

## **Cross Party Group on poverty – Meeting Note – 20 February 2024**

### **Attendees:**

John Griffiths MS (Chair)  
Steffan Evans – Bevan Foundation (Secretariat)  
Abigail Rees - Barnados  
Amy Dutton – Citizens Advice  
Ben Saltmarsh – National Energy Action Wales  
Andrew Bettridge – Office of John Griffiths MS  
Catrin Glyn – Carers Trust  
Cherrie Bija – Faith in Families  
Emma Osterberg – IFAN  
Gareth Lynn Montes – Welsh Refugee Council  
Hannah Sorley – Citizens Advice  
Hayley – Community Housing Cymru  
Helal Uddin - EYST  
Ioan Bellin – Plaid Cymru Staff Member  
Jamie Insole - UCU  
Joel Davies – Bevan Foundation  
Katie Palmer - Cardiff and Vale UHB  
Kiera Marshall – Plaid Cymru Staff Member  
Liz Williams - RNIB  
Maria Marshall - IFAN  
Mary Van den Heuval - NEU  
Mike Lewis  
Nerys Sheehan – Action in Caerau and Ely  
Rachel Bowen – Older People’s Commissioner  
Niamh Sakeld – Plaid group office  
Sarah Germain – Fareshare Cymru  
Shaun Bendle – End Youth Homelessness Cymru  
Therese Warwick - Cafod  
Owen Thomas – Office of John Griffiths MS

### **Meeting note**

1. The Chair welcomed everyone to the meeting.
2. The Chair invited Steffan Evans from the Bevan Foundation to provide a preview of its Snapshot of poverty report for winter 2024, launching on the 6<sup>th</sup> March. Steffan provided some key points from the work as a focus for the group to think about where it directs its attention next:
  - a. The Bevan Foundation is concerned that a new normal of elevated poverty and hardship is emerging based on the findings of its latest Snapshot surveys.
  - b. Between May '21 and July '22 household finances had significantly deteriorated with the effects of the pandemic and cost of living crisis, but since then these results have stabilised at very elevated levels of financial hardship. The real-world effects of this

include approximately 1/3 of people going without heating and 1/4 cutting down on meal size or skipping meals with 18% doing the same for their children as well.

- c. The Foundation's latest survey shows that in the three months from October 2023 27% of people in Wales borrowed money and 13% were in arrears on at least one bill in January 2024.
  - d. With regards to health and housing, 44% of people say that their financial position is having a negative effect on their mental health, 30% say it is having a negative effect on their physical health. High levels of people report they are worried about losing their home, particularly in the rental sector.
  - e. The Bevan Foundation is particularly concerned about certain groups who are affected disproportionately – parents of under-18s, disabled people, renters, and low-income households.
  - f. Ongoing high levels of poverty is likely to have a significant impact on public services and the third sector. There is a question over how we sustain support efforts in a prolonged 'crisis mode'.
  - g. We should be concerned at the long-term scarring effects of poverty, particularly on children.
  - h. For those interested in child poverty, the Bevan Foundation is holding a 'deep dive' on 12<sup>th</sup> March.
3. The Chair thanked Steffan for his contribution and moved on to the next agenda item, a presentation by Ben Saltmarsh of National Energy Action. Ben made the following points:
- a. Ben was in agreement with the key findings shared by Steffan and acknowledged their relevance to the fuel poverty space, supporting the notion of the new normal and the need for long-term, sustainable solutions to the crisis as well as crisis-mode responses. Many of the points made also apply to fuel poverty.
  - b. The numbers living in fuel poverty have increased markedly since 2018 when 12% of households in Wales were in fuel poverty. This has increased to 45% of households as of April 2023, and 98% of lower-income households.
  - c. Poorer households can end up paying more for their energy because of higher costs based on how bills are paid, with prepayment costing more than direct debit. Prices are also higher in North Wales, for example. With the average standing charge around £400/year in North Wales, essentially those on a prepayment tariff must pay this before they receive any energy, which is challenging for those on low incomes.
  - d. Much of the government support for fuel costs has now come to an end, including the Wales Fuel Support Scheme and the Energy Bills Support Scheme.
  - e. The crisis will leave a legacy of overwhelming debt which many will struggle to recover from without help. The total energy debt is now around £3bn compared to £2.2bn in the middle of last year.
  - f. NEA has called for a help to repay scheme and price protection, which has failed to materialise from UK government. There is a concern that now no progress will be made until the general election.
  - g. There is a concern that the moratorium on forced installation of prepayment meters is being lifted subject to new rules, and that essential fuel will be denied to households at risk. There are certain groups who should never have prepayment meters forcibly installed including the over-75s and those who depend on gas/electricity for medical equipment.

- h. Ben flagged that Ofgem is due to make a decision soon about whether energy companies can continue to price differently based on payment method.
  - i. Welsh Government has the most potential influence on fuel poverty in the area of warm homes. The Nest scheme is due to be renewed on the 1<sup>st</sup> April but an announcement has not yet been made on the contract awards for the programme.
  - j. The CPG on Fuel Poverty and Energy Efficiency is due to take place on Thursday 22<sup>th</sup> February, and the NEA's Annual Fuel Poverty Conference is on the 7<sup>th</sup> March.
  - k. The NEA is calling for energy efficiency based interim targets to be included in Welsh Government's tackling fuel poverty strategy, and increased minimum energy efficiency standards in the rented sector.
4. The Chair thanked Ben for his contribution and moved on to a contribution made by Cherrie Bija from Faith in Families who posted in the chat about the launch in Swansea on 6<sup>th</sup> March of Cwtch Mawr – Wales's first multi-bank. The charity provides adults and children with essential practical items for free. She invited attendees to contact her for more information and would like to share the details of the scheme at the next meeting. The Chair then introduced Amy Dutton from Citizens Advice Cymru to talk. She made the following points:
- a. Citizens Advice data is showing that Welsh households are continuing to struggle with the cost of living. The number of people struggling to keep up with household bills is increasing, which places them at risk of prolonged problem debt, debt enforcement and homelessness.
  - b. Energy bill debt has risen the most significantly, and average energy debt amount is at a record level.
  - c. The number of people unable to top up their prepayment meter increased by 73% compared to 2022. There are risks associated with prepayment meters including risk of disconnection and going without essential fuel. There is a concern around the return of forced installation of prepayment meters.
  - d. Citizens Advice is seeing record number of people at crisis point, leading to a record amount of food bank referrals and charity support. There was agreement with the previous speakers' point about a stabilisation at worrying and unsustainable levels.
  - e. Many people who go for crisis support also have a need for advice on other issues such as personal independence payments, meaning that advisers are taking longer with clients.
  - f. 250,000 people in Wales are living on a negative budget with a further 436,000 making ends meet by cutting down spending to unsafe levels.
  - g. Disabled people/people with long term health conditions, social tenants and single people including single parents are disproportionately seeking help from Citizens Advice for cost of living issues.
  - h. The situation will get worse in the first months of 2024. Predicted energy price falls in April will help somewhat as well as government initiatives but the crisis will continue into 2024.
  - i. Welsh government should focus on maximising income for those at risk via benefit and support maximisation and reducing household expenditure, improving the energy efficiency of homes, increasing social housing and making debt collection practices fairer.

5. The Chair thanked Amy for her contribution and opened the discussion to the floor. There was a wide range of questions and points raised, including:
  - a. Challenges to budgets in education and health, and how the focus can be shifted in the NHS into prevention, as people get poorer and more ill with the cost of living crisis.
  - b. Extreme short-term pressures make it difficult to commit to long-term spending decisions, and make difficult decisions inevitable.
  - c. The risk of burnout of staff in third sector organisations grows as there is a sustained period of crisis management. Charities are also running out of money to continue providing acute services due to the cost of living crisis.
  - d. Awareness of available support has been shown by the RNIB to be lower in blind and partially sighted individuals. What can Welsh Government do to increase access for more people?
  - e. It was suggested that a Welsh benefits system could increase access to support by making the system more streamlined. There was a recognition of the need for improved connections between different benefits and improved passporting, along with bringing advice services more into community, health, and education settings.
  - f. It was observed that housing associations are finding even when full benefit and support take-up is achieved, families are still unable to meet their needs. There was further concern that some support has been revoked without adequate consultation, for example within the discretionary assistance fund.
  - g. The net zero and climate change agenda was suggested as being fundamentally intertwined with fuel poverty, and requires a just transition in terms of ensuring home efficiency improvements are accessible to low-income households.
  - h. Digital exclusion in older people and those on low incomes was suggested to be exacerbating their costs of living.
  - i. Members were asked for input on whether the Poverty CPG move back to a hybrid meeting format. There were no objections.
  
6. The Chair summarised the topics of discussion and thanked attendees for their contributions. He suggested that the next meeting should be an AGM.