation of the scheme in three months to inform decisions on future support after March 2023. It is stated that the review will focus in particular on identifying the most vulnerable non-domestic customers and how the UK Government will continue assisting them with energy costs. CHC is aware of care and support-providing members' concerns, with energy costs for care homes and extra care schemes increasing dramatically. We are working with partners such as the Welsh National Provider Forum and our sister federations across the UK to make the case for ongoing support beyond the initial 6 month period.

Energy Bills Support Scheme

The UK Government also announced today that further details on the separate Energy Bills Support Scheme (EBSS) to ensure that the £400 discount to households starting from October will also be available to households who could not initially receive this support.

The £400 payments will now be extended to include tenants who are heated via communal and district heating systems, including park homes and those that pay for their energy via a commercial contract.

The UK Government will also provide an additional payment of £100 to households across the UK who are not able to receive support for their heating costs through the Energy Price Guarantee. This might be because they live in an area of the UK that is not served by the gas grid and is to compensate for the rising costs of alternative fuels such as heating oil.

Further information

Please find below some useful resources:

- <u>UK Government outlines plans to help cut energy bills for businesses</u>
- Energy bills support factsheet: 8 September 2022 GOV.UK (www.gov.uk)
- Written statements Written questions, answers and statements UK Parliament

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