

**Cross-Party Group Annual Report: Fuel Poverty and Energy Efficiency**

Date: 6 January 2020

**Group membership and office holders**

**Chair**

Mark Isherwood AM
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**Assembly Members**

Mike Hedges AM
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Vikki Howells AM
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**Secretariat**

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Previous Group meetings since the last AGM

Meeting 1

Date: 22<sup>nd</sup> May 2019

Attendees

<b>In attendance</b>			
<b>Mark Isherwood AM (Chair)</b>	Assembly Member	<b>Claire Durkin</b>	NEA Cymru Trustee
<b>Carole Morgan-Jones</b>	NEA Cymru	<b>Christina Nascimento</b>	Cardiff University
<b>Bethan Proctor</b>	NEA Cymru	<b>Sioned James</b>	Plaid Cymru Assembly Group
<b>Andy Edwards</b>	A&E Energy	<b>Kate Ball</b>	E.ON
<b>Phil Dawson</b>	E.ON	<b>Simon Lannon</b>	Cardiff University
<b>Stephen Chamberlain</b>	Welsh Government	<b>Luke Wallace</b>	Melin Homes
<b>Sarah Paul</b>	Welsh Government	<b>Dave Wallace</b>	Melin Homes
<b>Nick Speed</b>	Centrica	<b>Andy Parker</b>	Calor
<b>Isabelle Michelson</b>	Grayling	<b>Sophia Haywood</b>	UKLPG
<b>Jonathan Cosson</b>	Warm Wales	<b>Liz Lambert</b>	Cardiff Council
<b>Rhian Cook</b>	Melin Homes	<b>Jyoti Atri</b>	Public Health Wales
<b>Louise Woodfine</b>	Public Health Wales	<b>Llyr Gryffudd AM</b>	Assembly Member

Summary of issues discussed

## **1. Welcome and Introductions**

Mark Isherwood (MI) welcomed members and stakeholders to the meeting. Carole Morgan-Jones (CMJ) noted the apologies received. The minutes of the previous meeting held on 12<sup>th</sup> December 2018 were approved. MI began by highlighting the Welsh Government's new fuel poverty figures that were released on 21<sup>st</sup> May 2019 which saw the percentage of households living in fuel poverty drop from 26% in 2008 to 12% in 2018. NEA Cymru commented that the figures are encouraging but further examination will be vital when the detailed analysis is released in the summer.

## **2. Jyoti Atri & Louise Woodfine Public Health Wales**

MI welcomed Jyoti Atri (JA) and Louise Woodfine (LW) of Public Health Wales who presented on Public Health Wales' cold weather planning to support vulnerable households. Excess winter death (EWD) statistics were demonstrated and those at risk were discussed. There was a spike in the number of EWDs in the winter of 2017-18. The reasons for winter pressures were listed, which included not being adequately prepared, vulnerabilities, cold housing, fuel poverty, and stretched primary care services. It was highlighted that Wales has the highest rate of winter admissions to hospital in the UK, despite colder temperatures in Scotland. JA demonstrated PHW's contribution to reducing the impact of cold weather including the winter pressures project, flu planning, new models of care and prevention in clinical settings (Making Every Contact Count).

LW mentioned areas of current activity including a report on the full cost of poor housing in Wales being undertaken by the Welsh Government with BRE which is due to be published shortly and will make the case for investing in Health and Housing in Wales as well as look at interventions taking place in the UK as well as further afield.

Other activity included health and housing collaborative work and supporting areas of good practice. LW stated the impact of cold housing on health and wellbeing, and highlighted that vulnerable children are twice as likely to have respiratory problems because of living in cold housing. LW stated that the cost of improving cold homes is estimated at £2500 per home, and this is the most effective way of reducing cost to the NHS. Cold housing cost the Welsh NHS £95 million a year. LW spoke about collaborative work with Warm Wales, a joint work programme with Community Housing Cymru, a public health and housing group, a health board checklist, and support for the Healthy Homes Health People Scheme in North Wales.

### **3. Stephen Chamberlain (SC), Welsh Government Fuel Poverty Department**

SC leads on the development of the new fuel poverty plan. It was stated that there are several points needing to be strengthened within the new plan. SC questioned whether the definition of fuel poverty should be amended. It was stated that the Welsh Government may expand the determinants to include the effects of climate change on keeping a house warm, and householder attitudes and behaviour to using technology. It was highlighted with home ownership comes the responsibility to upkeep a property.

The Minister agreed to a health condition pilot and the new plan will state whether this will be embedded. The referral mechanism has been looked at, financial threshold was too low and the EPC rating criteria also too low, and not aligned with the NICE Guidelines to avoid ill health.

The funding for measures is not covered in the current plan so this will be addressed as well as innovation. It was also stated that advice services coordination will be considered in the new plan. SC finished by mentioning that stakeholders will meet in the summer, and a published document is planned to be released for consultation in the autumn, with the aim to publish a finalised plan in February 2020.

### **4. Discussion**

CMJ asked about the new fuel poverty statistics. SC stated it does seem incredible that such a reduction occurred in two years. It was explained that the 2016 data was based on an out-of-date dataset. Although the figures are positive there is a need to be cautious that a new plan supports those that need the most help and are in the deepest fuel poverty.

Llyr Gryffudd AM asked what change had occurred in response to the climate change urgency declaration. SC stated that there will be no more oil fire burners, spending caps may be looked at in the warm homes programme, and cleaner forms of heat sources will be investigated. The Decarbonisation housing report will be released later this year which will help inform the work going forward to reach wider climate change objectives.

LG queried whether there had been an acceleration in pace, not just 'business as usual' in response to the climate change declaration. SC stated that officials were already considering these issues and the declaration would make it more visible to work that was already happening.

SC stated that changing attitudes to how we use energy will be key going forward and there might be a need to advise services that give deeper support than currently, with ongoing follow up action.

CMJ asked PHW about the cold weather plan that the Minister committed to at the previous CPG in September. JA stated PHW had no previous knowledge of this commitment by the Minister. It was stated by SC that an internal cold weather plan is in existence but not published. LW stated a winter planning report is due out in August which will inform the Welsh Government.

CMJ asked whether there would be any commitment to a new fuel poverty target in the new fuel poverty plan? SC responded by saying that meeting an EPC standard doesn't tackle fuel poverty and whilst meaningful targets are needed, there are many determinants outside of the Welsh Government's control. He was happy to work with stakeholders on an aspirational target.

MI re-iterated the Minister's commitment to a cold weather plan at a previous meeting of the CPG held in September 2018 and asked the Secretariat to draft a letter for him to write to the Minister seeking clarification on this issue.

## 5. Closing

CMJ thanked PHW and WG for their presentations. It was asked if attendees had any suggestions for issues they wanted to discuss at future meetings. Sophia Haywood UKLPG suggested the decarbonisation agenda. MI suggested how we address older housing. CMJ suggested inviting Gowan Watkins from WG to explain the detailed analysis of the fuel poverty statistics which will be released in the summer.

## 6. Next meeting

The next meeting of the Cross-Party Group on Fuel Poverty and Energy Efficiency will be on the 1<sup>st</sup> October 2019.

Meeting 2

1 October 2019

**Conference Room A, Ty Hywel, Cardiff Bay**

Attendees

In attendance			
<b>Mark Isherwood AM (Chair)</b>	Assembly Member	<b>Crispin Jones</b>	Arbed am Byth
<b>Carole Morgan-Jones</b>	NEA Cymru	<b>Ben Sears</b>	WLGA
<b>Ben Saltmarsh</b>	Smart Energy GB	<b>Rob Palmizi</b>	Citizens Advice
<b>Gowan Watkins</b>	Welsh Government	<b>Simon Lannon</b>	Cardiff University
<b>Phil Dawson</b>	E.ON	<b>Liz Lambert</b>	Cardiff Council
<b>Stephen Chamberlain</b>	Welsh Government	<b>Caroline Summers</b>	Melin Homes
<b>Rhian Cook</b>	Melin Homes	<b>Steffan Evans</b>	Bevan Foundation
<b>Juliet Morris</b>	Care & Repair Cymru	<b>Andrew Padmore</b>	Egnida
<b>Isabelle Michelson</b>	Grayling	<b>Ben Coates</b>	Grayling

<b>Jonathan Cosson</b>	Warm Wales		<b>Mike Anderson</b>	Ofgem
<b>Tim Thomas</b>	NRLA		<b>Claire Cunliffe</b>	Oxfam Cymru
<b>Jasmine Jones</b>	Gypsy and Traveller		<b>Rita Singh</b>	Kingspan

<b>Apologies</b>				
<b>Adam Price</b>	Plaid Cymru		<b>Tyler Walsh</b>	Welsh Conservatives
<b>Dawn Shakespeare</b>	UKIFDA			

Summary of issues discussed

## 1. Welcome and Introductions

Mark Isherwood (MI) welcomed members and stakeholders to the meeting. Carole Morgan-Jones (CMJ) noted the apologies received. The minutes of the previous meeting held on 22<sup>nd</sup> May 2019 were approved.

MI began by highlighting the Welsh Government's published update on the Warm Homes Programme and the latest Nest and Arbed reports for 2018-19 which were published in the summer. Since the energy efficiency improvement schemes started 9 years ago, the Welsh Government has invested more than £265 million into the schemes, benefitting 54,800 homes with energy efficiency improvements.

The Nest Scheme for 2018-19 showed funding of £15.9 million has provided 15,606 people with help and support by signposting to a number of third party services. In addition, more than 3,800 homes have benefited from home energy efficiency measures. The first annual report of the Arbed-Am-Byth scheme shows more than £1.2m of Welsh Government funding was provided benefitting 145 homes to improve their energy efficiency.

Also, in July the Decarbonisation of Existing Homes Advisory Group published its report 'Better Homes, Better Wales, Better World' making recommendations on how best to deliver a long-term programme of housing improvements in order to meet the decarbonisation targets. One of the key recommendations was for the Welsh Government to commit to a 30-year residential decarbonisation programme and to prioritise the retrofitting of fuel poor homes and social homes over the next 10 years to EPC Band A.

## 2. Gowan Watkins, Head of the Welsh Housing Condition Programme Welsh Government

MI welcomed Gowan Watkins (GW) from the Welsh Government who presented on the findings from the Welsh Housing Condition Survey 2017-18 providing updated data about the condition of the housing stock in Wales. The results show that 69% of dwellings in Wales were in the owner-occupied sector in 2017-18, the lowest rate since 1993 and a decrease of 4% points compared with 2008. In contrast, the percentage of privately rented dwellings was at its highest level since 1981 at 13% and the social rented sector at 18%. Wales has the oldest dwelling stock in the UK with over a quarter of all dwellings (26%) built prior to 1919. The average SAP rating for a residential dwelling in Wales was 61, the lowest across the UK, equivalent to an EPC band D.

In terms of fuel poverty levels in Wales the survey showed that in 2018, 155,000 households were living in fuel poverty equivalent to 12% of all households and 19,000 households living in severe fuel poverty. Characteristics of those in fuel poverty suggest that in 2018 the most common household type was single pensioner households (29%) and single person households (22%).

It was, however, households in the private rented sector with the highest proportion of households in fuel poverty. Approximately 20% of all privately rented households were in fuel poverty compared with 11% of owner occupied and 9% of social housing.

Households living in rural areas were more likely to be in fuel poverty. Of all households in rural locations, 14% were fuel poor, compared with 10% of all households living in urban areas.

There was a large incidence of households in fuel poverty amongst those who do not have central heating systems. Among these households, the percentage living in fuel poverty rises to 39%.

### **3. Stephen Chamberlain, Domestic Energy Efficiency and Fuel Poverty Branch, Welsh Government**

Stephen Chamberlain (SC) outlined the current thinking on the likely content of the Welsh Government's new fuel poverty plan which is due out for consultation shortly. He mentioned that the health conditions pilot is likely to be embedded into the wider Nest fuel poverty scheme. The Wales Audit Office were undertaking a landscape review which will help inform its development.

In terms of targets within the consultation, the Welsh Government wanted meaningful targets, but it is unlikely to be a target to eradicate fuel poverty and will more likely follow the Scottish Government's approach in reducing fuel poverty to an 'acceptable' level.

The definition of fuel poverty is also unlikely to change and will remain using the 10% definition. Consideration was also being given to using a measure of the reduction in kilowatt hour used by the household rather than improving properties to a certain EPC rating.

The Welsh Government wants the plan to focus on a person-centred approach, rather than just improving the energy efficiency of the home. As a result, a key feature of the new plan will be to improve advice and support services for households.

### **4. Discussion**

Questions were raised about the detail of the data and whether you could access street and property details from the survey. GW mentioned that this can be done through a data access agreement.

MI asked about the cold weather plan, but it was indicated that there would be inclusion of winter preparedness rather than a formal plan.

### **5. Closing**

MI thanked the speakers for their presentations and stakeholders for attending.

### **6. Next meeting**

A date for the next meeting of the Cross-Party Group has not been determined and will be circulated in due course.

**Annual Financial Statement: Cross Party Group on Fuel Poverty**

Date 6 January 2020

Chair: Mark Isherwood AM

Secretariat

Carole Morgan-Jones (NEA Cymru) Until 31 October 2019

Adam Scorer (NEA) Acting from 1 November 2019

<b>Group's Expenses.</b>	None.	£0.00
<b>Costs of all goods.</b>	No goods purchased.	£0.00
<b>Benefits received by the group or individual Members from outside bodies.</b>	No benefits received.	£0.00
<b>Any secretariat or other support.</b>	No financial support received. Secretariat provided by NEA Cymru.	£0.00
<b>Services provided to the Group such as hospitality.</b> Refreshments paid for by NEA Cymru.		
<b>Date</b>	<b>Description and name of provider</b>	<b>Cost</b>
12 December 2018	NEA Cymru (refreshments (tea/coffee water and welsh cakes)	£36.42
22 May 2019	NEA Cymru (refreshments (tea/coffee water and welsh cakes)	£52.32
1 <sup>st</sup> October 2019	N/A	£0
<b>Total cost</b>		<b>£88.74</b>