



House of Commons
London
SW1A 0AA

Press Release
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Shadow Minister for Preventing Abuse and Domestic Violence
Wednesday 28th September, 2016

SARAH CHAMPION MP CALLS FOR URGENT ACTION ON ENERGY BILLS

Homes and families in Rotherham are being overcharged by the Big Six by more than £18 million a year¹, Sarah Champion MP warned today.

The new figures, calculated by leading independent energy supplier First Utility², show that the majority of people in Rotherham are sitting on the most expensive energy tariffs on the marketplace, costing them up to an extra £327³ every year.

This is despite Government rules, introduced in 2012, which mandated the Big Six should tell their customers if cheaper deals exist - a requirement some big suppliers are deliberately circumventing.⁴ Across Yorkshire, hardworking families are losing up to £355 million a year.

Sarah urged households to switch energy supplier before winter begins.

She said: "With half-term just a few weeks away and Christmas coming up fast, every extra penny matters. Switching energy supplier only takes a few minutes; the Government guarantees you can switch in 21 days or less with no double-billing, and hard-working families could stand to save hundreds of pounds a year."

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¹ First Utility multiplied the difference between the average Big 6 SVT tariff in Yorkshire and the cheapest widely available tariff, which is by First Utility (a gap of £283) by the number of households with the Big 6 (85% of households) who are also on their supplier's Standard Variable Tariff (70% of Big 6 customers, according to the CMA, [Link](#)). We derived the number of households by dividing the population of the town of Rotherham (257,300 (by 2.3 average household size (ONS, 2011, [Link](#))). This gave a figure of £18.8m lost every single year.

² First Utility is the UK's largest independent energy supplier, with close to 1 million customers. It is based in Warwickshire, employ 1,500 people and is proud to be an accredited Living Wage employer. The company donates 1% of its profits to the First Utility Foundation, which supports vulnerable families across the UK. And, since its launch in 2008, it has saved customers a collective £500m through offering transparent, fair and lower energy tariffs.

³ £327 is the difference between the cheapest widely available dual fuel tariff (First Utility) and the dual fuel Standard Variable Tariff (SVT) - the most expensive tariff - from the incumbent Big Six provider (nPower, who bought the former monopoly Yorkshire Electricity) based on Direct Debit payment and Ofgem's medium consumption profile. The Big 6 SVT average in the region is £283

⁴ Rules were brought in in 2012 to ensure the Big Six told customers on expensive deals if cheaper deals exist when they get their bill. Evidence suggests many of the Big Six have circumvented this process, for example billing only a few times a year (so the customer receives the alert infrequently) or deliberately signing "exclusive" deals for new customers which they don't need to tell their own customers about, and are therefore excluded from the Cheapest Tariff Alert requirement, see details in the Sun, 15 August 2016, [Link](#)