



Union Gas Winter Warmth

2014 Year End Report

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Summary

Union Gas Winter Warmth became a year round program in 2010-2011, in order to align with LEAP (Low-Income Energy Assistance Program), as mandated by the Ontario Energy Board (OEB), and to fulfill the increased needs of low-income energy users in these difficult economic times. The Union Gas Winter Warmth Program is coordinated by a network of social service agencies through United Ways in 28 Union Gas catchment areas.

Winter Warmth is designed for low-income households who are experiencing *temporary* setbacks and have exhausted all other appropriate means of financial support. The Winter Warmth program is an important part of the community and the participating social service agencies (Intake Agencies) serve as the place where families can go for assistance.

Winter Warmth is a blessing for many customers who face a crisis or life-changing event that, in turn, creates a backload of debts, including their heating bill. It is anticipated that households receiving the grants become more financially stable and are better prepared to manage ensuing utility bills. In addition to the monetary portion of assistance, the clients are provided with the necessary referrals and information about existing programs/services available in the community and energy conservation tools and techniques through Union Gas' Energy Savings Programs.

The Union Gas Winter Warmth program helps families who have already exhausted all of their available resources and have nowhere else to turn. More specifically, Winter Warmth is able to help families stay together under one roof, lessen the impact of financial strain and help clients maintain a good credit rating without going into arrears.

In 2010-2011 the maximum individual Winter Warmth grant was increased from \$450 to \$500, in attempt to keep pace with other utility relief programs, and to assist as many households as possible, as much as possible. These funds are not allocated for security deposits and connection fees. Care is taken to ensure that all clients are able to sustain payments post-grant and that the specific guidelines of the program are adhered to.

The following tables will show a year over year comparison (2014 vs. 2013), in order to demonstrate the impact that the Union Gas Winter Warmth Program has had on the 28 participating communities/municipalities.

Section A: Total Grants

The following table contains a comparison of grants disbursed in the Winter Warmth 2013 vs. 2014 heating seasons.

⇒ Please refer to the end of each Section for the Table of Definitions

Table 1: Total Grants

Year	Budget (\$)	Less Admin (\$)	Total WW (\$)	Pay-out (\$)	Remaining (\$)
Jan.01 – Dec. 31, 2014	\$1,293,928.68	\$178,961.60	\$1,114,967.08	\$1,089,434.68	\$25,532.40
Jan.01 – Dec. 31, 2013	\$1,009,079.01	\$137,266.83	\$871,812.18	\$788,309.16	\$85,828.68

Approximately \$285,000 additional funds were available to the Union Gas Winter Warmth Program in 2014, more than double the increase of \$120,000 in 2013. Over \$300,000 more in grants were allocated to people in need of assistance, a three-fold increase over the \$100,000 increase in 2013. Early in 2014, the harsh winter temperatures persisted, prolonging the early and very cold wintery weather in the fall of 2013. People continued to struggle to make ends meet.

More dollars were accessed to cover some of the costs of administering the program, given that more funds were available in most communities. Only one community continues to decline taking administration costs, in favour of serving more clients - Huron County. Sarnia-Lambton has chosen a 10% administration fee, and Burlington 7.5%. Perth County, at the end of the year, chose to reduce their administration fee by the amount that they overspent their funds assisting clients.

Fewer dollars remained at the end of 2014, as compared to 2013, highlighting the fact that the vast majority of communities used the program to the fullest extent.

Table of definitions

Budget Total funds received from the funder for one heating season (current allocation plus funds left over from previous year)



<i>Less Admin</i>	Funds appropriated by each Intake Agency to cover admin costs; <i>up to</i> allowable 15% taken from total budget
<i>Total WW</i>	Funds available to assist clients - budget minus admin fee
<i>Pay-out</i>	Total funds spent on grants
<i>Remaining</i>	Funds that remain after the total Pay-out is deducted from the Total WW

Section B: Household Composition

The following tables describe the total number of households assisted along with the number of individuals (adults and children) within the households.

Table 2: Household Composition

	Total Number of Households Assisted	Total Number of Adults Assisted	Total Number of Children Assisted
2014	2,739	4,058	3,764
2013	2,096	3,054	2,888

Over 600 more households were assisted through the Union Gas Winter Warmth Program in 2014. 1,004 more adults with close to 900 more children came to local agencies to access the low-income energy assistance program.

Table of definitions

- Total Number of Households Assisted** Total number of individual households assisted with WW grants
- Total Number of Adults Assisted** Total number of adults within total assisted households
- Total Number of Children Assisted** Total number of children within total assisted households

Section C: Funding Impact

The following tables show the household size and net income in relationship to the amount of utility's arrears.

Table 3: Funding Impact

Year	Average # of Individuals per Household (Adults & Children)	Average Monthly Household Gross Income (\$)	Average Arrears Amount (\$)	Average Grant Amount (\$)
2014	3	\$1,891.82	\$596.17	\$397.75
2013	3	\$1,728.03	\$525.81	\$376.10

The average size of the household has not changed dramatically year over year (the number is rounded off). Average income has increased somewhat, yet other costs have also increased – food, housing, transportation, etc. Arrears have increased, as well as grant amounts, as families seem to postpone utility bill payments in hopes that they can either catch up later, or access programs such as these. One can conclude that low-income families continue to be challenged to keep pace with increasing household costs.

Table of Definitions

Average # of Individuals per Household

Total number of assisted individuals (adults and children) divided by the total number of assisted households (rounded to the nearest digit)

Average Monthly Household Net Income

Total monthly *gross income* of assisted households divided by the total number of assisted households

Average Arrears Amount

Total amount of arrears divided by the total number of assisted households

Average Grant Amount

Total grant amount paid to the assisted households divided by the number of assisted households

Section D: Staffing

The following table provides information on human resources required to carry out the WW program. It also contains information on total number of inquiries as well as applications that were not granted and the number of hours spent on the program.

Table 4: Staffing

Year	Total Number of Inquiries	Total Number of Staff	Total Number of Hours	Total Number of Rejected /Referred Applications
2014	4,421	68	6,437	1,692
2013	4,415	58	5,911	2,319

In 2014 the requests for assistance have remained stable over the previous year. As noted previously (Table 2) over 600 more families *qualified* and received Winter Warmth grants this year. One could surmise that more families are in a low-income state, or that familiarity of the program is increasing, as possibly evidenced by the number of reported referrals from the three top sources (Table 5 - 2,600 in 2014 vs. 1,600 in 2013).

With the increase in demand staffing has increased, as well as the processing time required to manage, verify, follow up and grant Winter Warmth funding to those families in need.

More funds were available to social services agencies this year. So, perhaps in previous years, even though clients may have qualified for the program, agencies were out of funds to assist through the Union Gas Winter Warmth Program and thus clients were turned away and/or referred to other resources. This is particularly true in larger centres such as London, Windsor and Hamilton. Each of these communities received significantly more funds that they did in 2013, helped significantly more families, and yet still ran out of funds before year end.

Table of definitions

Total Number of Inquiries

Total number of inquiries that participating WW agency received from the public

Total Number of Staff

Total number of staff involved in work on WW (on part-time or full-time basis)



Total Number of Hours

Total number of staff hours spent on WW (answering inquiries, assessment and referral, application process, approval, follow-up)

Total Number of Rejected Applications

Total number of rejected applications through prescreening and application process, or when funds were depleted

Section E: Reasons for Rejected/Referred Applications

The following are reasons, as identified by the 28 participating communities/municipalities, why client applications were turned down or referred to other agencies, for the 2014 program. These differ little from previous years:

- Applicant's household income exceeded income eligibility criteria
- Applicant failed to follow through on application process
- Applicant was unable to prove sustainability – housing costs too high to manage on an ongoing basis
- Documentation failed to verify information given by the applicant
- Bill was not in applicant's name/applicant owed from other addresses/applicant moved and did not pay debt
- Arrears was from another community
- Applicant was unable to make payment arrangements for the balance owing above the \$500 maximum grant
- Applicant resided outside the catchment area
- Applicant received assistance from OW (CHPI) or ODSP or other source of funds (family, friend), or was able to pay on their own
- Applicant already qualified once this year
- Applicant had no income to continue to pay bills
- Applicant was not in arrears
- Union Gas Winter Warmth funds were exhausted
- Applicant had made no attempt to pay previous bills
- The bill had already been sent to a collection agency

Section G: Referral Source

The following information captures the data on applicants’ referral sources for the 2014 program. They differ very little from previous years. However, in 2014 Union Gas itself became the largest referral source (more than double that of 2013), with social service agencies as the second highest source (also a significant increase over 2013).

Of note as well, is that the “other” category has again increased over the previous year. People appear to be accessing Union Gas’ website for information about the program; folks know more about the program because they have accessed it in previous years or know someone who has.

Media and marketing materials do not seem to have a large impact on awareness of the program. In reporting referral sources, London essentially assigned a percentage to all referral sources and the vast majority of the data for media came from this one community.

Advocacy groups have surfaced as new referral source. In Grey-Bruce, Ontario 211 acts as a referral organization for all requests for utility bill assistance.

Table 5: Referrals

Utility referral (23 communities) – 1149 referrals
Social service agency (25) - 777 referrals
Word of mouth (23) – 687 referrals
Radio (3) – 64 referrals
TV (2) – 62 referral
Newspaper (4) – 54 referrals
Billing inserts (9) – 50 referrals
Poster (4) – 35 referrals
Other (20) – 425 referrals - have accessed the program previously, Utility website, internet search, church, landlord, advocacy groups, bank

Section F: Challenges/Recommendations/Comments

- There has been some concern this year about what “sustainability” means. Communities are reporting that they are seeing clients return year over year. For many, it seems apparent that they have become dependent on the program to balance their annual budgets. They know that the program exists, and so they “plan” their disconnections when the weather becomes milder and there is no or minimal need for heat. They then approach a social agency for assistance to catch up on their bill in order to reconnect when the temperatures plummet.
- The Co-Ordinator of the Winter Warmth Program (at United Way of Chatham-Kent) became aware that on two occasions, a community experienced a client who became belligerent when they were turned down for assistance, mainly because they have used or attempted to use the program too often and are not sustainable. The Co-Ordinator advised the social service agency that, as long as they are following the criteria in the most recent manual for evaluating eligibility, the judgement rests with them and she will back them up if contacted directly by the client. This did happen on one of these occasions; the client was referred back to the social agency in question. The situation was eventually resolved.
- The Co-Ordinator of the Union Gas Winter Warmth Program did remind social service agencies that this is an “emergency assistance program”, and unless there are extenuating circumstances (which they have the community knowledge and networks to be able to confirm), attempting to access the program year over year indicates that a client is not likely able to sustain payments on their gas bills in their current dwelling or economic situation.

Funding:

- The total funding required to be allocated to the 2014 Union Gas Winter Warmth Program was \$907,000, vs. \$903,000 in 2013.
- In December 2013, 30 % of the total *projected required/requested* funding (\$1,144,500.00) was initially allocated to all communities for the 2014 Program, totaling \$343,350.00. This was approximately 5% less at the same time for the 2013 program.
- Allocations were made at this level, rather than 40% that was allocated in 2013, in order to manage the timelines for investments coming due and funds available in the trust account.
- There were many calls for additional funding; a total of ten further allocations were made, equaling \$864,750, over the course of the twelve months of the 2014 program.
- A total of \$1,293,928.68 was allocated to the 2014 Union Gas Winter Warmth Program, which included \$85,828.68 left over from 2013. This was a 28% increase over 2013 funding, and a 43% increase over what was required by the OEB.

- The investment ladder was initially structured such that \$350,000 would be left from the final 2014 allocations in order to begin the 2015 Winter Warmth Program.
- However, the demand was such that we agreed (Union Gas and United Way of Chatham-Kent) to continue to allocate funds during 2014 to meet the need, thus depleting most of the funds earmarked to begin 2015.
- We continued to allocate funds up until 2014 OCT 02, and ten communities still ran out of funding before the end of the calendar year.
- Conversations took place at the end of 2014 about how to resolve the challenge of lack of funding for 2015 going forward.

Accomplishments

The Winter Warmth Program provides an extremely valuable form of assistance to many low-income households which face the prospect of living without heat. United Ways and social service agencies, in collaboration with Union Gas Ltd., help individuals and families maintain their housing and enhance their support network when many families are confronted with challenges such as job loss, family breakdown, illness, injuries or even death. Given an ongoing difficult economic situation, this program continues to help to stabilize the life situations of low-income families who are confronted with short-term financial difficulties. Below are a few "testimonials" from agencies that are administering the Union Gas Winter Warmth Program and people who have lived-experience.

Waterloo Region:

In our community, we administer the Waterloo Region Energy Assistance Program (WREAP) which coordinates all available local energy assistance programs. This coordination ensures that everyone who needs energy assistance receives it, regardless of whether Winter Warmth funds have run out or not. This is the reason that there are not any people who didn't receive assistance.

In 2014, the Waterloo Regional Energy Assistance Program (WREAP) paid an additional \$50,531.20 to 123 more households towards Union Gas arrears using both provincial and Regional funding. This means a total of 233 households were assisted with \$98,754.70 in Union Gas arrears. Other financial pressures and reduced funding for 2015 will put increased pressures on the Winter Warmth funds.

Oakville:

A lady was gainfully employed but was being sexually harassed on the job. She lost her job and declared bankruptcy, but was able to keep a very affordable condo. She is working with a credit counsellor, has gone to work at a very low paying customer service position, taken in a tenant, and is selling her extra furniture on Kijiji. She is really doing all she can. We were able to share energy saving tips to reduce her gas bill. Although she was doing many of these, we provided a couple of ideas she wasn't aware of. We managed to provide her with information about three local job opportunities which relate to her field of study, and she shared the name of her credit counsellor, for us to share with others in need.

London:

"It (a Winter Warmth Grant) gave me enough ground to keep up with things. I'm so very, very grateful"

"I've run in to some trouble in November. Your help was a Godsend."

"God bless you so very much, I don't know how to thank you guys enough."