

**National Energy Action Cymru (NEA)** is the national fuel poverty charity. We've worked across Wales, England and Northern Ireland for over 40 years, to ensure that everyone can afford to live in a warm, healthy home.



## **Priorities for Warmth**

Commit to significantly **Increasing investment in energy efficiency** to cut bills, tackle fuel poverty, and make homes greener

Introduce a **statutory plan** to end fuel poverty

Provide additional financial support for fuel poor households

More than four in five of Wales' low-income households are estimated to be living in fuel poverty.

A toxic combination of low incomes, high energy prices and leaky homes leave many unable to afford the basics. Too many are living in cold homes, rationing essentials, and mired in debt – with grave physical and mental health consequences. Children are growing up in conditions that can damage their life chances for decades.

The upcoming Senedd Election provides a vital opportunity to focus collective efforts and build fuel poverty out of our homes, ensuring vulnerable people across Wales can afford to keep warm now and in the future. This must be a moment for all political parties to commit to enduring action on ending fuel poverty in Wales – preventing harm and bringing key societal and economic benefits across housing, health, the environment, and social justice.

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## **Our proposals**

# Commit to significantly increasing investment in energy efficiency to cut bills, tackle fuel poverty, and make homes greener

Retrofitting for decarbonisation must result in warmer homes. The UK Government's Warm Homes Plan has received £13.2 billion in backing from HM Treasury. This will include a Barnett consequential for Wales that we estimate could equate to over half a billion pounds.

While this will be received within a broader financial settlement, it is imperative all political parties commit to using the full yield of the Warm Homes Plan consequential towards the same aim of tackling fuel poverty, cutting energy bills, and making homes greener in Wales.

The economic case of investing in the energy efficiency of Welsh homes to protect low-income, vulnerable households is well documented and would deliver significant benefits for Wales, including potentially £290 million in energy bill savings, the creation of around 800 jobs, and generating an estimated total benefit of £2.4 billion by 2030 – all while saving households c.£400 per year on their energy bills. Such intervention would also help to tackle avoidable health inequalities, with cold homes estimated to cost the NHS in Wales at least £95 million every year.

#### Introduce a statutory plan to end fuel poverty

Although the very peak of high energy prices may have passed, little progress has been made to tackle fuel poverty rates and meet targets in Wales; targets that would generate huge societal, economic, and environmental benefits.

Fuel poverty targets in Wales are not currently on a statutory footing and do not yet meet the Welsh Government's legal obligations to specify interim objectives to be achieved and target dates for achieving them. Introducing a statutory plan to end fuel poverty will help the Welsh Government drive the necessary action and investment for improving energy efficiency and make the eradication of fuel poverty a realistic, long-term policy goal.

### Provide additional financial support for fuel poor households

Energy bills remain out of reach for hundreds of thousands of the poorest households across Wales, with many telling us they ration their energy and forego other essentials to cut down costs.

All political parties should boost the incomes of fuel poor households in Wales by:

- Protecting and enhancing the Discretionary Assistance Fund (DAF) and maximising opportunities to take a
  preventative approach and ensure beneficiaries access wider support.
- Streamlining the benefits system in Wales to ensure people get the support they are entitled to, annually
  uprated by inflation.
- Calling on the UK Government and Ofgem to make energy bills more affordable for the most vulnerable households, and to help them reduce crushing levels of energy debt.