

Big Energy Saving Network (BESN)

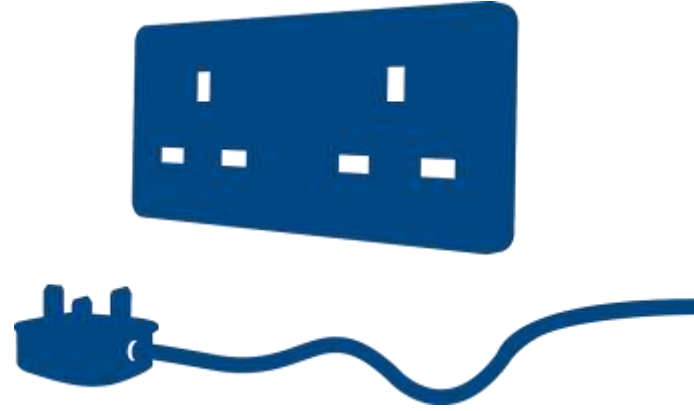
Support Training



For Frontline Workers & Advisers

Trainer: Gerald Davies

Welcome



'Support Training'

- Help supporting vulnerable customers with their energy issues
- Developing best practice in delivering energy advice
- Share ideas on giving consumers greater choice
- The effects of a cold home on health and wellbeing

Introduction

- Regional Energy Lead Role
 - Train frontline workers
 - Engage with strategic partners
 - Promote energy advice projects throughout South Wales
 - Deliver specialist energy advice

CARCT have delivered specialist Energy Advice Projects for the last 7 years

Specialist casework - Billing disputes, complaints, issues with supply, switching, Warm Home Discounts, accessing grants and benefits, Nest applications, working with strategic partners for best client outcomes

What is fuel poverty?

Definition

In Wales: A household is in fuel poverty if:

They have to spend more than 10% of their disposable income (before housing costs) on maintaining a satisfactory heating regime and meet their other energy needs

If a household are spending 20% they are classed as being in severe fuel poverty

A HOUSEHOLD'S FUEL POVERTY STATUS DEPENDS ON THE INTERACTION OF THREE KEY DRIVERS...

Improvement was seen in **ENERGY EFFICIENCY** between 2017 and 2018

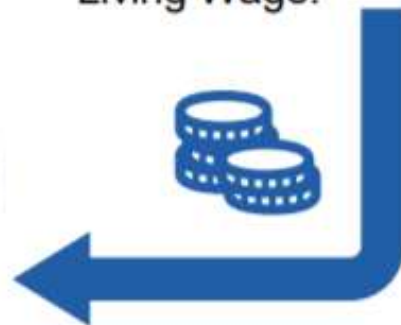


Prepayment price cap has contributed to the reduction of **ENERGY PRICES** for mainly low income households.



Fuel Poverty

INCOMES generally increased at a faster rate for low income households – partly due to the National Living Wage.



How many people are affected?

Wales:

155k households (2018) on 10% definition

12% of all households

Further 145k households at risk of fuel poverty

Need to spend 8-10% of income on fuel costs

Likely to have increased significantly due to Covid 19

Causes of Fuel Poverty

Costs – high energy bills

Income – Low income – insecure work

Homes – energy inefficient homes

Appliances/usage – energy inefficiency

Causes – high bills

Causes of either high fuel bills or rationing of fuel use include:

- **Paying an expensive fuel tariff**
- **Living in a home with poor energy efficiency**
- **Living in a home off the gas network**
- **Not using energy efficiently in the home**
- **Arrears are included in fuel bills**

Causes – Low Income

Households where the main bill payer (household reference person) is unemployed are **three times more likely** to be in fuel poverty than the national average

Single parent households (one income source) are **most likely** to be fuel poor (19%)

Households living in privately rented accommodation are **most likely** to be fuel poor (18%)

Citizens Advice estimates more than 66k households in Wales have fallen behind on their energy bills since the start of the pandemic

Causes –Cold Homes

Expensive energy bills

- Households have to make tough decisions about where to spend income
- Heat or eat choices
- ‘Spatial shrink’ - turn heating off in some rooms, sometimes one room only
- Stress and anxiety about unaffordable fuel bills
- Social isolation - less willing to invite friends and family to home

Poorly heated rooms

- Condensation on cold surfaces
- Leads to damp which will cause wallpaper and paint to peel
- Rapid growth of black mould in damp environments

Effects of a cold home

- The body burns excessive levels of calories to keep itself warm
- More likely to develop health conditions and worsen existing conditions
- Reduced immunity to viruses

Health conditions closely associated with cold homes:

- Cardiovascular illness e.g. coronary heart disease, stroke, hypertension
- Respiratory illness e.g. seasonal flu, COPD, asthma
- Poor mental health and general wellbeing

Excess Winter Deaths

9,700 deaths are attributable to the avoidable circumstances of living in a cold home –

The majority of the 9,700 deaths, 6,900, are linked to the coldest 25% of homes in the UK

Approximately 3,200 excess winter deaths are linked directly to people experiencing fuel poverty:

- Vast majority occur in the over 75s
- 3 main causes of deaths are cardiovascular, respiratory & dementia

Adequate Warmth

18-21 °C

adequate level of warmth for healthy adults in living rooms (less active)

- ❖ If we're walking up/down the stairs, we generate own body heat
- ❖ If we're cooking in the kitchen, we benefit from the cooking heat
- ❖ If we've got a decent duvet, we can trap heat in our beds

Vulnerable Groups

Vulnerable people are those who aren't capable of generating enough body heat, and require their living space to provide them with additional comfort.

The elderly take longer to warm up, and are more likely to feel the cold. This means they need to turn the thermostat up higher than a healthy person to stay well.

Cold homes are also linked to reduced cognitive ability.

Spotting the signs of Fuel Poverty

Is the home feeling cold/draughty?

Are they using single point heaters/no central heating?

Is there mould on the walls/peeling wallpaper?

Is there dust on radiators or heating elements- indicating non use?

Are blankets and/or outdoor coats used inside to keep warm?

Are fuel bills too high so usage is self restricted/rationed?

Is money owed to energy supplier?

Is there self disconnection?

Covid 19 and fuel Poverty

Increased unemployment/reduced income due to pandemic

Home confinement means higher energy bills

Health implications of cold homes & Covid-19 susceptibility

COVID-19 Support

The Government has agreed emergency measures with suppliers to support customers in financial hardship.

This should include:

- Reviewing bill payment plans
- Reviewing debt repayment plans
- Payment breaks/reductions
- Flexible repayment terms based upon ability to pay
- Access to hardship funds
- Access to emergency top-up vouchers (PPM)

**No credit meters
will be disconnected
during the pandemic**

Energy Supply

Increase your knowledge of energy supply, meters, dealing with energy suppliers and switching providers and tariffs



Energy Comparison & Switching

- ✓ Choice of OFGEM accredited comparison
- ✓ Client preference which site is used (can check more than 1)



Citizens Advice has it's own comparison tool available:
[\(http://energycompare.citizensadvice.org.uk/\)](http://energycompare.citizensadvice.org.uk/)

Savings and service results only

Does not enable assistance with the switching process

**Last year a record number
of customers switched
suppliers or tariff**

Why Switch?

- Save money
- Switching incentives/gifts
- Better customer service/experience
- More payment options
- Greener energy
- It's free
- No service disruption



Average
annual
household
saving of
£290

How to Switch



- Compare and select new tariff/supplier
- Call the NEW supplier – they'll tell the old supplier
- Or switch online!
- Take an end meter reading on the day of the switch
- Pay the old supplier's final bill (or get a refund if in credit!)
- Ensure new supplier has correct **Energy Meter Reference Numbers**

A few other tips



- Check what type of meter you have
- Check if you need a specific tariff for your meter type (e.g. Economy 7)
- Find out if your contract has an exit fee for leaving early
- Check if your current supplier has better/new tariffs
- If you get the Warm Home Discount – check the new/chosen supplier also offers this and you meet their criteria !

Its worth thinking about the type of tariff you need before you switch:

- A flexible tariff that you can get out of at any time
- An environmentally friendly tariff
- The cheapest tariff available

A 14 day 'cooling-off period' applies to all switches – if the client changes their mind!

Switching Problems

- If the client gets an unexpected final bill or welcome letter from a new energy supplier, the supply might have been switched without client's agreement.
- From the 1st May 2019 customers will automatically receive £30 if they experience delays or mistakes when switching supplier, including if the switch takes more than 15 working days or they do not receive their final bill within 6 weeks.
- If the client has a credit meter the supplier can prevent them from switching if they any debt. The balance has to be paid.
- For PPM clients – they can still switch with debts below £500 on each utility if both suppliers agree. Not all suppliers take on customers under the Debt Assignment Protocol

Customers least likely to switch:

- **Low income**
- **Over 65 years old**
 - **Disabled**

Going Out of Business

Advice for clients:

- You will not lose supply!
- Take a meter reading straight away (ideally take a photograph)
- Ofgem appoints a supplier, who will guarantee credits on accounts
- The new supplier will provide details of new plans and tariffs
- Give meter readings to your new supplier
- You can stay with the appointed supply or switch
- For PPM - The new supplier will provide new payment key/card
- You might get a new meter too, if needed

Smart Meters

- A new kind of gas and electricity meter gradually being introduced across Britain
- Automatically sends meter readings to suppliers, meaning they can provide accurate bills for the energy used
- No upfront costs for smart meters/installation
- 17.4 million installed so far, with potential for 53 million more



Smart Meter Roll Out

- Every household to be offered one by 2025
- All meters should now be 2nd generation (SMETS 2)
- Interoperable with all suppliers
- Can be switched between payment modes by supplier



84,000 PPMs

installed under warrant
to recover debt last year

Pre-Payment Meters PPM

There are 4 million PPM customers in Britain

Prepaying for your energy lets consumers pay small amounts often

Its usually a more expensive way to pay than getting a bill

Some people prefer this method but many have no choice

Pre payment meters are often installed by suppliers to recover debts

“Safe and Practicable”



Your supplier can't make you have a prepayment meter if you:

- Are disabled in a way that makes it hard to get to, read or use the meter
- Have a mental health condition that makes it hard to get to, read or use the meter
- Have an illness that affects your breathing, such as asthma
- Have an illness for which you need to keep medication in the fridge
- Have an illness that's made worse by the cold, such as arthritis
- Use medical equipment that needs electricity - **for example a stair lift or dialysis machine**
- Would find it too hard for you to top it up – **for example if the meter is above head height**
- Can't always get to your current meter – **for example the meter is in a shared cupboard/room you don't have a key for**
- Can't get to a shop where you could top-up – **for example if you don't have a car and the nearest shop is over 2 miles away**

Other Payment Methods

- Quantum Payment cards
- Payments by regular instalments in an agreed plan
- Topping up online via APP or online
- Fuel Direct if benefit claimant has fuel debts

Fuel Direct is paid at £3.70 per week per utility toward debt and an amount to cover ongoing charges.

Fuel Direct can be applied up to 25% of **legacy** benefits to a claimant without their consent.

Deductions from UC

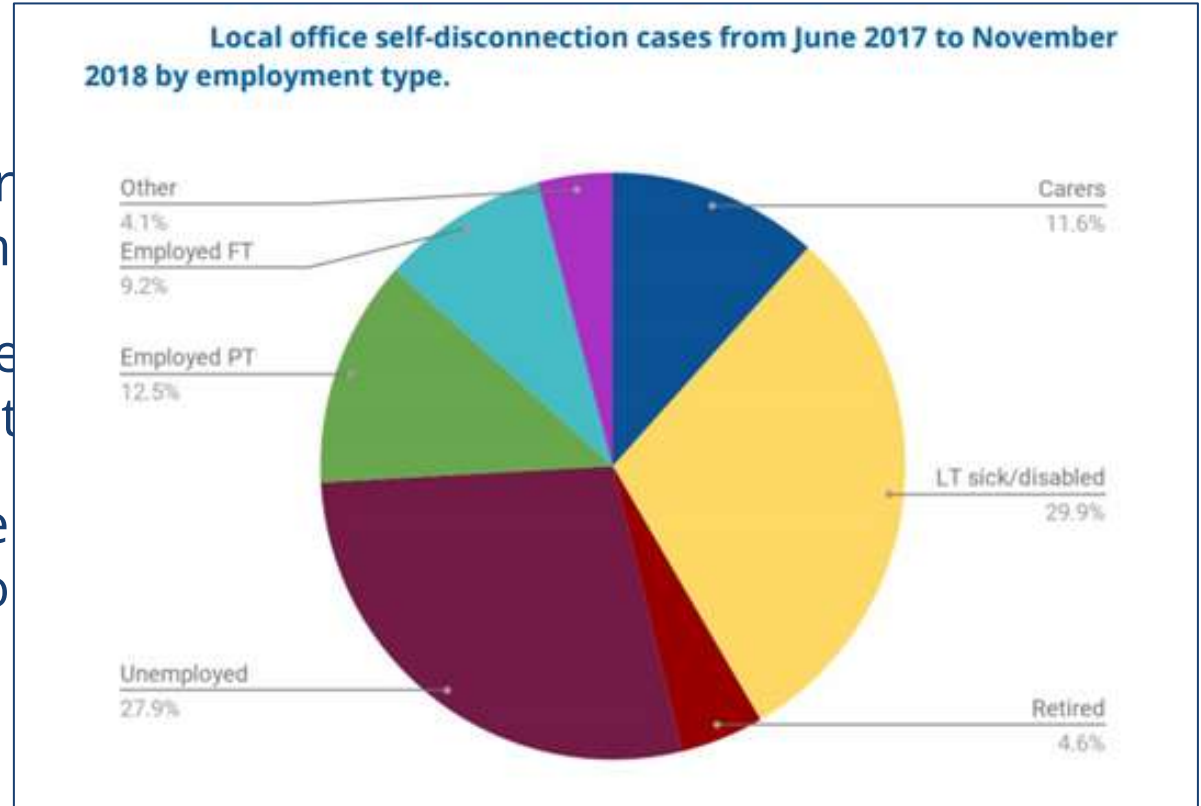
- Single Under 25 £12.59 per month toward debt plus an amount for ongoing charges up to 25% of income
- Single 25 and over £15.89 toward debt plus an amount for ongoing charges up to 25% of income
- Couple both aged under 25 £19.76 toward debt plus an amount for ongoing charges up to 25% of income
- Couple both aged 25 and over £24.94 toward debt plus an amount for ongoing charges up to 25% of income

16% of PPM
customers
self-disconnect
every year

Self Disconnection PPM

Commons reasons

- Not topping up over and build up of stan
- Short-term insufficie benefit delays, sanct
- Long-term insufficie wages, zero hour co work, other debt



Help Available

Changes to SLR 15/12/20 all suppliers Should provide support and/or assistance to those in need of help on a case by case basis including:

Reduced debt
recovery rates

Discretionary
Credit

BGET Fuel Vouchers via Citizens Advice to households in crisis. With restrictive criteria:

Not in receipt
of WHD

£28
Single/Family

£400 budget
per office

Discretionary Assistance Fund Wales / **Emergency Assistance Payments**

Grants and Benefits

Warm Home Discount

Winter Fuel Payments

Cold Weather Payments

British Gas Energy Trust

EON Energy Trust (Customers Only)

Scottish Power Hardship Fund, OVO Energy and Npower EDF (Customers Only)

Priority Assistance Fund SSE



PSR – Priority Services Register

Free support service provided by suppliers.

Each energy supplier maintains its own register.

To get on it, contact your energy supplier.

Only 24%
of people have ever
heard of the **PSR**

PSR – Priority Services Register

Vulnerable:

Disabled or long-term health condition (including visual and hearing impairments)

Mental health problems which impact understanding

Recovering from an injury/can't get to top-up meters

Don't speak or read English well

Have children under 5 or are pregnant

Have reached State Pension age

Financial vulnerability - low income/insecure work



PSR – Priority Services Register - Help

Advance notice of planned power cuts

Priority support in an emergency

Alternative heating and cooking facilities in the event of supply interruption

Identification scheme – for meter readers

Nominee scheme – for all communications and services

Safe and practical PPM measures – moving meters where appropriate

Meter reading services – for more accurate and regular billing

Accessible information – account and bill information in an accessible format

Suppliers may have additional support relevant to individual needs

Ask the supplier what support they offer

Ofgem Vulnerability Strategy

- Published October 2019
- Improve identification of vulnerability and smart use of data
- Drive significant improvements in service for vulnerable groups

The logo for Ofgem, consisting of the word "ofgem" in a lowercase, orange, sans-serif font.

Making a positive difference
for energy consumers

Energy Efficiency Help



NEST Wales Eligibility

Arbed Am Byth Welsh Government initiative

Energy Company Obligation

Warm Wales for Warm and Safe Homes, RCT, Cardiff, North Wales,

Neath Port Talbot

Npower Health through Warmth Scheme

Four million households
across the UK are off the
mains gas grid

Help for Off Gas Grid

DAF Off Gas Grid Pilot Scheme EAP for Oil or LPG

Wales and West Gas Connections Funding

Park Homes Warm Homes Discount (Charis Grants)

Social Housing - LPG and oil customers

National Coal Board (NCB) or British Coal Corporation (BCC)

(Concessionary Coal)

UKIFDA Cold Weather Priority Initiative

Issues Off Gas Grid customers face:

Fluctuating oil prices

Expensive minimum orders

Lack of regulation of markets

Lack of a PSR



Ofgem estimates the
Energy Price Cap will
save customers around
£1 billion every year

Energy Price Caps

Energy price caps limit the amount client can be charged **for each unit of energy uses**.

Clients may be able to save more money by switching to a cheaper deal.

Energy prices will normally be capped if the client:

- Has a prepayment meter
- Gets the Warm Home Discount and on a 'default tariff'
- Customers on a default tariff (from 1 October 2019)

Call supplier
to check

Doesn't cap
overall bill

Automatically
applied by
supplier

Advice changes lives by
reducing stress,
stabilising housing and
improving finances

More Support

Adviceguide

Advisernet

Big Energy Saving Network

Ofgem

Citizens Advice consumer helpline

Extra Help Unit

CPAG Fuel Rights Handbook

Charis Grants

Don't forget - Energy companies have adviser-only numbers

Thank you

Gerald Davies

South & West Wales Regional Energy Lead

gerald.davies@carct.org.uk

01443 409284

