

**Consumer
Scotland**

Luchd-Cleachdaidh Alba

Disabled consumers and energy costs – interim findings

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1. Introduction

Energy is an essential-for-life service which every person depends on for their wellbeing, livelihood and health. The energy crisis has highlighted that certain consumers are especially exposed to the impact of high and volatile energy prices with consequences for their safety and health. Consumer Scotland's energy tracker has repeatedly shown that some groups of consumers are more likely to report affordability challenges and increased negative impacts¹ from high energy costs. Most recently, our winter 2024 survey analysis has shown a slower rate of improvement in the affordability of energy bills for disabled consumers and those with children under 5s, or who self-report some other forms of vulnerability as outlined by the Priority Services Register².

Disabled consumers are a large and diverse group – with a significant proportion of Scotland's (and the UK's) population having a disability or health condition. Most official statistics measure disability by asking survey respondents whether they have a physical or mental health condition or illness that has lasted or is expected to last 12 months or more, and whether the condition and/or illness reduces their ability to carry out day-to-day activities. A person who answers yes to both questions is considered disabled.

The Department for Work and Pensions estimate that in 2022/2023 24% of people in the UK (16 million) had a disability. Among those over the state pension age, this rises to 45% of the population³. These UK-wide figures are reflective of the position in Scotland – 26% of people in Scotland self-reported as having a disability, rising to 46% of the population above the state pension age (Consumer Scotland analysis of the Family Resources Survey). The Scottish Household Survey similarly find that 25% of the population of Scotland self-report having a disability – around half of whom say that the disability limits their activity a lot, and around half of whom say it limits them a little.

2. Research rationale

Consumer Scotland has been undertaking research and analysis into the affordability and impacts of high energy prices on disabled consumers and those with health conditions.

Building on the findings from our regular energy affordability survey, Consumer Scotland has engaged with third sector organisations, who have highlighted significant and ongoing concerns for disabled people since the start of the energy crisis.

Through evidence from disability organisations, Consumer Scotland received reports of people worried about powering critical medical equipment (e.g., respiratory equipment, feeding pumps) and mobility equipment (electric wheelchairs and hoists). We also received reports of exacerbation of pain, increased risks of serious illness (such as heart attack) and people cutting back on cooking and eating, washing or using the lights⁴.

These impacts have significant risks for individuals but also place increased burdens on health care systems due to people living in cold homes or not using critical power-assisted medical equipment⁵⁶. For example, Marie Curie found that, when people are diagnosed with a terminal illness, energy bills can rise by as much as 75% as a result of increased heating need and specialist medical equipment⁷. Similarly, Inclusion Scotland has highlighted that 77% of disabled people said they were cutting back or going without essentials⁸.

3. Energy affordability and disability: latest findings

Energy affordability tracker survey

Consumer Scotland has carried out regular surveys since early 2022 to understand the affordability of energy bills for consumers in Scotland. Our latest survey findings – from the Winter 2024 Energy Affordability Tracker relate to fieldwork that took place between 25th January – 13th February 2024. The sample consisted of 1609 adults aged over 16.

This latest energy tracker has shown disabled people (i.e. people self-reporting having a long-term disability or illness which limits their activity) are much more likely to report a range of energy-related issues – including energy affordability, debt, customer service and access to guidance from their supplier. The greater increase in affordability challenges for disabled people is particularly acute among those who self-reported that they were ‘limited a lot’ by their disability. This represents a wide range of different energy needs and experiences related to high energy costs.

In particular, the following figures from the recent Winter 2024 wave of the energy tracker highlight the specific energy affordability challenges for disabled people:

- **Disabled people were much more likely to report difficulty in affording their energy bills**
 - 46% of those limited a lot by disability and 26% of those limited a little reported it was difficult to keep up with their energy bills
 - This compared to 21% of non-disabled people reporting it was difficult
- **Disabled people were much more likely to report being in energy debt**
 - 18% of those limited a lot by their disability and 10% of those limited a little reported they were in energy debt
 - This compared with 7% of non-disabled people
- **Disabled people were more likely to report borrowing money or missing mortgage payments due to the cost of energy (i.e., borrowing from friends/family, a bank, payday lender or other financial provider, or missing rent/mortgage repayments)**
 - 36% of those limited a lot and 19% of those limited a little reported borrowing money or missing rent/mortgage payments
 - This compared with 13% of non-disabled people
 - This was most commonly borrowing money from friends/family (27% of those limited a lot, 13% of those limited a little and 8% of non-disabled people)
 - But 13% of people limited a lot by disability and 6% of those limited a little reported borrowing money from a bank, payday lender or other financial provider (compared with 5% of non-disabled people)
 - 6% of those limited a lot reported missing rent/mortgage payments compared with 5% of those limited a little and 2% of non-disabled people.

Notably, whilst there have been improvements in energy, this disproportionate impact is being perceived particularly acutely among those who are 'limited a lot'⁹ by their disability.

Whilst disabled people are more likely to have a low income, Consumer Scotland's analysis of previous waves of the energy affordability survey found that even when controlling for household income, disabled people were more likely to report difficulty keeping up with energy bills¹⁰. In other words, disabled people don't face greater challenges in affording their

energy bills simply because they have low income; if we compare households with similar incomes, disabled households are more likely on average to report difficulties in keeping up with their bills, implying that they have relatively higher bills relative to their income.

Evidence from the Scottish Household Survey

Consumer Scotland have verified this intuition using official statistics. We use the Scottish Household Survey and Scottish House Conditions Survey to examine how energy expenditure varies with various characteristics of the dwelling and the people who live in it.

The SHS and SHCS are nationally representative surveys of households in Scotland.

Following the approach Buchs et al. (2018)¹¹, we used regression analysis to examine how household energy spending varied according to household health status and a variety of other relevant characteristics. These wider characteristics are:

- Household net income
- Age of respondent
- Number of adults in household
- Number of children in household
- Size of dwelling, proxied by the number of bedrooms
- Type of dwelling (detached, semi-detached, terraced house, flat, other)
- Whether the household is located in a rural or urban area
- Whether the household is off grid

The results of this analysis provide several intuitive findings – household energy expenditure rises on average as the number of adults and children increases, is higher in larger and detached properties than smaller apartments or terraced properties and is higher for off-grid households.

Most significantly in the context of this study, the results indicate that households with someone who has a *disability or health condition that limits activity a lot* is associated with additional annual energy expenditure of £124 – compared with households without a health condition – after controlling for covariates. However, it is important to note that this figure

will vary considerably depending on disability and it is important to consider in relation to the lived experience of disabled people.

However, the analysis indicates that having *a disability or health condition that limits activity a little* is not statistically associated with higher energy expenditure compared to households with no disability or health condition.

These figures are a small snapshot of an overall picture which suggests both that disability is associated with higher energy costs, and that those higher costs are having a systematic impact on disabled people's financial resilience. Notably, there is a significant difference between those self-reporting that they are 'limited a lot' by their disability and those who are 'limited a little'. These categories are used by YouGov and draw out that 'disabled people' are a diverse group who are likely to experience a wide range of impacts and issues relating to high energy costs and other structural and societal conditions. The higher differential effects within the group are important in both understanding lived experience and quantitative evidence on the challenges around energy affordability for disabled people.

4. Workshops with disabled people and third sector

Based on the gathered insight from previous energy tracker surveys and our stakeholder engagement, Consumer Scotland commissioned Collaborate Research to facilitate two discussion workshops involving a mix of 19 organisational representatives. This included 13 different charities, along with 11 energy consumers with lived experience of a disability or health condition, including carers. The aim of the workshops was to better understand the energy costs faced by disabled people, the impacts on disabled consumer who are unable to afford sufficient energy and to identify any gaps in evidence that might be needed to support further consideration of enhanced financial support for disabled energy consumers.

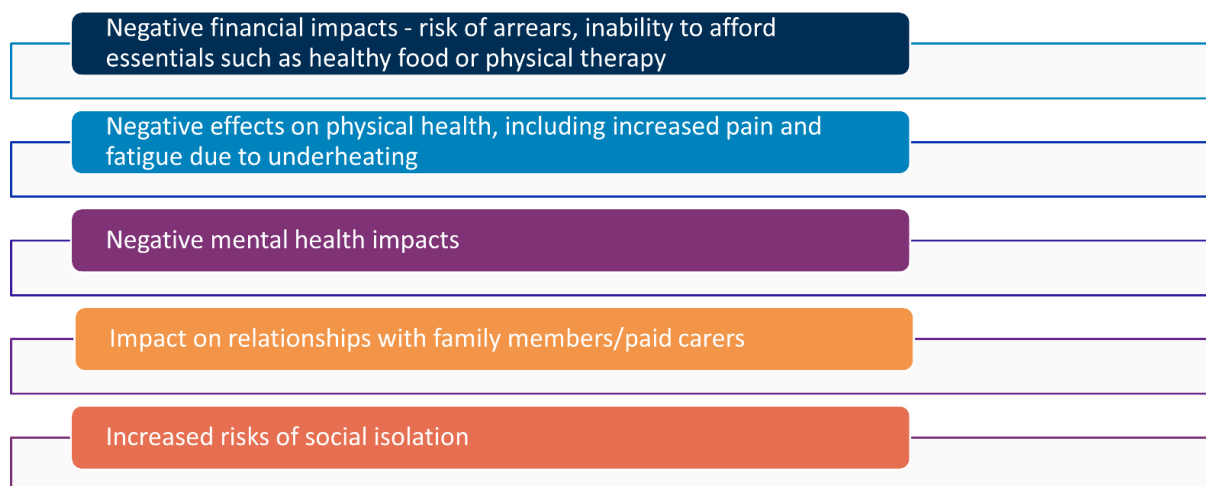
From this workshop, we have published, alongside this briefing, a report prepared by Collaborate Research for Consumer Scotland which summarises the findings and gives a rich insight into the lived experience of disabled people and those with a health condition.

The consensus of the workshops was that energy bills are more expensive for disabled consumers. Participants perceived there to be greater risks of disabled consumers being unable to afford their energy bills, due to a combination of:

- The high cost of energy combined with high usage needs: this may be especially for heating but also individual requirements relating to medical equipment or having paid carers in the home
- Limited opportunity to reduce energy use without causing detriment
- Having generally low incomes and a higher cost of living

There are also intersectional dimensions to the experiences of disabled people, people with health conditions and carers which could create multiple points of disadvantage within the energy market. Factors such as age, coming from an ethnic minority background or living on very low incomes are important in shaping consumer experience of the energy market – as are energy usage circumstances which may exacerbate affordability or vulnerability – such as being on a prepayment meter, heating type or the energy efficiency of a home.

It is clear from the report that there is a vicious spiral of negative impacts caused by energy unaffordability for disabled consumers and those with a health condition. The figure below highlights the main impacts caused by an inability to afford energy costs:



The [“Impact of energy costs on people who are disabled or living with health conditions”](#) report outlines a wide and comprehensive understanding of energy affordability for disabled

people and those with a health condition and provides a holistic and detailed picture of the current problems.

5. Consumer Scotland's work and next steps

Both Consumer Scotland's energy affordability surveys, and primary research has found that disabled households face significantly higher energy costs than those without a disability. One key issue to come out of the workshops was that participants felt that there was already a lot of evidence demonstrating this and the priority now should be for policymakers to act on it.

The workshops presented some initial potential pathways ahead. There is a general consensus that financial support is needed for disabled people or those with health conditions to ensure they can afford their energy bills – with appropriate targeting that considers income and usage costs. Policy interventions that were discussed included social tariffs, interventions such as [Warm Home Prescription](#) and the expansion of the Winter Fuel Payment to include disabled people¹². Further suggestions included NHS contributions for cost of electrical equipment, similar to that seen for oxygen concentrators and at-home kidney dialysis. This could have wider implications for reducing the impact on the NHS of cold homes and/or dangerous rationing of the usage of medical equipment. There was also support for a Warm Referrals Network in Scotland may support disabled people to access support and signpost those who need help.

Consumer Scotland is planning to take forward work in this area over the next year. Evidence gathering has been a necessary first step to understand the experience disabled consumers and their energy needs – particularly when underpinned by the input of those with lived experience. This enables both policymaking and advocacy organisations to design policy which is deliberative and inclusive of the needs of underserved groups.

Our next steps to develop this work are:

- To continue the partnership approach, we have taken on this project so far working with a number of charities and other organisations working with disabled people and those with health conditions, as well as disabled people themselves.
- To develop a package of policy recommendations and conduct a follow up workshop with participants which looks at examining viable policy options, and understanding where there is consensus, based on the findings of the initial workshops.
- To produce a report based on the reflections from the follow up workshop, setting out our policy recommendations, informed by stakeholder views. We anticipate that these recommendations may range from smaller improvements to the current market to potential pathways for wider government intervention.
- Consumer Scotland also plans to engage with government and industry following the completion of the collaborative work to increase understanding of the challenges that disabled people face in the energy market and build consensus across the sector on the best path to improving the experience of the energy market for disabled people.

¹ Consumer Scotland (2023) [Disability, health and the energy crisis](#)

² Consumer Scotland (2023) [Energy tracker: insights from autumn 2023](#)

³ House of Commons Library (2023) [UK disability statistics: Prevalence and life experiences](#)

⁴ Consumer Scotland (2023) [Disability, health and the energy crisis](#)

⁵ Public Health Scotland (2022) [Population health impacts of the rising cost of living in Scotland – a rapid health impact assessment](#)

⁶ NICE (2015) [Preventing excess winter deaths from cold homes](#)

⁷ Marie Curie (2022) [Dying in Poverty: improving financial support for terminally ill people with the cost of living](#)

⁸ Inclusion Scotland (2022) [Cost of living crisis – what’s the impact on disabled people?](#)

⁹ Note that the language of ‘limited a lot’ and ‘limited a little’ is defined by YouGov who run the survey. The language does not necessarily reflect the social model language adopted by Consumer Scotland.

¹⁰ Consumer Scotland (2023) [Energy Tracker: Insights from latest survey, autumn 2023](#)

¹¹ Buchs et al. (2018) [Sick and stuck at home – how poor health increases electricity consumption and reduces opportunities for environmentally-friendly travel in the United Kingdom - ScienceDirect](#)

¹² Energy Systems Catapult (2023) [Warm Home Prescription](#)