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 05
Ymateb gan : Tim Prosiect Gwyddorau Cymdeithasol FLEXIS, Prifysgol Caerdydd
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Our consultation response is based on research conducted as part of the FLEXIS project (WEFO January 2016 – December 2020) and the Better Energy Futures project (SMART LIVING – FUEL POVERTY AND UK FAIR FUTURES PROGRAMME, March 2018 – June 2019). Our research involved annual qualitative longitudinal interviews with 24 participants across 18 households over a period of three years. The sample included people aged between their early 20s and late 70s, in a range of living situations and included owner-occupiers, private and social renters. Participants lived in Caerau, an ex-mining community in the Llynfi valley, where there are currently plans to develop a district heating scheme using water from disused mine workings. Participants were recruited to the project to discuss issues around energy in the context of this planned development and not based primarily on their experience of fuel poverty (FP). However, 19 of our participants could be described as living in vulnerable households according to definitions of vulnerability outlined in the Welsh Government Fuel Poverty Strategy 2010 (hereafter WGFPS) (including; living with disability, being in a household containing young children, or being elderly). In recent years, research has identified the condition of energy vulnerability (EV) as itself a key concern (Bouzarovski et al 2014), as indeed did the WGFPS, where the risk of entering FP is identified as a central problem (p. 2). EV is taken to mean a condition in which a household experiences a disposition to move into fuel poverty. This condition is dependent on a variety of influences, including for example the material quality of housing, social relationships (e.g. between tenants and landlords) and general health (Middlemiss and Gillard 2015). It has therefore been argued that understanding EV is key to understanding why some households suffer FP. Further, the condition of EV can itself have negative

health and other impacts, many of which may arise from how EV is experienced by members of a household (Hargreaves and Longhurst 2018). For these reasons, as part of the Better Energy Futures project we have conducted extensive analysis of our data to help understand how people experience both FP and EV, which has informed our work with the Energy Systems Catapult. Our work has also been featured in the Welsh Government Smart Living Initiative: Annual Review of Progress and Learnings 2018-19.

Conditions which create EV

Few participants in our study see themselves as energy vulnerable, although many are on low incomes and fuel bills were a concern, and despite being members of households that would be classified as such according to official definitions of vulnerability in general. This may mean that relying on self-referral for access to help with energy problems may meet with difficulties. Nonetheless, our research identifies several characteristics of households' dealings with energy that are directly related to them experiencing significant challenges with obtaining energy services.

- *Finances and budgeting* – all our participants had experienced bill increases but this gave rise to different levels of concern depending on financial resources and ability to 'put something by'. Opportunities for employment were seen as relatively limited and insecure, with people lacking resources to travel for work. However, participants were reluctant to move from the area given the importance placed on local relationships (see below). Prepayment meters were seen as an indicator of fuel poverty in the wider community. Some found them a helpful budgeting tool, whilst for others they were an expensive, time-consuming and potentially anxiety-inducing way of managing everyday energy use. Wider poverty – and not just the narrowly defined concept of fuel poverty – was seen as perhaps the most important contribution to vulnerability. Changes to benefit payments (such as a move to universal credit and delays to state pension age) were seen as exacerbating difficult financial circumstances. Therefore, our research indicates that efforts to address fuel poverty should be mindful of the impact of related welfare policies.

- *Social and community relations* – living in an ex-mining community, participants described the area's changing status from fuel production and apparent abundance (particularly in terms of the free coal miners' families were once entitled to receive) to a more remote and expensive relationship to energy. This has significance for intergenerational understandings and experience of fuel poverty as a current issue, as opposed to understandings of poverty more broadly as more longstanding. Participants described a strong sense of community, with people willing to share resources with one another (including food, money and energy) and were generally reluctant to move away from the area. This informal support was seen as important in helping people to avoid getting into debt. Local community resources, such as the foodbank and related schemes, were also seen as important sources of support, although there was concern that they should be necessary. These insights indicate that the particularities of place are important in considering the experience of and resilience to fuel poverty, which suggests that initiatives aimed at addressing fuel poverty need to pay attention to local circumstances.

- *Housing* – tenancy status and disposable income had a significant impact on people's ability to make changes to their properties to improve energy efficiency and reduce fuel costs. Whilst people would have liked to make more investments in their properties this was generally not seen as feasible, with investment in renewable energy in particular seen as out of reach due to requiring a high financial outlay. Other efforts to improve energy efficiency, such as installing double glazing, may have to be done slowly; as one participant described buying 'a window at a time'. Those in private rented accommodation described feeling particularly powerless as they were reliant on their landlord taking action to address issues with the property. Whilst the most vulnerable were able to access some support for making changes to their property and were appreciative of this (e.g. free installation of a new boiler via the NEST scheme), others in the community who were on a low income but did not meet eligibility criteria for such schemes sometimes expressed resentment. This raises issues as to how these schemes may have an impact on local relationships.

- *Energy saving practices* – there is lack of consensus on what constitutes good ways of using energy, compounded by scepticism when some practices are advocated by energy companies, who are seen to prioritise profit maximisation over consumer benefit (e.g. leaving heating on constantly at a set temperature v turning it on and off). Most people are aware that they should avoid wasting energy and money and take measures to do so, therefore devices designed to make energy use more visible – such as smart meters – were often not seen as particularly helpful and were generally not seen as potentially able to alleviate fuel poverty.

- *Smart technology* – whilst some were enthusiastic about the greater connection to energy use such devices may provide, there was scepticism amongst our vulnerable participants that an (energy consuming) device can tell people anything they don't already know, given they already have to be careful energy consumers to manage on a low income. Beyond important issues of access, our research indicates varying levels of confidence and competence in relation to smart technology, which risks creating social divisions. Our work suggests that it is important to recognise valid reasons why vulnerable consumers may be resistant to smart technology, including smart meters, rather than interpreting this simply as resistance to change. This nuanced understanding is crucial in ensuring that no-one is left behind in a smart energy transition. (See Welsh Government Smart Living Initiative: Annual Review of Progress and Learnings 2018-19 for more detail of our contribution on this).

- *Health* – in conducting longitudinal research, our work shows how energy vulnerability is a dynamic condition that people may move into and out of over time in relation to changes in their circumstances. For many of our participants, experiencing a period of ill-health often coincided with a reduction of income and spending more time at home, linked to higher energy costs (as well as potentially greater energy demand due to health conditions) and thus was a potential source of concern and vulnerability. For those with long-term conditions there may appear to be little prospect of their situation

improving. In addition to physical health, participants outlined mental health conditions that necessitated greater energy use to manage. Efforts to address fuel poverty therefore need to take into account the wider household conditions that may exacerbate this, with a particular focus on the health and care needs of household members.

- *Children and care* – the assumption that to care for young children means providing adequate warmth is firmly ingrained and may result in adults restricting their own energy use in order to prioritise children. Beyond heating, high electricity costs are also associated with raising children. In addition, heating is associated with caring for older generations and for those in ill-health. As heating is often regarded as essential when vulnerable people are present, this can lead to households increasing energy use, which gives rise to concerns about meeting the bills for this. This is not restricted to households where vulnerable people are permanent residents but also where they may regularly visit e.g. grandparents having grandchildren to visit/care for regularly. This suggests that initiatives to address fuel poverty should be mindful of relationships beyond immediate household members and expectations of what caring involves.

- *Essential energy use* – expectations have evolved so access to energy is now seen as a basic right and necessity to be able to participate in contemporary society, especially via ICTs. Participants felt that lack of internet connection led to difficulties in undertaking everyday tasks and could result in them being penalised (e.g. being charged more for paper statements if unable to do online banking). The main issue with ability to access energy appeared to be cost, given grid-connected gas and electricity supplies were generally experienced as reliable and convenient.

Additional harm resulting from the experience of EV

The Welsh Government Fuel Poverty Strategy 2010 includes goals to involve communities and people affected by fuel poverty; and provide inclusive support and advice that takes people's needs into account, drawing on their

own understandings of what these needs are. The experience of EV may have notable characteristics which are themselves harmful.

People tend not to identify with being vulnerable to FP at all, so long as they feel their lives are characterised by particular characteristics. Among these are *resilience*, which includes both community-level resilience (in terms of social relationships, including the ability to share resources and assist others) and household-level financial resilience, which is marked by the ability to create buffers against uncertainties. Particularly important here is being able to draw on savings in order to cover unexpected expenses to which people on otherwise restricted incomes may be exposed, and to cope with more predictable differences in energy demand between seasons by putting aside money in warmer months.

One notable problem associated with experiencing some or all of the above conditions which can help create EV is the experience of instability. Respondents often report that they feel able to 'budget', but in many cases budgeting has short time horizons, perhaps meaning simply managing cash flow from week to week rather than putting something by to cope with financial shortages related to broader conditions. Planning for the longer-term can be difficult in such circumstances, giving rise to concerns about coping later in the year or in later life. The idea that budgeting is a manifestation of agency and hence necessarily a sign of resilience points to another central aspect of people's experience of EV: adaptive preference. The capacity to exercise agency regarding accessing energy services is an important contribution to wellbeing (Middlemiss and Gillard 2015). Being able to renovate a property or make other choices that influence energy consumption and reduce bills is seen as highly meaningful, though such choices are often constrained by e.g. social relationships between landlords and tenants, the costs associated with switching energy suppliers, or the extra costs which come with health conditions. Solutions which demonstrably increase resilience (and a sense of meaningful agency in the terms discussed here) may therefore be evaluated positively by respondents. At the same time, respondents also report feeling that they have agency while also characterising themselves as 'struggling on', or in adapting their preferences for energy services so that they feel they are able to 'make do' with what they are able to obtain, even if this is may not be sufficient for

their needs. For example, one couple experienced the breakdown of their cooker and were unable to afford a replacement. Subsequently, they had been living without a fully functioning cooker for 6 months by the time of interview, but described this in terms of having to change their eating habits rather than in terms of lack.

Existing research has indicated that a focus on energy efficiency, while understandable, rather ignores the lived experience of fuel poverty (Middlemiss and Gillard, 2015). Instead, it has been argued that qualitative research is essential to understand how change is experienced in the daily lives of the fuel poor (Grey et al., 2017). In particular, a longitudinal approach (where the same participants are interviewed on multiple occasions over an extended time period) allows for greater exploration of energy vulnerability as a dynamic condition that people move into and out of over time. Our work goes some way to address these issues but more extensive qualitative longitudinal research in this area could provide a valuable contribution to understandings of fuel poverty (Middlemiss and Gillard, 2013).

References

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