

Well-being of Future Generations (Wales) Act 2015: 'Measuring our nation's progress'

Consultation description

The Well-being of Future Generations (Wales) Act 2015 sets out 7 well-being goals for Wales. In 2016 the Welsh Government set 46 national indicators to track progress in achieving these goals. The new national milestones will set out the expectation of this progress.

The Welsh Government consulted on:

- the criteria for choosing national milestones
- the National Indicators against which we will set national milestones
- changes to the existing national indicators



About National Energy Action

NEA is the UK fuel poverty charity which for more than 30 years has campaigned for action and for greater investment in energy efficiency to help those who are poor and vulnerable. The charity works to eliminate fuel poverty by enhancing knowledge and understanding of energy efficiency and fuel poverty, developing and progressing solutions to improve access to energy efficiency products and services, and campaigning for policies to address fuel poverty across the UK. NEA Cymru is the Welsh arm of NEA.

Please provide an explanation for your proposed changes and the contribution they make to a small, balanced set of milestones.

NEA Cymru would propose adding national indicator 33 – *percentage of dwellings with adequate energy performance* – to the set of milestones.

The energy performance of a home can greatly affect the costs of heating a property. As a result, those living in the least energy efficient homes are more likely to experience fuel poverty.

Furthermore, energy inefficient properties are also more likely to release more carbon, adding to the footprint that the Welsh Government is trying to reduce. In order to reach the statutory target to reduce emissions by at least 80% by 2050, the energy performance of domestic properties will have to improve.

Increasing the energy performance of dwellings in Wales is also an infrastructure project that will create jobs across the country. We have already seen the Nest and Arbed schemes create hundreds of local job opportunities as well as apprenticeships and training.

Including national indicator 33 – *percentage of dwellings with adequate energy performance* – to the set of milestones is therefore appropriate as it will allow Ministers to assess progress against a number of the well-being goals, including prosperity, resilience, health, equality, cohesive communities, and global responsibility. As the energy performance of dwellings increase, fuel poverty figures will decrease, carbon emissions will reduce, and jobs and apprenticeships opportunities will have been created. In addition, adding this indicator to the set of milestones will allow the Government to measure the scale and pace of change with little or no additional resources as the Welsh Government already measures the energy performance of properties through surveys such as the Living in Wales Survey of 2008 and the Welsh Housing Conditions Survey 2017-18. Furthermore, improvements can be measured through the Welsh Government's Warm Homes Programme, which looks to improve the energy efficiency of properties in Wales.

UK legislation is also working to improve the energy efficiency performance of domestic properties. The Minimum Energy Efficiency Standard made it unlawful since April 2018 for a landlord to rent an F or G rated property to new tenants (unless exempted), and will make it unlawful from April 2020 to rent an F or G rated property to new and existing tenancies. These targets are likely to be revised in the near future of the longer term trajectory, as set by the UK Government Clean Growth Strategy aims to see all fuel poor homes upgraded to an EPC band C by 2030, and as many homes as possible by 2035. Incentives are therefore already in place to improve the energy efficiency performance of properties, which will allow the Welsh Government to easily measure progress against this indicator. NEA Cymru would like to see the *percentage of dwellings with adequate performance* indicator added to the milestones as it will demonstrate the Government's commitment to tackling fuel poverty, and will ensure private and public bodies are aware of the importance of improving the energy efficiency of domestic properties, particularly in relation to fuel poverty. Including this indicator will reflect an area where the Welsh Government can have a great impact in line with its priorities, through which positive progress will make a contribution to a number of well-being goals.

Please tell us why your proposed change to the existing 46 national indicators will support us in measuring progress towards achieving the well-being goals.

NEA Cymru proposes that fuel poverty be included as a stand-alone indicator.

In Wales, it is currently estimated that 23% of households are living in fuel poverty, equating to 291,000 homes. This means to say that almost 1 in 4 households are unable to adequately heat their home, and are of significant risk of self-disconnection and / or living in debt to their supplier.

The indicators do not currently include fuel poverty. As this issue is blighting the lives of so many in Wales, and its solutions could help meet wider aims of reducing carbon dioxide emissions and ultimately improving the lives of current and future generations, NEA Cymru feels that it is vital for the Welsh Government to include it into the national indicators.

Including fuel poverty into the national indicators will encourage both public and private sectors to take action to tackle the problem. NEA Cymru feels that it is vital for a range of organisations to come together to eradicate fuel poverty, as the issue crosses a range of departments including energy, housing, and health. Welsh Government, local authorities, health bodies and third sector organisations all have a role in ensuring households today and future generations live in warm, safe and dry homes.

There are three main causes of fuel poverty - energy inefficiency, low incomes, and high energy costs. The Welsh Government has jurisdiction over the energy efficiency of homes, which means that some of the levers needed to tackle the problem of fuel poverty are within the Welsh Government's devolved competency.

Including the percentage of people living in fuel poverty into the national indicators will support the Welsh Government in measuring progress towards achieving the well-being goals, as tackling fuel poverty will result in a healthier Wales, a more equal Wales, a resilient Wales, a prosperous Wales, and a Wales of cohesive communities.

The Welsh Government already measures the levels of fuel poverty in Wales, for instance through the Living in Wales Survey 2008 and the Welsh Housing Conditions Survey 2017-18. Measuring progress towards the achievement of the Well-being goals will therefore require no additional funding or resources than is already being used.

In addition, a further measure that can be included within this indicator is the excess winter death statistics, which the Office of National Statistics produces annually. The World Health Organisation attributes 30% of excess winter deaths to living in a cold home. In the winter of 2017/18, 3,400 excess winter deaths occurred in Wales, the highest since the winter of 1975-76, with 1,020 of these deaths relatable directly to a cold home. This annual figure can therefore contribute to the measuring of progress that the Welsh Government is making towards tackling fuel poverty.

The Public Health Outcomes Framework for England which was established by Public Health England in 2013, sets out a range of indicators to track progress on delivering relevant high-level public health outcomes, to help increase quality of life and address health inequalities. Both fuel poverty and excess winter deaths are specifically included as indicators in this Outcomes Framework. Furthermore, in its Cold Weather Plan, Public Health England state that "there is a strong evidence base showing that cold homes have a negative impact on health and wellbeing" and that "housing and economic factors are key to cold weather vulnerability." The plan recognises that although emergency measures and actions are an important public health response to extreme cold weather events, the emphasis should shift to year-round planning. Were the national indicators of the Well-being act therefore to include fuel poverty, health inequalities and quality of life can look to be addressed. As has been identified by Public Health England, tackling fuel poverty improves the health of a nation, which therefore work towards the Well-being goal of a 'healthier Wales'.

Alternatively: Alter indicator 19 to: 'Percentage of people living in households in material deprivation, including those living in fuel poverty.'

NEA Cymru would recommend adding 'fuel poverty' to national indicator number 19 – *the percentage of people living in households in material deprivation*. NEA Cymru feels that it is

important to specify that material deprivation includes the inability to pay for gas and electricity to heat your home.

The latest Ofgem figures (2017) show that in Wales, 31,045 customers were in arrears with their electricity bill, and 23,693 were in arrears with their gas bill.ⁱ In addition, there is an upward trend in the number of electricity and gas accounts paying for their energy via prepayment meter (PPM). The latest Ofgem figures (Dec 2017) state that 19% of customers in Wales pay by PPM for their gas and electricity.ⁱⁱ Wales has the highest proportion of gas PPM's compared to England and Scotland.ⁱⁱⁱ There is significant concern therefore that these customers who are unable to pay for their fuel are self-disconnecting.

Affordable warmth results in healthier householders mentally, physically, and financially, and therefore alleviating fuel poverty works towards many of the well-being goals including a healthier Wales, a more equal Wales, a resilient Wales, a prosperous Wales, and a Wales of cohesive communities.

ⁱ <https://www.ofgem.gov.uk/system/files/docs/2018/06/externalreport2017.pdf>

ⁱⁱ <https://www.ofgem.gov.uk/system/files/docs/2018/06/externalreport2017q4.pdf>

ⁱⁱⁱ <https://www.ofgem.gov.uk/system/files/docs/2018/06/externalreport2017q4.pdf>