Jane Hutt AS/MS Y Gweinidog Cyfiawnder Cymdeithasol Minister for Social Justice



Jenny Rathbone MS Chair of the Equality and Social Justice Committee

1 December 2022

Dear Jenny,

Thank you for your letter of 28 October in which you seek clarification on five issues, following the debate on The Equality and Social Justice Committee's report on Fuel Poverty and the Warm Homes Programme. I shall address each issue in turn.

When the Welsh Government will be in a position to share the outcome of its review of the winter fuel support scheme?

The Winter Fuel Support Scheme (WFSS) 2021/22 was developed following consequential funding from the UK Government's Household Support Fund, supplemented by Welsh Government funding.

It was anticipated that the scheme would be a one-off payment to address the immediate, short term, financial pressures faced by households.

As a result, no formal arrangements were made to evaluate the scheme. However, a review of lessons from the first scheme informed the development of the subsequent Welsh Government Fuel Support Scheme 2022/23.

The Welsh Government carried forward £180m of funding from 2021-22, outside the normal Wales Reserve arrangements, to respond to the cost of living crisis in 2022-23. The total package, covering 2021-22 and 2022-23, was worth more than £330m and included £150m for the Cost of Living Support Scheme as well as £90m for another Fuel Support Scheme in 2022-23.

The main lessons were:

1. Our previous qualifying criteria meant many low-income households were not eligible for support. Following feedback from our stakeholders we have extended the eligibility criteria to support more vulnerable households with this vital support.

This includes:

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

- Support to a wider cohort of households on benefits;
- Measures to support households with pass-through energy costs;
- Support for households using off-grid fuel.
- 2. The payment window for the 2022/23 scheme has been extended to allow individuals a wider opportunity to claim and Local Authorities more time to identify eligible residents and to process payments.
- 3. Following feedback that better communication was required, throughout January 2022 we were able to re-purpose our 'claim what's yours campaign' to promote our fuel support scheme through television, radio and social media advertising which resulted in improved take-up. These promotion routes have been repeated and enhanced as part of the promotion of the 22/23 scheme as part of the Welsh Government 'Here to Help' campaign.
- 4. To simplify for recipients, we have worked with local authorities to make it easier for people known to local authorities and eligible to receive the payment to do so without having to make a direct application.

Your response suggested that the next iteration of the Warm Homes Programme will be published this autumn. Please could you indicate the likely date for publication? Can you commit to writing to us to highlight the ways in which the Committee's specific points have been addressed when available?

My Oral Statement on 7 November provided members with further information about how we will approach the challenges and opportunities of responding to the climate emergency across all tenures. The intention is to continue to take a fabric first, worst first and low carbon approach, delivering measures to improve the energy efficiency of the least thermally efficient low-income households in Wales.

We will achieve this in two parts. Part 1 will see us bringing forward the procurement of a replacement demand led service, we will ensure continuity to assist those least able to pay to respond to the cost-of-living crisis. This will also ensure a just and affordable transition to low carbon homes.

The procurement is expected to take place next year with early engagement with the supply chain and other potential contributors to ensure a strong and timely response. The ambition is to have the service operational to help households next winter. The new service will take account of learning from the findings of the Senedd Committee on Equality and Social Justice review of 2022 along with other similar reviews. A Review and Recommendations Report, summarising the multitude of reviews of the Warm Homes Programme, will be published in the new year alongside the Welsh Governments response to the public consultation on a future Warm Homes Programme.

Part 2 will see the development of a whole housing stock approach to decarbonisation, providing a long-term approach for energy efficiency, fuel poverty and decarbonisation of housing.

It will help meet the needs of the current and future carbon budgets, whilst also integrating with broader housing objectives. The new programme is expected to support the social, owner occupier and private rented sectors. It is expected to be accessible to all, including those in the 'able to pay' category, but include emphasis on funding worst homes first, including those in fuel poverty. The approach will be developed through the learning from the Warm Homes and Optimised Retrofit programmes and aligned to other Welsh

Government approaches such as the Welsh Housing Quality Standard and Local Area Energy Planning

Work can begin immediately with the evolution of existing mechanisms to create an integrated approach to transition to the new programme, aligned with the next budget settlement.

We will write to confirm the way the Committee's specific points have been addressed when available.

Recommendation 18, are you able to confirm the publication date of the Net Zero Skills Plan?

The Net Zero Skills Plan is expected to be published early in the new year.

Recommendation 22, please can you update us on UK Government proposals to increase the Minimum Energy Efficiency Standards to Energy Performance Certificate C for all rented properties by 2028? If the UK Government does not act, will you commit to implementing higher minimum energy efficiency standards in Wales only?

The UK Government consulted on proposals to increase the Minimum Energy Efficiency Standards to Energy Performance Certificate C for all rented properties by 2028 two years ago and we are still awaiting a response. As soon as the UK Government have made an announcement, we will provide an update to the committee. It is important to remember that energy is non-devolved and therefore the setting of MEES is a matter for UK Government.

Recommendation 21, can the Welsh Government explain what steps are being taken to ensure that challenges specific to rural communities are addressed in the next phase of the Warm Homes programme?

The challenges faced by those living in rural Wales are addressed within the current programme and we will continue to tackle the issues experienced by householders in rural areas within the new programme.

Yours sincerely.

Jane Hutt AS/MS

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