



**Consumer
Focus**
Campaigning for a fair deal

The Warm Home Discount

A briefing from Consumer Focus
October 2011

About Consumer Focus

Consumer Focus is the statutory consumer champion for England, Wales, Scotland and (for postal consumers) Northern Ireland.

We operate across the whole of the economy, persuading businesses, public services and policy makers to put consumers at the heart of what they do.

Consumer Focus tackles the issues that matter to consumers, and aims to give people a stronger voice. We don't just draw attention to problems – we work with consumers and with a range of organisations to champion creative solutions that make a difference to consumers' lives.

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1. What is the Warm Home Discount and how does it work?

The Warm Home Discount (WHD) is a new scheme funded by energy suppliers. It came into force on 1 April 2011 and will provide approx £1.13 billion in direct and indirect financial support to vulnerable energy consumers over the next four years. The WHD replaces social tariffs and voluntary arrangements previously offered by energy suppliers.

The WHD scheme separates eligible households into two groups – the ‘**Core**’ group and the ‘**Broader**’ group. Households in the Core group will automatically receive the discount on their energy bill without having to take any action¹. Support under the Core group is targeted at older, poorer pensioner households. Details on which households fall under the Core group are in the table below:

Table 1: The core group – WHD for low income pensioners

Year	Who’s eligible	Annual discount	No. of consumers helped
2011/12	Households in receipt of guarantee element of Pension Credit	£120	650,000
2012/13	Households in receipt of guarantee element of Pension Credit and over 80 and in receipt of savings element of Pension Credit	£130	TBC
2013/14	Households in receipt of guarantee element of Pension Credit and over 75 and in receipt of savings element of Pension Credit	£135	TBC
2014/15	All households in receipt of guarantee and savings element of Pension Credit	£140	TBC

Payments to Core group customers will be made in Winter 2011/12 – suppliers will be able to advise of the date when these will be paid. The Department of Work and Pensions (DWP) will also be writing out to all Core group recipients to confirm that they will receive the rebate.

All payments for 2011-12 will be made by 31 March 2012.

¹ ‘Unmatched’ Core group: There may be instances where the DWP issues some consumers letters advising that they qualify for the WHD Core group rebate, but are unable to automatically process this with their supplier (due to issues such as the incorrect spelling of names on energy accounts). These consumers should refer to the letter from the DWP and contact their supplier for more information.

The Broader Group

Households who feel they may qualify for the WHD under their supplier's **Broader group** should submit an application directly to their supplier. Under the WHD scheme, suppliers have discretion over which households fall under their Broader group criteria. Each company has its own set of qualifying conditions, which are explained later in the briefing.

It is important to bear in mind that there is a cap on the number of households in the Broader group; therefore some households may not receive the discount even if they meet the supplier's criteria. So far, British Gas is the only supplier which has committed to paying the WHD to all consumers who meet the eligibility criteria and apply before January 2012. Consumers of other suppliers should contact them directly for more information.

Contacting suppliers

Core Group

Consumers in this group will automatically receive a letter from the DWP in late 2011/12. If a consumer meets the qualifying criteria (see above) and does not receive a letter, the supplier should be contacted to ensure that name and address details are correct.

Broader Group

Consumers should contact their supplier directly if they feel they may qualify for assistance under the Broader group. Some suppliers will also be actively seeking out customers who they feel may qualify for their Broader group scheme.

Consumers will need to provide proof of your entitlement to the qualifying benefits. Suppliers will have more details about this process.

Updating this briefing

This briefing will be updated when new information is made available by suppliers.

2. Which suppliers are members of the Warm Home Discount Scheme?

The following suppliers are members of the WHD scheme and will offer support to customers in Core and Broader groups.

- British Gas / Scottish Gas / Sainsbury's Energy
- EDF Energy
- E.ON Energy
- npower
- Scottish and Southern Energy / Atlantic / Scottish Hydro / SSE / Southern Electric / SWALEC / EBICO / Equipower / M&S Energy
- ScottishPower

The following suppliers will offer support to customers for Core group *only*:

- Utility Warehouse
- Equigas

If a supplier is not listed above it is worthwhile contacting them to enquire whether they will be signing up to the scheme in future, and what alternative help they can provide.

3. Details about each of the big suppliers' Warm Home Discount schemes in 2011-12

3.1 British Gas

Previous voluntary scheme:

Essentials tariff: Available since June 2009. Was closed to new applicants from 8 July 2011. Offers prices that are 15 per cent lower than standard tariff rates across all payment methods.

Price Promise tariff: Closed to new customers in 2007. Customers have had prices frozen since its launch, with the exception of a 15 per cent price increase in 2008.

Core group customers

British Gas will pay the rebate to customers who are notified to them by the DWP or a nominated party acting on their behalf. This may include customers who currently benefit from their discounted tariff and result in these customers also receiving the WHD rebate of £120.

Broader group customers

Customers meeting **one** of the following criteria are eligible to apply to British Gas' Broader group scheme:

- In receipt of State Pension Credit – guaranteed and savings, or savings only
- In receipt of means tested benefits and in receipt of cold weather payments (as per regulation guidelines)
- Vulnerable and on very low income (less than £16,190 per annum)
- Low income (less than £16,190 per annum) and spending more than 10 per cent on fuel per year for adequate heating (usually 21 degrees Celsius for the main living area, and 18 degrees Celsius for other occupied rooms)

British Gas expects to transfer 15,000 customers who are currently on the Essential tariff into the Broader group in the first year, with the remainder of eligible customers being transferred the following year (2012-13). British Gas will also be signing up a larger amount of customers who are on standard tariffs for the WHD Broader group scheme.

Notification process and timings for Broader Group customers

Contact British Gas for specific dates, but the WHD rebate is likely to be paid in late Winter 2011/12.

Payments will only be made where customers are able to verbally, or where requested, in writing (by providing documentary evidence) confirm that they meet the scheme criteria.

All customers on the voluntary scheme will receive a letter, notifying them that their existing tariff is ending and that they will be transferred onto the Standard Domestic Tariff.

The letter will advise them to visit the British Gas website, or contact the company for further help and assistance to discuss other available tariffs, including the WHD scheme, and payment methods.

Letters will also include contact details for the specialist 'Home Energy Care' helpline for further assistance including advice on energy efficiency, the priority services register, debt management and benefits advice and the British Gas Energy Trust grant service.

Will there be transitional support for customers coming off the existing voluntary scheme?

No.

Contact details for the WHD scheme

Address:

Credit Customers (pay by Direct Debit or cash/cheque on receipt of a bill):

British Gas

New Bridge House

Leeds City Office Park

Kidacre Street

Holbeck

Leeds

LS11 5BD

Telephone: Home Energy Care team on 0800 072 8625

Pay As You Go (prepayment meter) Energy Customers:

British Gas

Number One

Waterfront Avenue

Edinburgh

EH5 1SG

Telephone: 0800 294 8604

Email/Web: Homeenergycare.leeds@centrica.com

Timing and notification process for people coming off existing social tariff in 2012-13

British Gas will commence this process during October 2011 providing 30 days' notice for the initial batch of customers coming off the current discounted (social) tariff. These customers will be invited to apply for the WHD Broader Group if they are eligible and asked to provide the relevant details. At some point after March 2012 British Gas will gradually write to all current social discounted customers explaining the process for transferring to WHD.

How will the WHD rebate be shown on bills or statements?

Paying by cash or cheque: 'Warm Home Discount' will be displayed on statements and bills as a credit.

Prepayment or Pay as you Go customers: 'Warm Home Discount' will be displayed on the customer's account. British Gas will send a letter advising that the credit for WHD has now been sent to their outlet for collection. The consumer will pick up the credit up by topping up at their usual outlet².

Paying by Direct Debit: the WHD will be credited to the customer's electricity account. It will not trigger a reassessment of Direct Debit payment levels until the normal time.

What other support does British Gas offer?

When discussing the WHD with customers, British Gas agents will perform an assessment for other available products and services such as the Priority Services Register (known as Home Energy Care).

Where customers are not eligible for the WHD, British Gas will offer the help and assistance appropriate to their individual circumstances, eg offering specialist services on the Priority Services Register, energy efficiency advice and debt / payment / benefits advice etc.

The British Gas Energy Trust fund will continue to offer extra support to consumers. Application forms can be gained by calling the helpline on 01733 421 060 or on the website at <https://bget.app.charisgrants.com>

3.2 E.ON Energy

Previous voluntary scheme:

WarmAssist: Offers eligible customers a 15 per cent discount off standard prices.

Existing E.ON customers can still transfer to WarmAssist. E.ON does not plan to close the scheme at this time.

E.ON's Age UK product also guarantees a cold weather payment to gas customers equal to a minimum of £10 per annum if aged between 60 and 79 or £20 per annum if aged 80 or over.

Core group customers

E.ON has been unable to confirm how many of its customers will receive the Core group rebate in 2011-12, other than it will be in line with their market share and overall customer numbers. All customers will receive the rebate by 31 March 2012 at the latest.

Broader group customers

Customers meeting one or more of the following criteria are invited to apply for the WHD:

1. A person who receives Income Support **and**
 - a. has a child under the age of five who lives with them **or**

² In the event that a consumer's meter cannot receive a message, a cheque or bar coded letter will be sent, again advising the payment is a result of WHD having been applied to their account.

- b. receives any one of the following benefits: child tax credit which includes a disability or severe disability element; a disabled child premium; a disability premium, enhanced disability premium or severe disability premium; a pensioner premium, higher pensioner premium or enhanced pensioner premium
- 2. A person who receives Income-related Employment and Support Allowance which includes a work-related activity or support component **and**
 - a. has a child under the age of five who lives with them **or**
 - b. receives any one of the following benefits: child tax credit which includes a disability or severe disability element; a disabled child premium; a disability premium, enhanced disability premium or severe disability premium; a pensioner premium, higher pensioner premium or enhanced pensioner premium
- 3. A person who receives Income-based Jobseekers Allowance **and**
 - a. has a child under the age of five who lives with them **or**
 - b. receives any one of the following benefits: child tax credit which includes a disability or severe disability element; a disabled child premium; a disability premium, enhanced disability premium or severe disability premium; a pensioner premium, higher pensioner premium or enhanced pensioner premium.
- 4. A person who receives State Pension Credit (either Guarantee only, Guarantee and Savings, or Savings only)
- 5. A person who receives Child Tax Credit where the relevant income is below £16,190

E.ON is unable to provide further details at this time on the number of customers who will receive the Broader Group rebate in 2011-12.

Notification process and timings for Broader Group customers

E.ON has no plans at present to remove customers from discounted tariffs.

E.ON is currently contacting customers it believes may be eligible for a Broader group rebate by telephone and by letter.

If customers confirm that they are in receipt of a qualifying benefit, listed above, E.ON will apply a £120 Warm Home Discount rebate to their electricity account by 31 March 2012.

E.ON may check for evidence of benefit entitlement prior to making the payment.

Transitional support for customers?

Customers will continue to receive existing discounted tariffs.

Where a customer is on a discounted tariff they may also be eligible to receive a Core group or Broader group payment on top of their existing discount.

Contact details for the WHD scheme

More information can be obtained by contacting E.ON's Caring Energy Service on 0800 051 1480.

How will the WHD rebate be shown on bills or statements?

Paying by cash or cheque: 'Warm Home Discount' will be displayed on statements and bills as a credit.

Prepayment or Pay as you Go customers: E.ON will send a prepayment voucher which can be exchanged for credit at one of the three National Service Providers (PayPoint, PayZone or the Post Office). There may be a small number of customers where E.ON cannot apply the rebate directly to their account because of system limitations. These customers will be sent a cheque.

Paying by Direct Debit: The WHD rebate will be treated in the same way as any other payment against the account. All accounts are reviewed at least annually at their spring review.

What other support does E.ON offer?

E.ON's communications to Core group customers will include details about the Priority Services Register and how to register.

The E.ON CaringEnergy Fund is a hardship fund designed to provide assistance to low income vulnerable households who are likely to be at risk of fuel poverty, with the costs of essential energy efficient appliances and with heating systems.

The CaringEnergy fund provides energy efficient A-rated appliances and/or energy efficient heating systems to successful applicants.

CaringEnergy fund applicants also receive an over the phone energy audit to ensure that they are using their new appliance or heating system in the most efficient way but also to see if they could reduce the amount of energy they use by being more efficient and therefore save money on their energy costs.

In order to be eligible applicants should have an annual household income under £16,190 per annum and there should be **one or more** of the following vulnerabilities in the household: long term sickness/chronic illness; a child under five or someone over the age of 70. For heating applications customers must be the owner of their property and should either have no central heating or have insufficient heating at their property.

Application forms for the CaringEnergy Fund are available from the CaringEnergy team – 0800 051 1480.

3.3 EDF Energy

Previous voluntary scheme

Energy Assist: This tariff offers EDF Energy's Direct Debit prices to customers most likely to be fuel poor, regardless of their payment method. Customers also receive a further £37.50 discount per fuel, per year as well as other benefits such as energy efficiency advice.

Energy Assist remains open to new and existing customers. EDF Energy is currently reviewing the implications of the WHD scheme on this tariff.

Core group customers

EDF Energy believes that a significant percentage of customers in receipt of their *Energy Assist* tariff will qualify for that rebate, as Pension Credit is one of the qualifying criteria. However, they are unable to provide details of the exact numbers of qualifying customers.

Broader group customers

Customers will qualify for the Broader group rebate if the bill payer or their partner is in receipt of the following benefits:

- Income Support or Income Related Employment Support Allowance or Income Based Job Seekers Allowance.

And **one** of the following:

- a. they are either in receipt of Long Term Incapacity Benefit or Severe Disablement Allowance or Disability Living Allowance (DLA), for themselves or a child living with them **or**
- b. have a child who was under five on the 1 April 2011 (ie born after 31 March 2006)

Notification process and timings for Broader Group customers

EDF Energy will invite customers to apply for the Broader group element of the WHD. This will be carried out in phases, so that the company can control demand for the rebate. This will be done via:

- Targeted mail communications to certain segments of customers
- Identifying applicants through usual customer contact
- Publicising the rebate through charities, disability and welfare organisations and creating referral pathways
- Entering into a more proactive and formal referral arrangement with an appropriate charity partner
- Use of the media to publicise the rebate

The rebates that EDF Energy may offer under the WHD scheme have much more restricted eligibility criteria than those used for the *Energy Assist* discounted tariff. As a result, EDF Energy has stated that is not in a position to simply migrate customers from one product to another.

Further details can be found on the EDF Energy website:

<http://www.edfenergy.com/products-services/for-your-home/safe-warm-and-well/warm-home-discount.shtml>

Transitional support for customers?

Customers will continue to receive the existing social tariff in the first year of the scheme; EDF Energy is currently reviewing the situation beyond that period.

Contact details for the WHD scheme

Telephone: 0800 096 9000

Website: <http://www.edfenergy.com/products-services/for-your-home/safe-warm-and-well/warm-home-discount.shtml>

How will the WHD rebate be shown on bills or statements?

EDF Energy will pay the rebate to recipients of the Broader group in March 2012. Core group recipients will be contacted separately by the DWP but will receive the rebate by 31 March 2012.

Paying by cash or cheque: The rebate will be clearly marked as a Warm Home Discount Rebate for Core group customers. It will be marked as the Support Plus Rebate for Broader group customers.

Prepayment or Pay as you Go customers: EDF Energy will be providing vouchers that allow for the rebate to be directly applied to the customer's electricity top-up key.

Paying by Direct Debit: The rebate will be applied directly to the account and displayed as Warm Home Discount or Support Plus Rebate. Direct Debit assessments are reviewed based on consumption so the WHD rebate will not impact on this.

When a Direct Debit review is carried out the credit would be used to clear any debt on the account but would not impact any future payment level assessments.

If a Core group recipient applies to transfer supplier after being assessed for the rebate, EDF Energy will still issue a cheque for that current year. Broader group rebate customers who leave EDF Energy before the rebate is paid in March 2012 will not receive the rebate.

What other support does EDF Energy offer?

The EDF Energy Trust helps people in poverty, suffering or distress who are struggling with their gas and/or electricity debts by awarding grants to clear those debts. The Trust also offers help via Further Assistance Payments – grants to clear other essential household debts or costs, including water/sewerage debts. The aim of the Trust is to give vulnerable individuals a fresh start and enable them to keep free of debt going forward.

Applications can be made in writing:

Freepost RLXG-RBYJ-USXE

EDF Energy Trust

PO Box 42

Peterborough PE3 8XH

By fax: 01733 421020

By e-mail: edfet@charisgrants.com

Application form request line:

01733 421060

3.4 Scottish & Southern Energy

Previous voluntary scheme

energyplus Care: This tariff offers Scottish & Southern Energy's lowest price regardless of payment method. Customers' continuing eligibility for the tariff is reviewed on an annual basis. Recipients also receive other benefits such as free energy efficiency measures and advice. This tariff was closed to new applicants on 30 June 2011, and immediately replaced with the WHD.

Just over 20,000 of customers currently on energyplus Care will come to the end of their term on the tariff up to 31 March 2012 and Scottish & Southern Energy will work with those customers to assess their eligibility for the WHD scheme.

For those customers who do not qualify or do not apply for the WHD scheme, Scottish & Southern Energy will arrange for them to be provided with a £50 rebate on each account to assist them in the transition from energyplus Care onto a new tariff.

Core group customers

Scottish & Southern Energy estimates that approximately 149,000 customers will receive the Core group rebate in 2011-12.

Broader group customers

The qualifying criteria for the Broader group recipients include:

1. People in receipt of Pension Credit (who do not fit the Core Group criteria because they have Savings Credit only, or both Guaranteed and Savings Pension Credits) **or**
2. People who receive any of the benefits detailed in List A if they also have one of the components in List B:

List A:

- Income Support
- Income-related Employment and Support Allowance which includes a work-related activity or support component
- Income-based Job Seeker's Allowance

List B:

- a child under the age of five years old living at home
- Child Tax Credit which includes a disability or severe disability element
- a disabled child premium
- a disability premium, enhanced disability premium or severe disability premium
- a pensioner premium, higher pensioner premium or enhanced pensioner

Scottish & Southern Energy has estimated that the minimum number of customers receiving the Broader group rebate in each year of the scheme will be equal to:

- 2011-12: 4,805
- 2012-13: 65,076
- 2013-14: 117,333
- 2014-15: 115,714

Notification process and timings for Broader Group customers

As customers on the energyplus Care tariff come to their annual review, Scottish & Southern Energy will write to them outlining the details of the WHD scheme, and the eligibility criteria for the Broader Group.

Scottish & Southern Energy will encourage eligible customers to contact them. Customers should have an electricity account with the company.

When contact is made Scottish & Southern Energy will check the customer's eligibility and if the Broader group criteria is met, the customer will receive a letter confirming their entitlement to the rebate. Customers will also be made aware that the rebate is subject to them providing proof of benefits if requested.

Scottish & Southern Energy has not yet confirmed the timing of the payments to Broader group customers. Payments will be made by 31 March 2012 at the latest.

Transitional support for customers?

Existing energyplus Care tariff customers who are not eligible for the new WWD scheme will be transferred onto their previous tariff.

If this tariff no longer exists the customers will be transferred onto Scottish & Southern Energy's standard tariff. In this instance Scottish & Southern Energy will notify customers that the standard tariff may not be the cheapest tariff. The review letter, explained above, will provide details of what will happen.

Additionally, any customers being removed from the energyplus Care tariff, who are not eligible for assistance under the WHD, will be given a one-off rebate of £50 per energy account. The rebate will be awarded in the same financial year as their transfer off the tariff eg a dual fuel customer coming off the energyplus Care tariff in December 2011 will receive a £100 rebate by 31 March 2012.

Contact details for the WHD scheme

Address:

FREEPOST

PO Box 224

Havant, PO9 9DG

Telephone: 0800 300 111

Email: priority.services@scottish-southern.co.uk

How will the WHD rebate be shown on bills or statements?

Scottish & Southern Energy has not yet confirmed the timings for the payment of the WHD rebate. However, all payments for this current year will be made by 31 March 2012.

Paying by cash or cheque: The rebate will be shown as a credit on the bill and clearly marked as a Warm Home Discount Scheme.

Prepayment or Pay as you Go customers: The rebate will be credited to the account when the key is charged at a Paypoint outlet.

Paying by Direct Debit: The rebate will be applied directly to the account as a credit and displayed as Warm Home Discount Rebate. This amount will be taken into account at the customer's next Direct Debit review.

What other support does Scottish & Southern Energy offer?

Scottish & Southern Energy's frontline staff are trained to identify signs of vulnerability and ensure the appropriate Priority Services Register markers are added to the customer's account.

They also strive to ensure that when speaking to customers with a Priority Services Register marker on their account that appropriate offers of assistance are made.

Scottish & Southern Energy is presently finalising its arrangements for wider assistance under the industry initiatives section of the WHD scheme. Further details can be obtained by contacting the company directly.

3.5 ScottishPower

Previous voluntary scheme:

Fresh Start: This tariff offers the lowest prices regardless of payment method. Open to Direct Debit and standard credit customers as a tariff. Customers with a prepayment meter receive a rebate equivalent to the average savings they would have received on the social tariff.

The tariff was closed to new applicants on 31 March 2011.

ScottishPower does not intend to transfer any customers from Fresh Start to the WHD during the first year of the scheme (2011-12). This will be reviewed regularly.

Core group customers

ScottishPower has been unable to confirm how many of their customers will receive the Core group rebate, but it be in line with their market share and overall customer numbers.

Broader group customers

At time of going to print ScottishPower was unable to confirm the specific eligibility criteria or numbers who will receive the Broader group discount as it was awaiting approval from Ofgem. More information can be gained by contacting its Social Responsibility Support Team on 0800 027 2700.

Notification process and timings for Broader Group customers

To be confirmed. All payments for 2011-12 will be made by 31 March 2012 at the latest. ScottishPower will inform customers in advance of any changes to their current tariff.

Transitional support for customers?

The existing social tariff (Fresh Start) will be ring fenced and provided to existing customers who are on the tariff at the moment.

Contact details for the WHD scheme

Address:

SRST Team
ScottishPower
Ground Floor
New Building
Spean Street
Glasgow, G44 4BE

Telephone: Contact Social Responsibility Support Team on 0800 027 2700 between 8am and 5pm, Monday to Friday.

Email: carefree@scottishpower.com

How will the WHD rebate be shown on bills or statements?

ScottishPower has not yet confirmed the timings for the payment of the WHD rebate. However, all payments for this current year will be made by 31 March 2012.

Paying by cash or cheque: The rebate will be shown as a credit on the bill and clearly marked as a Warm Home Discount Scheme.

Prepayment or Pay as you Go customers: The rebate will be credited to the account when the customer tops up at an outlet.

Paying by Direct Debit: The rebate will be applied directly to the account as a credit and displayed as Warm Home Discount Rebate. This amount will be taken into account at the customer's next Direct Debit review.

What other support does ScottishPower offer?

ScottishPower will be writing out to all Core group customers and encouraging them to join the Priority Services Register (Carefree). Eligible Broader group customers will also be encouraged to sign up to the Carefree service during the application process.

ScottishPower offers a range of assistance aimed at helping its most vulnerable customers. The key elements of their approach include:

- Writing separately to all Core group customers to offer them access to free loft or cavity wall insulation. This offer will also be made to customers who qualify for a Broader group rebate
 - The ScottishPower Energy People Trust remains a key element of their fuel poverty strategy. The trust accepts applications from not for profit organisations and charities who represent those living in, or at risk of, fuel poverty. Applications are assessed by an independent board of trustees. To date the Trust has awarded over £9 million to 174 projects supporting 1.5 million people in 1.3 million households
 - Community Liaison Officers – The ScottishPower Community Liaison programme is a service designed to help those customers most in need. The programme is available to all vulnerable customers and aims to provide support and guidance on a range of issues in the comfort of the customers' home. ScottishPower has 13 Community Liaison Officers covering the whole of Scotland, Wales and the majority of England. Their expertise allows for informed discussion on all aspects of both electricity and gas usage
 - Social Responsibility Support Team – ScottishPower have established the Social Responsibility Support Team to provide dedicated support and guidance to all external agencies dealing with vulnerable customers who are having difficulties meeting their payments for fuel. This team provides unique support for vulnerable customers, including management of Carefree service support (Priority Service Register customers), and managing the relationship with the Department of Work and Pensions via the Fuel Direct scheme
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3.6 npower

Previous voluntary scheme:

Spreading Warmth: Tariff offering saving on average of around 10 per cent to 15 per cent against npower's standard prices, with customers on Spreading Warmth paying the same regardless of payment method.

The Spreading Warmth Tariff will continue until around the end of 2013 and until these point customers already on the tariff will therefore continue to receive the benefit and transitional support. During this time customers will be given the opportunity if eligible to move over to the WHD, and some may be receiving this already through the core group. If at the end of 2013 they are found not to be eligible for the WHD they will likely be moved to an appropriate standard tariff.

Core group customers

In the first year npower expect to help around 80,000-85,000 customers; these volumes will rise in year 2 onwards.

Notification process and timings for Broader Group customers

If in receipt of one of the following benefits:

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance which includes a work-related activity support component.

AND also one of the following:

- a disability premium, enhanced disability premium or severe disability premium
- a disabled child premium
- Child Tax Credit that includes a disability or severe disability element
- a child under five living with you

The eligibility will be reviewed each year and so could be updated in future scheme years.

In year 1 npower currently expects to help around 5,000 customers; this will rise in year 2 to around 40,000 and 75,000 in years 3 and 4. These volumes are subject to change and may fluctuate.

npower will identify customers internally through existing contact made with their general contact centres, specialist teams and then externally through a range of partners. This will be very similar to how customers were signed up to the Spreading Warmth Tariff. This will occur between August 2011 and around the end of January 2012.

Transitional support for customers?

The Spreading Warmth Tariff will continue until around the end of 2013, and until this point customers on the tariff will continue to receive the benefit and transitional support.

During this time customers will be given the opportunity, if eligible, to move over to the WHD, and some may be receiving this already through the Core Group.

If at the end of 2013 they are found not to be eligible for the WHD, they will likely be moved to an appropriate standard tariff.

Contact details for the WHD scheme

npower has a specialist telephone number for the WHD (0800 980 5525).

Third parties can continue to refer any customers for these measures and can do so through the specialist telephone number (0808 172 6999)

For further details please visit www.npower.com/spreadingwarmth

How will the WHD rebate be shown on my bill or statement?

npower has not yet confirmed the timings for the payment of the WHD rebate. However, all payments for this current year will be made by 31 March 2012.

Paying by cash or cheque: The rebate will be shown as a credit on the bill and clearly marked as Warm Home Discount.

Prepayment or Pay as you Go customers: The rebate will be received through Post Office vouchers which are sent to customers in the post.

Paying by Direct Debit: The rebate will appear as a distinct item on the bill and will include text stating it is the Warm Home Discount. It will not affect any calculations regarding Direct Debit assessment levels.

What other support does npower offer?

npower will be logging internal vulnerability flags and asking customers if they would like to go on the Priority Services Register, if appropriate, when setting an eligible customer up on the WHD.

npower's Energy Fund has been set up to help npower customers who are struggling to pay for energy debt. The npower Energy Fund operates through funds donated by npower and is impartially administered by Charis Grants.

The Fund may be able to help customers with domestic energy debts and in certain circumstances the Fund can help to clear other priority debts and purchase essential household items such as a refrigerator or cooker. These are known as Further Assistance Payments (FAPs). Customers can apply for such help even if they do not apply for help with energy charges.

Apply online www.npowerenergytrust.org.uk

Contact the Trust's Application Forms Request Line on telephone number on 01733 421 060 to request an application form, which will be sent to complete and return.

4. Switching supplier

Core group: Switching supplier should not impact on the WHD as this is automatically processed by the DWP.

Broader group: If a consumer switches energy supplier they will have to inform their existing and new supplier of the status of the application for the WHD. Most suppliers will only pay the WHD to existing customers; therefore if transfer to a new supplier occurs before the discount is due to paid by the existing supplier is likely that the rebate won't be received. A new application to the new supplier would then need to be made.

It is important to bear in mind that suppliers will have different qualifying criteria for the Broader group rebate, therefore it is possible consumers may not qualify for the Broader group discount with a new supplier. For more information please contact the supplier directly.

5. Not eligible for the WHD, what other help is available?

Suppliers can provide information on what other help is available. Some suppliers may still be offering a discounted social tariff, or consumers may also be eligible for their Priority Services Register if deemed elderly or vulnerable. It is worthwhile contacting the supplier to discuss what other support may be available as suppliers have an obligation to take circumstances into consideration.

6. Who can be contacted for further advice other than suppliers?

Consumer Direct (08454 04 05 06) is the Government-funded consumer advice service. It offers information and advice on problems with goods and services, energy and post.



Consumer Focus briefing on the Warm Home Discount

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