



Guide to Fuel Debt

After paying your mortgage or rent, your heat and light bills are generally the next most important bills that you have to pay on a regular basis. If you don't pay these bills on time, your electricity or gas could be disconnected.

Q. What is fuel debt?

A. If you are unable to pay your electricity, gas, oil and solid fuel bills, in full and on time, you are in "fuel debt".

From our experience in MABS, we know that you should explain your situation to your supplier as soon as possible. They are more likely to be sympathetic to you if you contact them as soon as you run into trouble with paying your bills.

Q. Do I have to pay all the money I owe in one go?

A. The good news is that you may not have to pay all the money you owe immediately. You may be able to spread out your payments over several months. There are three main ways you can do this:

1. A Budget Account

A Budget Account helps you spread your payments evenly over the year. You can ask your electricity or gas company to look back over the last year and work out how much electricity or gas you used. For example, if you used €1,040 worth of electricity in the last year, the company will divide this amount by 52. They will ask you to pay €20 each week to cover the amount of fuel you are currently using. If you use oil or coal, your supplier may also be open to this way of paying your bills.

2. Pre-paying through a meter

You may be able to arrange to have a special meter fitted in your home that lets you pay as you go for the electricity or gas you are using, while you pay your arrears at the same time. To use this meter, you need to buy special cards. The meter is set so that a certain amount of each card goes towards paying your arrears. It is important to keep an eye on your credit on the meter to make sure it doesn't run out, and to save fuel wherever you can.

If you are finding that the cards are running out faster than you expected, even though you are carefully watching what you use, the meter may be set to recover the arrears at too high a rate. For instance, you may only be getting €6 worth of electricity or gas for every €10 spent. If this happens, ask the company to re-set the meter at a lower rate so that you get more fuel for your money. But remember this means that it will take you longer to pay off your debt.

For more information on meters, contact your supplier.

3. Paying your utility bills

For advice on how to make payments towards your bills see the Managing your Bills fact sheet available on www.mabs.ie, from your local MABS service or by contacting the **MABS Helpline** on **0761 07 2000**.

If you receive social welfare in cash, in the Post Office, you can pay your utility bills through the Household Budget Scheme. The total amount deducted and paid towards bills will not be more than a quarter (25%) of the amount you receive.

Bills can also be paid in your local post office through Billpay. Utility bills can also be paid online at Mybills.ie or through local shops or credit unions.

Q. How much can I afford to pay towards arrears?

A. It is very important that you don't agree to pay off more than you can afford every week or month; you could end up getting deeper into debt. You need to work out what you can realistically afford to pay on a regular basis. It is better to pay little and often rather than making unrealistic offers.

To work out how much you can afford to pay each week, make a budget sheet by writing down all your income, expenses and credit commitments.

You can get a budget sheet, listing a number of common items of spending, from www.mabs.ie or call the **MABS Helpline** on **0761 07 2 000** for information on money management and debt

advice. If you like, MABS can send you a sample budget sheet. If you need help with your budget, call the **MABS Helpline** for non-judgmental advice.

Q. Can I get help with my fuel bills?

A. Depending on your circumstances, your Department of Social Protection's representative (formerly known as the Community Welfare Officer) may be able to help you with your fuel bills. There are also a number of organisations that can help you to reduce these bills, either through advice or by offering practical (and in some cases free) help with insulation. For more information see the Sustainable Energy Authority of Ireland website, www.seai.ie.

MABS has helpful information, interactive budget sheets and sample letters available on www.mabs.ie

You can get information on your entitlements and what services are available by calling the MABS Helpline on 0761 07 2000 , Monday to Friday, 9.00 am to 8.00 pm.

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The Money Advice and Budgeting Service has helpful information, budget sheets and sample letters available online at www.mabs.ie. Advice and information is also available by calling the MABS Helpline 0761 07 2000 (Monday – Friday 9.00 am to 8.00 pm.) and from over 60 offices nationwide.

