

# **Home Energy Efficiency Programmes for Scotland**

## **Benefit and Tax Credit Checks Evaluation**

March 2015

## Executive summary

In November and December 2014 the Energy Saving Trust carried out an evaluation of the value of benefits secured by people that had been referred for a benefit and tax credit check under the Home Energy Efficiency Programmes for Scotland (HEEPS) national scheme between April 2013 and July 2014. The aims of the evaluation were to quantify the additional income obtained by householders referred for a benefit check (i.e. how much they get in additional benefits/tax credits) and to understand any additional benefits that are achieved as a result of being referred.

The evaluation found that 11% of households who had referrals for benefit checks saw an increase in their benefits and the average annual increase in benefit for those households is £2,540. Customers aged below 60 who had increased benefits as a result of a check carried out by Citizens Advice Direct saw an average annual household increase of £2,844; those aged 60 or over who saw an increase as a result of a check from the Department for Work and Pensions saw an average annual household increase in benefits of £2,484. Using these figures, the annual value of actual increase in benefits resulting from benefit checks carried out under HEEPS in 2013/14 (9,841 individuals referred) is £1.95million for those referred for a check from DWP and £425,000 for those referred for a check from CAD; a total of **£2.4million annual increase**. We assume that this increase in benefits is secured for one year only although for many people the benefits will be claimed for more than one year.

11% of customers referred to DWP reported having received further additional help and support ranging from health and personal care and advice, through home maintenance, safety and security and adaptations, to financial help other than benefits.

## 1. Introduction

The Home Energy Efficiency Programmes for Scotland (HEEPS) prioritise action to tackle fuel poverty while maximising the measures and funding opportunities available to all. HEEPS started in April 2013, and aims to cover the whole of Scotland in around 10 years. The potential funding available is an estimated £200 million per annum, made up of Scottish Government money (including the Warm Homes Fund), Energy Company Obligation (ECO) funds and contributions from householders themselves (including via Green Deal). Local councils have a key role to play in delivering the programme as an element of HEEPS is area-based local authority designed and led schemes (the HEEPS Area Based Schemes or HEEPS: ABS); other elements of the programme are national and available to all fuel poor households.

As part of HEEPS customers can be referred for benefit and tax credit checks. Those aged 60 or over are offered income maximisation checks by the Department for Work and Pensions (DWP). DWP check the records they hold on every client referred. If either an entitlement check has been conducted within the last 6 months, or the records indicate that no further entitlements are likely, then no further action is taken. For the remainder of the clients, contact is made, a check is undertaken (often, but not always, face to face) and assistance given to apply for any benefits or tax credits to which the client is entitled.

For those under 60, customers are referred to Citizens Advice Direct (CAD) for the entitlement check. They attempt to contact the customer and gather additional information before advising the customer on whether it is likely that they will be able to access specific benefits or tax credits. It is then up to the customer to complete the forms necessary to apply for these benefits. CAD does not complete the forms on behalf of the customer or assist the customer in completing the forms. However CAD attempt to call the customer back around two weeks from their first contact with CAD and check if they've completed the forms. If the customer hasn't completed the forms, CAD suggests where they can go for help with filling them in.

### **1.1 Evaluation objectives**

The Energy Saving Trust has carried out an evaluation of the benefits received by those that have been referred for a benefit and tax credit check under the Home Energy Efficiency Programmes for Scotland national scheme. The evaluation has two aims:

- The main aim is to quantify the additional income obtained by householders referred for a benefit check (i.e. how much they get in additional benefits/tax credits).
- A secondary aim is to understand any additional benefits that are achieved as a result of being referred to DWP.

## 2. Methodology

Energy Saving Trust commissioned Ipsos Mori to contact customers that had been referred to CAD and DWP for a benefit and tax credit check. As the main objective of the work was to quantify the increase in benefits received as a result of the referral, customers were asked a number of screening questions and those that had not seen an increase in their benefits were screened out. Only those that had seen an increase in their benefits since the referral completed the full interview. The aim of the work was to obtain 200 interviews from those that had seen a benefits increase after a referral: 100 after referral to CAD and 100 after referral to DWP. The breakdown of those that were screened out is included in section 3 of this report.

Customers contacted for the survey had been referred to DWP and CAD between April 2013 and July 2014. Table 1 shows the number of households referred to DWP and CAD in these periods (households may have had more than one referral where more than one person in the household was potentially eligible):

**Table 1: Households with DWP and CAD referral(s)**

	Households with DWP referral(s)	Households with CAD referral(s)
April 2014 - July 2014	1,292	809
April 2013 – March 2014	5,831	3,242

Contacting customers from this time period allowed customers to have had enough time to have, in most cases, applied for and received benefits following their referral. This period also went far enough back in time that there was a good-sized sample from which to obtain data. In total, 1,868 customers were spoken to and 189 customers completed the full interview.

Where more than one person in a household had been referred, only one person was interviewed but information was obtained about the benefits received by themselves and their partner. In 2013/14 there were 9,841 referrals covering 9,073 households.

### 3. Results

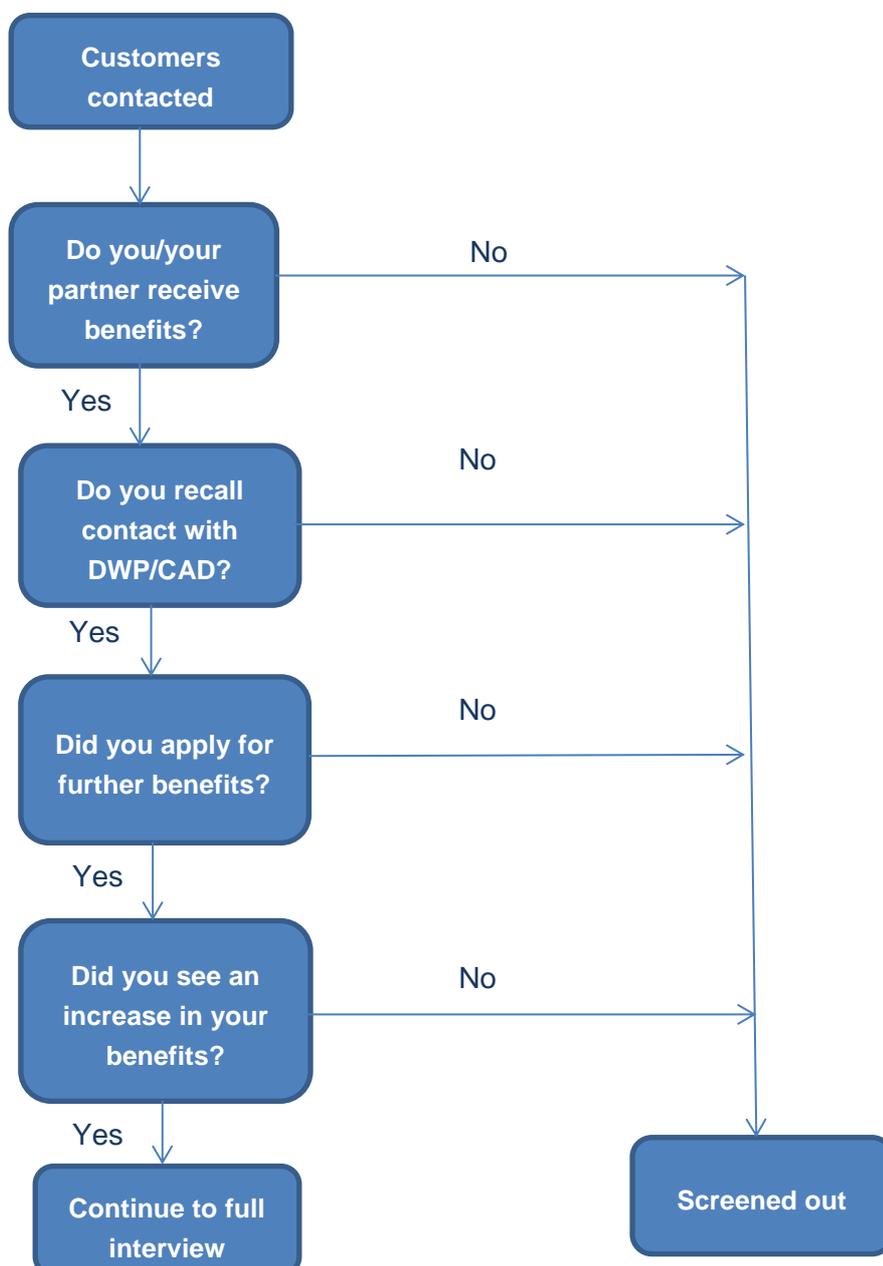
#### 3.1 Customers completing the survey

Customers were asked a series of questions about whether they:

- Were in receipt of benefits.
- Recalled contact from CAD/DWP.
- Applied for benefits and if so whether they saw an increase in their benefits.

The following flow chart shows the process followed to arrive at the sample of customers who had seen an increase in benefits.

**Figure 1: Process for screening out customers**



The aim of the work was to obtain 200 interviews from those that had seen a benefits increase: 100 after a referral to CAD and 100 after a referral to DWP. The number of households that had been referred to CAD and recalled being contacted by them was lower than initially anticipated and this meant that a larger number of customers needed to be contacted to try to obtain the 100 interviews required. We were unable to obtain 100 interviews as the sample was not large enough and so extra interviews were completed with households referred to DWP to achieve a larger and therefore more robust overall sample. The following table shows the number of households screened out at each stage:

**Table 2: Number of households contacted and screened out**

	CAD	DWP	Total
<b>Number of households contacted</b>	<b>1,067</b>	<b>801</b>	<b>1,868</b>
<i>Screened out due to not receiving benefits</i>	350	169	519
<i>Screened out due to not recalling DWP contact</i>	n/a	206	206
<i>Screened out due to not recalling support from DWP in applying for further/new benefits</i>	n/a	226	226
<i>Screened out due to not recalling CAD contact</i>	329	n/a	329
<i>Screened out due to not recalling CAD advising on being able to get an increase in benefits</i>	224	n/a	224
<i>Screened out due to not going on to apply for benefits following CAD contact</i>	24	n/a	24
<i>Screened out as they have not seen an increase in benefits</i>	27	39	66
Refused to conduct/complete interview	49	36	85
<b>Completed interviews</b>	<b>64</b>	<b>125</b>	<b>189</b>

91 households who had been screened out were in the process of applying for further benefits (58 that had been referred to CAD and 33 that had been referred to DWP). The majority of these had been referred in 2013/14 and so we do not believe they were awaiting the outcome of a recent referral, but rather that they were applying for these benefits on their own initiative.

Overall, 6% of households spoken to that were referred to CAD and 16% of households spoken to that were referred to DWP (excluding those that refused to complete the interview) went on to complete an interview.

### 3.2 Customers seeing an increase in benefits

Customers that completed a full interview were asked questions on:

- What benefits they were on
- What benefits they have started to claim or seen an increase in since the contact with DWP/CAD
- The amount they receive in benefits
- The amount they previously received in benefits
- Whether the increase was as a result of their contact with CAD/DWP

In total, 189 customers answered the above questions; in response to these questions the following customers were excluded from the quantification of benefits analysis:

- 13 customers mentioned wider benefits for example grants for boilers or the Energy Assistance Scheme. Whilst they would have received this support through Home Energy Scotland it was not the focus of this evaluation.
- 11 customers mentioned that their increase in benefits had been due to reasons other than the CAD/DWP contact. This was mainly due to either a change in personal circumstance which meant they were eligible for further benefits (which they were aware of anyway) or they had been helped by a different organisation.
- 15 customers felt their benefits had increased but were unable to provide information on the amount they received in benefits or how much it had changed since before the benefits check.

The remaining 150 customers (8% of those spoken to) saw an increase in benefits and have been included in the quantification of benefit increases (103 or 13% from the DWP sample and 47 or 5% from the CAD sample).

Customers reported seeing an increase in the following benefits, with attendance allowance and pension credit being the most common:

- |  |   |
|--|---|
| • Income support (2 respondents)                   | • State retirement pension (9 respondents)      |
| • Employment and support allowance (7 respondents) | • Winter fuel payment (6 respondents)           |
| • Working tax credit (14 respondents)              | • Incapacity benefit (2 respondents)            |
| • Child tax credit (4 respondents)                 | • Disability living allowance (24 respondents)  |
| • Housing benefit (2 respondents)                  | • Personal independence payment (4 respondents) |
| • Council tax benefit (10 respondents)             | • Pension credit (35 respondents)               |
| • Child benefit (1 respondent)                     |   |
| • Attendance allowance (35 respondents)            |   |

In addition, 30 customers that have already reported an increase are also in the process of applying for further benefits.

Overall, if the data is weighted to be representative of all households with referrals to CAD or DWP (i.e. it takes into account that there are a higher proportion of DWP referrals compared to referrals to CAD) 11% of households referred for a benefits check saw an increase in their benefits as a result of the referral.

### 3.3 Quantifying the increase in benefits

Customers were asked to provide information on the amount they received in benefits so that any increase could be estimated. For those that have seen an increase in their benefits and were able to estimate the amount, annual household increases have been calculated – these are shown in the table below:

**Table 3: Increase in benefit amount by household as a result of the HEEPS benefit check referral(s) (150 households)**

	Minimum increase reported	Maximum increase reported	Average increase reported <sup>1</sup>
Monthly increase	£1.80	£1,100.00	£212
Annual increase	£21.60	£13,200.00	£2,544

Tables 4 and 5 provide this information split by households referred to DWP and CAD customers:

**Table 4: Increase in benefit amount by household as a result of the HEEPS benefit check referral(s) – DWP referrals (103 households)**

	Minimum increase reported	Maximum increase reported	Average increase reported
Monthly increase	£1.80	£800.00	£207
Annual increase	£21.60	£9,600.00	£2,484

**Table 5: Increase in benefit amount by referral as a result of the HEEPS benefit check referral(s) – CAD referrals (47 households)**

	Minimum increase reported	Maximum increase reported	Average increase reported
Monthly increase	£10.00	£1,100.00	£237
Annual increase	£120.00	£13,200.00	£2,844

As shown in table 3 this equates to an average annual increase of £2,544 for households that have seen an increase in their benefits.

In total, the increase in the amount of benefits received as a result of their benefit check referral by customers who completed the interview is estimated to be £390,000. This equates to an average annual increase of £261 per household (£334 for households with DWP referrals and £131 for households with CAD referrals<sup>2</sup>). If this is looked at on a per referral basis (as some households may have more than one referral where more than one person in the household may be eligible for benefits) this equates to an average annual increase of £241 per referral (£302 for referrals to DWP and £125 for referrals to CAD).

<sup>1</sup> Weighted to take into account that there are a higher proportion of referrals to DWP compared to referrals to CAD

<sup>2</sup> We can be 95% certain that the average annual increase is between £277 and £391 for households with DWP referrals and between £96 and £166 for customers with CAD referrals

Using these figures we can estimate that in 2013/14 the annual value of actual increase in benefits resulting from benefit checks carried out under HEEPS is £1.95million for those referred for a check from DWP and £425,000 for those referred for a check from CAD; a total of **£2.4million annual increase**. We assume that this increase in benefits is secured for one year only although for many people the benefits will be claimed for more than one year.

### **3.4 Additional benefits of DWP referrals**

As part of DWP's service, customers may be offered further help and support as identified during a visit to the customer's home. Respondents to the survey were asked if they received any further help and support other than on benefits or credits.

14 customers (11%) mentioned they had received further additional help and support, 81 (65%) said they had not and an additional 30 customers (24%) could not remember if they'd received further help and support.

The types of support that customers had received include (some customers mentioned more than one):

- Health care and advice – 4 respondents
- Home maintenance – 4 respondents
- Home adaptation and fittings – 4 respondents
- Financial help other than benefits – 3 respondents
- Safety and security – 2 respondents
- Day or personal care – 1 respondent