Up to 2 million UK pensioners will be in “serious trouble” this winter with 10 percent energy bills rise/means test introduction

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This winter will see households across the UK hit with increases in energy bills following regulator Ofgem’s announcing an increase in the cap on prices for electricity and gas.

The regulator said that the rise was made necessary by heightened political tensions, energy market prices and extreme weather events. Met Office official guidance for the UK is that El Nino winters are more likely to be colder, and also more frequent due to climate change.

From October 1 to December 31, energy bills for a typical household using electricity and gas and paying directly from a bank account will go up 10 percent (£149 per year). Average payments for a dual fuel energy bill will increase to £1,717 a year—from the current £1,568 in place since July. The sum could be larger if the winter is colder than expected and households need to keep the heating on for longer.

Prices could be hiked again this winter. Ofgem’s next review—to cover the period January 1 to March 31, 2025—will be announced by November 25.

Analysis carried out by the End Fuel Poverty Coalition found that, in real terms, these changes will mean that some older people will face the highest energy bills on record.

Many older people already live in constant fear of turning the heating on, worried about bills they will not be able to pay, endangering their health and lives. There is no question that the further increase in the cost of energy will lead to even more deaths among the most vulnerable people, on top of the thousands who already die each winter—many faced with the terrible choice of heating or eating.

The higher energy bills are compounded by July’s sadistic announcement by Labour Chancellor Rachel Reeves that the universal Winter Fuel Payments scheme for millions of pensioners is to be scrapped, instead only being paid to those in receipt of means-tested benefits such as Pension Credit. To receive pension credit, a pensioner must have an income of no more than £12,000 a year.

The fuel allowance, worth between £100 and £300, was paid to 11.4 million pensioners in 8.4 million households in the winter of 2022/23. Its scrapping means an estimated 10 million pensioners across England and Wales will face far higher energy costs this winter. Under Labour’s means test, payments worth £200 will be made to households receiving pension credits, rising to £300 for over-80s.

The joint impact of energy price increases and the removal of winter fuel payments will be devastating for the elderly, particularly the elderly and disabled. Those dependent on feeding machines, powered chairs, and other electrical devices must now pay more to run this vital equipment.

Poverty and elderly charities denounced the measure. The End Fuel Poverty Coalition has estimated that 4,950 excess winter deaths were caused by people having to live in cold homes during the winter of 2022/23.

A spokesperson for the organization commented, “Pensioners will feel the brunt of the energy price hike this winter. In fact, for older people who previously had the Winter Fuel Payment, new analysis shows that their bills this winter will be the highest on record.

“The Chancellor’s cruel decision to axe winter fuel payments for millions will prove a false economy as more vulnerable people succumb to the health

complications from living in cold damp homes and turn to the NHS [National Health Service] for help this winter."

Co-ordinator Simon Francis said, "This has the potential to create a public health emergency which will actually create more pressure on the under-pressure NHS which the Prime Minister says he wants to fix".

This week, Labour Prime Minister Sir Keir Starmer defended Reeves' policy, insisting that nothing could jeopardize the economic interests of the capitalist class. Speaking from Downing Street, Starmer said of the first government budget scheduled for October—in which £22 billion in spending cuts are planned—it is "going to be painful."

On cutting pensioner payments, he said, "I didn't want to means-test the winter fuel payment, but it was a choice that we had to make, a choice to protect the most vulnerable pensioners while doing what is necessary to repair the public finances."

Reeves and Starmer lie that vulnerable pensioners will be protected, when at least 1.8 million of the poorest will be hit by the cut. Age UK commented that Labour's policy means "as many as two million pensioners who badly need the money to stay warm this winter will not receive it and will be in serious trouble as a result".

The increase in energy costs comes at a time when many households are already in fuel poverty.

Research from the Citizens Advice Bureau (CAB) shows that one in four people (16.5 million) are so worried about increases in energy costs that they will be forced to turn off heating and hot water this winter. Nearly half the population (35.1 million people) will have to turn down or turn off their heating or hot water; a third (22.8 million) will have difficulty affording food or other essentials, such as their rent, mortgage or childcare; and 7 percent (4.5 million) think they will be forced to skip meals.

The CAB is helping record numbers of people with energy debt, now the most common debt people are seeking help with. There are nearly 5 million people across Britain that live in households in debt to their energy supplier, including 14 percent of households with children under 18.

Five million people are defined as having a negative budget, with more money being paid out than income coming in. It is estimated that the price cap increase to almost £150 will pull a further 187,000 people into negative budget.

Gillian Cooper, director of energy at Citizens Advice, said, "Energy bills will now be around two thirds higher than before the crisis, and with record levels of debt and removal of previous support, people are in desperate need."

The pauperization of millions is directly linked to the wealth of corporations and their shareholders. Ofgem included a note in its announcement on price rises that the profit margins energy suppliers will be allowed to make will increase by 11 percent. A staggering £420 billion in profit has been raked in by the large energy companies since bills first shot up in the wake of Russia's invasion of Ukraine.

Around £30 billion of this has gone to those business units and firms that maintain the wires and pipes to deliver electricity and gas—equivalent to over £1,000 per household. These companies are paid through the standing charge part of energy bills, which has increased by 147 percent since 2021, to an average of £334.