



FAIR BY DESIGN

Ending the extra costs of being poor

IMPACT OF LOW INCOME ON THE FUEL POOR

Carl Packman





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THE POVERTY PREMIUM

The extra costs of being poor cost the average low income household **£490** a year, but for more than one in ten of these households it costs at least **£780**.

#PoorCostsMore

www.fairbydesign.com



£780





WHO WE ARE

Fair by Design is a movement tackling the poverty premium - the extra costs of being poor

We're dedicated to reshaping essential services so they don't cost more to low income consumers

We collaborate with a range of stakeholders including industry, government, and regulators to design out the poverty premium

Our investment fund provides capital to help grow new and scalable businesses to innovate the market





WHAT WE DO

The three areas Fair By Design is focusing on:

Energy & Utilities

Energy use through pay-as-you-go (prepayment) meters can often cost more

Not switching suppliers can incur a premium

Insurance

Too few basic insurance products

The costs of living in deprived areas

Finance

Visiting high cost credit for essentials can end up costing three times more overall in monthly payments.





THE EVIDENCE

PERCENTAGE OF LOW-INCOME HOUSEHOLDS INCURRING PREMIUM TYPES





ON ENERGY AND UTILITIES

The problems that arise:

Trapped in poverty

Getting the best deal if you are unbanked?

Moving into the private rental sector

Taken off Direct Debits

Retaining financial control

Consumer expectations

The myth of the super consumer

Switching and the practical constraints of time.





ON ENERGY AND UTILITIES

What we will do:

Work with incumbent businesses

Exploring options for retention of low income customers on PPMs

Work with new businesses

Working with startups exploring ways to ensure consumers get the best tariffs possible

Work with regulators

To explore measures of helping PPM customers likely to be worst hit by future price rises.





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For more information

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