

Jane Hutt AS/MS  
Ysgrifennydd y Cabinet dros Ddiwylliant a Chyfiawnder  
Cymdeithasol, y Trefnydd a'r Prif Chwip  
Cabinet Secretary for Culture and Social Justice, Trefnydd and  
Chief Whip



Llywodraeth Cymru  
Welsh Government

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Jenny Rathbone MS  
Chair  
Equality and Social Justice Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

[SeneddEquality@senedd.wales](mailto:SeneddEquality@senedd.wales)

28 August 2024

Dear Jenny

### **Follow up from ESJ Committee General Scrutiny session**

Following the Committee's General Scrutiny session with my predecessor, the former Cabinet Secretary for Culture and Social Justice, Lesley Griffiths MS, on 17 June, please find below additional area updates requested.

### **Progress with implementation of the Welsh Benefits Charter**

The Steering Group has continued to meet regularly to put in place the foundations for the streamlining of the administration of Welsh benefits, grants, and payments. The tasks required to achieve the aim of the first phase (all local authorities delivering Council Tax Reduction Scheme, Free School Meals, and Schools Essentials Grant seamlessly by Spring 2026) are now being identified and prioritised by the six Workstreams established by the Steering Group. The learning and best practice from phase one will guide the next phase of the project which will focus upon other Welsh benefits, grants, and payments.

In recognition of the leading role that local authorities have in this work all Chief Executives have nominated a Senior Responsible Officer (SRO) for their local authority. The SRO has a key role in ensuring their individual local authority is engaged in the work and, as a collective group, the twenty-two SROs will work closely with the Steering Group.

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1SN

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

[Gohebiaeth.Jane.Hutt@llyw.cymru](mailto:Gohebiaeth.Jane.Hutt@llyw.cymru)  
[Correspondence.Jane.Hutt@gov.wales](mailto:Correspondence.Jane.Hutt@gov.wales)

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.

Over the summer, Steering Group members are developing a roadmap for the implementation of activities, with an initial focus on phase one activities, which will bring the commitments in the Welsh Benefits Charter to life. The roadmap will be presented to the Partnership Council for Wales for endorsement at its next meeting in the autumn.

### **Child poverty strategy including evaluation of the Scottish Child Payment**

Progress continues with the implementation of our Child Poverty Strategy across government.

Since the committee update in June, we have progressed with a short-term grant scheme, intended to support innovation in collaboration to bring organisations together to address child poverty, with £900,000 of funding available for use this financial year.

The scheme is about removing barriers and supporting change so that organisations can work together in a more effective and sustained way to meet the needs of children in poverty. The grant scheme has proven hugely popular and we were extremely pleased by the number of projects seeking funding with many encouraging ideas on boosting collaboration at a local, community and regional level. Learning from the projects funded under the grant will be shared locally, regionally as well as nationally through our Communities of Practice work with external partners.

We have continued developing the Communities of Practice Approach to enabling collaboration to address child poverty. The first national Community of Practice meeting will take place on 18 September. This is an opportunity to bring public and third sector partners together to learn from one another, consider wider evidence and practice models and work to identify solutions to shared issues where stronger collaboration is an important tool for addressing child poverty.

A Child Poverty Conference has been arranged October 14, for services working with children, young people and families including early years, family support, education, health, housing, youth and community services. This will include a range of speakers and workshops from organisations working to provide goods to low-income families and money into pockets, exploring ways we can make every contact count and help families access their full financial entitlements.

The unpopulated Child Poverty Monitoring Framework will be published in the Autumn as planned. The framework will use population level data to provide an assessment of the impact of efforts across government in relation to addressing child poverty and securing improved outcomes for children and young people in poverty. It is planned that the framework with data will be published alongside the progress report on the strategy every three years.

The framework is intended to demonstrate the difference that the powers and levers the Welsh Government has, is making to the lives of children and families in Wales. These differences are often masked in headline poverty statistics which are heavily influenced by the levers at a UK Government level, and do not fully reflect the complexity of how poverty is experienced. The framework is intended to go beyond 'headline' poverty statistics to more fully reflect the complex and multi-faceted nature of child poverty in Wales. I would be happy to facilitate a technical briefing on the Monitoring Framework for the Equality and Social Justice Committee. This would provide an opportunity to discuss the content and function of the new Framework and for the Committee to meet Professor Rod Hick and hear his independent view. Should the Committee choose to accept a technical briefing, timing would be agreed to work alongside the publication date in the Autumn Term.

As agreed in the 'Final Budget 2024 to 2025: Joint Welsh Government and Plaid Cymru paper' officials have examined the balance of reserved and devolved powers in the area of a child payment and this work has confirmed Welsh Government does not have the powers to legislate for an equivalent scheme to Scotland. Over the summer officials will, as agreed, engage with Scottish Government to better understand how the Scottish Child Payment operates.

### **Fuel poverty, the Warm Homes Programme, and measures to improve fuel efficiency of fuel poor households**

The level of fuel poverty in Wales is deeply concerning and we all have a responsibility to improve the lives of those in, or at risk of falling into, fuel poverty. Almost 200,000 households in Wales were living in fuel poverty in October 2021, the most recent date for which we have robust statistics.

While Welsh Government continues to provide emergency financial support and deliver our demand-led energy efficiency scheme to reduce levels of fuel poverty, our powers and resources are limited. Key policy decisions rest with the UK Government and I recently wrote to the Secretary of State for Energy Security and Net Zero about us working together to lift people out of long term poverty.

Householders struggle to meet day to day costs and those in energy debt have fallen into deeper arrears. The Chancellor's decision on 29 July, that the Winter Fuel Payment will no longer be a universal payment<sup>1</sup> in England and Wales risks pushing some pensioners into fuel poverty. There is a level of hardship and despair being experienced by households across the country and we need to develop a permanent, effective form of protection for households in need. Welsh Government has regularly called for the introduction of a social tariff to offer protection to vulnerable householders.

The previous Cabinet Secretary for Culture and Social Justice wrote to the Ofgem chair on 1 May highlighting three key areas of concern regarding their remit as energy regulator:

- Firstly, the need to address the unfairness around standing charges to remove the injustice of regional variation and support low income and low usage households. This is something we set out in Ofgem's recent Call for Input [[Written Statement: Ofgem Call for Input on Standing Charges – Welsh Government response \(10 February 2024\) | GOV.WALES](#)]
- Secondly, how Ofgem are ensuring the new rules on involuntary prepayment meter installation are being implemented effectively; vulnerable customers are treated with care and low-income households are supported.
- Finally, Ofgem is well placed to input into developing a permanent, effective form of protection for households in need and urged them to use their experience and insights to work with us to set out the need for affordable energy for all.

The price cap increase due in October is another blow to householders at a time when wider cost of living pressures is also putting significant pressure on household finance.

Energy price rises hit low-income households disproportionately as they spend more of their income on essential household bills. Energy suppliers must do all they can to support their customers through this difficult time with fair and affordable payment plans and emergency support where required.

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<sup>1</sup> A Winter Fuel Payment was previously awarded to people aged over their statutory retirement age.

Ofgem figures suggest GB household energy debt and arrears has increased from roughly £2bn to £3bn in the last 12 months. The number of households in debt and arrears has risen from 1.9 million to 2.3 million during 2023, an increase of 20% and the amount of individual debt has increased at an even faster rate. Those who are in debt and arrears, are getting deeper into debt and arrears and are struggling to pay it off, even with prices falling.

The best way to tackle fuel poverty is to get more money into peoples' pockets. The UK government clearly has a key role through the benefits system, and we can do our bit in improving access to benefits, maximising income through initiatives such as 'Claim What's Yours.'

### Warm Homes Programme

We launched our new Warm Homes Nest scheme on 1 April. It will continue to act as the Welsh Government's primary mechanism to tackle fuel poverty for homeowners and households renting from private landlords.

This year, we are investing more than £30 million to reduce the number of low-income households living in cold, damp homes. Since the new scheme has a greater focus on decarbonising homes, it will also contribute towards achieving a net zero Wales by 2050. It will directly enable a just transition; ensuring we leave no one behind as we move to a cleaner, stronger, fairer Wales, through the twin objectives of tackling fuel poverty and the climate emergency.

We have learnt the lessons from the previous scheme and taken on board various committee recommendations to ensure the scheme better targets those in fuel poverty. We have enhanced the eligibility criteria to allow support for low-income households not on means-tested benefits and allow multiple applications. Our new advice service is independent from the contractor installing the measures. This gives fuel-poor households confidence to make the changes to a cleaner, more energy efficient future.

The new Warm Homes Nest scheme will see a more joined up approach with complementary schemes, to maximise the benefits of these to Welsh citizens. Our advice service will have an important role in understanding each individual's circumstances and supporting them to access the most appropriate scheme for their needs.

### Measure to improve fuel efficiency

Our long-term ambition is to improve the energy efficiency of Welsh homes, ensuring householders use only the energy they need to keep homes comfortably warm at an affordable cost.

The Nest scheme will continue to support people based on their needs and the most appropriate measures for their home, their circumstances and their wellbeing. Key to this is the whole house assessment. Eligible households will receive a bespoke measure of packages to insulate and decarbonise their homes, leading to a reduction in energy bills to move householders out of fuel poverty.

Measures such as heat pumps and solar panels with battery storage where appropriate, are preferred, making households more resilient to rising energy prices in the future and reducing greenhouse gas emissions. Measures will be applied to households only after a whole house assessment, in accordance with PAS 2035. The PAS 2035 standard is the official industry framework for whole-house retrofit in the UK. By closely following the most up-to-date version of PAS 2035, the programme will be able to avoid negative impacts associated with installing incorrect measures.

I hope you find this information helpful.

Yours sincerely

A handwritten signature in black ink that reads "Jane Hutt". The signature is written in a cursive style with a long horizontal line above the first name.

**Jane Hutt AS/MS**

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