



## Key Fuel Poverty Statistics for Wales

This paper provides an overview of the key fuel poverty statistics in Wales.

### Fuel Poverty in Wales

- In 2012 there were 386,000 fuel-poor households in Wales, which is around 30 per cent of all households in Wales.<sup>i</sup>
- 1 in 3 households in Wales are in fuel poverty.<sup>ii</sup>
- The number of vulnerable fuel poor households is 328,000, 33% of all households in Wales.<sup>iii</sup>
- Approximately 140,000 older households in Wales are estimated to be living in fuel poverty.<sup>iv</sup>
- The number of fuel poor households in social housing is 70,000, 31% of social households.
- It is predicted that by 2016, 664,000 households in Wales will be in fuel poverty.<sup>v</sup>

### Cold Homes and NHS

- There were 2,600 excess winter deaths in Wales in 2014/15, a rise of 1500 from 2013/14 figures.<sup>vi</sup>
- Cold homes contribute to about ten per cent of the excess winter deaths among older people each year. The majority of deaths are among those aged 75 and over.
- Living in a cold home is currently a bigger killer than alcohol related deaths in Wales. Last year there were 475 cold related (WHO figures) and 467 alcohol related deaths in Wales (WG statistics)<sup>vii</sup>
- Cost to the Welsh NHS for treating cold related admissions amounts to just over £100m per year.<sup>viii</sup>
- Individuals living in homes with bedroom temperatures of 15°C are 50% more likely to suffer from mental health problems than those living with temperatures of 21°C.<sup>ix</sup>
- GP consultations for respiratory tract infections can increase by up to 19% for every one degree drop in temperature below 5°C.<sup>x</sup>

### Fuel Debt

- In 2014, there were 65,583 (4.6%) of electricity and 56,301 (5.0%) of gas customers in fuel debt in Wales.<sup>xi</sup>
- In Wales, at the end of 2014 there were nearly 300,000 electricity Pre Payment Meters (PPM) accounts (21% of all electricity accounts) and nearly 220,000 gas PPM accounts (19% of all gas accounts).
- There was a 4% increase in the installation of PPM in Wales between 2013 and 2014.
- There were 3 households in Wales who had their electricity disconnected for non-payment of debt in Wales in 2014, compared with 8 in 2013.
- 11% of electricity and 11% gas customers were signed up to the Priority Service Register (PRS) in Wales in 2014.
- Domestic consumers in Wales have the highest electricity bills of England and Wales regions, at 16.37p per kwh and 16.67p per kwh, compared with a UK figure of 15.58 p per kwh.<sup>xii</sup>
- Almost 20 per cent of households in Wales are off gas grid – reliant on costlier oil and electricity to heat their homes.<sup>xiii</sup>

## Fuel Bills

### **Average annual domestic standard electricity bills for South Wales and North Wales and Merseyside based on consumption of 3,800kWh/ per year<sup>xiv</sup>**

- The average electricity standard credit for South Wales was £648 in 2014.
- The average electricity standard credit for North Wales and Merseyside was £663 in 2014.
- The average electricity direct debit bill for South Wales was £598 in 2014.
- The average electricity direct debit bill for North Wales and Merseyside was £609 in 2014.
- The average electricity prepayment bill for South Wales was £652 in 2014.
- The average electricity prepayment bill for South Wales was £658 in 2014.

### **Average annual domestic gas bills in 2014 for South Wales and North Wales and Merseyside with average unit costs based on consumption of 15,000kWh/year<sup>xv</sup>**

- The average gas standard credit for South Wales was £793 in 2014.
- The average gas standard credit for North Wales and Merseyside was £794 in 2014.
- The average gas direct debit bill for South Wales was £729 in 2014.
- The average gas direct debit bill for North Wales and Merseyside was £722 in 2014.
- The average gas prepayment bill for South Wales was £786 in 2014.
- The average gas prepayment bill for North Wales and Merseyside was £792 in 2014.

### **Annual cost of Oil for household heating and Water**

- The average annual cost for heating and hot water using heating oil in the UK is £538 when consuming around 13,500 kWh a year.<sup>xvi</sup>

### **Annual cost of LPG for household heating and Water**

- The average annual cost for heating and hot water using LPG in the UK is £1,125 when consuming around 13,500 kWh a year.<sup>xvii</sup>

### **Fuel switching and Cyd Cymru**

- 43% of households in Wales have never switched energy supplier. <sup>xviii</sup>
- Over 12,000 registered with Cyd Cymru in 3 energy switches runs to date. <sup>xix</sup>
- Over 3,500 households have switched energy supplier with the scheme.
- The average saving per household when switching has been £225.
- This has amounted to over £800,000 total savings for households in Wales.
- In switches 1 and 2 - of households identified as already being in fuel poverty 12-15% of households received savings that would take them out of fuel poverty.

### **Energy efficiency programmes**

Since 2012<sup>xx</sup>

- £74 million from core Departmental budget and £80 million of additional capital invested in Welsh Government Energy Efficiency Programmes.
- They have improved the energy efficiency of over 20,000 homes,
- They have provided advice and support on how to reduce energy bills to over 59,000 households.
- The estimated to deliver energy bill savings averaging over £470 per household per year.
- Created over 540 new jobs, apprenticeships and work experience opportunities and delivering over 60,000 hours of training to new and existing employers.

## Nest

- Invested £87m over 4 years.
- Improved the energy efficiency of over 17,000 homes of low income household in Wales, increasing the SAP rating of 94% of properties to a rating of E or above (from F/G)
- Provided advice and support to over 61,000 households
- Referred or signposted over 20,000 households to third parties for a variety of purposes e.g. money and debt advice, to assess eligibility for Winter Homes Discount.
- Supported 46 SMEs, creating a total of 83 apprenticeships, trainees and jobs.

## Arbed Phase 2

- Invested £45m (£12m Welsh Government funding) in Arbed
- Completed 32 schemes in 19 of the 22 Local Authorities
- Installed approximately in over 7000 energy efficiency measures such as external and internal insulation and efficient boilers in some of the most deprived parts of Wales.
- Saving 3,785 households an average of £305 per year on their fuel bills.
- To date, 100% of the £14.3m project expenditure is being re-invested in Wales, with 45 disadvantaged and previously unemployed people receiving employment, and 431 weeks of training being delivered.
- For every £1 spent, £2 was generated in the Welsh economy.
- Arbed 2 has so far created 204 sustainable employment and training opportunities.

## Energy Company Obligation

- To the end of December 2015, around five per cent were installed in Wales (81,123) compared to 83% England (1,327,407) and around 11 per cent of ECO measures in Scotland (183,292).<sup>xxi</sup>
- In Wales, on average, there were around 43 households with ECO measures per 1,000 households in Wales had a measure installed under ECO funding compared with 72 per 1,000 households in the North West of England and 59 per 1,000 households in Scotland.

## ECO spend in Wales - compared to other nations in GB <sup>xxii</sup>

Area	Carbon Saving Target (CERO)	Carbon Savings Community (CSCO)	Affordable Warmth (HHCRO)	ECO measures installed	Percentage of ECO measures installed
Wales	28,864	13,898	38,361	81,123	5.1
England	572,584	352,330	402,493	1,327,407	83.4
Scotland	84,703	54,197	44,392	183,292	11.5
Great Britain	686,151	420,425	485,246	1,591,822	100

## Housing

- Privately rented dwellings accounted for 14 per cent of all dwellings in Wales.
- 70 per cent of properties in Wales are owner occupied.<sup>xxiii</sup>
- Social sector dwellings accounted for 16 per cent of all dwellings compared with 19 per cent in 2000-01.
- At 31 March 2015, RSLs continued to own 61 per cent of all social rented housing stock and owned all social housing in half of the authorities across Wales.
- 41% of people in poverty in Wales live in social housing.<sup>xxiv</sup>
- 28% of people in poverty in Wales live in the private rented sector.

## Housing Health and Safety Rating System (HHSRS)

- During 2013-14, 6 per cent fewer dwellings were assessed by local authorities under the Housing Health and Safety Rating System (HHSRS) than in the previous year. Of those that were assessed, the percentage that contained at least one Category 1 hazard rose from 36 per cent in 2012-13 to 38 per cent in 2013-14.<sup>xxv</sup>
- Over the last four years, of those dwellings assessed under HHSRS, a higher percentage of assessments in dwellings occupied by a single household (non-HMOs) were found to contain at least one Category 1 hazard, than dwellings occupied by multiple households (HMOs).
- In 2013-14, local authorities reported 14,320 known HMOs across Wales, which is the highest number recorded to date. The overall number of licensed HMOs across Wales has more than doubled since 2008-09.

## Welsh Housing Quality Standard

- At 31 March 2014, 67 per cent of social housing dwellings (149,755 dwellings) were compliant with the WHQS (including acceptable fails) compared to 60 per cent a year earlier.<sup>xxvi</sup>
- 83 per cent of RSL dwellings achieving WHQS compliance (including acceptable fails) at 31 March 2014 compared to 44 per cent of local authority dwellings.

## Household income

- Wales also hold the highest proportion of individuals living in households with less than 60% of contemporary median household income in real terms after housing costs (24% – versus 23% in England, 22% in Northern Ireland, and 19% in Scotland).<sup>xxvii</sup>
- 23 per cent of people live in households in relative income poverty, the highest in the UK.
- 31 per cent of children live in households in relative income poverty, the highest in the UK.
- 22 per cent of working age adults live in households in relative income poverty also the highest in the UK.
- Over the current Westminster parliament Wales will contribute £690m from VAT and generated carbon taxes from domestic energy bills to HM Treasury – none of these resources are invested towards insulating Welsh homes which would reduce energy costs for consumers, benefit receipts in other areas for government, demand times for the industry, and carbon emissions for the nation.<sup>xxviii</sup>

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- <sup>i</sup> Percentage of households living in fuel poverty (OU069), Welsh Government <http://gov.wales/about/programmeforgov/data?code=OU069&lang=en>
- <sup>ii</sup> Fuel poverty Monitor 2014-15, NEA <http://www.nea.org.uk/Resources/NEA/Publications/Fuel%20Poverty%20Monitor%20SUMMARY.pdf>
- <sup>iii</sup> Fuel Poverty Projection tool <http://gov.wales/docs/caecd/research/130430-wales-fuel-poverty-projection-tool-2011-12-report-en.pdf>
- <sup>iv</sup> Older People Strategy for Wales, 2014 <http://gov.wales/docs/dhss/publications/130521olderpeoplestrategyen.pdf>
- <sup>v</sup> Bevan Foundation report - The shape of Wales to Come – 2020 <http://41ydv1cuyvlonsm03mpf21pub.wpengine.netdna-cdn.com/wp-content/uploads/2015/09/Wales-2020-020915.pdf>
- <sup>vi</sup> Excess Winter Deaths, ONS, 2015 <http://www.ons.gov.uk/ons/search/index.html?newquery=excess+winter+mortality>
- <sup>vii</sup> Welsh Government Alcohol related deaths 2015 [http://gov.wales/about/programmeforgov/data?code=OU054\(b\)&lang=en](http://gov.wales/about/programmeforgov/data?code=OU054(b)&lang=en)
- <sup>viii</sup> Cost to the Welsh NHS for treating cold-related hospital admissions [http://www.ageuk.org.uk/Documents/EN-GB/Campaigns/The\\_cost\\_of\\_cold\\_2012.pdf?dtrk=true](http://www.ageuk.org.uk/Documents/EN-GB/Campaigns/The_cost_of_cold_2012.pdf?dtrk=true)
- <sup>ix</sup> Friends of the Earth and Marmot, 2011
- <sup>x</sup> Friends of the Earth and Marmot, 2011
- <sup>xi</sup> Domestic Suppliers' Social Obligations: 2014 annual, DECC 2015 report [https://www.ofgem.gov.uk/sites/default/files/docs/2015/09/annual\\_report\\_2014\\_final\\_0.pdf](https://www.ofgem.gov.uk/sites/default/files/docs/2015/09/annual_report_2014_final_0.pdf)
- <sup>xii</sup> UK Government (2015) Annual Domestic Energy Bills Table 2.2.2 Average annual domestic standard electricity bills for UK countries based on consumption of 3,800kWh/year <https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics>
- <sup>xiii</sup> Off gas consumers, Consumer Futures <http://www.consumerfocus.org.uk/files/2011/10/Off-gas-consumers.pdf>
- <sup>xiv</sup> Annual domestic energy bills, DECC, 2015 <https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics>
- <sup>xv</sup> Annual domestic energy bills, DECC, 2015 <https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics>
- <sup>xvi</sup> Annual cost of heating oil, Which <http://www.which.co.uk/energy/creating-an-energy-saving-home/guides/home-heating-systems/oil-central-heating/>
- <sup>xvii</sup> Annual cost of LPG, Which <http://www.which.co.uk/energy/creating-an-energy-saving-home/guides/home-heating-systems/lpg-central-heating/>
- <sup>xviii</sup> Consumer Focus Wales- Switched off, January 2012
- <sup>xix</sup> Cyd Cymru Evaluation Report – Switch 3, EST, July 2015
- <sup>xx</sup> Wales Infrastructure Investment Plan <http://gov.wales/docs/caecd/publications/150623-annual-report-en.pdf>
- <sup>xxi</sup> Domestic Green Deal, Energy Company Obligation and Insulation Levels in Great Britain, Quarterly report, January 2016 <https://www.gov.uk/government/statistics/household-energy-efficiency-national-statistics-headline-release-january-2016>
- <sup>xxii</sup> Domestic Green Deal, Energy Company Obligation and Insulation Levels in Great Britain, Quarterly report, January 2016 <https://www.gov.uk/government/statistics/household-energy-efficiency-national-statistics-headline-release-january-2016>
- <sup>xxiii</sup> Welsh Dwelling statistics 2015 <http://gov.wales/statistics-and-research/dwelling-stock-estimates/?lang=en>
- <sup>xxiv</sup> Monitoring poverty and social exclusion in Wales, Joseph Rowntree Foundation 2015 <http://www.jrf.org.uk/sites/files/jrf/monitoring-poverty-wales-2015-full.pdf>
- <sup>xxv</sup> Housing Health and Safety Rating System (HHSRS), Welsh Government <http://gov.wales/statistics-and-research/housing-demolitions-hazards/?lang=en>
- <sup>xxvi</sup> Welsh Government statistics – WHQS <http://gov.wales/statistics-and-research/welsh-housing-quality-standard/?lang=en>
- <sup>xxvii</sup> Households below average income, Welsh Government 2015 <http://gov.wales/statistics-and-research/households-below-average-income/?lang=en>
- <sup>xxviii</sup> UK Fuel poverty Monitor 2014-15, NEA [http://www.nea.org.uk/Resources/NEA/Action%20for%20Warm%20Homes/FPM\\_UPDATED\\_low\\_res.pdf](http://www.nea.org.uk/Resources/NEA/Action%20for%20Warm%20Homes/FPM_UPDATED_low_res.pdf)