

UNITE⁴ENERGY FOR ALL

Campaign briefing

The UK energy price cap will increase by 13% for a typical dual-fuel household from 1 July to 30 September, raising the average annual bill to £1,862 if you're paying by direct debit. This will add roughly £18 a month to energy bills across Great Britain.

- If you prepay for your energy, prices will rise by 13.5% to £1,812 a year.
- If you pay on receipt of a bill, it'll be a 13.1% rise to £2,005 a year.

The energy price cap for Great Britain is reviewed every three months by Ofgem. In Northern Ireland, the Utility Regulator sets the equivalent of the price cap.

Unite research shows that UK energy companies make £30 billion a year in profits. That means the average household pays £500 a year in energy profits. This is at a time when household energy bills have increased by 42% since Winter 2021.

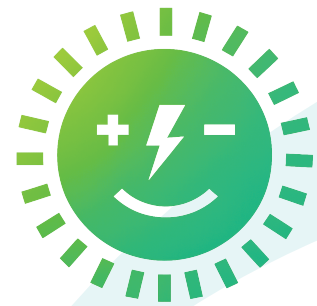
Unite general secretary Sharon Graham:

"The increase in the energy cap is a kick in the teeth for workers and families who were already struggling with rising costs and the cost-of-living crisis. The UK has among the highest energy bills in Europe.

The government needs to understand the crisis that is happening to workers and communities in a cost-of-living crisis that means people are faring not living. We need decisive action for the short and long term.

An immediate and deep cut in the energy price cap, a competent plan that deals with the extortionate industrial energy costs and a plan to renationalise our energy. Unite is calling for the renationalisation of the UK's energy system beginning initially with the grid."

Unite is calling for the renationalisation of the UK's energy system. Two fifths (43%) of UK households are struggling with energy bills. The latest rise in the Energy Price Cap puts gas and electricity bills 79% higher than they were in winter 2020/21



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What is the energy price cap? The energy price cap limits the maximum amount energy suppliers can charge you for each unit of gas or electricity you use. It also limits the daily standing charge you have to pay, no matter how much energy you use.

Why are prices going up? The increase is driven by global wholesale gas market instability, specifically stemming from ongoing conflicts in the Middle East.

Gas vs. Electricity: Unlike the energy crisis in 2022, gas prices are rising much faster than electricity. Electricity prices are only rising by around 5% because renewable energy generation has increased, while gas unit rates are jumping by approximately 24%

Who is Affected: The cap applies to 33 million consumers on default tariffs (like standard variable tariffs). Households locked into fixed-rate tariffs are unaffected.
Prepayment meters: The Ofgem 'levelisation' policy (introduced in 2024 to stop users of prepayment meters paying more than direct debit customers) means that prepayment standing charges and unit rates will remain slightly cheaper than standard Direct Debit.

Will the price of heating oil go up on July 1st? No, unlike gas and electricity, heating oil is an off-grid, deregulated fuel, meaning the price fluctuates based on the crude oil market.

How do electricity prices in the UK compare to those in the EU? In the first half of 2025 electricity prices were 23% above the EU average. In the early 2000s domestic electricity prices were the second lowest in the EU.

Unite4Energy For All campaign is calling for:

- **Public ownership of the energy sector**
- **A worker-led transition to renewable energy**
- **Excess green energy should be free***

** Renewable energy is cheap energy. During periods of high wind/sunshine and low electricity demand, generation can outpace what the grid can absorb. This wasted energy could have powered 2 million homes in the UK for an entire year. We need to upgrade the grid so that people can take advantage of the excess, cheap (and often free) energy more effectively.*

References:

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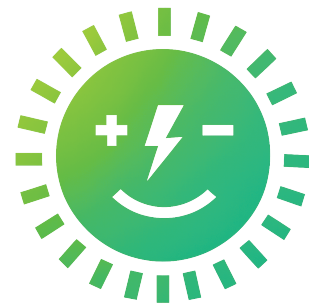
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Unite the union

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