

3. Avoiding unwanted prepayment meters

More information on the suggestions below can be found in the Child Poverty Action Group's 'Fuel rights handbook', and from Citizens Advice at www.goo.gl/26N24g.

Is your energy company pressuring you to get a prepayment meter against your will? You don't have to get one.

Prepayment meters are energy companies' preferred way to reclaim any money you might owe them. In 2015 a Freedom of Information request found there had been half a million prepayment energy meters forcibly installed in people's homes over the past six years.

If you don't want a meter here are some steps you can take. See also Section 5 on meters imposed by warrants.

Your rights

In some situations, you are in an especially strong position to refuse.

- If you are considered "vulnerable" (elderly, disabled, ill, with very young children) your energy company should offer you a range of options to find the best debt repayment solution for you, they should not force a prepayment meter on you, and if your supplier comes under the Energy UK's "Safety Net" policy then you cannot be disconnected at any time of the year (see Section 1). **When talking to the company, make sure they know if anyone in your household could be considered vulnerable, this may mean they will not press you to accept a prepayment meter.** If a prepayment meter is not safe or practical for you, and they try to force you, contact us or Citizens Advice (see Section 12).

- Where the suppliers are at fault for not billing you, they should not send a bill which includes unbilled energy consumed more than one year before the bill is issued. **If they continue to demand the money from you and use this as the reason to install a prepayment meter, remind them about the "back billing clause"** and get in touch with us if you want further support to push your case.
- Companies **cannot make you pay for fuel used more than six years ago**, if you have not acknowledged that debt in the meantime.
- Sometimes a supplier will accept a lump sum for part of a disputed amount of arrears, to avoid court action or a complaint against them. Make sure you get in writing that it is full and final settlement. However, they **cannot** demand part payment as a condition of giving you a prepayment meter instead of disconnecting you.
- It may help if you can show that you have been able to manage paying instalments on other bills or purchases. This may help you avoid giving the supplier a security deposit or getting a prepayment meter.
- But even if none of these apply to you, you still have a right to **make your own payment plan** with the fuel company (see Section 1 above: 'Your energy supplier has to talk to you').
- Check your supplier's own code of practice (on their website) about payment of bills and prepayment meters.



At what rate will you pay off arrears?

To negotiate how quickly you pay your arrears:

- You will need to **show them your income and your outgoing money, including money owing for other debts. Then they are supposed to fix repayment at a rate you can afford:** fuel debts should not take priority over buying food or paying your rent.
- The over-riding principle is that **the method and rate of repayment should take account of your ability to pay.** You will need to work out your income and your essential expenditure and other debts. Money Advice Trust have a sheet to help with this, available from most local advice centres. Don't let them talk you into agreeing to more than you can afford. **Fuel Direct** is where money is taken from benefit payments. The maximum rate of deduction is £7.40 per week for both fuels, or £3.70 for one, potentially from more than one benefit. But you may be able to negotiate for less. The maximum rate is 5% if you are on Universal Credit. **Where Fuel Direct is an option, suppliers are expected to offer it, under the regulations, but they often don't.**
- **Fuel Direct rates are often taken as a basis** if you are negotiating to pay yourself (that is, not through benefits), but your rate can be lower if your income is lower than income support, or if you have very high costs e.g. for childcare or a mortgage.
- Other debts, benefit reductions, or childcare costs **should all be taken into consideration.**
- **The rate can be adjusted if it's wrong or if things change** – but you need to renegotiate, not just get behind on the plan. If you miss one payment they are likely to take you to court to try to fit a prepayment meter instead.
- **There is no obligation** to pay off the arrears within a set time, e.g. a year.
- **Make sure your current consumption** is estimated correctly.
- If you use Economy 7, Economy 10, or another **"off-peak tariff"** meter, make sure the clock is set correctly – some are faulty.