Children suffer as energy companies fail vulnerable families in energy debt

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Energy companies are failing huge numbers of families struggling with energy debt, causing parents to feel intimidated and damaging children's health, new research from The Children's Society reveals.

Almost a million children are living in families in energy debt and too often energy companies are not following their legal obligations to help these families.

'Show Some Warmth: Exposing the damaging impact of energy debt on children' [report summary] exposes how four in 10 UK families with dependent children who faced energy debts felt intimidated by their energy company and that nearly half (48%) of these families reported that they were not treated with respect or given the support they needed.

The survey showed that over 500,000 families with children who have faced energy debt said they were not being given an option over the amount of money they pay back each month.

The report coincides with the launch of The Children's Society's Show Some Warmth campaign, which, as part of its ongoing Debt Trap campaign, is lifting the lid on the damaging effects that energy debt has on children's lives.

Families are suffering because of energy companies' damaging debt practices. Children in families that have faced this type of debt are significantly more likely to become ill in winter. Four in ten children in these families said they had trouble sleeping because their bedroom was too cold. Over half of parents in debt on their energy bills suffer from stress, anxiety or depression.

Energy companies are legally required to make sure they assess how much families can realistically afford to repay. They are also required to make it easy for customers to raise concerns. Far too often this is not happening.

The report highlights how all companies have good and bad energy debt practices. But no energy company is taking all the steps they should to protect children from the damaging effects of debt. According to those who responded to our survey, the highest proportion of parents in energy debt said that of the 'big six', npower was particularly poor at being supportive and respectful. EDF topped the list in being supportive, followed by SSE.

Matthew Reed, Chief Executive of The Children's Society, said: "Huge numbers of families are struggling to make ends meet, yet energy companies are making them the victims of their damaging debt practices. They urgently need to show some warmth and stop failing vulnerable children.

"Energy companies across the board need to follow their agreements to work with, not against, families in energy debt and find decent solutions. No child should be made to grow up in a cold home because their parents are trapped in an energy debt trap."

Urgent changes are needed to help these families. It is vital the Government changes the law so energy companies treat families with children as vulnerable customers and makes sure those who have been put on pre-payment meters because they are in debt, do not pay more for their energy as a result.

Energy companies need to negotiate affordable debt repayment plans, including lowering or suspending debt repayments over the winter, when children's health is most at risk.

They also need to review staff training procedures, targets and call scripts so a flexible approach is taken with families. Energy companies should also offer a free helpline that customers can call from a mobile phone to raise concerns.

Media enquiries

For more information please contact The Children's Society media team on 020 7841 4422 (office hours) or 07810 796 508 (out-of-hours) or emailmedia@childrenssociety.org.uk.

Notes to editor

· The Children's Society conducted an original survey for 'Show Some Warmth' [report summary] of around 2,500 families with dependent children in the UK. The survey gathered information from both a parent and child (aged 10-17) in the household. We also conducted in depth interviews with families in energy debt, including parents and children. We also completed original analysis of the latest official statistics from the English Housing Survey (2012) as well as referencing other recent published research and data throughout our research report.

· Of the 2,500 families surveyed, 269 had both faced energy debts and named their energy companies as one of the 'big six'. The figures in the report relating to how families facing energy debt they said they felt about their treatment from their supplier came from this sample.

· 3.7 million children in the UK are living in poverty today:
https://www.gov.uk/government/publications/households-below-average-income-hbai-199495-to-201213

· Six in 10 children living in poverty are in low-income working families:
https://www.gov.uk/government/publications/households-below-average-income-hbai-199495-to-201213

· By 2020, an estimated three quarters of a million more children will be living in poverty than today according to the Institute for Fiscal Studies:http://www.ifs.org.uk/comms/r78.pdf

· The Children's Society has helped change children's stories for over a century. We expose injustice and address hard truths, tackling child poverty and neglect head-on. We fight for change based on the experiences of every child we work with and the solid evidence we gather. Through our campaigning, commitment and care, we are determined to give every child in this country the greatest possible chance in life.

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