



Report to the EBICO Trust

October – December 2015

### **Background**

The money management project was set up in 2014 to assist clients to get in control of their finances, lift them out of a period of financial hardship and prevent them from falling into poverty. This was achieved by:

1. raising awareness of spending patterns through producing budgets.
2. Increasing household income by checking welfare benefit entitlement and grant eligibility; and
3. Increasing disposable income by:
  - comparing savings accounts, current accounts and insurances.
  - Comparing the cost of utilities as well as eligibility for social tariffs; and
  - Reducing the cost of borrowing by reviewing cheaper credit options, including re-mortgaging, loans and credit cards.

Alongside these routes for assisting households, consumer problems are also tackled, for instance erroneous billing or miss-selling, so that clients are not paying for unsuitable or unsatisfactory products or services they have either not asked for or have cancelled and have not used.

The area where the greatest amount of clients increased their disposable income was consistently in the energy market, as this was the one area which all clients shared in common and unless the client specifically refused to entertain the idea of considering another provider, this was also the where the greatest savings, in comparison to other areas, for example water or insurances, could be achieved.

Given the demographic of clients we see, eligibility for the warm home discount was also a major source of increasing income.

Understanding energy bills, which entails understanding how their tariff is worked out was also an area which most clients found confusing and led to either mistaken grievances about being overcharged or knowing that the bills were wrong, but not having the tools to explain why as they didn't know how to analyse their bills or usage.

A significant number of clients had no idea how to read their meters.

Given that the energy market appeared as a common denominator and one for which we had significant statistics we thought to approach the EBICO Trust who were sympathetic and supportive of the project and have invested a years' funding to keep it going.

### **Current service delivery**



From 1<sup>st</sup> October 2015 the project now employs a part time caseworker for 25 hours a week funded by EBICO Trust, with a focus on helping clients to reduce their energy usage and reduce their energy costs by comparing energy providers. The project deals with other contributing factors aside from energy costs, which may threaten the household with poverty. This holistic approach is designed to provide a sustainable basis which secures clients, as much as possible, against future hardship.

Between 1 October 2015 and 17 December 2015 23 clients were seen, over 60 appointments. Between these dates £3,728.32 was secured, £1,582.72 of which was directly related to energy costs and £1,900.60 of which was related to benefits.

The energy related queries ranged from straightforward energy comparisons to an energy supplier's failure to observe an OFGEM decision.

### **Promotion of the service and encouraging new sources of referrals**

Referrals to the project from external agencies include Age Concern where an outreach is set up. A new source of potential clients is expected from the East Sussex Welfare Reform Project who will be carrying out benefit check updates and offering energy advice which our project will provide.

The caseworker has joined the East Sussex Fuel Poverty Practitioner's Network with a view to maximising opportunities for collaborative working and is due to attend a second meeting in January 2016. The caseworker has also visited The Shinewater Shaftesbury Centre, another advice agency which is located in one of the most deprived areas of Eastbourne with a view to setting up an outreach service.

### **Outcomes**

Summaries of the outcomes achieved over this quarter.

- The client, a single pensioner in his 70s, had tried to resolve a disputed energy debt through various agencies. He was referred to the project by an external agency after two years of trying to put matters right, unsuccessfully. The case was taken to the energy ombudsman who exercised its discretion to extend time and take on a complaint in the absence of a deadlock letter, both of which are usually reasons for a claim to be refused. The energy provider was told to make a payment of £1,312.28 towards the client's bill, an £80 payment by way of recognition that it had dealt with the client unsatisfactorily and an apology, amongst other things. The credit was not fully complied with, as the energy provider used the payments the customer had made from January to October as part of the payment the Ombudsman had required it to make and needed to be clarified to the energy provider in order for it to be put right. The client now has a credit of over £300. He is keen to switch providers and have a credit meter fitted, which we are now assisting him with.
- The client, living alone and two years away from state pension age, recently lost her job. Her only income was an historic bereavement benefit payable in the 1980s which is no longer



available to new claimants. She was struggling to meet her outgoings. She had been told that she could not claim jobseekers allowance due to the bereavement benefit overlapping, or cancelling out her entitlement to any other assistance. This was incorrect and due to a misunderstanding over how the historic benefit operated. We assisted the client to claim jobseekers allowance and are currently seeing if we can increase her housing benefit. The client is also expected to be able to save £100 by switching to a different provider who would also provide the warm home discount given its particular broader group criteria.

Ongoing cases include:

- Assisting a severely disabled client, who continued to work, intermittently, through a 10 year period of extreme physical and mental debilitation, to claim on her personal protection insurances, with an expectation of clearing her credit card debt of £11,700, and receiving a credit of over £16k for previous disability related sickness periods to clear a loan. Client also assisted to claim the warm home discount and switched to a cheaper energy provider.
- The client couple are both severely disabled and in their 60s, the wife having had a stroke and the husband having been diagnosed with terminal lung cancer and emphysema. They had been referred for a disabled facilities grant which amongst other things recommended a central heating system to be installed. (The household currently relies on portable heaters). The application has been held up due to the council asking that the couple carry out remedial works. We are currently assisting the couple to progress the application, which has now been delayed for over 10 months. The couple have received energy switching advice and chose to stay with the same provider, albeit switched onto a cheaper tariff.
- The client, who is terminally ill with COPD, called the bureau on 11 December 2015 scared that he was going to be discharged from hospital whilst unwell. He had been admitted following an infection which left him unable to breathe, and despite his breathing becoming worse since admittance he had been told by the consultant that he was due to be discharged the following day. We called the hospital and asked to speak to one of the doctors to arrange a multi-disciplinary team assessment prior to his discharge. The client was assessed and placed in a specialist respiratory ward where he is currently still recuperating as of 21 December 2015. This client had previously received assistance from us successfully disputing a bill with a telecommunications provider.
- The client, single in her 70s and in receipt of pension credit, has sought advice on investing her savings of £6k. They were set to generate £31.72 in interest, however as a result of our advice they achieved £116 last year and are expected to return £237.53 this year. The total amount of income generation and savings this client saw between 2014-15 as a result of the project was £1,413.24, this year she has achieved a further £1,217.64. Of these savings, over both the two years, £445 came from switching energy tariffs and another £280 from warm home grants.