



Policy in Practice

What the latest energy price
cap will mean for low income
families this winter

Wednesday 20 September 2023

Housekeeping

- Audio check
- Please ask questions throughout
- Polls, download and a short survey
- Aim to finish by 11.45
- Slides and recording will automatically follow
- Follow us on Twitter [@policy_practice](https://twitter.com/policy_practice)



We believe in the
power of technology
and data to
change lives



Policy in Practice: What we do



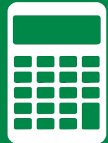
Policy

A team of professionals with extensive knowledge of the welfare system. We're passionate about making social policy work



Analytics

We help over 100 local authorities use their household level data to identify vulnerable households, target support and track their interventions



Software

Our benefit calculator engages over 10,000 people each day. We identify the steps people can take to increase their income, lower their costs and build their financial resilience



Agenda

- What changes in the Energy Price Cap mean for families on low incomes against the wider cost of living challenges
- Details of the second Cost of Living payments, announced today
- The value of unclaimed energy support
- The approach that EDF Energy is taking to support vulnerable customers
- How the Better Off Calculator can help
- Q&A



Today's speakers



Janet Harkin
Chief Marketing Officer
Policy in Practice



Tylor Maria Johnson
Senior Policy and Data
Analyst
Policy in Practice



Sharon Gill
Customer Relations Manager
EDF Energy



Ed McNamara
Business Account Manager
Policy in Practice



Over to Tylor-Maria



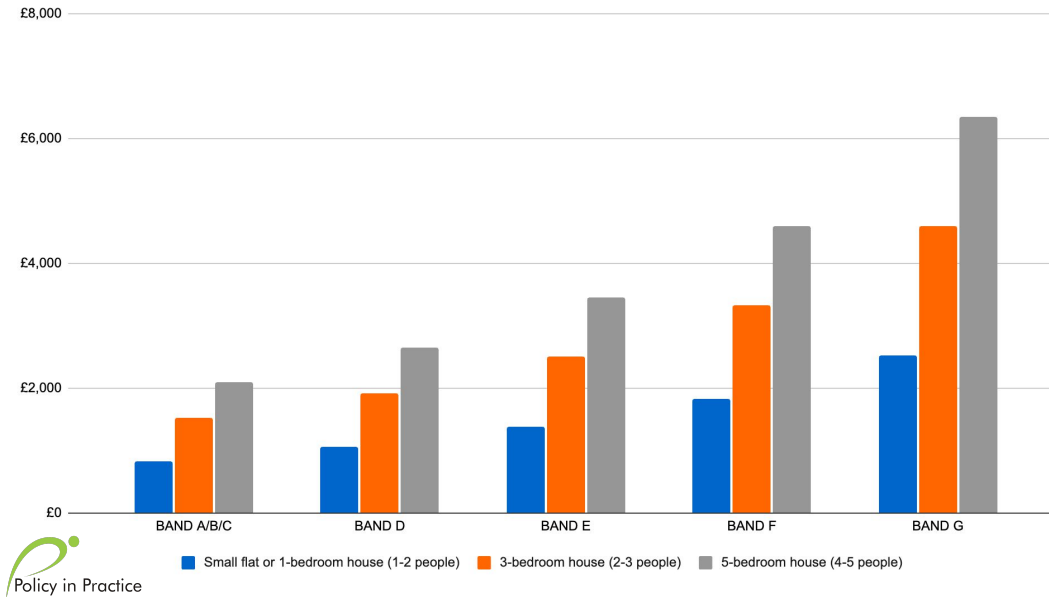
Lower Energy Price Cap does not mean household savings

- The Energy Price Cap is expected to fall from £2,074 as set in July to £1,923 from October
- Prepayment meter charge [scrapped](#) saving households £20 a year on average
- While the reduced cap value is an improvement, households still face an 50% increase from October 2021, paying £881 more in bills
- Charities say [1.94 million households](#) with children under five still risk forcefitting of Prepayment meters despite ban on forcefitting for vulnerable groups



Energy inefficient homes: Larger families living in older properties could see annual bills reaching £6,356 this winter

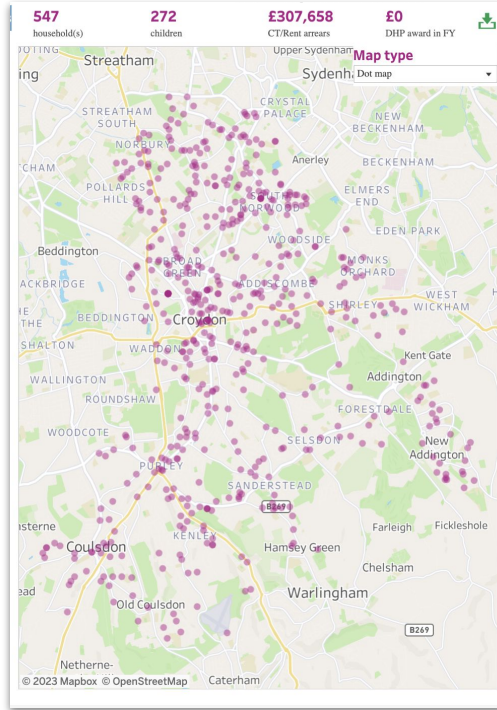
Estimated energy costs by EPC rating and household size from Oct 2023



Original analysis by Policy in Practice



Roughly 46% of LIFT households with up to date EPC certificates are living in EPC band D+



Households hit by welfare reforms likely to struggle with energy costs

- Households are not receiving their full standard allowance due to benefit deductions or LHA shortfall
- Likely to need additional support to meet their energy costs
- Removal of the £400 Energy Rebate

40%

claiming UC and CTS
have deductions from
their UC award

Most UC households
with deductions lose
20% to 30%
of standard allowance

Benefit capped
families can only
afford to rent

0%
of BRMAs in UK

28%

Have rent arrears,
council tax arrears, or
housing benefit
overpayments



2023 - 2024 Cost of Living Payments

- [Announcement today](#) that millions to receive the second £300 Cost of Living Payment
- Paid automatically between 31 Oct and 19 Nov
- Claiming qualifying benefit (UC, Pension Credit, Ir-JSA, Ir-ESA, Income Support, and tax credits) between 18 Aug and 17 Sept
- Eligible pensioner households will also get an extra £300 later this year on top of the Winter Fuel payment
- No support for next year announced



£466 million in energy vouchers and the
Warm Home Discount goes unclaimed
each year



£19 billion unclaimed support and benefits

- National benefits administered by the Department for Work and Pensions (DWP) make up the largest share of unclaimed benefits. Approximately £7.6 billion of Universal Credit is unclaimed by 1.3 million households
- Council Tax Support is the most underclaimed benefit in England, with 2.7 million households missing out on £2.9 billion of support
- Ask us if you want to know the level of unclaimed benefits in your area



Ongoing analysis with existing clients

- Households have been missing out on £300 - £400 a month
- 7% of households are missing out on over £1,000 a month
- Households paying back £200 - £300 to debtors per month



More needs to be done to help vulnerable households to meet their energy costs

- £1 billion Great British Insulation Scheme to save households £400 on energy bills annually
- Using data to proactively target support to vulnerable households
- Over three quarters (77%) of the British public support the introduction of a social tariff for vulnerable energy customers;
- EDF is one group working to do this with their social tariffs, and the Better off Calculator



Poll: How do you help low income households with energy costs?



Over to Sharon



Sharon Gill – Customer Support Manager

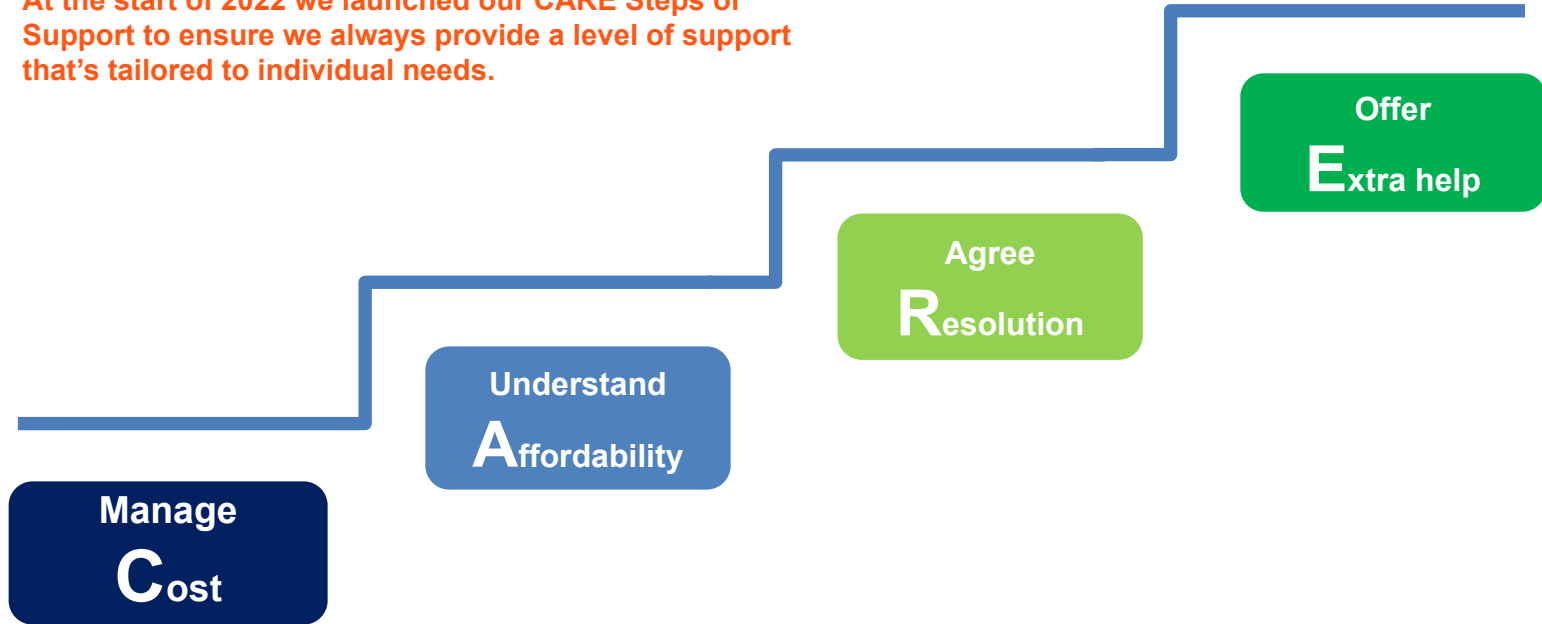


We use our CARE+ framework to understand customer's ability to pay and help them to find a sustainable payment solution



CARE steps of support

At the start of 2022 we launched our CARE Steps of Support to ensure we always provide a level of support that's tailored to individual needs.



Over to Ed



Better Off Calculator to maximise income



EDF

Download/Print Case Send to EDF

Your name:

Better Off Calculator

Household details Property details Income and earnings Budget Results

Personal information

Your name

EDF account number

If you know it, please enter your EDF account number

Your email address

Quick summary

Household details

Property details

Income and earnings

Budget

Results

Current situation average Need help?

£368.74

- Self serve
- Empower customers with financially sustainability
- Deal with rising demand for help and customer arrears



Make it your own: Bespoke application form

The screenshot displays a web application form with a navigation bar at the top containing tabs: Household details (selected), Property details, Income and earnings, Results, and Budget. The main content is split into two columns. The left column, titled 'Personal information', includes sections for 'Name / Reference' (with a text input field and a red '...' icon), 'Address' (with a text input field), 'Email' (with a text input field), and 'Relationship status' (with radio buttons for 'Single' and 'Couple', where 'Couple' is selected). The right column, titled 'Quick summary', features a blue button for 'Household details' and a list of other sections: 'Property details', 'Income and earnings', 'Results', and 'Budget'. Below this is a 'Current situation average' section showing '£368.74 Total income' with an 'Edit' link. At the bottom of the right column is an 'Action plan' section with radio buttons for 'Weekly' and 'Monthly' (where 'Monthly' is selected), a blue 'Add actions' button, and a 'Show actions' button. A green 'Need help?' button with a speech bubble icon is positioned at the bottom right of the form.

- Model all vulnerable customer support into a single universal application
- Streamlined intelligent questioning
- Customisable branding



Accurate and comprehensive income maximisation

The screenshot displays a user interface for income maximisation. On the left, a large orange box highlights the average monthly income as £2164.47, including benefits and wages. Below this, text explains that the household information indicates a new benefit claim for Universal Credit. A link is provided to view results under the Legacy system. Further text clarifies that the amount shown does not include deductions for sanctions, overpayments, or loans. It also notes that the user's rent is 73% of their household income and that they are eligible for the Priority Service Register. A note mentions that Disability Benefits (PIP, DLA, and AA), Child Benefit, Tax Credits, and Pension Credit are usually paid weekly, so the amount may differ from what is seen on the calculator. A section titled 'Average income breakdown' shows a breakdown for Universal Credit, with a sub-section for Universal Credit showing £2006.25 and a link to 'How we worked it out'. Below this, 'Child benefit' is listed. On the right, a 'Quick summary' section shows 'Household details', 'Property details', and 'Income and earnings' all with green checkmarks. A green 'Results' button is visible. Below this, a 'Budget' section is partially visible. The 'Current situation average' section shows 'Total income' as £2164.47 and 'After costs' as £510.25, with an 'Edit' link. Below this are radio buttons for 'Weekly' and 'Monthly', with 'Monthly' selected. An 'Action plan' section has a green 'Add actions' button and a 'Show actions' button. At the bottom right, there is a 'Need a bank account?' section with text explaining that a basic bank account is needed to collect benefits and other income, and a green 'Need help?' button.

Your average monthly income is

£ 2164.47
including any benefits and wages

Your household information indicates that any new benefit claim will be for Universal Credit.

[Click here](#) if you would like to see the results under the Legacy system.

This amount does not show any deductions from your benefits as sanctions, as repayment of overpayments or loans, or as payment to your landlord.

For your information, your rent is 73% of your household income

Is this customer eligible for the Priority Service Register?

Disability Benefits (PIP, DLA and AA), Child Benefit, Tax Credits and Pension Credit are usually paid four weekly therefore the amount you receive may differ to what you see on the calculator. You can choose to view weekly amounts using the buttons on the right.

Average income breakdown

Breakdown for Universal Credit

Universal Credit
£2006.25
[How we worked it out](#)

Child benefit

Quick summary

Household details ✓
Property details ✓
Income and earnings ✓

Results

Budget

Current situation average [Edit](#)

£2164.47 £510.25
Total income After costs

Weekly Monthly

Action plan

Add actions

Show actions

Need a bank account?

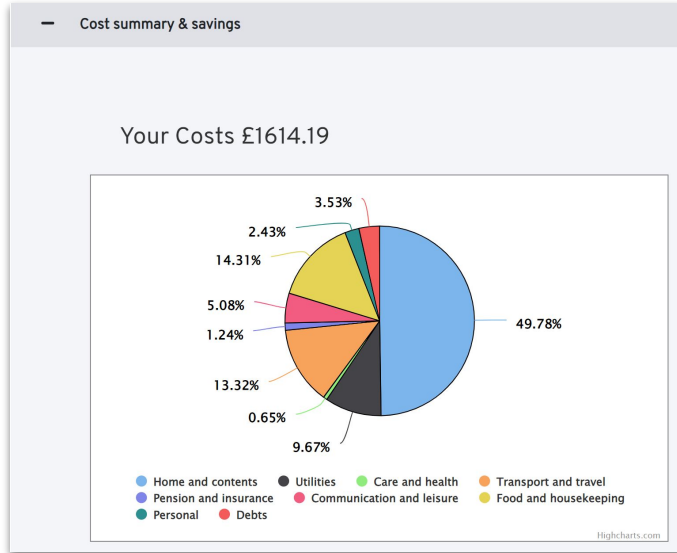
When you have a basic bank account, you'll be able to use it for collecting your benefits and any other income.

Need help?

- Includes all statutory benefits, legacy and UC
- Supported often neglected cohorts such as students and non - UK nationals
- Tailored actionable steps for customers



Help customers to understand their budget and costs



Compare costs with similar households

► [Find out more](#)

Compared to similar households, you could save £191.56

Car costs	You spend £91.12 per month more than similar households
Internet	You spend £9.53 per month more than similar households
Mobile phones	You spend £3.47 per month more than similar households
Groceries	You spend £28.15 per month more than similar households
Alcohol	You spend £5.11 per month more than similar households
Debt	You spend £54.18 per month more than similar households

- Visualise customer spending habits
- Sensitively analyse areas of potential overspending
- Provide sustainable budgeting plans to prevent further arrears



Additional cost of living supports and grants flagged up

20 Additional support

Help with your bills

- ▶ [Cheaper broadband and mobile packages](#)
- ▶ [Warm Homes Discount](#)
- ▶ [Help with increased utilities costs](#)
- ▶ [Cold Weather Payment](#)
- ▶ [Energy Bill Discount](#)
- ▶ [Severn Trent Social Tariff](#)

Help with your Council Tax

- ▶ [Single Persons Discount for Council Tax](#)
- ▶ [Council Tax Reduction](#)

Help with other costs

- ▶ [Free Prescriptions](#)
- ▶ [Cost of Living Payment](#)
- ▶ [Energy Grants: Energy Company Obligations](#)
- ▶ [Energy Grants: Sustainable Warmth](#)

Help if you have children

- ▶ [Healthy Start](#)

Help with education and working

- Additional support tailored to individual circumstances
- Triage support, collaborate with private and public sector partners
- Holistic income maximisation support



Integrate with your existing process via our API

How many children in your household?

2

[Find out more](#)

What best describes your housing?

Renting from a private landlord

Monthly take home income (after tax, excluding benefits)

£ 1500

Savings

£ 0

[Find out more](#)

You may be eligible for up to:

£1107
in benefits per month

This is only an indication based on the information above.
You should complete a benefit calculation for a more accurate estimate.

[Click to complete free benefit calculation](#)
It only takes 10 minutes

- Seamless integration into existing webforms
- Open banking opportunities
- Integrate with your internal CRM and portfolio analysis



Announced today: Second Cost of Living Payment

- DWP will make the 2nd Cost of Living payment of £300 to eligible customers between 31 October and 19 November. This is the second of three payments in 23/24, totalling up to £900
- Eligible pensioner households will also get an extra £300 later this year on top of the Winter Fuel payment
- Eligible tax credits-only customers who do not qualify for a payment from DWP will receive £300 from HMRC between 10 and 19 November
- Customers will receive the payments automatically. They don't need to contact DWP or do anything to receive the payment
- The full list of benefit recipients who qualify for the upcoming Cost of Living payment are those who receive: Universal Credit; Income-based Jobseekers Allowance; Income-related Employment and Support Allowance; Income Support; Working Tax Credit; Child Tax Credit; Pension Credit
- The qualifying period for this payment is between 18 August to 17 September 2023
- To be eligible for the payment, customers need to have been entitled to a payment for one of these benefits between 18 August and 17 September, or payment for an assessment period ending between these dates
- [Full announcement here](#)



Energy costs remain challenging, support is out there

- People still need help ahead of winter, despite the lower Energy Price Cap
- £19 billion of benefits and support remains unclaimed each year. £466 million of this is for help with energy costs
- There's a big opportunity for organisations to help vulnerable customers to provide income maximisation as part of business as usual
- EDF Energy is a great example of how Policy in Practice empowers leading organisations to close the unclaimed benefits and support gap



Questions and answers



Next steps

Take our very short survey when the webinar ends to:

- Give us feedback (thank you) and ask further questions of our speakers
- Request a follow up call to talk about how the solutions shown could help you

Register for our next webinars:

- **How data made London's pensioners better off by over £8 million** on Wed 27 September
- **How water companies are closing the unclaimed support gap** on Wed 25 October

Watch: [Better Off Calculator](#) to support budgeting and maximise income

Watch: [LIFT](#) to identify vulnerability, target support and track change

Download: product brochure and Missing out: £19 billion of support goes unclaimed each year



Thank you

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