

Research Note:

Estimating the number of households in the UK that would not have experienced fuel stress during the winter of 2023-24 had an energy social tariff been in place

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Age UK

7th Floor t 0800 169 87 87
One America Square f 020 3033 1000
17 Crosswall London e contact@ageuk.org.uk
EC3N 2LB www.ageuk.org.uk

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Author: Vinal K Karania, Research Manager

Methodology

To estimate the number of households in the UK experiencing fuel stress during the winter of 2023-24 we use the Living Costs & Food Survey (LCF). The LCF collects information on household expenditure and income of a representative sample of private households in the United Kingdom; for the purposes of our analysis, we used the LCF 2021-22 which is the latest available published LCF dataset.

The LCF 2021-22 is based on responses between April 2021 and March 2022 from 5,632 households and 12,842 people across the UK. As we are interested in experiences of fuel stress during the winter of 2023-24, we need to reflect changes in energy prices and household after-tax income between 2021-22 and the winter of 2023-24.

Table 1 below shows the assumptions we have used to reflect changes in energy prices. We assume energy prices changed in line with changes to the Office of Gas and Electricity Markets (ofgem) energy price cap and the Government's Energy Price Guarantee.

Table 1: Assumptions on changes in energy prices between 2021-22 and winter of 2023-24

energy usage in the face of higher energy prices, we are not aware of the data required to incorporate this into our model. Furthermore, by assuming that energy use remains as it was prior to price increases our analysis is more likely to be reflecting the energy usage that households desire.

Table 2 below shows the assumptions we have used to reflect changes in household after-tax income. These figures are sourced from the Office for Budget Responsibility (OBR)'s Economic and fiscal outlook (November 2023).

Tabe 2: Assumptions on changes in household after-tax income between 2021-22 and winter of 2023-24

	Change in household after-tax income
2021 to 2022	+ 7.7%

Table 5 below shows that during the winter of 2023-24, around 2.1m (95% C.I. 1.9m to 2.3m) households in the UK with at least one resident living with a disability and/or long-term health condition