

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 11

Ymateb gan : Cymru Gynnes

Evidence from : Warm Wales

- How Welsh Government action to date has helped to combat fuel poverty, in particular, the impact of the Warm Homes Programme (**including Nest and Arbed**) and the Welsh Housing Quality Standard;

The Nest programme is very beneficial and has had a massive positive impact for many individuals in Wales. As an organisation that assists people to refer themselves into the programme we have the following concerns on process:

Qualifying criteria:

You (OR SOMEONE YOU LIVE WITH) receive a means tested benefit (MTB)

The application is made in the name of the person on the MTB living at the property. It does not consider the household income. A homeowner could have £100k+ in the bank but have their niece living with them who is on a MTB and qualify for full support. This is a waste of resources.

1. Suggested action: The criteria should include a household income cap.

Whilst it is understandable that those qualifying for a MTB are likely more vulnerable and in more need than those that don't; by having MTB as a qualifying criteria an important demographic are being missed. We frequently come across pensioners that don't qualify. They may be a couple earning just over the threshold to qualify for Pension Credit, a joint income of just £14,000. They have worked all their lives and are not claiming any benefits. Their house is in disrepair and their heating system over 20 years old or not working. Under these criteria, unless they meet the new Health criteria they would not qualify for any support. (This is an ongoing issue as this is very much a demographic that is being missed as many funding pots use MTB as qualifying criteria.)

2. Suggested action: There should be an amendment to the criteria – either based on total household income or to provide a separate funding pot which preferred partners can refer individual cases to based on circumstance to be decided by a committee.

The third qualifying criteria: **Your home is energy inefficient and expensive to heat (equivalent to an E, F or G energy efficiency rating)** is currently decided via a list of questions asked over the phone and then a system allocates a SAP score which determines whether the property qualifies. Nest have been asked but have refused to share the weighting of the scoring system for these questions. Even if a property has a current EPC that states it is E, F or G, Nest state this is irrelevant – the criteria is decided by the Nest system and is non-negotiable.

3. Suggested action: Accept a current EPC at E/F/G as sufficient evidence to qualify for support.

4. Suggested action: Share the weighting of the questions with preferred partners to ensure wider understanding of how the decision is made

One question is ‘How much is spent on gas/electric/water?’ Whilst we understand this is to help gauge whether the household is fuel poor, for many of our clients their spend on energy is low – not because their home is heat efficient but because they choose to minimise their fuel use in order to have money to eat. The amount spent on bills is not always a clear indication.

5. Suggested action: Consider each question/weighting and re-word to ensure fair to those that are self-limiting or disconnecting their current supply.

Measures available: Nest state that the funding includes insulation – it states ‘or’ insulation which implies that if that’s the only measure required then it is available.

We offer a range of free, impartial advice and, if you are eligible, a package of free home energy efficiency improvements such as a new boiler, central heating or insulation.

In our experience, following the energy efficient questions, if a client’s boiler is not broken or over 15 years old they will not qualify as their property will be deemed ‘too energy efficient’.

At Cardiff's Affordable Warmth meeting Peter Hughes confirmed that: *CWI is one of the measures which can be fitted under Nest anywhere in Wales. With insulation, as with other measures it is evaluated on a case by case basis at the survey stage conducted by British Gas and/or subcontractors. So this would depend on the property construction and suitability etc. E.g. If a Mid-terrace home was of a cavity wall construction and the cavity was suitable, CWI may be offered.*

However, as above, in our direct experience if the household had a working boiler then it wouldn't get past the initial phone assessment to get to the survey stage and have a home visit.

6. Suggested action: Either split the questions asked into two– current set for those requesting a new central heating system, a different set for those requesting only insulation. Or amend the marketing materials to be a fair representation of what is available.

Health criteria – only qualify if taking medication for circulatory/respiratory/mental health issues. Someone with terminal bowel cancer, a condition that is exacerbated by the cold does not qualify.

7. Suggested action: Widen the health criteria to include any health condition that is exacerbated by the cold.

- The scale and impacts of fuel poverty in Wales;

Self-limitation/self-disconnection of Energy.

Whilst the figures for enforced disconnection are very low, it is clear to all working in the fuel poverty arena that many households are facing an ongoing 'heat or eat' dilemma and self-disconnecting their fuel in order to be able to buy food.

8. Suggested Action: Enforce all energy suppliers to report on annual figures for self-disconnection to hold them to account. Ensure that there is action included in their vulnerable customer policies for contacting these customers/putting support in place for them.

Pre-Paid payment meters

These are significantly more expensive per unit than standard credit meters. The majority of householders who have these meters are low income, fuel

poor ones. The historic reasoning for this discrepancy is that the pre-payment meters cost more to run. With the introduction of smart meters, some companies are already utilising these to provide smart payment options for consumers.

9. Suggested action: Put a cap on cost per unit allowed for pre-payment meters, also for replacement cards etc.

Switching tariffs

Energy suppliers currently inform customers that they are not on the lowest available tariff with their company by printing the information in extremely small font at the bottom of their bills. Most clients we meet have never noticed this information and are unaware of it.

10. Suggested Action: Suppliers should be forced to put this information at the top of the page in bold at least font 16.

- What steps the Welsh Government should take to ensure that new-build homes, as well as existing homes, are highly energy efficient to prevent them causing fuel poverty in the future.

Put in place legislation to ensure all new builds:

- **Have smart meters & smart thermostats installed as standard**
- **Use zero carbon heating systems, such as heat pumps and solar thermal systems where appropriate.**
- **Have sufficient insulation as standard**
- **Consider 'cooling techniques' alongside heating systems, preventing against extreme weather**
- **Put an onus onto the developer to include training for new householders on the technology – ensuring an understanding of controlling the systems.**
- **Provide funding for organisations to develop energy training packages for schools – to include energy efficiency behaviour alongside understanding new technologies to benefit from them.**
- **Encourage developers to exceed planning standards, not just meet them. Offer tax breaks/low interest loans etc.**
- **Enforce building regulations – hold developers to account.**