20 October 2026

Rt Hon Andy Burnham MP
Prime Minister
10 Downing Street
London SW1A 2AA

Dear Prime Minister,

Give rural communities breathing room in the Budget – cut the cost of heating oil and LPG

We are writing on behalf of rural communities across the United Kingdom to urge you to act to support the 1.7 million households who rely on heating oil or LPG (liquified petroleum gas) to heat their homes. These families are facing acute cost-of-living pressures due to energy price rises that are now significantly higher than those being experienced by households connected to the gas grid.

We welcome the Government's recent decision to implement the recommendations of the Competition and Markets Authority's Market Study on Heating Oil, including your commitment to introducing a proportionate regulatory regime for heating oil distributors. However, these changes will not include price regulation, and will take time to implement. They will not tackle the immediate problem of the high and volatile price, which is adding hundreds of pounds to the average bill.

Off-grid households have seen prices rise sharply in recent months as a result of the war in Iran. The cost of heating oil has risen by 85% since late February, from 60p/litre to over £1.10/litre today. Unlike mains gas customers, these households are not protected by the energy price cap and must purchase fuel in bulk — normally 500 to 1,500 litres at a time — forcing them to absorb large, unpredictable costs upfront. This week a typical 1,000 litre delivery would cost around £1,110 plus VAT, £500 more than it would have done before the war. Some families have paid hundreds of pounds extra already this year to fill up and now face similar bills again as we approach the winter.

This will add to levels of fuel poverty that are already much higher in rural areas. Government data show that 17% of off-grid households are fuel poor, compared with 10% of those connected to the gas grid. Rural residents are disproportionately older, with higher living costs and lower local wages than urban areas, and they often live in harder-to-heat homes. Without targeted intervention, the rural fuel poverty gap will

widen further this winter and make life much harder for many families across the country.

We welcome your commitment to find ways to take the pressure off. We believe there are **three practical, targeted measures** that would provide immediate relief for off-grid rural households:

1. **Cut VAT on heating oil and LPG to zero for six months:** This would be simple to implement and would mirror the support you announced in July for domestic electricity bills. It would deliver direct, visible savings to families.
2. **End the postcode lottery of support across England:** The Crisis and Resilience Fund support offered to the most vulnerable homes in March is welcome, but the eligibility criteria are different in different areas of England creating a postcode lottery. They should be standardised.
3. **Provide additional support to lower-income off-grid households:** The support announced in March was very limited and poorly advertised. It should be extended to lower income families as well as the most vulnerable, and much better promoted nationally and locally, to help those most affected by high prices.

These interventions could be funded through the Energy Profits Levy, which was established precisely to help households with rising energy costs. Using it to support off-grid families is consistent with its purpose, and would show your commitment to fairness for rural communities who often feel overlooked in national energy policy.

Prime Minister, rural households are doing everything they can to manage rising costs but they need your help. These measures would make a significant difference now, ensuring that families who are off the gas grid can prepare for the winter without having to choose between heating and eating. In the longer term, we also want to work with your Government to help develop more sustainable solutions for off-grid domestic heating.

This letter has been jointly signed by ACRE, all 37 members of the ACRE Network, RSN and SCVO.

- **Action with Communities in Rural England** (ACRE) is the national charity for rural communities and works closely with a network 37 independent county-based member charities who enable and support rural communities across England.
- The **Rural Services Network** (RSN) is the national champion for rural services across England.
- The **Scottish Council for Voluntary Organisations** (SCVO) is the membership organisation for charities, community groups and social enterprises in Scotland.

Together we represent more than 4,500 organisations, and we see at first hand rural families that are facing impossible choices as they prepare for the winter and who will struggle to keep their homes warm.

Yours sincerely,

C Pluchino	*K Booth*	*A Fowlie*
Corinne Pluchino Chief Executive, ACRE	Kerry Booth Chief Executive, RSN	Anna Fowlie Chief Executive, SCVO

and the 37 members of the ACRE Network:

Bedfordshire Rural Communities Charity
Connecting Communities in Berkshire
Community Impact Bucks
Cambridgeshire ACRE
Cheshire Community Action
Cornwall Rural Community Charity
ACTion with Communities in Cumbria
Rural Action Derbyshire
Devon Communities Together
Dorset Community Action
Durham Community Action
Rural Community Council of Essex
GRCC (Gloucestershire RCC)
Action Hampshire
Community First in Herefordshire & Worcestershire
Community Development Action Hertfordshire
Humber & Wolds Rural Action
Community Action Isle of Wight
Kent ACRE
Community Futures, Lancashire
RCC (Leicestershire & Rutland)
YMCA Lincolnshire
Community Action Norfolk
Northamptonshire ACRE
Community Action Northumberland
Rural Community Action Nottinghamshire
Community First Oxfordshire
Community Resource (Shropshire)
Thrive (Somerset)
Support Staffordshire
Community Action Suffolk
Surrey Community Action
Action in rural Sussex (AirS)
Tees Valley Rural Action
West of England Rural Network
Community First, Wiltshire and Swindon
Community First Yorkshire