



**An Roinn Coimirce Sóisialaí  
Department of Social Protection**

[www.welfare.ie](http://www.welfare.ie)

**Burton – “Rising energy prices will be met for pensioners and others getting the Electricity or Gas Allowance”**

**Minister Burton calls for greater discount from ESB on Electricity Allowance**

The Minister for Social Protection, Joan Burton TD today (27 October 2011) reassured those who receive the Electricity or Gas Allowance from the Department of Social Protection that the increased cost of these allowances resulting from energy price increases which came into effect on Saturday, 1<sup>st</sup> October will be covered in full by her Department.

Minister Burton said: **“The Electricity and Gas Allowances cover 1,800 units of electricity or an equivalent amount of gas for each person getting one of these allowances through the Household Benefits package. My Department will cover the cost of the price increases which came into effect from 1<sup>st</sup> October and maintain the value of these allowances at 1,800 units. In other words, the price increases will not have an impact on the Department of Social Protection customers who benefit from this support.”**

Some 396,000 pensioner and other households qualify for Electricity and Gas Allowances which help towards their heating, light and cooking costs throughout the year. The total cost of these allowances in 2011 is estimated to be €207 million, including the price increases which will cost over €4 million in 2011. The additional annual cost of the price increases is €17.3 million.

The Minister also noted that 82,000 customers on the allowance arrangement underuse their allocation of 1,800 units.



## An Roinn Coimirce Sóisialaí Department of Social Protection

[www.welfare.ie](http://www.welfare.ie)

Since December 2001, overall inflation has increased by 20.3% while energy product prices have increased by 75.2%. However, increases in social welfare payments have been between 77% and 81% during this time. Similarly since December 2006, overall inflation has increased by 1.9% while energy product prices have increased by 23.3%. Increases in social welfare payments in the same period have been between 20% and 22%.

Minister Burton continued: **"I accept that the recent reduction in the Household Benefits package may be difficult for some people. I hope the fact that these new price increases will be covered by my Department will give reassurance to those who are supported by the Household Benefits package. I would also urge those people to bear in mind that if there are exceptional needs in relation to energy costs, community welfare officers can provide additional specific exceptional needs payments. The most cost-effective means of protecting households from energy poverty is to reduce consumption of energy through improving the home's thermal efficiency. Sustainable Energy Ireland has administered the Warmer Homes programme for privately owned low-income households since 2001, benefitting 65,000 households, with a further 15,000 to receive upgrades this year. A similar programme is in place for local authority houses."**

The Minister also called on the ESB to provide a better discount given the significant amounts of money paid on behalf of a large segment of its residential customer base. The Department paid €151 million in 2010 and €121 million so far this year. The annual discount which has been provided to the Department for many years is €1.4 million. ESB has offered to increase the discount to €1.7 million, an additional discount of €300,000.



**An Roinn Coimirce Sóisialaí  
Department of Social Protection**

**[www.welfare.ie](http://www.welfare.ie)**

**“At a time when the ESB is experiencing an increase in bad debts elsewhere among its customers, it is disappointing that the ESB is not willing to offer a bigger discount to the Department in respect of its payment to them for those customers on the allowance arrangement given that these customers are less likely to incur bad debts. I will be seeking a discount of eight per cent from the ESB.” Minister Burton said.**

**ENDS**

**Notes for editors:**

The Household Benefits Package administered by the Department of Social Protection is made up of three allowances: Electricity or Gas Allowance; Telephone Allowance and Free Television Licence.

These allowances provide contributions towards an electricity or natural gas or bottled gas refill bill and telephone bill and cover the cost of the Television Licence each year. The allowances are applied directly to the customer’s bills, where applicable.

The Household Benefits Package is available to people aged over 70 who are resident in the State and to people under age 70 who are also resident in the State in certain circumstances. Only one person in a household can qualify for the package at any time.



**An Roinn Coimirce Sóisialaí  
Department of Social Protection**

**www.welfare.ie**

**A Comparison with assistance available in the United Kingdom**

- The UK Winter Fuel Payment is between £100 (€113) and £300 (€339) depending on the age, household composition and circumstances of the recipient.
- A Cold Weather payment of £25 (€28.25) may be paid for each seven day period of very cold weather between 1 November and 31 March. 'Very cold weather' is where the average temperature is recorded as zero degrees Celsius or below over seven consecutive days.
- With the exception of free TV licences for the over-75s there is no equivalent to the Household Benefits package in the UK.
- The full basic State Pension for a single person in the UK is £102.15 (€116).

The Electricity Allowance covers normal standing charges and up to 1,800 units of electricity each year. It is paid as a credit on an electricity bill, where possible. Otherwise it is paid as a cash payment.

Further information on the Household Benefits package (Electricity/Gas and Telephone Allowances) is available:

- at '[www.welfare.ie](http://www.welfare.ie)',
- from all Social Welfare Offices and
- at LoCall 1890 500 000 (from the Republic of Ireland only) 9.30 a.m.- to 5.00 p.m. Monday to Friday.

**ENDS**