**Energy Crisis**

**Advice Sheet**

**2022**

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Earlier this February 2022, the energy regulator Ofgem announced a 54% rise in the energy price caps in the UK. The reality of this announcement projected a typical rise of around £700 per year to consumer energy bills UK wide.

In August, Ofgem finally announced the energy price cap will increase to £3,459, on average, for every UK household, starting from 1st October.

Rightly so, many people up and down the UK are beginning to worry about the rise in household expenses, as these price hikes are not just limited to energy bills alone, but also to the cost of living as a whole.

This advice sheet aims to give you the vital information needed, to help you understand what assistance is currently available towards the costs of energy bills, and what steps you can take to reducing these bills.

**Energy Bills Support Scheme**

To help households tackle the immediate difficulty of the rise in energy prices in October the UK government initially offered every household in the UK a **£200** reduction in their electricity costs.

This was to be a one-off discount, eventually to be levied back from every household in the UK through subsequent bills, over a period of years going forward. Households would not be able to opt out of the scheme. The UK government promised that the levy on bills would not be more than £40 per year.

This original scheme was abandoned by the UK government, now every UK household with a domestic electricity connection will now be eligible for a £400 non-repayable discount over the winter period of 2022-23.

You do not need to apply for the discount, and there is no need to contact your energy supplier to obtain the discount.

The discount will be applied to your monthly household electricity bill over a 6-month period, starting in October 2022.

You should receive:

* £66 in October and November
* £67 in December, January, February and March

You should get the discount monthly, even if you pay for your energy quarterly or use a payment card.

Traditional prepayment meter users will get equivalent vouchers, either in paper form via Royal Mail post, or SMS texts. Check with your electricity supplier for further guidance on how they will provide you with the vouchers.

For more information and full details on the Energy Bills Support Scheme, you can follow this web link to the official UK government webpage:

<https://www.gov.uk/guidance/getting-the-energy-bills-support-scheme-discount#full-publication-update-history>

**Council Tax Rebate**

As a further response to the rise of UK energy prices, the UK government has also announced an additional £150 rebate to each household liable to pay Council Tax within bandings A-D.

If you live in a property banded A-D, either the Local Authority will pay the £150 rebate directly into your account (direct debit accounts), or, the they will contact you in writing to give you further details as to how you will receive the £150.

It is important to understand that, this rebate is not for paying your Council Tax directly, but to help off-set the rise in energy costs. The Council Tax bandings is the method by which eligible households are being identified for the rebate.

This £150 rebate does not need to be repaid in any way.

You do not need to contact the Local Authority to receive the rebate, but if you have not been contacted or received your rebate yet, claims can be processed up to **30th September 2022**.

For more information on the Council Tax Rebate, you can follow this web link to the official UK government factsheet:

<https://www.gov.uk/guidance/council-tax-rebate-factsheet>

If you are exempt from paying Council Tax– e.g., students (Class N), under 18 (Class S), Severely Mentally Impaired (Class U) etc., you will still be eligible for the rebate. Please see your Local Authority’s webpage for further details:

<https://www.gov.uk/find-local-council>

**Local Welfare Provision**

The UK government has added a further £144million to discretionary funds available to Local Authorities. This is to help those on low incomes receive further help towards energy bills, and other crisis’, if needed.

This further help available is commonly referred to as the Local Welfare Provision. Lambeth, Lewisham, and Southwark Local Authorities call this provision by different names:

**Lambeth – Household Support Scheme**

This local welfare provision is aimed at Lambeth residents facing crisis, emergency, or even disaster.

This includes help towards fuel payments.

To find out more about this local welfare provision, whether you are eligible, and even to make an application, please follow this weblink to the Lambeth Local Authority webpage:

<https://beta.lambeth.gov.uk/benefits-financial-support/extra-support-people-crisis/household-support-scheme>

**Lewisham – Household Fund**

This fund can help Lewisham residents with money towards food, rent and of course, utility bills.

To find out more about the Household Fund, whether you are eligible and how to apply, please follow this web link to Lewisham Local Authority webpage:

<https://lewisham.gov.uk/myservices/benefits/the-household-fund>

**Southwark – Hardship Fund**

This scheme is designed to help people in debt with household bills including: gas, electric and water bills.

To find out more about the Hardship Fund, whether you are eligible and how to apply, please follow this web link to Southwark Local Authority webpage:

<https://www.southwark.gov.uk/benefits-and-support/hardship-fund>

**UK Wide**

If you do not live within these Local Authority areas mentioned above, you can find what schemes and funds your local council has set up for local residents in need of support by following this web link to the Gov.UK webpage:

<https://www.gov.uk/find-local-council>

Just put your postcode into the search bar and you will be taken straight to your Local authority webpage. When in the council web page, enter ‘Local Welfare Provision’ into the search bar and you should find further information on emergency schemes available, eligibility and how to claim. Most Local Authorities allow schemes to be applied for online.

**Warm Homes Discount**

Under this scheme, you could get up to £140 per year towards your electricity bill.

To be eligible for this discount you will need to contact your energy supplier to see if they are part of the scheme. If they are part of the scheme, you will then need to ask them if you qualify.

To qualify, generally you will need to show your energy supplier you are on a low-income. You can do this by providing a letter proving you receive an income-based welfare benefit.

This could be a letter from:

* Employment Support Allowance.
* Income Support.
* Housing Benefit.
* Universal Credit.
* Pension Credit Guarantee.

It is important to know that, if you receive both gas and electricity from the same supplier, you may be able to ask the supplier to award the discount on your gas supply instead of electricity.

For further information on the Warm Homes Discount, whether you might be eligible, and how to apply, you can follow this web link:

<https://www.gov.uk/the-warm-home-discount-scheme>

**Winter Fuel Payment**

If you were born on or before 26th September 1955, you could be eligible to receive between £100 and £300 per year towards your winter fuel bills.

The amount you can receive each winter can vary according to your personal circumstances. Your age or other people living with you who are also eligible can also affect the amount you receive.

The payment is made to you automatically each year, either in November or December, but if you are applying for the first time, you should receive your first payment before the next Christmas.

For further information on the Winter Fuel Payment and how to make a claim, you can follow this web link:

<https://www.gov.uk/winter-fuel-payment>

**Cold Weather Payment**

Under this scheme, if the average temperature in your area is, or is forecasted to be, below zero degrees celsius for over 7 consecutive days, you will receive £25 for every 7-day period that this happens.

Each year the scheme runs from the 1st November to the 31st March the next year.

To find out more about the Cold Weather Payment, if you might be eligible, and how to make a claim, you can follow this web link to the Gov.UK webpage:

<https://www.gov.uk/cold-weather-payment>

**Cost of Living Payment**

If you are on a low income, are receiving an income-related Legacy benefit, Working Tax Credits, or Universal Credit, Pension Credit or disability benefit, you may be eligible for a Cost of Living payment to help combat the rise in energy and cost of living.

The Cost of Living payment will consist of £650, split into 2 separate payments:

First payment - £326

Second payment - £324

\*When you receive the first and second payments will depend on which benefit you receive.

List of benefits and payment times:

* **Universal Credit**

To get the first Cost of Living Payment of £326, you must have been entitled to a payment (or later found to be entitled to a payment) of Universal Credit for an assessment period that ended in the period 26 April 2022 to 25 May 2022.

If you received a ‘nil award’ for UC during this period, you will not be for the Cost of Living payment.

The DWP will update this guidance when the government has announced the qualifying dates to get the second payment of £324.

The payment will be made separately from your UC monthly payment.

* **Income-based benefits: Jobseekers Allowance (JSA), Employment and Support Allowance (ESA), Income Support (IS), Pension Credit (PC).**

To receive the first Cost of Living Payment of £326, you must have been entitled to a payment (or later found to be entitled to a payment) of income-based JSA, income-related ESA, Income Support or Pension Credit for any day in the period 26 April 2022 to 25 May 2022.

The DWP will update its guidance when the government has announced the qualifying dates to get the second payment of £324.

The payment will be made separately from your benefit.

* **Tax credits**

To receive the first Cost of Living Payment of £326, you must have been entitled (or later found to be entitled) for any day in the period 26 April 2022 to 25 May 2022 to:

* a payment of tax credits
* an annual award of at least £26 of tax credits

The DWP will update their guidance when the government has announced the qualifying dates to get the second payment of £324.

If you get both Child Tax Credit and Working Tax Credit, you will receive a Cost of Living Payment for Child Tax Credit only.

If you get Tax Credits from HMRC and a low income benefit from DWP, you will get a Cost of Living Payment from DWP only.

* **Disability Cost of Living Payment**

You may get a lump sum payment of £150 if you are receiving any of the following disability benefits:

* Attendance Allowance (AA)
* Constant Attendance Allowance (CAA)
* Disability Living Allowance (DLA) for adults
* Disability Living Allowance (DLA) for children
* Personal Independence Payment (PIP)
* Adult Disability Payment (ADP) (in Scotland)
* Child Disability Payment (CDP) (in Scotland)
* Armed Forces Independence Payment (AFIP)
* War Pension Mobility Supplement

To be eligible, you must have received a payment (or later receive a payment) of one of these qualifying benefits for 25 May 2022 to get the payment.

If you receive a Disability Cost of Living Payment, but later find that you were not eligible for it, you may have to pay it back.

You will be paid the £150 Disability Cost of Living Payment automatically from 20 September 2022. Most people will receive their payment by the beginning of October 2022.

To find out more about the Cost of Living payment, if you might be eligible, to find out the timetable for payments, or to report a missing payment, you can follow this web link to the Gov.UK webpage:

<https://www.gov.uk/guidance/cost-of-living-payment>

**Further Resources**

Below are some further resources you may wish to consider if faced with a fuel poverty crisis:

Fuel Bank Foundation:

<https://www.fuelbankfoundation.org>

Fuel Bank £40 voucher

<https://cvha.org.uk/data/Fuel_Bank___Voucher_Leaflet_2021_10_12_21_51_15.pdf>

End Fuel Poverty

<https://www.endfuelpoverty.org.uk/resources/>

Turn2Us

<https://www.turn2us.org.uk/Benefit-guides/Fuel-Poverty/Useful-resources#guide-content>

National Energy Action

<https://www.nea.org.uk/>

Citizen’s Advice

<https://www.citizensadvice.org.uk/consumer/energy/energy-supply/get-help-paying-your-bills/grants-and-benefits-to-help-you-pay-your-energy-bills/>