

Cost of living  
mortgage  
water  
gas



## COST OF LIVING CRISIS

Are you worried about the recent rises in the cost of living? Do you have concerns about whether you will have to choose between 'eating or heating' due to the significant rises in fuel costs? From energy bills to petrol pump prices, from groceries, council Tax and mobile phones and broadband increases etc. households across the UK are facing huge increases in their daily cost-of-living.



Struggling to make ends meet is nothing new for many people. But as the price of heating your home, filling up your car, or paying for the weekly food shop has soared record numbers of people are quite rightly worried about how they will manage. Those who were already on limited incomes are being pushed further into financial hardship, and even poverty.

These are challenging times and worries around household finances is currently having an impact on many people in the UK across all levels of society. While all households across the UK will be hit, Britain's poorest households are expected to be hit hardest by the worrying increase in energy bills as those households spend proportionately more of their income on energy.

## WHAT BILLS HAVE GONE UP & WHAT HELP IS AVAILABLE?

### ENERGY BILLS

The biggest worry for millions of households right now is the cost of energy bills. This has been the case for many months, and it has become much worse since the arrival of the new energy price cap level on 1 April 2022. Worse still, bills are set to rise further in October when Ofgem's next price cap level takes effect.

**Support if you are struggling** - Energy companies are required by Ofgem, the regulator, to offer payment plans to customers struggling to pay their bills, and emergency credit to prepayment customers who cannot afford to top up.

Even if you have previously agreed a payment plan or payment holiday with your supplier, you are entitled to ask for more time to pay and for access to hardship funds.

Hardship funds can clear energy debts for struggling household that meet specific criteria. British Gas, EDF Energy, E. ON Energy and Scottish Power each have their own version of a hardship fund that you can apply for (see the links at the end of this factsheet). In the case of British Gas, you do not need to be one of its customers to apply. Please note that some supplier's hardship funds are administered by independent third parties like Charis and Social Enterprise Direct.

# WHAT IS THE UK GOVERNMENT DOING TO HELP WITH THE ENERGY CRISIS?

**Energy Price Guarantee** – From 1st October the Government has revised the Energy Price Guarantee to help reduce the cost of electricity and gas so a typical household will save around £700 this winter, based on what energy prices would have been under the current price cap. The Energy Price Guarantee will run until 31 March 2023 with a review being launched by Government

to consider more targeted measures after this period.

The consumer saving will be based on usage, your actual bill and savings could be higher or lower depending on the size of your home, how well it's insulated and how many people live there and how much energy you use. As an example:

Electricity Supplier	Monthly direct debit	Standard Credit	Smart pre-payment meter	Traditional pre-payment meter
EDF Energy	Credited automatically to your bank account	Credited automatically to your energy account	Credited automatically to your electricity account – but will be able to switch it to gas account by contacting EDF	Voucher sent (via text, e-mail or post) to be used on gas or electricity when you are topping up as normal (make sure supplier has up to date contact info)

Those who live off-grid in the UK and use alternative fuels such as heating oil or LPG will receive an extra £100.

As well as the Energy Support Scheme, there is other help available depending on your circumstances:



**Cost of Living Payment** – Households on means tested benefits, including Universal Credit, Pension Credit and Tax Credits, will receive a payment of £650 this year.

This will be made automatically in two instalments, one in summer and another in the autumn, and is in addition to the £400 discount on energy bills.

**Disability Cost of Living Payment** – Individuals on disability benefits will receive a one-off £150 payment in September to help with extra costs, such as specialist equipment or transport. This is in addition to the £650 Cost of Living Payment for disabled people who also receive means tested benefits.

**Pensioner Cost of Living Payment** – In the winter months pensioners can get between £100 and £300 to help pay heating bills (Winter Fuel Support Allowance). This winter, they will also receive an extra 'one-off' £300 Pensioner Cost of Living Payment, which will be paid as an automatic top-up to the Winter Fuel Payment.



**The Winter Fuel Support Allowance** – pays between £100 and £300 towards energy bills if you were born on or before 25 September 1956. You will get the Winter Fuel Payment automatically (you do not need to claim) if you are eligible and either:

- Get the State Pension
- Get another social security benefit (not including Adult Disability Payment from the Scottish Government, Housing Benefit, Council Tax Reduction, Child Benefit or Universal Credit)

If you do not get either of these, or if you live abroad, you may need to make a claim. If you've got a Winter Fuel Payment before, you do not need to claim again unless you've deferred your State Pension or moved abroad.

**The Cold Weather Payment** – pays £25 for every seven days of very cold weather between November and March.

**The Warm Home Discount** – If you receive Pension Credit or live on a low income, you may also be eligible for the £150 Warm Home Discount.

In Wales, the [Winter Fuel Support Scheme](#) pays £200 per year to qualifying households.

In Scotland, the [Child Winter Heating Allowance](#) pays £202 a year per disabled child and person under 19.

**0% VAT on Energy Saving Materials** – It will be cheaper for you to install energy saving materials such as thermal insulation or solar panels with 0% VAT for the next five years, helping to improve energy efficiency in your home and keep heating bills down.

## DAILY LIVING



**PETROL & DIESEL** – Rising oil prices have also made filling up the car expensive. In his recent Spring Statement, the Chancellor Rishi Sunak announced a 5p-a-litre cut in fuel duty for a period of 12 months, with effect from 23 March 2022.



**FOOD** - If you are struggling to pay for food, you might get help from a food bank. Please note you will need to be referred. Food banks are community organisations that can help if you cannot afford the food you need. A good place to ask for a referral is your nearest local Citizens Advice Bureau. Tell them you need the food bank – they will make you an appointment to discuss your situation with an adviser either by appointment in the local office or on the telephone (you need to have to hand your income and expenditure figures). The CAB adviser will also check to see if you are eligible for any other welfare benefit support or refer you to one of their in-house Debt advisers if you have debts (never ignore debt, seek advice and help).

If you cannot go to Citizens Advice you can ask for a referral from an organisation that is already supporting, you i.e., school or children's centre. Your local council might also be able to tell you how to get a referral to a food bank. When you contact your local council, ask if there is a local welfare assistance scheme that can help you as well as the food bank. You might be able to get vouchers for things like clothes or petrol.

If you need to use the food bank more than once, you will need a further referral. If you have been told your food bank has a limit on the number of times you can visit, it is still worth asking if you really need the food. If you are in this situation, talk to a CAB adviser. The adviser will ask you some questions about why you still need to use the food bank. They will refer you if they agree it is the best way to help you.

If you're over 18, you can use the [Turn2us benefits calculator](#) to check which benefits you can get.



**COUNCIL TAX** - People living in homes rated with council tax bands A to D will be eligible for a rebate of £150 from April to ease cost of living pressures. However, if you pay your council tax by direct debit, this will be paid into your account automatically. Otherwise, you should check with your local council to see how you can access the funds.

**Please note:** Council Tax payments should be considered as a priority, as you can be taken to court by your local authority for failing to pay. Certain households qualify for concessions i.e., 25% single person discount if you live alone. If you cannot pay your council tax when due, contact your local authority to try to make an alternative arrangement. You may be able to spread your payments over 12 months instead of 10 etc.

### Check what help you can get from your local council:

Your local council might give you vouchers to help pay for day-to-day essentials like:

- a hot meal
- second-hand furniture
- household appliances, for example a cooker

This help is known as 'welfare assistance' or the 'Household Support Fund.' Each council runs their own scheme. The help on offer and who can get it varies. [Find your local council on GOV.UK](#) and ask them if they run a welfare assistance or Household Support Fund scheme that could help you.

You do not have to be getting benefits to get help from your local council. If you do get benefits, they will not be affected if you start getting money from a welfare assistance or Household Support Fund scheme.

### Get an interest-free loan to pay for essentials

You might be able to get what is called a 'budgeting loan' for essentials like clothing or a washing machine if you claim certain benefits.

You might be eligible if you get:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- Pension Credit

The loan is interest-free, so you will only have to pay back what you borrow. You will usually need to pay back the loan within 2 years.

## WHAT ELSE CAN YOU DO TO SURVIVE THE CRISIS?

There are some strategies that could make a worthwhile difference to your household budget:

### Plan and Write Out a Budget Sheet

Many of us have an estimate in our head about what we get in and what we pay out but when money is tight you need to be as accurate as possible right down to the last penny. Therefore, sit down and write out the exact income figures coming into your household either monthly/or weekly. Then on the opposite side record all **essential** expenditure i.e., mortgage/rent, utilities, telephone/broadband etc.

Look to see if there is any savings you could make on expenditure by either cutting them out all together or perhaps you could find a better deal elsewhere. Consider setting up a direct debit for essential expenses so that you know that these bills are covered, and you won't get into arrears (where possible ask your provider to set up your direct debit payment on a date each month when the majority of your money comes into your account i.e. salary, pensions and welfare benefits).

State Retirement Pensions are paid every 4 x weekly, but occupational pensions are usually paid on the same date each month. If your main income is your state retirement pension/pension credit or welfare benefit income (paid every 4 x weeks) speak to your bank for advice on what date would be best to set up a direct debit payment to make sure you have enough funds in your account during the month to ensure your direct debits are paid.

**Look For Cheaper Insurances** – When it comes to annual insurance policies, such as your home and car insurance, make sure you have compared costs from the wider market before you automatically renew with the same provider. Switching is quick and easy and could save hundreds of pounds over the course of the year.

### Take Advantage of Supermarket Discount/Rewards

– Shop around for item reductions and collect points. These points can then be redeemed for a discount off the cost of your grocery shopping.

**Make Positive Lifestyle Changes** – Small changes to daily behaviours can also help each day. For example, make a commitment to use less energy. This could simply mean hanging out washing as the weather improves rather than using the tumble drier, turning the heating down by a degree or two, or switching off lights or radiators in rooms that you do not use.

When outside of the home, forward planning for a day out or simply going to work savings can be achieved. Changes such as finding free parking, walking, or cycling instead of driving, carpooling with colleagues or taking public transport can save you money and swapping a bought lunch and coffee for one you've pre-packed and taken with you will be much cheaper. Making changes, even small changes can be positive and rewarding and will give you greater control of your finances.

**Spring Clean Your Current Account** – It is worth looking through your direct debits and standing orders to uncover any costs that you are paying for unnecessarily e.g., subscriptions or services that you are no longer using.

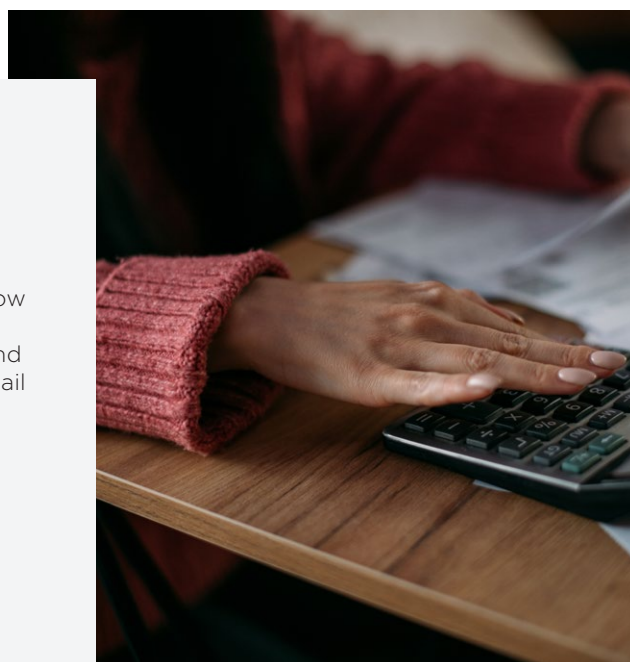
When you are sure that your regular outgoings are as lean as they can be, check to see if there are any income-related benefits or grants you could be missing out on. If you are 18 years or older you can access a government approved benefits and grants calculator such as Turn2Us (see link below).



### IF YOU ARE GETTING INTO DEBT

If you are worried about getting into debt or are in debt now and need help and advice, the charities listed below offer free, impartial advice. Never pay for advice around debt and never share details with companies contacting you by e-mail or phone.

- National Debt Line – Call for free advice on 0808 808 4000 or contact online at [nationaldebtline.org](https://www.nationaldebtline.org)
- Step Change – Call 0800 138 1111, Monday to Friday 8am to 8pm and Saturday 8am to 4 pm, or online at [stepchange.org](https://www.stepchange.org)
- Citizens Advice – Customer Services 0808 223 1133 or contact online at [citizensadvice.org.uk](https://www.citizensadvice.org.uk)





## USEFUL ORGANISATIONS

### Energy Company Hardship Funds:

- British Gas - [britishgasenergytrust.org.uk](http://britishgasenergytrust.org.uk)
- Scottish Power - [www.sedhardship.fund](http://www.sedhardship.fund)
- EDF Energy & E.ON Energy - [forms.lets-talk.online/Login](http://forms.lets-talk.online/Login)
- Warm Home Discount Scheme - [gov.uk/the-warm-home-discount-scheme](http://gov.uk/the-warm-home-discount-scheme)

Turn2us Benefits Calculator - [benefits-calculator.turn2us.org.uk](http://benefits-calculator.turn2us.org.uk)

Officers' Association, Grants and Welfare  
T: 020 7808 4175 | E: [help@officersassociation.org.uk](mailto:help@officersassociation.org.uk)  
[officersassociation.org.uk](http://officersassociation.org.uk)

**EVERY OFFICER  
EVERY FAMILY**



**OFFICERS'  
ASSOCIATION**

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