

8. Switching supplier

On benefits, low income and thinking about switching? Read this first:

The government tells us that switching is the solution to not being able to afford our bills. It's no solution and it can be quite a lot of work, but sometimes there's no way to avoid it if you want to make sure you are on the best tariff available for people in your situation.

If you want to stay with your present company, a phone call to them (you could even tell them you are planning to switch to another provider) might help uncover a better tariff. British Gas have been reducing bills by 15% when people threaten to switch. (But beware if your supplier wants to come talk to you – they might try to charge you for the visit!) Fixed price tariffs are often less expensive than the “Standard Variable Tariff” that you get put on by default if you do nothing.

If you do want to switch, there are advice centres, and organisations that can help you do this, and many local authorities have their own schemes.

Make sure you look into publicly-owned companies like Robin Hood Energy (owned by Nottingham Council) which have been set up to tackle fuel poverty & offer cheaper bills. Also many of the smaller companies offer better value and better customer services than the Big Six. Ecotricity and Good Energy are probably the “greenest”, and Ovo often has some of the lowest tariffs. Ebico has no standing charges – and they don't charge a higher rate for the first units used – which is a kind of hidden standing charge that many companies use. This can make a huge difference if your consumption is low. Ebico also charge prepayment meter customers and direct debit customers the same rate, which is fairer. But they do not offer the Warm Home Discount. Check out Which? (www.which.co.uk) to find out which is the best and worst energy company for customer service and price – there are many new suppliers to choose from now.

There are also loads of switching websites, but **they may be very misleading**. Two points of caution:

1. **Whilst you might save money from switching, this is not always the case**, no matter what the price comparison site says. One big question is whether you could gain, or lose, the Warm Home Discount.

The **Warm Home Discount** of £140 is given out by the Big Six and some other energy companies **to people who are on a low income and/or on benefits**. **The rules for who can get this Discount vary**. If you are a pensioner and receive the guarantee credit element of pension credit, you qualify automatically, if you are with one of the big suppliers. But if you are on Disability Living Allowance or Job Seekers Allowance or on a low income, it depends on the supplier. **If you get the discount with your present supplier, don't switch to another supplier without checking you will get it with them also. It may well not be worth switching at all. You could also lose out on a possible cap on a Standard Variable Tariff (or another tariff that you are on by default). Combined with the Warm Home Discount, that means you could lose about £200 or more a year, and even a lower tariff may not make up for that.**

On the other hand, it may be worth switching to a supplier that will give you the discount, if your present supplier won't.

Some switching websites don't include the Warm Home Discount or other discounts in their price quote. (Citizens Advice have their own price comparison tool, which does include it, and they also have a tool for comparing suppliers' customer service.)

The smaller suppliers are not obliged to offer the Warm Home Discount and not all of them do so. Ovo and Bristol Energy do. Ebico, Robin Hood Energy, Good Energy, and Ecotricity do not. (Ecotricity say the way the scheme works, it would lead to them subsidising the Big Six with money that could be invested in renewable energy). If this discount affects you, and you want to switch to a smaller supplier, be sure to check this out.

2. **Be careful about what time of year you switch.**

Unless you qualify automatically, your right to the Warm Home Discount may depend on what time of year you switch. E.g. to get the discount for the winter of 2017/2018, you must have been with your same energy supplier on 9 July 2017 (this date changes from year to year).