

# Evaluation of the Energy Rebate Scheme – qualitative research with customers

James Holland – Pensions Analysis and Incomes Division

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# Executive Summary

## Introduction

This report outlines findings from small-scale qualitative research with customers, carried out by DWP Social Researchers as part of the evaluation of the Energy Rebate Scheme.

The Energy Rebate Scheme was run by the Department for Work and Pensions (DWP), Department for Energy and Climate Change (DECC), and the six major domestic energy suppliers, in 2010. The scheme used data-matching (of DWP and Energy Suppliers' data) to identify a group of pensioners likely to be vulnerable to fuel poverty, so that their electricity supplier can award a one-off rebate to their electricity bill.

Those people identified as being eligible for the £80 rebate were aged 70 or over, in receipt of the guarantee credit element of Pension Credit but not the savings credit element, and responsible for paying the electricity bill at the place they live.

## Evaluation Aims and Methods

DWP Social Researchers carried out a small-scale qualitative evaluation of the scheme, involving semi-structured telephone interviews with customers.

Four specific groups of interest were identified:

- **Matched group:** people whose data matched and who were given a rebate automatically
- **Successful Responders:** those who were not matched, but were sent a letter and successfully claimed a rebate
- **Unsuccessful Responders:** those who were not matched, and who were sent a letter but found ineligible when they claimed
- **Non-Responders:** those who were not matched and who did not respond to the invitation to claim

The aims of the evaluation were to investigate:

- customers' reactions to their personal data being used in this way – including issues around privacy, security and data sharing, and the broader concept of data use in Government
- views about using receipt of Pension Credit as a methodology for targeting additional welfare assistance, and views about energy rebates as a form of assistance
- reactions to the payment
- customers' reflections on the possible 'impacts' of the energy rebate
- customers' experiences of the Scheme's various delivery processes

## Findings

The main conclusion to draw from this research is that the energy rebate was seen extremely positively by almost all those interviewed. People appreciated it both in terms of the actual award of a rebate and the help this would be in their budgeting, but also considered it to be generally a positive thing for government and the Energy Suppliers to be doing.

Those who claimed the rebate but were found to be ineligible did not seem particularly upset about it. People seemed to think that the scheme was generally a good thing, and the fact that they personally were not eligible, did not seem to diminish this view. Although some expressed a degree of disappointment, most were quite clear about the reasons they were ineligible, and in the main they accepted the decision.

Health and disability came up frequently in discussion, with people keen to express their particular gratitude for the scheme in relation to their additional energy needs, related to immobility or specific conditions.

Knowledge and understanding of the targeting process was varied: some people were well aware of why they were eligible or ineligible for the rebate, but others did not know or gave inaccurate answers. Many simply had not thought about it.

Similarly, it was difficult to find anyone who had thought much about the data sharing issues before the research interview, but when told, most were quite comfortable about it for these purposes, and people on the whole thought that targeting people claiming Pension Credit was a good thing. People tended to struggle with thinking about 'data sharing' as anything more than their energy supplier knowing that they were claiming Pension Credit, and none spontaneously brought up any issues about privacy or security.

The communications for all groups was reported fairly neutrally. People who recalled the letters and telephone conversations often said they were clear and easy to understand, but not everyone had a clear idea of why they had been targeted for the rebate; and the non-responders group tended to have not claimed either because they had ignored the letter, forgotten about it, or could not remember having received it.

It is difficult to report on impacts in this study. For many, heating was viewed as a necessity and would be used regardless – although some hinted that they could not always have the heating on as much as they would have liked. Some respondents said that they would definitely use the heating more as a result of the rebate, while others worked the rebate into a broader budgeting process, and found that the rebate gave them peace of mind in using their heating.

# 1. Introduction

- 1.1. This report outlines findings from small-scale qualitative research with customers, carried out by DWP Social Researchers as part of the evaluation of the Energy Rebate Scheme.
- 1.2. The Energy Rebate Scheme was run in 2010 by the Department for Work and Pensions (DWP), Department for Energy and Climate Change (DECC), and the six major domestic energy suppliers. The scheme used data-matching (of DWP and Energy Suppliers' data) to identify a group of pensioners likely to be vulnerable to fuel poverty, so that their electricity supplier can award a one-off rebate to their electricity bill.
- 1.3. Those people identified as being eligible for the £80 rebate were:
  - aged 70 or over
  - in receipt the guarantee credit element of Pension Credit but not the savings credit element
  - responsible for paying the electricity bill at the place they live
  - not already receiving certain social or discounted tariffs
- 1.4. A third party facilitated the data matching, with the payments being automatically applied as rebates on bills, or as credit in another form to prepayment customers. Those customers whose data was not successfully matched during the process were invited to apply for it, (letters were sent from May to mid July) and they had until 31 August to do so.
- 1.5. Rebates were funded by the Energy Suppliers under their voluntary agreement with Government, made in 2008. DECC and DWP are now looking at moving towards a mandated scheme, and findings from this evaluation will feed into that work.
- 1.6. Further details of the policy can be found at [http://www.direct.gov.uk/en/Pensionsandretirementplanning/Benefits/BenefitsInRetirement/DG\\_185940](http://www.direct.gov.uk/en/Pensionsandretirementplanning/Benefits/BenefitsInRetirement/DG_185940)
- 1.7. The Energy Rebate Scheme represents something quite new: Government and energy suppliers are sharing customer data, via a third party, to direct assistance specifically at those most likely to be in need; and that assistance is being made directly in the form of an energy rebate, with the intention of addressing fuel poverty specifically.
- 1.8. Given that this is an innovative scheme, it is important to understand customers' reactions to it – both in the context of Government considering moving to a mandated scheme; and in the wider context

of using data in innovative ways.

- 1.9. Previous research (Age Concern, 2009<sup>1</sup>), gathered people's views about these concepts in principle. This scheme builds on that research by enabling us to evaluate people's actual experience of automatic awards and data sharing.
- 1.10. This report covers the qualitative element of the scheme's evaluation, looking at the customer attitude and experience; MI analysis is reported elsewhere.

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<sup>1</sup> Age Concern (2009) *The Benefit of Sharing*. (Available from the author)

## 2. Evaluation Aims and Methods

- 2.1. This report outlines the qualitative strand of the evaluation. The aims of this approach are not to provide a quantitative assessment of satisfaction, or a fully representative picture of customers' experiences, but rather, to draw out the range of attitudes and experiences associated with the scheme.
- 2.2. The evaluation covers both conceptual issues and delivery/process issues. Four specific groups of interest were identified:
- People whose data matched and were given a rebate automatically [known hereafter as the *Matched group*]
  - Those who were not matched, but were sent a letter and successfully claimed a rebate [*Successful Responders*]
  - Those who were not matched, were sent a letter and were found ineligible when they claimed [*Unsuccessful Responders*]
  - Those who were not matched and did not respond to the invitation to claim [*Non-responders*]

### Evaluation Aims

- 2.3. Some of the research themes cut across all customers, and others are group-specific.

#### Cross-cutting themes

- Customers' views on their personal data being used in this way – including issues around privacy, security and data sharing, and the broader concept of data use in Government
- Views about using receipt of Pension Credit as a methodology for targeting additional welfare assistance
- Views about energy rebates as a form of assistance
- Thoughts about the size of the rebate and reflections on its possible 'impact'

#### Group-specific themes

##### Matched Group

- Recall, understanding and experience of the process – letter, receipt of the rebate, etc
- Understanding of the targeting mechanism
- Reactions to receiving the automatic rebate

##### Successful responders

- Recall, understanding and experience of the process – including the initial letter, the telephone claims process, receipt of the

<ul style="list-style-type: none"> <li>rebate, etc</li> <li>Understanding of the target mechanism, and why they received a letter</li> <li>Reactions to receiving the rebate</li> </ul> <p><b>Unsuccessful responders</b></p> <ul style="list-style-type: none"> <li>Recall, understanding and experience of the process – including the initial letter, the telephone claims process, receipt of the rebate, etc</li> <li>Understanding of the target mechanism, and why they received a letter</li> <li>Reactions to being found ineligible – and reflections on whether they still think the process was worthwhile for them and more broadly</li> </ul> <p><b>Non-responders</b></p> <ul style="list-style-type: none"> <li>Recall, understanding and experience of the process</li> <li>Reasons for not responding – active versus passive issues</li> </ul>
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**Methods**

- 2.4. Short semi-structured telephone interviews were carried out with customers who had been contacted about the trial. The interviews followed topic guides which were designed to shape, but not fully direct, the conversations.
- 2.5. Four samples were drawn by Ventura (the organisation contracted to DWP to handle telephone calls), to reflect each of the groups of interest. Each group was split by age (under 75 and 75 plus), and gender. No other stratification criteria was used.
- 2.6. Letters were sent ahead of interviews, to provide information about the research and allow people to opt out if they wished. People were also able to opt out at the point of telephone contact.
- 2.7. In total, 41 interviews were carried out, split over the groups as follows:

Group	Achieved interviews
Matched group	12
Successful responders	11
Unsuccessful responders	10
Non-responders	8
<b>Total</b>	<b>41</b>



## Timing

- 2.8. The interviews were carried out in October - December 2010, some months after the initial letters had been sent to people either informing them of their rebate or inviting them to claim, and after the scheme closed for people to claim. The reasons for delaying fieldwork were:
- to enable a sample of both responders and non-responders to be drawn (in other words, to avoid prematurely sampling people who had not *yet* responded as 'non-responders')
  - to provide time for the rebate to show on people's bills, so the research could draw on that experience too. Customers' billing cycles vary so for some, it could be some time before the rebate appeared.
- 2.9. The drawbacks of this approach were that:
- Recall appears to have been affected
  - The timing of the fieldwork meant that some people initially confused the subject of the interview with Winter Fuel Payments and Cold Weather Payments.

## Reflections on the methods

- 2.10. The semi-structured telephone interview methodology was selected because it enables discussion of topics to a degree of depth, without being overly resource-intensive and time consuming. It is worth reflecting here on some of the issues encountered, however, to add context to the findings:
- Some customers were particularly elderly, and some (additionally) did not have particularly fluent English, so it could be difficult to fully engage in conversation.
  - The telephone was clearly not an ideal mode of interview for all, and despite efforts to maximise the conversational nature of the interview with open questions and prompts, it could sometimes be difficult to move beyond a fairly direct form of question and answer
  - Understanding and engagement with the scheme was often low, which meant that it could be difficult to probe the more detailed or conceptual elements of the research. This was particularly the case when attempting to discuss some of the more abstract topics around data sharing
  - While most people recalled the scheme, not all those people called did. This is possibly a reflection of the time between the initial scheme letter and the interview; and possibly a reflection on some customers' minimal engagement with the scheme. However, where recall was low, then it could be difficult in the interviews to elicit much evidence or reflection on the scheme, or to probe the more conceptual aspects of data use.

- 2.11. An alternative method would have been to carry out the interviews face-to-face rather than over the telephone. These may have been more effective in probing and opening out conversation to the more difficult and abstract concepts. Since the research carried out *has* delivered a great deal of very useful information though, it is not clear that the additional cost of face-to-face interviews would have been a better option overall. Furthermore, where people had simply not engaged with the process at all, and had no real desire to discuss the concepts, interviews would still have been fairly short, so a telephone conversation was probably the most cost-effective approach.

## **Report Structure**

- 2.12. The remainder of this report outlines the findings from the research. Section 3 provides an overview of participants' reactions to the general concept of the scheme, looking at the provision of the energy rebate, and the use of data to deliver that rebate. Subsequent sections cover each of the sub-groups, looking in turn at issues specific to the matched group, eligible and ineligible responders, and the non-responders. The final section sums up the findings from the evaluation.

### 3. Reactions to the scheme

#### Introduction

- 3.1. This section provides an overview of participants' reactions to the general concept of the scheme, looking at the provision of the energy rebate, and the use of data to deliver that rebate. It draws feedback from all of the sample groups.

#### Recall and reaction to the initial contact

- 3.2. Letters were sent to customers whose details were matched, informing them of their automatic rebate; and to those who did not match, inviting them to apply.
- 3.3. Recall of the scheme was surprisingly varied, even within groups, although most in the matched and responder groups remembered at least something about the scheme, whether it was receiving the letters notifying them of their eligibility or inviting them to claim, or receiving the rebate.
- 3.4. This research was carried out some months after the initial letters were sent out, and this may have affected recall of the scheme. However, there is also evidence to suggest that for some, engagement with the scheme was simply very low. Some in the matched group did not appear to have any knowledge of the scheme at all, and others were either not aware, or only vaguely aware, of the letter, but seemed to know about the scheme and knew about their rebate. Many non-responders had simply not noticed the letters or had discarded them, seemingly without much attention.
- 3.5. Some mentioned their limited or lack of recall, in the context of the volume of letters they receive, and for some, it was clearly not unusual to discard letters.

*I think so [remember the letter]. There are that many letters coming through, it's hard to know.*

Matched, Female, over 75

*Anything she doesn't understand, she destroys.*

(Daughter of) Non-contacter, Female, over 75

- 3.6. There were a number of cases where carers or family members had dealt with bills and letters, so recall in the interview could be limited.

*My daughter deals with all that now, I get in a muddle*

Matched, Female, over 75

3.7. Those who did recall the letters, however, often seemed to remember very well: they did so without any prompting or explanation, and were often quite eager in their response – often linked to a general appreciation of the rebate (or offer of a rebate).

3.8. Asked about their reactions to the letters, the most common response was one of surprise.

*I was surprised actually, I didn't expect it*  
(Successful Responder, F, under 75)

3.9. The letter had come out of the blue, and people were pleasantly surprised to receive it. For a number, it was 'a *surprise given the present climate*' (Unsuccessful Responder, F, under 75), referring to the economy and government cuts.

### **Understanding of the targeting mechanism**

3.10. Those whose details were matched received a letter stating that they were entitled to the rebate and would receive it automatically. Those whose details were not matched received a letter stating that they may be eligible, and inviting an application. Both letters stated that eligibility was based on receipt of the Guarantee Credit element of Pension Credit only, as well as age and other factors.

3.11. The research looked at the extent to which people understood why they had been identified as eligible or potentially eligible. Again, understanding of this was varied, and in some cases linked to general engagement with the rebate.

3.12. Understanding of the mechanism in the matched group was surprisingly low. Some had simply not considered whether or how it was targeted, and did not recall having seen information about this in the letter:

*Well I presumed it was 'cause we are pensioners... I'd not thought about it really.*  
Matched, M, Under 75

*No I don't know why – can you tell me?*  
Matched, F, Over 75

3.13. Another member of that group thought that it might have been because it was going to be a '*long winter*' (Matched, F, over 75) – possibly confusing it with Winter Fuel Payment or Cold Weather Payment.

- 3.14. Some in that group did have a better understanding of why they had been targeted however, either knowing specifically that it was because they were on Pension Credit; or more vaguely that they were on a 'low pension' (Matched, F, over 75).
- 3.15. The lack of knowledge of the targeting mechanism amongst some in the matched group could be because for many, general engagement was low. Members of this group had not needed to take any action during the scheme in order to receive the rebate, and many may well have been non-respondents, had their data not been matched. It could be argued that because they did not need to taking any action, they were less likely to engage with the detail of the letter.
- 3.16. The other groups also had varying degrees of knowledge of the targeting mechanism, although many did not seem to have thought too much about the issue. It was difficult to engage the non-responders group on this – as well as other issues – since they often had such scant knowledge of the scheme as a whole. However, there were participants from the two responder groups who appeared to have a good understanding of the eligibility criteria:

*My age I think, I'm 77 now, and because we get Pension Credit*  
Successful Responder, F, over 75

*We don't have a lot of money, we're on Guarantee Credit Pension*  
Successful Responder, F, under 75

*Because I am on Income Support and what have you*  
Unsuccessful Responder, F, Over 75

- 3.17. Again though, understanding was not uniformly accurate:

*Well I don't really know. I think it's because we're pensioners and because my wife's disabled*  
Successful Responder, M under 75

- 3.18. As a whole, it seemed that those who had engaged the most with the letter – whether they were in the matched group or were successful/unsuccessful responders – were the most likely the people who were aware of why they had been targeted. But being able to recall the letter and the rebate did not necessarily mean that people had read about, understood, or remembered the reason why they had been targeted.

## **Reactions to the Targeting Mechanism**

- 3.19. Respondents were asked what they thought about eligibility being based on receipt of Pension Credit. Those who did not already know

*People who need it should get it*  
Matched, M, under 75

*Yes, that's very good*  
Eligible Responder, M, under 75

*Lovely Surprise*  
Eligible Responder, M, under 75

*Well it worked for us*  
Eligible Responder, F, over 75

3.20. When it was suggested to one person that some people may not necessarily be happy with this method of targeting, they were incredulous: *'why wouldn't they like it?'* (Matched, F, over 75). However, although it was indeed almost universally praised, a handful of people did bring up some issues about the targeting method.

3.21. One respondent (who was generally very much in favour of the method) suggested that even with the rebate only going to people on Pension Credit, some may go to people who have more money and don't need it. It was difficult to ascertain whether this respondent (mis)understood the eligibility criteria for Pension Credit, or whether he was aware of the limits and still thought that some people on Pension Credit were well off enough not to need the rebate.

3.22. Another respondent thought that not everyone in need of help with their energy bills was necessarily on Pension Credit:

*But I know people who are just breaking even but they're not on Pension Credit so they don't get it so it's a bit unfair. The lady next door she's on her own, She saved a bit or her husband left something but she doesn't get any of the benefits we get*  
Eligible Responder, M over 75.

3.23. This same respondent also suggested that while he was pleased with the rebate, he would prefer the energy itself to be cheaper:  
*I'd rather [Energy Supplier] gave us a lower rate on the units we use. In my mind they are admitting they are overcharging. But I'm not saying I'm not grateful like. How many people are getting the £80? Must be a load as there's lots of people on Pension Credit so they're obviously making a lot of money if they can do that. The utility companies, gas, electric, phone, they are screwing you left right and centre.*

3.24. A final respondent was upset that she had tried to claim the rebate but

was found ineligible because she was not the bill payer. However, her brother, with whom she lived, and who paid the bills, had not been invited to claim the rebate.

- 3.25. Section 5 contains some additional comments on this theme from those found ineligible.

## Views on Data Sharing

- 3.26. Part of the aim of this evaluation is to find out what people's reactions are to their personal information being shared. It is notable that *nobody* interviewed for the research had thought about this issue at all prior to the interview.

- 3.27. In order to discuss the concept, the respondents had to be made aware of the fact that in order for the energy suppliers to add the rebate, or for people to be invited to claim it, the DWP had to share information about individuals' receipt of Guarantee Credit.

- 3.28. The most likely reaction to being told this is summed up in this response from a matched participant:

*No I've not got a problem with that. Well I never gave it a thought – I was just very pleased.*  
Matched, F, over 75

- 3.29. Most people had not thought about the issue at all, and when told, could see no immediate problem with it.

- 3.30. When the mechanism was explained to people, most took it very specifically to mean that DWP would tell their Energy Supplier that they were on Pension Credit. The concept was considered almost exclusively in those terms, and nobody had any immediate negative reaction to this. Reactions ranged from simply seeing no problem with it, to a pragmatic acceptance of where they are in life:

*It's not a concern. We've nothing to hide have we? We're not ashamed about being on Pension Credit, it's just how life turns out.*  
Successful Responder, M, under 75

*When you get to my age you're not fussed about that sort of thing*  
Successful Responder, F, over 75

- 3.31. A number of respondents, particularly those on social tariffs, noted that the Energy Suppliers already held this sort of information, and another, who seemed quite comfortable with their Pension Credit status being shared, linked the rebate scheme to other benefits which

are linked to Pension Credit receipt:

*Yes it's fine. We use it [PC] for lots of things like the dentist and glasses. You just have to swallow your pride don't you.*

Successful respondent, F, under 75

- 3.32. Probed further on the fact that DWP had shared that information with the suppliers, people still saw no particular problems:

*Well how else would they know I was on Pension Credit?*

Matched, F, over 75

- 3.33. It took further probing still to introduce the idea of security and privacy. One respondent seemed resigned to the fact that his data was already being shared:

*They've [the Energy Suppliers] already got my debit card number and everything, so what else can they do?*

Matched M, under 75

- 3.34. Broadly, the response remained neutral. In general, even those who professed to be careful with their own data were content with their data being shared between DWP and the Energy Suppliers, so long as it was done carefully. The fact that it was Government and large companies seemed to make it more palatable:

*Your people knows what's what*

Unsuccessful Responder, f, u75

*As long as it's done in confines and not willy-nilly. I don't shop on line, wouldn't dream of it because you never know.... You just have to trust them [DWP and ES], until it goes wrong...*

Successful Responder, F, Over 75

- 3.35. Using the phrase 'data security' or 'data sharing' did seem to elicit slightly more concern with some, possibly because of the many stories in the media relating to identity theft and data losses. It was not clear that people necessarily associated this particular scheme with that concept of 'data' though.

- 3.36. One respondent who said that the sharing of his PC status with the Energy Suppliers was of 'no concern' did have problems with 'data sharing' more broadly:

*I don't like data sharing because it gets out of hand, with insurance companies and what have you*

Non-contacter, M, under 75

- 3.37. Another had similar views: while he was quite happy with the process that had been undertaken, he did have a general perception of 'data



sharing' which was more negative:

*Government share things around and sometimes it gets out of hand.*

- 3.38. For some, their happiness at being given an £80 rebate seemed to override anything else – both in terms of their thinking about rebate, but also about their acceptance of the data use. A number of respondents mentioned that the data share was acceptable because of its specific purpose, and for one respondent there was a clear acknowledgement about the trade-off between a security or privacy risk, and the receipt of the rebate:

*One tries to be as secure as possible but sometimes you have to be sensible. You might say that getting £80 makes it worthwhile.*

Successful responder, f, under 75

- 3.39. The overwhelming message from this section is that people had not thought about data sharing in relation to their rebate. When probed, they only did so within the very limited bounds of having their Pension Credit status known by their Energy Supplier – and in this regard they were broadly accepting. Probed further, respondents were generally quite content with this particular use of data, despite many professing to be careful with their personal data, because they trusted the users of it, they thought the rationale was beneficial, and they did not see the immediate link with this and the wider (and possibly more threatening) concept of 'data sharing'.

## **Funding**

- 3.40. The Energy Rebate scheme is funded by the major energy suppliers, but the notification letters were sent out with Government branding too, and clearly, the targeting mechanism indicates that Government has a part in the scheme.
- 3.41. Participants were asked about who they thought was funding the scheme and paying the rebates, and while many had not thought about it, most assumed that it was Government.
- 3.42. On being told that it was their Energy Supplier, many expressed mild surprise, but in the main, it did not appear that they had thought too much about it, or were particularly concerned with where the money came from. That said, there was some reaction.
- 3.43. A number of respondents, who had previously mentioned their surprise that the Government was still able to provide this sort of rebate, were pleased to know that their energy suppliers were paying, and were quite clear that this was the right thing. One thought that fuel prices were 'horrifying'. (Matched, M, under 75), and another said,

*That's a good thing isn't it. Look at their profits, I think they can be a bit naughty sometimes.*

Unsuccessful responder, M, Under 75.

- 3.44. Other respondents were more positive: they thought that this was a good thing for the suppliers to be doing. One in particular suggested that their supplier should have made more of this:

*It would be good if we knew who it was from. If people knew that they might be less likely to switch companies*

Successful responder, F, under 75.

- 3.45. One respondent, who had successfully claimed the rebate but was not aware that it had been paid, thought that it simply came from her supplier. When told that suppliers were working in partnership with DWP, she questioned what DWP had to do with it. Although she seemed quite happy with the explanation, she did raise one concern, possibly linking the rebate to the way in which parts of the benefit regime works:

*If you're giving us £80 are you going to take it off something else?*

Successful responder, F, under 75

## **Reactions to the rebate**

- 3.46. The previous sections have shown that reactions to receiving the letter and to the targeting mechanism are overwhelmingly positive. This is linked to participants' reactions to the rebate itself. Those who had received the rebate – as well as those who had not received it but were aware of it – were universally positive about it, to the extent that a number of respondents stated that they were keen to participate in the research because they wished to express their gratitude for the rebate.

- 3.47. For some respondents, the reaction was one of general happiness: they simply thought it was a good thing to have happened to them – an unexpected surprise:

*Anything that comes your way is nice to have*

Matched, M, under 75

*Lovely surprise*

Successful Responder, M, under 75

*Delighted by it*

Matched, M Under 75

- 3.48. For others, the positive reaction was specifically related to their

*It's a pleasure to talk to you [researcher] because you've helped us out so much... It's hard to live on a pension these days and you can't earn any money, so £80 to me is a godsend... It's nice to see you looking after us like this. I wish other people would.*  
Successful responder, M, over 75.

*Yes very pleased, lovely. Every little helps as they say at Tesco.*  
Matched, F, over 75

*Yes it's a good thing. Sometimes it's difficult, you don't know what's coming next [financially]. But this was a real boost to morale, you know?... I've got a friend who I talked to about it. She's in a similar position you know. She was quite pleased too. It's really nice, a big help.*  
Successful responder, F, over 75

*In my bungalow, I'm waiting for new radiators so I need the gas fire on all the time to boost it, you know?*  
Matched, F, over 75

- 3.49. A number of respondents related the payment to their increased energy expenditure. One, who said that his gas bill had doubled in two years said,  
*It made a hell of a difference really. Any bit of help is much appreciated.*  
Successful responder, M, over 75.

## **Health and Disability**

- 3.50. Those who were most eager to express their gratitude for the rebate in the research were often people who themselves, or whose spouse, was disabled or had a health condition. This came out extremely frequently across the groups. For some, the main issue was that immobility made them feel the cold more; for others there were additional issues which meant they used more energy:

*A great idea. We're not getting much money every week. I'm on Attendance Allowance because I'm classified as disabled now, and my husband only has a pension of £70. It's ridiculous really. So every little helps to pay for the electric and the gas... I've got arthritis and diabetes now too so we have to keep the heating on all the time at the moment. Sometimes I go and lay down in bed to keep warm.*  
Unsuccessful responder, F, over 75

*Well we were surprised and delighted about it because my wife is permanently disabled, she's got muscular dystrophy. We're*

*using gas and electricity continuously because she's immobile... The £80 came in very useful because of the cost of our bills. It's about £400 a quarter because we have to have the heating on 24-7 practically because my wife is immobile. And everything runs on electricity these days too and she's got a respirator and whatnot'*

Successful responder, M, under 75

*I've arthritis you see, I feel the cold so I've got the heating on more than some people*

Unsuccessful responder, F, under 75

*My wife's got a heart condition and she's on Warfarin, so she really feels the cold. It thins the blood.*

Unsuccessful responder, M, under 75

## Impacts

- 3.51. With a small-scale qualitative evaluation such as this, it is not possible to report with any degree of confidence the impacts of the scheme. We cannot say, for example, whether people used their heating more as a result of receiving the rebate, or whether the rebate simply displaced money that would otherwise have been spent on energy bills to other areas of spending or saving.
- 3.52. However, the evaluation did look to investigate how participants had received and managed the rebate, as a means of giving clues as to whether the scheme had any impact of the sort identified above.
- 3.53. For those who were aware of receiving the rebate, however, a number of budgeting approaches were apparent, which provided insight into how the rebate would be 'used'.
- 3.54. Some respondents, asked whether the rebate had made a difference, were clear that it had:

*Oh I've definitely used the heating more*

Matched, F, over 75

- 3.55. For others, the rebate was simply absorbed into their overall budgeting. The notion of '*every little helps*' was brought up – often in those words – by a number of respondents, who were articulating the fact that because of their low overall incomes, anything like the rebate was helpful, even if they did not necessarily think it would have a major impact on them.

*It's very helpful, lets put it that way... It just comes in doesn't it as part of your overall budget. Whether it goes on heating or something else, it doesn't matter*

Matched, M under 75

*It just goes on my card*

Matched, F, over 75

*Anything that comes your way is nice to have*

Matched, M, under 75

3.56. In a similar vein, some respondents noted that they found it difficult to keep up with bills all year round, so the rebate would simply go 'on the bill', rather than be used specifically for extra heating.

3.57. Running through these accounts was the sense that heating was amongst people's top priorities anyway – a necessity which came ahead of other areas of spending. They felt that the rebate simply made them more comfortable about the amount of energy they were using:

*Well the heating comes first – you have got to make sure that's ok rather than frittering it away, not that we would do that. That little extra lets you relax a bit doesn't it.*

Successful Responder, F, over 75

3.58. A final point to note, as will be discussed in subsequent sections, is that not everybody (in the matched group in particular) was sure that they had received their rebate. One matched respondent, for example, that he was not aware of the rebate but had been '*surprised about how much credit we had*' (Matched, M, under 75). For this individual, and others like him, it would appear that the rebate would simply be absorbed into the overall bill cycle. More generally, it could be argued that lack of recall or knowledge of the rebate might act to temper the (immediate) effect of the rebate because people are not aware that they have it.

3.59. The rebate was universally well received, and respondents were keen to express their surprise and gratitude. Even where people were not sure that it would directly encourage them to use the heating more, for many, this was because the heating was already seen as an 'essential' and one of their highest spending priorities. For these people, the rebate provided a financial cushion which provided them with peace of mind. It is important to reiterate here that even where people did not explicitly state that the rebate had encouraged them to increase their energy use, it is not possible to rule out that behavioural impact, either immediately or over time.

## 4. Findings from the Matched Group

- 4.1. This section reports on findings specific to the matched group. Section 3 has already detailed the broad attitudes to the rebate and the concepts of data use, so this and subsequent sections will concentrate more on delivery issues.

### Recall

- 4.2. The matched group could be seen in some ways as an amalgamation of the responder and non-responder groups: only the fact that their data happened to match automatically sets them apart. This means that there is diversity in the levels of engagement within this group, and as mentioned earlier, the fact that this group did not need to take any action in order to claim the rebate could have an effect on recall.
- 4.3. Some knew nothing at all about the scheme. In one instance this was because their daughter took care of the bills, but in others, people simply could not remember the letter and were not aware that they had been given a rebate.
- 4.4. However, most remembered at least something, even if recall was often not complete. For some, recall of the letter was hazy: respondents knew that they had received a rebate, and seemed vaguely aware of the scheme, but could not recall having had a letter. Given that they knew something of the scheme, this could simply be an artefact of the delay between the letter and the fieldwork.
- 4.5. Other respondents remembered the letter but were not sure that they had received the rebate. A number mentioned that they were expecting a rebate but did not think they had received it. There is a chance that some may indeed not have received their rebate, if they had a long billing cycle, but most should have, and the feedback given from a number of respondents was that they would have liked some notification that their rebate had been applied. One respondent, asked whether he remembered receiving the original letter about the rebate, said:

*Yes, but did we actually receive it? I rang up and told them that I had received the letter, then I rang up again because it hadn't showed on my next bill. They said it might be on the next bill but I don't think it is. My bill was a bit smaller but I don't think it said anything... I've not had any notification that it was paid*  
Matched, M, under 75

- 4.6. Another had not remembered the letter but realised that he had received a rebate when he queried his bill:

*I gave them a meter reading you see and [supplier] gave me a figure of something like nineteen quid. So [supplier] said I'd suddenly got a rebate. I was a bit surprised... Can't remember the letter, all I remember is getting the money*  
Matched, M under 75

- 4.7. A final set of respondents were well aware of the scheme, and recalled both the letter, and the rebate itself. These people had a good understanding of what the rebate was and how it had been paid, and found the letter clear and easy to understand. They had not felt the need to discuss the scheme with anyone else such as a family member, their supplier or the Pension Service. Despite this relatively high engagement, not all were clear about why they had been eligible, with one suggesting that it could have been related to the cold weather.

### **Clarity of Communications**

- 4.8. Those who remembered receiving the letters were generally complimentary about them. It was easy to read and they had no problems understanding it. However, even these respondents could not always recall why they had been eligible for the rebate. It is not clear whether the letter had not explained this, or whether they had simply forgotten the reason in the time elapsed.
- 4.9. The main issue around communicating the rebate was that people were not always aware that they had received it, because they had not received specific notification that it had been paid. Not everyone had understood that the rebate would simply show on their bill, and some – in this group and others – remarked that it could be difficult to understand their energy bills.

### **Evaluation of the Matched Scheme**

- 4.10. Given the recall and knowledge issues brought up by some respondents in the matched group, it could be difficult for some to comment on whether the rebate had made a difference, and in fact, the fact that people did not know that the rebate had been paid could be said to reduce the likelihood of it having impact. Nevertheless, people were extremely positive about the rebate and did comment on its usefulness. They were quite content with their data being shared for this purpose.

## 5. Findings from the Responder Groups

- 5.1. People whose data was not matched for an automatic rebate were invited to apply. The eligibility criteria for the scheme were as follows:
- aged 70 or over, and
  - receiving the guarantee credit element of Pension Credit but not the savings credit element, and
  - responsible for paying their own electricity costs, and
  - not already receiving a social or discounted tariff from their electricity supplier.
- 5.2. In order to be sent an invitation, people would have already fulfilled the first two criteria, so exclusions at this stage would have been on the basis of not being a bill payer, or already receiving a social or discounted tariff. The study covered both eligible and ineligible responders.

### Recall

- 5.3. Given that members of the responder groups had engaged with the letter and taken action to enquire about the rebate, it was no surprise that many could recall the scheme, although there were more people than might be expected who didn't remember, or only vaguely remembered the letter, and some who did not seem to know very much about the rebate itself.
- 5.4. The issue discussed in earlier sections about people not being aware that their rebate had been applied was brought up within this group too. One respondent was sure that she had not received the rebate but wished to re-check her bill. When she phoned (the researcher) back ten minutes later, she had identified the line:

*I thought we'd not got it, I just look at the front page to check the credit... When I didn't hear anything I just thought we'd not got it.*  
Successful responder, F, under 75

### Clarity of Communications

- 5.5. Those respondents who did remember the letter thought that it was clear, and none reported having had any problems understanding it or needing to discuss it with others.
- 5.6. The fact that these people had responded to the letter shows that it had some impact, although again, there were people who did not remember it, and many did not have a clear idea about why they were invited to apply for the rebate.



- 5.7. Reactions to the helpline, which people called to claim, were also positive – if low-key. People seemed broadly content with how their application had been handled and no respondent had any complaint. In the main, reactions were fairly matter-of-fact. Only one respondent gave any spontaneous feedback on her telephone contact, possibly grouping her experience of the (non-DWP) helpline with contact with DWP:

*I have to say that all the young men I've spoken to at the DWP have always been very helpful.*  
Successful Responder, F, under 75.

### **Understanding of reasons for ineligibility**

- 5.8. It was notable that many of those who had been found ineligible were very clear about the reasons why. One respondent was not the bill-payer; and others were already on discounted tariffs.

*We just phoned up but we weren't eligible because we were getting a special rate already.*  
Unsuccessful responder, M, under 75

- 5.9. A number of respondents were able to name the specific tariffs that had prevented them claiming the rebate.
- 5.10. Only one respondent who could recall the process did not seem to know why she was not eligible, saying when probed only that,

*I told them my circumstances and they said I didn't qualify.*  
Unsuccessful Responder, F, under 75

### **Reactions to being found ineligible**

- 5.11. Prior to the research, there was an expectation that people who had called the helpline to claim the rebate, but had been found to be ineligible, might be upset or despondent about the process. Interestingly, the research found little evidence of this. Certainly, some people were disappointed, but in the main, they took it with pragmatism and an acceptance that often, the reason they were ineligible was that they were already getting assistance elsewhere:

*Well it would have been nice to get it, but no, we were just ineligible*  
(Unsuccessful responder, M, under 75)

- 5.12. Nobody seemed to have any problem with having gone to the trouble of going through the process of applying, only to be found ineligible.

There was no evidence of people feeling that their time had been wasted, and people seemed quite happy with having ‘*taken a chance on it*’ (Unsuccessful responder, M, under 75). People seemed to think that the scheme was generally a good thing, and the fact that they personally were not eligible, did not seem to diminish this view.

- 5.13. The research only identified one person who seemed upset by being found ineligible. As described in section 3, this respondent was not the bill-payer, and was upset because her brother, with whom she lived, had not been invited to claim.

## Tariffs and Trade-offs

- 5.14. One of the most interesting issues to emerge was the trade-off that people identified, between having a social tariff, and being eligible to the rebate. Two respondents brought up the fact that they had been found ineligible because they were already on a social tariff, but were wondering whether it might have been better for them not to be on the tariff, so they could have claimed the rebate instead.

*I've already signed my slip of paper to say I want it [tariff] next year but maybe I would have been better not doing that if I'd get £80 instead.*

Unsuccessful responder, F, over 75

- 5.15. A number of people brought up the fact that since being found ineligible for the rebate, they had also been taken off their social or discounted tariff:

*We just phoned up but we weren't eligible because we were getting a special rate already. It's a shame because they've taken us off that now.*

Unsuccessful responder, M, under 75

- 5.16. Another respondent expressed disappointment about being found ineligible and then being taken off her social tariff. She reported that she *had* been on the tariff because she was spending more than 10 per cent of her income on energy, but that the rules changed, to 15 per cent and now 20 per cent, making her ineligible. A number of respondents remarked how their tariff discounts had reduced in value over the past two years.

## 6. Findings from Non-responders

- 6.1. Unlike the responder groups, who had been active in applying for a rebate, and the matched group, who had been automatically given a rebate, for the non-responder group, the only contact with the scheme was the initial letter inviting them to apply. This group had not acted on the information in the letter and had therefore not been given a rebate. This element of the research looks to investigate why this was.

### Recall

- 6.2. As expected, memory of the scheme was extremely patchy. Some people did seem to vaguely remember receiving the letter, but those who did did not seem to have engaged very much with it. Some recalled receiving the letter but most said that they could not really remember the detail. The conversations in the interviews tended to be quite vague, and for most in this group, it was difficult to lead anything more than a short discussion in a fairly rigid question-and-answer style.

### Reasons for not applying

- 6.3. For many in the sample, it is fair to conclude that people had not responded because they had not seen, read or understood the letter. Those who *could* remember seeing the letter tended to give fairly non-committal, indifferent, reasons for not applying:

*No reason... Just didn't... Never thought about it*  
Non-responder, F, under 75

*Ah, was that the one I was supposed to have sent back?*  
Non-responder, F, under 75

*Just forgot about it*  
Non-responder, M, under 75

- 6.4. There was evidence from some of these respondents that this lack of engagement was not exclusive to this letter, with some implying that they view most mail in the same way.

*I just thought it was a load of rubbish*  
Non-responder, F, under 75

- 6.5. Similarly, some mentioned the volume of mail as a possible reason for not having noticed the rebate scheme.

- 6.6. Some suggested that the letter had not been very well written or was difficult to understand, although there was little evidence of specific problems with the content or composition of the letter. The responses were more general reflections on letters in general, and often made with little recall of the letter itself:

*Sometimes they aren't very well written the letters you get. It should say emphatically that there is a rebate you can have and you have to do something to get it.*

Non-responder, M, under 75

*Anything she doesn't understand she destroys*

Daughter of Non-responder, F, over 75

- 6.7. The issue of understanding was also related to language issues for some: a number of people in the sample had very limited understanding of English: one participated in an extremely limited interview and could not remember having received the letter at all, and two others passed the phone directly to their son or grandson who either could not remember the scheme or said that another brother dealt with those affairs.

- 6.8. There was no evidence in any of the research with this group that not responding had been an active decision based on opposition to the scheme, or a self-screening based on accurate or perceived knowledge of ineligibility. Those interviewed at any length in this group seemed to think that the scheme sounded like a good thing:

*It sounds like a good idea. I'd appreciate some help, I've been poorly and I'm retired now.*

Non-responder, M, over 75

## 7. Conclusions

- 7.1. The main conclusion to draw from this research is that the energy rebate was seen extremely positively by almost all those interviewed. People appreciated it both in terms of the actual award of a rebate and the help this would be in their budgeting, but also considered it to be generally a positive thing for government and the Energy Suppliers to be doing.
- 7.2. Those who claimed the rebate but were found to be ineligible did not seem particularly upset about it, and this was somewhat unexpected given that they had gone to the trouble of claiming but had not received a rebate. People seemed to think that the scheme was generally a good thing, and the fact that they personally were not eligible, did not seem to diminish this view. Although some expressed a degree of disappointment, most were quite clear about the reasons they were ineligible, and in the main they accepted the decision.
- 7.3. Health and disability came up frequently in discussion, with people keen to express their particular gratitude for the scheme in relation to their additional energy needs, related to immobility or specific conditions.
- 7.4. Knowledge and understanding of the targeting process was varied: some people were well aware of why they were eligible or ineligible for the rebate, but others did not know or gave inaccurate answers. Many simply had not thought about it.
- 7.5. Similarly, it was difficult to anyone who had thought much about the data sharing issues before the research interview, but when told, most were quite comfortable about it for these purposes, and people on the whole thought that targeting people claiming Pension Credit was a good thing. People tended to struggle with thinking about 'data sharing' as anything more than their energy supplier knowing that they were claiming Pension Credit, and none spontaneously brought up any issues about privacy or security.
- 7.6. The communications for all groups was reported fairly neutrally. People who recalled the letters and telephone conversations often said they were clear and easy to understand, but not everyone had a clear idea of why they had been targeted for the rebate; and the non-responders group tended to have not claimed either because they had ignored the letter, forgotten about it, or could not remember having received it.
- 7.7. It is difficult to report on impacts in this study. For many, heating was viewed as a necessity and would be used regardless – although some hinted that they could not always have the heating on as much as they would have liked. Some respondents said that they would

definitely use the heating more as a result of the rebate, while others worked the rebate into a broader budgeting process, and found that the rebate gave them peace of mind in using their heating.