ENDING WALES’ COLD HOMES CRISIS
The Cold Hard Facts

• 386,000 (1 in 3) households in Wales live in fuel poverty, the second highest proportion of fuel poor households in the UK\(^1\)

• 475 deaths every year across Wales directly attributable to vulnerable people living in cold homes\(^2\)

• Living in a cold home is currently a bigger killer than alcohol related deaths in Wales\(^3\)

• The cost to the Welsh NHS for treating cold-related hospital admissions amounts to over £100m per year\(^4\)

• Around 5% of all electricity and gas customers in Wales are repaying a fuel debt - money not being spent in the local economy\(^5\)

• 16% of customers use electric and gas prepayment meters in Wales – the most expensive payment method\(^6\)

• Welsh domestic energy consumers will contribute almost £700m to the Treasury over the next 5 years from levies on their energy bills, yet they disproportionately fail to benefit from levy-funded schemes

What the next Welsh Government needs to do

Being able to afford a safe, warm home should be a basic human right. In the 21st century no one in Wales should have to endure the misery and suffering caused by fuel poverty. Tackling our national crisis of cold homes is not just a matter of social and environmental justice — it makes sound economic sense.

Our Five Key Priorities For Action

• Set a new fuel poverty target to improve homes to a minimum energy efficiency standard of EPC C, backed up with the data we need to drive an ambitious new strategy

• Invest in a well-resourced, well-targeted energy efficiency programme for fuel poor households in Wales as an infrastructure priority

• Save lives by implementing the NICE guidelines on tackling excess winter deaths

• Protect vulnerable households with a crisis fund for emergency heating when their health is at risk

• Fund independent advice and support services to help people in fuel poverty

Welsh households in fuel poverty

1 in 3

The consequences of not addressing fuel poverty are significant:

• more pressure on health and social care services

• shocking numbers of cold-related deaths every winter

• stress and mental illness through struggling with fuel debt

• social exclusion and isolation arise from living in a cold, damp house

• setbacks to children’s education when they cannot study properly in their own home
PRIORITY 1: Set a new fuel poverty target to improve homes to a minimum energy efficiency standard of EPC C, backed up with the data we need to drive an ambitious new strategy.

The 2018 statutory target to eradicate fuel poverty was a welcome commitment to helping people in cold homes. However energy prices have risen beyond what seemed likely in 2003, and the scale of investment required to improve every fuel poor home in Wales over the next three years is simply not feasible.

The Fuel Poverty Coalition Cymru (FPCC) believes the time is right for a new and ambitious strategic approach to tackling fuel poverty; building on the strengths of previous energy efficiency programmes, improving the links to other policy areas, and ensuring the schemes are sustainable in what they deliver, and how they deliver it.

Additionally, a Task and Finish Group should be established to examine the specific issues of fuel poverty in rural areas in Wales and recommend practical solutions which the next Welsh Government could implement, including how improvements can be made to energy efficiency schemes to ensure deep rural fuel poor households do not miss out.

Improved data will be central to driving delivery. It is not possible to state definitively how many households in Wales are in fuel poverty. The most recent projections are two years old, and are themselves based on data from 2008’s Living in Wales survey. On top of this, there is not a comprehensive picture of where dangerously cold homes in Wales can be found, meaning that even if we know who we want to help, we may not know where to find them.

The next Welsh Government should invest in robust and regularly updated data on housing stock quality and introduce annual reporting on fuel poverty levels. Making this available to local authorities and support services will help them to identify which of their clients’ homes could benefit from energy efficiency measures and make a referral to the fuel poverty schemes.

Assessing recipients’ situation before and after measures are installed will also be key to ensuring schemes are succeeding in lifting households out of fuel poverty, and offsetting the effect of rising energy prices.

We strongly recommend an ambitious new fuel poverty target rooted in delivery, not a ‘pass or fail’ target which is a hostage to fortune when energy prices rise. The next Welsh Government should set a new target, based on improving a number of low income homes to a minimum standard of EPC C each year.

PRIORITY 2: Invest in a well-resourced, well-targeted energy efficiency programme for fuel poor households in Wales as an infrastructure priority.

The FPCC commends the large scale investment in energy efficiency programmes over the past few years by the previous Welsh Government under Nest and Arbed despite the difficult economic climate. The schemes have made a clear difference to people’s lives.

The FPCC strongly recommends that the next Welsh Government continues to invest capital and resources into energy efficiency schemes and should designate domestic energy efficiency as an infrastructure priority utilising any new tax and borrowing powers. In challenging economic times, we must not cut this vital support to some of the poorest and most vulnerable households in Wales. To meet the fuel poverty challenge faced in Wales, the next Welsh Government needs to invest substantially more than current levels.

Welsh consumers contribute a significant amount to the UK Treasury from levies on their energy bills (£1.4 billion over the next 10 years) and the next Welsh Government should lobby the UK Government to return this revenue to be directly spent on expanding resources for energy efficiency programmes.

The FPCC does not believe energy efficiency schemes should only help people who have already fallen into fuel poverty; they should also target those at risk of fuel poverty. It can be more cost effective to keep a household out of fuel poverty, and intervene before their health starts to suffer.

Any new funding for energy efficiency measures must not just be available to those who are easy to find or define. For example, people with cold-affected health conditions or disabilities, and families with young children whose education and health could suffer from the effects of a cold home should all be able to apply for help.
Combined with access to improved housing stock data (as stated in Priority 1) more responsive eligibility criteria could drive greater engagement by support services, who work closely with households who have yet to receive help.

The next Welsh Government’s energy efficiency scheme(s) should widen the delivery of whole-house measures and continue an area based approach to funding. In the long term this will keep more households out of fuel poverty if and when energy prices rise.

PRIORITY 3: Save lives by implementing the NICE guidelines on tackling excess winter deaths.

The next Welsh Government should either adopt the NICE guidelines as a ready-made model for tackling excess winter deaths, or set out how it will ensure at-risk Welsh households have the same protection as in England.

In March 2015 the National Institute for Clinical Excellence (NICE) published its public health guidance on Tackling Excess Winter Deaths, Morbidity and the Health Risks Associated With Cold Homes7.

NICE outlined a number of comprehensive recommendations on how health and social care practitioners must act to reduce the risk of death and ill health associated with living in a cold home.

PRIORITY 4: Protect vulnerable households with a crisis fund for emergency heating when their health is at risk

Fuel poverty is most often seen as a long term problem, with people running up debts, and struggling over prolonged periods to afford a warm home. However some people in fuel poverty can find their health seriously at risk if they unexpectedly find they are unable to heat their home at all.

The next Welsh Government should ensure vulnerable households in Wales have access to a fund for emergency heating. If their system fails during a cold snap, if they cannot access liquid gas or heating, or if they are unable to be discharged from hospital because their home is too cold. While some local authorities and energy suppliers operate hardship/crisis funds, the FPCC wants this support to be available from local authorities consistently across Wales.

One example of such an approach is the Flintshire Affordable Warmth Scheme, which provides a crisis fund set up for people who can’t afford to heat their homes and need immediate support – such as boiler repair or replacement, installation of heating systems, and upgrading controls.

PRIORITY 5: Fund independent advice and support services to help people in fuel poverty

The Competition and Market Authority (CMA) investigation into the energy market concluded, once again, that low engagement by customers in the energy market is keeping prices high. Customers who do not switch are effectively subsidising the good deals available to those who do, and it is low income households who are the least likely to engage. The CMA noted that households in Wales are particularly unlikely to shop around.

Fuel poor householders in Wales obtain advice and support on energy efficiency, income maximization and fuel debt from a number of trusted organisations and avenues.

The next Welsh Government should continue to protect and fund independent advice and support services who can offer specific help to people in fuel poverty such as:

• Helping them find a more affordable energy deal
• Negotiating with suppliers about fuel debts
• Ensuring they know their rights, for example around forced pre-payment meter installation
• Support people to live independently and safely in their own homes

Collective switching schemes are a great means of breaking down some of the perceived barriers to switching, and can even get participants a market-beating price. The FPCC believes the Cyd Cymru scheme has demonstrated the huge potential of this approach.

The next Welsh Government should continue to support collective switching, and encourage more local authorities to get involved and promote the service to their residents – particularly those in fuel poverty.

3. 467 alcohol related deaths http://gov.wales/about/programmegov/wales/data?code=OU054(b)&lang=en