

Staffordshire Independence Programme



● MODULE 9: *GETTING TO KNOW YOUR BILLS*

If you do not already, this module will help you to:

1. List the utility bills you will need to pay;
2. Understand the different ways you can pay your bills;
3. Read a gas, electric and water meter and understand what a Smart Meter is;
4. Understand that Staffordshire County Council will pay your Council Tax until your 21st birthday, but after that it is your responsibility;
5. Understand the consequences of playing bills;
6. Know who to contact if you are struggling to pay bills.



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First off, let's see what you already know...

1. Which of the following has the worst consequences for not paying on time?
 - a. TV Licence
 - b. Council Tax
 - c. Water Bill
 - d. Mobile Phone Bill
2. If you arrange with your electricity company that a £50 payment is taken from your back account each month, what type of payment is this?
 - a. Pre-payment Card
 - b. Quarterly Bills
 - c. Direct Debit
3. Which of the following could help you to reduce your utility bills?
 - a. Use economy settings on your washing machine
 - b. Creating a Christmas Light show in your window each December
 - c. Use a price comparison site to find cheaper suppliers
 - d. Choosing to pay your bill every 3 months instead of monthly direct debit or payment card
 - e. Taking a long shower instead of a bath
 - f. Only filling the kettle with the water you need
4. As a Staffordshire Care Leaver, what is the utility bill you will not have to pay until after your 21st birthday?
 - a. Electricity
 - b. Water
 - c. Council Tax
 - d. TV Licence
5. Who should you NOT seek help from if you are struggling to pay your utility bills?
 - a. Payday Loan company
 - b. Your Personal Advisor
 - c. A close family member or friend
 - d. Your local council

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How much energy do you use?

You may be surprised to hear that each household electrical appliance varies in the amount of energy they use, and therefore some items will cost more to use than others. Look at the appliances listed below and match them up with the percentage of energy they use on average.

1. Water heater	A. 2% of energy use
2. Dishwasher	B. 47% of energy use
3. Lighting	C. 12% of energy use
4. Washer and Dryer	D. 3% of energy use
5. Fridge/Freezer	E. 3-4% of energy use
6. Heating and Cooling	F. 13% of energy use
7. Electric Oven	G. 14% of energy use
8. TV/DVD/Games Console	H. 14% of energy use

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How much are you spending on energy?

Here are some more examples of how much different electrical appliances will cost you when you are paying for electricity and other bills in your own home. You will also see how much each use of these items adds up on a yearly basis, as sometimes it is easier to work out how expensive things are over a longer period of time.

Item	Cost per Use	Cost per Year
Washing Machine (one cycle)	9p – 16p	£34 - £57
Fridge/Freezer (24 hours)	9p – 17p	£31-61
Oven (1 hour a day)	8p – 16p	£28-57
Leaving light bulb on	7p	£27
PS4 (2 hours active gaming)	6p	£22
Laptop (2 hours each day)	1p – 2p	£2-7



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Meters

Every home will have a meter for electricity, gas and water. Some meters operate using a pre-payment method, where you would be responsible for keeping the account topped up, so you do not run out of electricity or gas in your house. Others will just display the amount of energy you are using in your house, and bills will be paid on a monthly or quarterly basis.

Smart meters are a new kind of meters which are being slowly introduced across the UK to replace the meters you would traditionally find in houses. Smart meters operate by sending automatic meter readings securely to your energy supplier.

By doing this, the readings of the amount of energy you are using will be more accurate meaning you will not be overcharged. Smart meters may save you money on the bills you pay.

As well as sending these readings to your energy supplier, you may find that a Smart Meter will tell you how much the energy you are using at any moment is costing you e.g. looking at a smart meter when the washing machine is on a cycle will tell you how much using this appliance is costing you.

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Consequences of not paying bills

It is important that you budget so you can pay for all your bills on time, however there may be some occasions where you may struggle to pay for all of the bills you have to pay each month. Therefore, it is important that you know about the consequences for not paying certain bills, as some are more severe than others. Read through the following information and think about the impact that these consequences could have.

Council Tax: if you miss a council tax payment, you will be given a 7-day notice period to make the payment, but if you do not do this, **you will be asked to pay a whole year of council tax**, rather than payment on a monthly/bi annual basis as usual. If you do not pay the annual council tax amount in full within 7 days of the notice, the council can take legal action against you.

The council can make a legal demand for the money, where they will seek legal assistance in recovering the money you owe them, which also means that any additional costs they incur will be added to the total amount you owe. If you still do not make the payment, you risk further consequences including reducing or stopping any benefits you are receiving, as well as the risk of **bailiffs** being sent to your house to seize belongings up to the value of the amount you owe for council tax. If bailiffs cannot recover items adding up to the total you owe, the council can take you to court and **you could end up with a 3-month prison sentence.**

As Staffordshire Care Leaver your Personal Advisor/Throughcare Team will pay your council tax up until your 21st birthday. This was introduced in 2017 to support young people and to avoid unnecessary bills and debt.

However, once you turn 21, **IT IS VERY IMPORTANT THAT YOU HAVE THE MONEY TO PAY THIS BILL.**

It is also important to know that your bank can charge you if you try to spend more money than is in your account, or if there is not enough money for a direct debit payment to be taken. You should check with your bank for details about these charges, as they are different for most banks.

It may also be a good idea to check a comparison website to see whether switching your energy provider could save you money on your household bills. Also, remember that there are incentives to using comparison website e.g. Compare the Market, Go Compare.

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Consequences of not paying bills

Now you have learnt more about managing a tenancy and the bills you will have to pay when you live in your own house your budgeting plan may look different than when you last thought about it.

TOP TIP: You made a weekly budget back in Module One, it may be useful to have a look at this while you complete the plan below:

Outgoings

Cost per week

Cost per month

Rent

Electricity

Gas

Water

Council Tax

Food

Mobile Phone

Total

Money left over

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Little help from my friends

Having friends and family around you is always important, and sometimes they may be able to help you out when you are struggling to budget or have less money to survive on than normal.

Think about who you have in your support network of friends and family who you could turn to for help and advice about your bills or living independently in general?



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Useful links –

For more information about smart meters –

- https://www.smartenergygb.org/en/how-to-get-a-smart-meter/energy-suppliers?gclid=EAlaQobChMlucGNgsqa3wIVir3tCh2BLA_3EAAYASAAEgl6M_D_BwE
- <https://www.smartenergygb.org/en/faqs>

For more information about council tax arrears –

- <https://www.gov.uk/council-tax-arrears>

For more information about price comparison websites and utility bills

- https://www.comparethemarket.com/energy/?SRC=EI3I&TrackerID=43700011364349843&gclid=EAlaQobChMlreG-qdGa3wIVVuh3Ch0HWgMmEAAYASAAEg LZ3PD_BwE&gclsrc=aw.ds
- <https://www.moneysavingexpert.com/utilities/understanding-energy-bills/>