

Cynulliad Cenedlaethol Cymru | National Assembly for Wales
Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig
Climate Change, Environment and Rural Affairs Committee
Ymchwiliad i Dlodi Tanwydd | Inquiry into Fuel Poverty
FP 35
Ymateb gan : Cymdeithas Llywodraeth Leol Cymru (CLLC)
Evidence from : Welsh Local Government Association (WLGA)

The WLGA recognises that no one in Wales should be living in fuel poverty. We supported the strategy by Welsh Government to eliminate fuel poverty in Wales by 2010 and acknowledge that although it has reduced from 23% to 12% in Wales, it has not been eliminated.

It is clear there are difficulties in defining what constitutes fuel poverty. The Welsh definition (households where >10% of income is spent on fuel or energy) means that support will not always reach those that need it the most. This formula also doesn't necessarily support other targets and initiatives, such as those linked to decarbonisation and building energy efficiency, where it doesn't always stand that the most inefficient buildings will be eligible for improvement.

Policies, plans, strategies and funding relating to fuel poverty therefore, need to be looked at holistically and aligned with those relating to decarbonisation and energy efficiency, as well as more widely to public health and economic policy.

Fuel poverty can be both a cause and an impact of poor physical and mental health, low educational achievement and wider economic deprivation, creating a negative feedback loop. This therefore provides an opportunity to develop a co-benefits approach to tackling fuel poverty.

One such example of this is the award-winning *Seasonal Health Intervention Network* (SHINE) referral initiative operated in Islington, London. Working with over eighty partners, it allows SHINE staff to identify households in fuel poverty that they might not have otherwise found. For example, their close links with the local NHS staff mean that people suffering from falls, respiratory complaints and heart problems are referred to SHINE to see if they need help heating their home to a safe and comfortable level. GPs can also write directly to SHINE when they are concerned about a patient. This recognises and addresses the impact that a warm, dry home has on health. This in turn has an impact on employment opportunities, which in turn have an impact on an individual's ability to heat their home, thus ending the negative cycle.

One energy efficiency improvement scheme with the potential to identify and target vulnerable individuals living in fuel poverty is the *Energy Saving Trust* administered *Energy Industry Voluntary Redress Scheme* (ERS). The scheme is funded by payments from energy companies who have been fined for breaching rules. The ERS aims to '*support energy consumers in vulnerable situation and deliver benefits to the types of consumers that were negatively impacted by the specific issues that triggered the redress payment*'. Applications to the scheme are only eligible from third sector organisations, however there are opportunities for Welsh local authorities to partner with organisations to deliver shared outcomes.

There have been several successful applications to the ERS made in Wales and a renewed drive to engage with local authorities may further increase engagement with the scheme, with the potential to also link in with other schemes such as Nest and Arbed.

This Welsh Government also have strategies which should be linked together and dependent upon each other, including:

- to eliminate fuel poverty;
- to address climate change;
 - to decarbonise existing homes in Wales;
 - for the public sector to be carbon neutral by 2030;
 - for the whole of Wales to be net carbon zero by 2050;
- to improve educational attainment, and;
- to provide a health service

Where possible, the links between these strategies should be explicitly stated within each, so that that the co-benefits and opportunities for joined-up working between departments become embedded.

Those households who meet the current criteria for fuel poverty must also be supported to ensure they are receiving all the benefit payments to which they are entitled. In addition, those households with a decent household income can fall into fuel poverty due to increased fuel prices, to unnecessary heat loss through the fabric of their homes due to poor thermal efficiency of the building or ineligibility for Welsh Government grants.

Current programmes of improving energy efficiency have at times addressed the easy wins and the easiest install measures , for example, installing a more energy efficient boiler without insulating the property. The application of restrictions of eligibility to funding has resulted in ‘pepper -pot’ improvements, with pockets of housing in some areas not being improved when others have.

The programme of decarbonisation of existing housing in Wales must be linked to the improvement of energy efficiency ratings on a whole house approach, to include:

- Wall insulation
- Boilers and heating systems
- Loft insulation
- Windows and doors
- Behaviour change of occupants and instruction on use of these measures

What is clear is that whatever interventions are employed, they should always be fit-for-purpose and evidence-based.

The WLGA recognises some of the frustrations highlighted by local authorities relating to the prescriptive nature of schemes such as Arbed. Issues have been raised about tight timescales for applications, the scope of works covered, and the targeting of areas of deprivation rather than individuals in most need. Whilst funding must always be controlled to ensure it delivers the desired outcomes at a national level, local authorities should be trusted and given the flexibility to deliver the most efficient, place-based solutions to challenges such as eliminating fuel poverty in Wales.