

Agenda – Y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol

Lleoliad: I gael rhagor o wybodaeth cysylltwch a:
Ystafell Bwyllgora 3 (Senedd) Rhys Morgan
Dyddiad: Dydd Llun, 2 Rhagfyr 2024 Clerc y Pwyllgor
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Rhag-gyfarfod

(13.00–13.30)

Cyfarfod cyhoeddus

(13.30 – 15.45)

1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau

(13.30)

2 Tlodi tanwydd yng Nghymru: sesiwn dystiolaeth un

(13.30–14.45)

(Tudalennau 1 – 55)

Jonathan Cosson, Prif Weithredwr, Cymru Gynnes

Ben Saltmarsh, Pennaeth Cymru, National Energy Action Cymru

Steffan Evans, Sefydliad Bevan

Hannah Peeler, Swyddog Polisi a Chyllido

Egwyl

(14.45–15.00)

3 Tlodi tanwydd yng Nghymru: sesiwn dystiolaeth dau

(15:00–16.15)

Mason Steed, yr Ymddiriedolaeth Arbed Ynni

Ross Kirwan, Pennaeth Nyth, Centrica

Fiona Cameron, Cyfarwyddwr Ymddygiad, Risg a Defnyddwyr mewn Sefyllfa

Fregus, Centrica



4 Papurau i'w nodi

4.1 Gohebiaeth gan Admiral Insurance: "Supporting Disabled Colleagues at Admiral: A Commitment to Inclusivity and Wellbeing"

(Tudalennau 56 – 59)

4.2 Gohebiaeth gan Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol, y Trefnydd a'r Prif Chwip at y Pwyllgor Deddfwriaeth, Cyfiawnder a'r Cyfansoddiad ynghylch y Cytundeb Cysylltiadau Rhyng-sefydliadol a'r Cyfarfodydd Rhynglywodraethol arfaethedig

(Tudalennau 60 – 61)

4.3 Gohebiaeth rhwng y Cadeirydd a Phrif Weithredwr a Chlerc y Senedd ynghylch gwybodaeth fel rhan o'r ymchwiliad i'r bwch cyflogaeth anabledd

(Tudalennau 62 – 64)

4.4 Gohebiaeth rhwng y Cadeirydd a Chomisiynydd Cenedlaethau'r Dyfodol ynghylch cryfhau a hyrwyddo cydraddoldeb a Hawliau Dynol

(Tudalennau 65 – 69)

4.5 Gohebiaeth rhwng y Cadeirydd a Chymdeithas y Cyfreithwyr ynghylch cryfhau a hyrwyddo cydraddoldeb a Hawliau Dynol

(Tudalennau 70 – 73)

4.6 Gohebiaeth rhwng y Cadeirydd a'r Comisiwn Cydraddoldeb a Hawliau Dynol ynghylch cryfhau a hyrwyddo cydraddoldeb a Hawliau Dynol

(Tudalennau 74 – 81)

4.7 Ymatebion i'r ymgynghoriad: Tlodi Tanwydd yng Nghymru

(Tudalennau 82 – 189)

5 Cynnig o dan Reol Sefydlog 17.42(iv) i benderfynu gwahardd y cyhoedd o weddill y cyfarfod hwn

(16.15)

Preifat

(16.15–16.45)

6 Tlodi tanwydd yng Nghymru: trafod y dystiolaeth

(16.15–16.30)

7 Blaenraglen waith

(16.30–17.00)

(Tudalennau 190 – 203)

Mae cyfyngiadau ar y ddogfen hon

Mae cyfyngiadau ar y ddogfen hon

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP01

Ymateb gan: National Energy Action (NEA) Cymru | Response from: National Energy Action (NEA) Cymru



1. Executive Summary

- 1.1 National Energy Action (NEA) Cymru welcomes the Committee's follow-up inquiry into fuel poverty and the Warm Homes Programme.
- 1.2 Fuel poverty remains a deep, enduring issue across Wales, estimated to impact virtually all of our low-income households.
- 1.3 Energy prices remain significantly higher than pre-crisis levels. As we head into winter, low-income and vulnerable households of all ages in Wales face higher energy bills, record levels of energy debt, and less support than last winter.
- 1.4 'Part One' of the latest iteration of the Welsh Government's Warm Homes Programme – its flagship programme to tackle fuel poverty – launched on 1 April 2024. National Energy Action welcomes the steps taken by the Welsh Government to provide deeper retrofit for those least able to pay and, more generally, has fully supported a 'worst first', 'fabric first' and 'low carbon first' approach.
- 1.5 However, National Energy Action understands that within the first six months of operation, some *eligible* households are currently being turned away for measures if their home is not yet viable or appropriate for a heat pump. This is very concerning and in sharp contrast to how we and other key stakeholders understood the scheme was intended to operate. It risks leaving eligible, low-income households, living in the least efficient homes, with no working heating or hot water. National Energy Action strongly recommends this issue is resolved as a matter of urgency.
- 1.6 We also highlight the ongoing need to:
- significantly scale up investment in the Warm Homes Programme;
 - incorporate an area-based approach with its own distinct pot of funding;
 - introduce energy efficiency-based interim targets, if we are to have a plan that meets the scale of the challenge.
- 1.7 It is also critical, of course, that Wales maximises the funding available from GB-wide schemes such as ECO4 and that all local authorities across Wales access and utilise ECO Flex funding and are adequately resourced to do so.
- 1.8 The context around fuel poverty has changed dramatically and significantly in the past few years and National Energy Action welcomes the Welsh Government's efforts to engage the UK Government and Ofgem on related issues that sit within their control. Energy is an essential service and there is an urgent need for the UK Government and Ofgem to introduce deeper, targeted and enduring price protection; address crushing levels of energy debt; and support those who need it most.
- 1.9 The next decade must prioritise the delivery of enduring solutions to fuel poverty, including by substantially increasing investment to improve the energy efficiency of fuel poor homes and help ensure a fair and affordable transition to net zero.
- 1.10 Few things are more essential than having access to heat and power.

2. Introduction

- 2.1 National Energy Action (NEA) is the national fuel poverty and energy efficiency charity. We've worked across England, Wales, and Northern Ireland for over 40 years, to ensure that everyone in the UK can afford to live in a warm, safe and healthy home. We work together with frontline practitioners, companies, regulators and governments for customers in vulnerable circumstances to make positive changes. We welcome this opportunity to help inform the Committee's follow-up inquiry into fuel poverty in Wales and the Warm Homes Programme.
- 2.2 The context around fuel poverty has changed dramatically and significantly in the past few years. As a result of the energy crisis, the number of fuel poor households in Wales has sharply increased. In 2018, 12% of all households in Wales were estimated to be living in fuel poverty. This increased to 14% in October 2021 and to up to 45% (614,000) of all households by April 2022, when the energy price cap rose to £2,000 a year for an average, dual-fuel household in GB. Of these, 8% (115,000) were living in severe fuel poverty. It was estimated that 98% (217,700) of all lower-income households live in fuel poverty, over four in 10 of whom were estimated to be in deep, severe fuel poverty¹.
- 2.3 It is evident that the personal impacts of ongoing high prices, high debt levels and a lack of support on households in Wales are exceptionally acute. With deficit budgets and nothing left to ration, the poorest households living in the least efficient homes continue to face desperate conditions. The severity of the situation has prompted the energy crisis and its impacts to be one of the most prominent public policy challenges facing Wales and the UK in recent history.
- 2.4 The next decade needs to be a decade of delivery. There is an ongoing and urgent need to focus on enduring long-term solutions. This means upgrading the energy efficiency of fuel poor homes and decarbonising heat, as well as introducing deeper price protection, to deliver a fair, affordable and just transition for current and future generations.

3. Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Welsh Housing Conditions Survey

- 3.1 Although the peak of high energy prices has passed, the estimates outlined above remain worryingly relevant as average energy costs remain close to what they were in April 2022, and significantly higher than pre-crisis levels. On 1 October 2024, energy prices rose to £1,717 per year for an average dual-fuel bill by direct debit. However, there are regional variations in prices and the rates paid in Wales are persistently higher – south Wales (£1,753 per year) and north Wales (£1,764 per year) are routinely in the top three most expensive regions across GB².
- 3.2 It is vital that the Welsh Government publishes biennial fuel poverty estimates for Wales. Unfortunately, the Welsh Government's estimates continue to be modelled using the Welsh Housing Conditions Survey 2017-18, notably conducted long before the energy and cost-of-living crisis. The survey is intended to be conducted every five years but is now approaching eight years old and three years overdue. An updated survey, together with biennial fuel poverty estimates for Wales, are necessary to provide an accurate picture of the situation in Wales both at a national and local level. It is impossible to evaluate progress towards Welsh Government's 2035 objectives without regular and reliable updates³.
- 3.3 A recent nationally representative survey by National Energy Action Cymru and YouGov found that half (51%) of adults in Wales are likely to ration their energy use this winter (compared with 46% in GB). This may lead them to use less energy than they should to maintain their comfort and wellbeing, to the detriment of their health.

3.4 The survey also found that even in the last three months, when energy usage is typically lower, householders were making significant cutbacks:

- 48% have turned off more lights than they wanted to (same as GB);
- 27% have had cold meals rather than using the oven (compared with 23% in GB);
- 42% have reduced their use of baths or showers (40% in GB);
- 29% haven't run the washing machine when they needed to (25% in GB);
- 4% have reduced the use of essential medical equipment (same as GB).

This presents a very worrying picture for the winter ahead⁴.

3.5 Total energy debt has also reached £3.7bn across GB, three-quarters of which is estimated to be arrears (i.e. money owed on domestic gas and electricity accounts that is not yet on a repayment plan)⁵. This indicates that energy debt is only likely to continue to grow and the situation get worse. Further, the average amount a household in arrears owes to their energy supplier is reportedly £2,875 – considerably more than a year's worth of supply even at today's very high prices. Money that many can ill afford to repay.

3.6 In addition to this, recent data shared by Ofgem with the Welsh Government and its Fuel Poverty Advisory Panel indicates that the consequences of this debt are being felt acutely in Wales. We refer further to this in Section 4 of this response.

3.7 Struggling households are in the third year of an energy crisis. Even before the crisis, our clients had no slack in their budgets. Three years on, they are mired in record levels of energy debt and severely rationing their energy. The gap in support for vulnerable households who are not on means-tested benefits has also grown.

4. The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales

4.1 The UK Government's recent decision to limit the Winter Fuel Payment to pensioners receiving Pension Credit has raised wide concerns about the impact on older people's ability to keep warm and well at home, leaving many pensioners in need without support this winter.

4.2 The Winter Fuel Payment was previously paid to almost all pensioner households, at a rate of £200 per household and £300 for people aged over 80.

4.3 For winter 2024-25, only people receiving Pension Credit will be eligible for the Winter Fuel Payment. These changes to eligibility mean many low-income pensioners whose incomes are marginally above the Pension Credit threshold will now miss out, as will those eligible for Pension Credit but who do not claim it⁶. It is estimated that up to 400,000 pensioners in Wales in total may now miss out on this support⁷ (including c. 50,000 pensioners who are reportedly eligible for Pension Credit but do not claim it)⁸.

4.4 Older people can have higher energy needs because they often spend more time at home, may be less physically active, and/or have health conditions that are exacerbated by the cold. As the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip stated in response to a Written Question on 9 August 2024, *"The decision that the Winter Fuel Payment will no longer be universal risks pushing some pensioners into fuel poverty"*⁹.

4.5 Beyond the Winter Fuel Payment, the only energy support available to working age households is the Warm Home Discount (WHD). This has risen by just £10 over a decade in which energy prices have doubled.

4.6 Put simply, low-income and vulnerable households of all ages in Wales are heading into winter facing higher energy bills, record levels of energy debt and less support than the last.

5. The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area-based approach

5.1 Poor energy efficiency is a key driver of fuel poverty, leaving many households in inefficient homes more exposed to high energy prices. As the driver that sits most squarely within its devolved powers, the Welsh Government states that it is its long-term ambition “to improve the energy efficiency of Welsh homes, ensuring we use only the energy we need, to keep homes comfortably warm at an affordable cost”, as outlined in its Policy Statement published on 15 June 2023¹⁰.

5.2 The new Warm Homes Programme is the Welsh Government’s “primary mechanism to tackle fuel poverty” and will “also contribute towards achieving a net zero Wales”. The new Nest scheme is ‘Part One’ of the Programme and launched in April 2024, albeit a year later than intended. The scheme aims to provide deeper retrofit through a “fabric, worst and low carbon first approach, delivering measures to improve the energy efficiency of the least thermally efficient low-income households in Wales”¹¹.

5.3 National Energy Action has consistently championed and supported the Warm Homes Programme and has supported the new scheme’s policy development and implementation. As such, we were very pleased to see the Programme adopt a greater focus on deeper retrofit, including insulation and low carbon technologies where appropriate, for those most in need.

5.4 However, based on evidence received from numerous stakeholders across Wales – including via the Fuel Poverty Coalition Cymru, our regional Wales Fuel Poverty Forums, and a workshop led at Care & Repair Cymru’s recent annual conference – National Energy Action is very concerned that there is an early, significant issue within the new Nest scheme which requires urgent resolution, currently leaving some eligible households without heating or hot water. We hope this inquiry can shine a light on this urgent deficiency within the new scheme, ultimately to ensure that no eligible household is left in the cold. These are households who are all, invariably, living on the lowest incomes in the least efficient housing across Wales and much of our response in this section focuses on this (under ‘Measures’).

5.5 There are also several other matters worth raising, and we group all of this under key themes, namely: Eligibility, Measures, Part Two and an area-based approach, and Monitoring and evaluation.

Eligibility

5.6 National Energy Action welcomes the expanded Nest eligibility criteria to target the ‘worst first’ – i.e. those living on the lowest incomes, in the least efficient homes.

5.7 Households are now eligible for Nest if they: own or privately rent their home; are on a low-income (less than 60% of median equivalised net household income) or means-tested benefits; and have an EPC rating of E or less; or an EPC rating of D or less if a householder has an eligible health condition¹².

5.8 We are pleased to see eligibility extended beyond the hard-edge of means-tested benefits, as well as to include those suffering with health conditions exacerbated by the cold. As recommended, welcome steps have also been taken to ringfence disability benefits from household income calculations.

Measures

5.9 The previous scheme fell short of its original intended ‘whole-house’ approach and increasingly became a boiler-replacement scheme¹³. National Energy Action advised thereafter the need for the new iteration to take a ‘fabric-first’ approach to guarantee meaningful energy efficiency upgrades and provide a permanent solution to lower bills – an approach that was recognised by the Welsh Government in its

Policy Statement¹⁴.

- 5.10 In the Programme's tender document, a wide range of measures were confirmed to be part of the new scheme. This includes loft insulation; cavity wall insulation; solid wall insulation; heating repairs (including boiler repairs, or boiler replacements in exceptional circumstances); heat pumps and hot water systems; heating controls; central heating systems; ventilation improvements; solar PV and batteries; and windows and doors (where not doing so would significantly and adversely affect the benefit of other newly installed measures).
- 5.11 To enable a 'whole-house' approach, the spend threshold per property has been substantially increased to enable the Nest scheme to provide significant fabric upgrades and heating measures as appropriate. National Energy Action welcomes this decision, as it enables the scheme to take a 'fabric first' approach (as necessary) and, unlike before, means it can address the distinct challenges faced in rural areas, with appropriate levels of funding that account for the more complex and costly measures required to address rural fuel poverty.
- 5.12 In addition to a 'worst' and 'fabric first' approach, the scheme also intends to take a 'low carbon first' approach, meaning that when it comes to heating measures, "low carbon technologies will be prioritised where it makes sense to do so"¹⁵.
- 5.13 In instances where transitioning to a lower carbon heating source such as an air source heat pump (ASHP) is not currently viable – for example because it is not yet possible for it to be installed (e.g. no suitable space/within boundary, a listed building, and the like) or because the running costs to the household would be excessive (risking pushing them deeper into fuel poverty) – then boiler repairs, or replacements in exceptional circumstances, were intended to be part of the scheme. As outlined in Welsh Government's Policy Statement, for example: "when moving from fossil fuels to an electric heating system that would cause a significant increase in running costs (due to complexities of the fabric improvement) the priority could be the repair of energy-efficient gas boilers".
- 5.14 However, it has come to National Energy Action's attention that within the first six months of the scheme's operation, some eligible households are currently being turned away for measures if their home is not yet viable for a heat pump. This is very concerning and in sharp contrast to how we and many other key stakeholders understood the scheme intended to operate. Several stakeholders have in fact commented that the Nest scheme has become a carbon reduction scheme, not a fuel poverty one.
- 5.15 At a meeting of the Fuel Poverty Advisory Panel on 6 September 2024, the Welsh Government made clear that it was aware of this issue, and that ASHPs are "not suitable for all properties in Wales" and that this is having an "impact on vulnerable households without heat and hot water". To try and address this, the Welsh Government proposed a 'Nest Crisis Boiler Repair/Replacement' route to enable eligible Nest applicants *who meet additional eligibility criteria* to access boiler repairs (or replacements in exceptional circumstances). Despite strong advice to the contrary from members, National Energy Action understands the Welsh Government has proceeded with an approach to trial boiler repairs for 2024-25, limiting boiler repairs exclusively to eligible households with occupants aged 75 years and over, or with children under two years old, or with occupants with a relevant health condition, or terminal illnesses¹⁶.
- 5.16 Concerningly, this approach represents a significant narrowing of eligibility for this measure under the scheme (contradicting the original Policy Statement) and risks leaving many eligible Nest applicants *without* heating or hot water. Households who are all, invariably, living on the lowest incomes in the least efficient housing across Wales, and evidently in crisis irrespective of age or health. As such, National Energy Action does not feel able to support this decision and believes this avoidable outcome would potentially be a bigger concern than the previous scheme's shortcomings when many eligible households were not able to access the full range of energy saving measures they and their homes needed. Further, no reference in the Welsh Government's trial is made to the provision of boiler replacements, and not all broken boilers can be fixed.

5.17 We, alongside other members of the Fuel Poverty Advisory Panel and Fuel Poverty Coalition Cymru, are also concerned that it appears there isn't any significant promotion planned of the new boiler repair scheme.

5.18 Our view is that when an eligible Nest applicant applies to the scheme, the following should take place:

(a) The scheme insulates their home as appropriate;

and

(b) *If they have working heating/hot water:* assesses whether it is viable now to switch to low-carbon heating or wait until it is appropriate to do so in the future, conscious that through fabric improvements it has otherwise made the home low-carbon heat/ heat pump ready in the meantime;

or

If they do not have working heating/hot water: either installs low-carbon heating if it is viable/appropriate to do so now *or* repairs/replaces their existing fossil fuel heating system, having otherwise made the home low-carbon heat/heat pump ready (for when it is appropriate to do so in the future).

In this way, boiler repairs (or replacements in necessary circumstances) should be available to *all* eligible Nest applicants without working heating or hot water where low-carbon heating is not yet viable, irrespective of age and health¹⁷.

5.19 Enabling multiple/repeat applications to Nest (where still eligible), as the Welsh Government has now welcomingly done, means that this approach is possible. And, in line with Wales Net Zero 2035 Challenge Group advice¹⁸, means that:

- in the immediate term, where possible, heat pumps can be installed now where viable and not likely to increase costs, alongside fabric upgrades to deliver affordable warmth;
- in the near-medium term, as heat pump costs come down and confidence increases, more homes benefiting from the scheme will get heat pumps first time alongside fabric upgrades;
- beyond that, in the longer term, (a) upfront and running cost reductions will mean a majority of homes receiving fuel poverty support will routinely receive a heat pump as part of a package of retrofit measures and (b) homes which were made heat pump ready earlier in the lifetime of the Warm Homes Programme will now appropriately receive heat pumps when their boiler reaches end of life.

5.20 It is of course imperative that in all of this, recipients of Nest receive appropriate advice, support and aftercare relating to their new measures – not least to ensure they know how to run their new systems efficiently and to keep costs as low as possible.

5.21 Ultimately, if this approach to energy efficiency is taken, the Nest scheme would lift its beneficiaries out of fuel poverty, providing a permanent reduction in energy bills, year after year. It will make the homes of those in fuel poverty – whether persistent, severe, or otherwise – much warmer, greener, healthier places to live.

Part Two and an area-based approach

5.22 Only 'Part One' of the new Warm Homes Programme is currently operational. This is chiefly demanded, and while welcome, is insufficient to tackle fuel poverty by itself.

- 5.23 In its Policy Statement of 15 June 2023, the Welsh Government stated that ‘Part Two’ will involve “the development of a whole housing stock approach to decarbonisation to provide a long-term strategy for energy efficiency, fuel poverty and decarbonisation for the sector”. No more is currently known about Part Two of the Programme, 16+ months on.
- 5.24 There has not been an area-based scheme funded by the Welsh Government since Arbed closed in 2021. There are several benefits to an area-based approach (as outlined and recommended in the Equality and Social Justice Committee’s previous inquiry into Fuel Poverty and the Warm Homes Programme in 2022). These include economies of scale, neighbourhood impact, as well as economic benefits¹⁹. This therefore represents a key gap in current provision.
- 5.25 National Energy Action has previously championed the merits of an area-based scheme targeting clusters of inefficient homes in deprived areas, running alongside a demand-led scheme. A former subsidiary CIC of National Energy Action, Warm Zones, were also the first to pilot an area-based approach in the UK and it worked very well until funding shifted to cherry-picking eligible properties and measures.
- 5.26 We understand and welcome that the Welsh Government is working with its delivery agents to deliver area-based ‘projects’ as part of the new Warm Homes Programme. However, it is crucial that a distinct pot of funding is made available for an area-based approach, separate from Nest, to avoid further constraints on the already under-funded demand-led scheme.
- 5.27 It is also key that an area-based approach still targets areas within Wales with the highest levels of fuel poverty. The Welsh Government’s local authority-level fuel poverty estimates for Wales date back to 2018 (due to the Welsh Housing Conditions Survey). At the time, 23% of households in Gwynedd and 21% of households in Ceredigion were estimated to be in fuel poverty, when the national average across Wales was 12%.²⁰ Areas such as these face several compounding issues that serve to make fuel poverty worse.

Monitoring and evaluation

- 5.28 The previous CCERA Committee’s inquiry into the Warm Homes Programme in 2020 highlighted serious concerns related to the lack of a robust monitoring and evaluation framework for the previous iteration of the Programme²¹, impeding the assessment of each schemes’ impact on fuel poverty. This is a crucial aspect given the Programme is the key delivery mechanism for tackling fuel poverty in Wales. Similar concerns were also reported by Audit Wales in 2021²².
- 5.29 The Welsh Government states that “robust monitoring and evaluation” has been implemented within the new Programme. As outlined in its Policy Statement, it states this will address several areas, namely:
- The impact measures have had on individual households in relation to bill savings
 - The impact the scheme has on fuel poverty
 - Carbon savings over the lifetime of the assets retrofitted
 - The contribution made towards wider community benefits, such as skills and the foundational economy.

While National Energy Action supports the Welsh Government’s intentions to produce annual reports and to develop a monitoring and evaluation framework to track its effectiveness, additional assessments should be carried out in several other relevant areas, including:

- Take-up across tenures
- Take-up across income levels (e.g., means-tested benefits vs relative low income)
- Take-up under the health-based criteria (e.g., who is accessing the scheme and with what health conditions, where they are based and how they were referred in)
- Referrals (e.g., from what sectors and organisations)

- Customer journey (including when and why households may drop out of the scheme)
- Measures provided
- Any additional assistance offered (e.g., via ECO or other relevant schemes, as well as safety and carbon monoxide, etc.)
- The outcomes for beneficiaries of the Programme.

Such monitoring and evaluation on progress and outcomes of the new Nest scheme (and the Programme more broadly) should regularly be made public.

6. How changes from the previous Warm Homes Programme will impact delivery, particularly in terms of the numbers of households that will be supported

- 6.1 It has been widely acknowledged, including by the Welsh Government, that current investment of £30 million per year is not sufficient to meet need or targets. The tender document published as part of the procurement process for the new Programme indicated that around 1600 homes would be upgraded annually over the duration of the scheme. Based on this figure, it would take well over a century to upgrade all of Wales's lower-income households currently estimated to be in fuel poverty (i.e., up to 217,700).
- 6.2 We understand that the Welsh Government has faced its toughest budgetary situation since devolution, but there remains an urgent need to improve the energy efficiency of fuel poor homes across Wales, especially for those living on the lowest incomes in the least efficient properties. If Welsh Government is to meet its 2035 targets, reduce fuel poverty and eradicate severe fuel poverty as far as reasonably practicable²³, as well as meet climate change ambitions, it must be prepared to invest to save, significantly scaling up the level of investment in the Programme.
- 6.3 We understand that the Welsh Government intends soon to fully assess the level of investment required to decarbonise fuel poor homes and to make long-term plans for delivering the funding required. There are significant benefits attached to this and National Energy Action encourages the Welsh Government to carry out an assessment of said benefits including savings on energy bills; thermal comfort; health and wellbeing; increased capital value of properties; employment; reduced carbon emissions; and improvements to air quality.
- 6.4 As part of National Energy Action's UK Fuel Poverty Monitor 2022-23²⁴ report, modelling by Gemserv illustrates that approximately £2bn of funding would ultimately be required in Wales to ensure that all low-income households live in a property with an EPC C by 2030. £1bn of this funding would be required from additional government investment in Wales, alongside £1bn via private and social landlords.
- 6.5 It is also understood that the UK Government's Warm Homes Plan will result in significant consequential for the devolved nations, with the UK Government confirming it will initially invest £3.4bn to kickstart the programme in the first three years. National Energy Action firmly believes resulting consequential should be invested into the Warm Homes Programme – i.e. to upgrade the energy efficiency of fuel poor homes in Wales.

7. The need for energy efficiency-based Interim Targets

- 7.1 The Welsh Government's *Tackling Fuel Poverty Plan 2021-2035* was published in March 2021 to address fuel poverty in Wales and to support those "struggling to meet the cost of their domestic energy needs". The publication of the plan and its actions were, and still are, welcomed by National Energy Action.
- 7.2 However, there remains a noticeable lack of interim targets in the Plan, despite the Welsh Government's statutory obligations to specify such targets. This requirement is set out in the Warm Homes and Energy Conservation Act (WHECA) 2000²⁵ to "specify interim objectives to be achieved and target dates for achieving them".

7.3 With 10 years left between now and the end target date of 2035, there are widespread concerns that three non-statutory targets, spanning three Senedd terms, with no interim milestones, seriously risks not driving the sustained and necessary action and investment that is required to address fuel poverty in Wales.

7.4 There are several benefits associated with the introduction of such meaningful interim targets, not least that it will help to provide a clearer pathway to 2035 within Welsh Government's sphere of control, provide vital opportunities to review progress through the duration of the Plan, and enable Welsh Government to meet its statutory obligations.

7.5 There are also numerous benefits associated with meeting energy efficiency-based fuel poverty targets, as outlined in National Energy Action's UK Fuel Poverty Monitor 2022-23. It shows that if Wales had a similar target to England (i.e. for all low-income households to live in a property with an EPC C by 2030), the following benefits could be accessed cumulatively up to 2030:

- £1.1bn in total cumulative energy bill savings for households
- £0.2bn in value of increases to thermal comfort
- £0.2bn in increased capital value of private rented properties
- 3,000 additional full-time jobs
- 1.7 MtCO₂e in reduced carbon emissions
- £5.5bn in improved air quality damage cost savings

7.6 National Energy Action and other key stakeholders, including the Fuel Poverty Coalition Cymru, have been calling on Welsh Government to introduce such targets for many years. Regrettably, neither these nor any other interim targets have yet been introduced into the Plan.

7.7 It is understood that Welsh Government is currently in the process of updating the Plan's short-term actions, and we have advised that an action to "Develop and introduce interim, energy efficiency-based targets to address fuel poverty" should be included, to be achieved by the end of this Senedd term (i.e. May 2025).

8. How effective local authorities have been at accessing and utilising Energy Company Obligation (ECO) Flex funding

8.1 A further key opportunity to upgrade the energy efficiency of fuel poor homes in Wales is by maximising the funding available from GB-wide schemes, such as ECO4, the funding pots of which far surpass that of the current Warm Homes Programme.

8.2 National Energy Action understands that the Welsh Government has provided support to local authorities to develop Statement of Intent on LA ECO Flex through local partnerships and the Welsh Local Government Association.

8.3 We understand the Welsh Government has also provided a total of £352,000 of funding in 2023-24, alongside technical assistance, to local authorities to enable them to leverage funds from ECO and the Great British Insulation Scheme²⁶ – ultimately to encourage them to engage fully with the opportunity.

8.4 However, despite these welcome steps, it is not necessarily clear to stakeholders what each local authority is doing in this space and how effective they have been at accessing and utilising this funding. National Energy Action understands there is a varied picture across Wales, with some local authorities more engaged than others. For example, according to the latest available data, under the ECO3 interim / ECO4 Flex scheme, Powys has had the most installations (4,388) while Torfaen has had zero²⁷. We are also aware that many local authorities are struggling for capacity and resources.

- 8.5 The installation of measures through ECO is reported by parliamentary constituency and varies significantly by region. According to the latest data, between January 2013 and June 2024, Ceredigion Preseli has seen the highest number of installations in Wales, with 7,555 measures installed, equating to 184.7 measures per 1,000 households. In contrast, Monmouthshire has only 2,303 households receiving measures, equivalent to just 56.3 households per 1,000 households. This highlights a considerable discrepancy in the distribution of ECO measures across regions in Wales²⁸.
- 8.6 It is critical that local authorities in Wales maximise ECO Flex funding and are adequately resourced to do so, ultimately to ensure residents in their area are able to benefit from support available under the scheme.
- 8.7 National Energy Action also understands that under the new Nest scheme, Energy Saving Trust (who delivers the Nest scheme's advice and triaging) is in the process of working with each local authority in Wales to set up suitable referral pathways into ECO4 Flex. National Energy Action recommends that residents are *referred directly*, and not simply directed or signposted, to improve accessibility and ultimately to help ensure as many eligible residents receive support as possible.
- 8.8 Referrals to ECO and other relevant UK Government initiatives should also be monitored and regularly reported on to help enable the Welsh Government to track and assess the delivery of these schemes in Wales, the contribution they are making towards 2035 objectives, and the differences they are making to their beneficiaries.
- 8.9 There is currently wider uncertainty around the ECO4 scheme and whether it will be extended past its current end date of March 2026. The UK Government must urgently bring forward a decision to extend the scheme and consult on its specifics.

9. How the Welsh Government is working with the UK Government to address fuel poverty

- 9.1 National Energy Action welcomes the Welsh Government's ongoing work with the UK Government on various wider, related issues during the energy and cost-of-living crisis, including the need for deeper price protection, debt management, and reducing the overreliance on prepayment meters. Continuing to address these areas will help the Welsh Government to make progress towards its own 2035 targets and help ensure low-income and vulnerable households across Wales can afford to keep warm, safe and healthy at home.

Deeper price protection

- 9.2 Few things are more essential than having access to heat and power. Energy is an essential service and there is an ongoing need to introduce deeper, enduring price protection to help make energy affordable for low-income and vulnerable consumers.
- 9.3 This could be introduced in the form of a social energy tariff which would subsidise energy prices for fuel poor households. The Welsh Government has publicly supported these proposals and National Energy Action would welcome it continuing to do so. The previous UK Government committed in its Autumn Statement 2022 to "develop a new approach to consumer protection in energy markets, [to] apply from April 2024 onwards". In so doing, it promised to "work with consumer groups and industry to consider the best approach, including options such as social tariffs, as part of wider retail market reforms", but unfortunately failed to do so.²⁹

Energy debt

- 9.4 There is also an urgent need for UK Government and Ofgem to address the growing mountain of debt in the energy sector. As described above, this is unprecedented and unsustainable, and the consequences

are particularly acute in Wales.

9.5 National Energy Action supports calls for this to be addressed through a 'Help to Repay' scheme that provides funding towards writing off debt and matching debt repayments, to help accelerate the repayment of energy debts for low-income, vulnerable households³⁰.

Prepayment meters

9.6 National Energy Action has welcomed the Welsh Government's engagement and support with issues relating to prepayment meters (PPMs), particularly during the scandal in 2023³¹. Despite welcome progress from Ofgem on strengthened rules around the 'involuntary installation' of PPMs³², unfortunately the issue of overreliance on the installation of PPMs to recover debt is far from over.

9.7 Recent data shared by Ofgem with the Welsh Government and its Fuel Poverty Advisory Panel clearly reveals that PPMs are increasingly being used as a tool for debt repayment. The data shows that the number of accounts in arrears (i.e. without a repayment plan) in Wales has risen significantly (up 25%) in 2023. For those in debt, the number of households repaying via PPMs is up 92% for electricity (almost double) and 179% for gas (almost triple) since 2020³³. The most growth was between 2022 and 2023 precisely when the ban on the forced installation of PPMs was in place. This indicates a combination of two things – that customers are willingly choosing to repay via PPM and/or customers are being 'encouraged' to move over to a PPM by their supplier.

9.8 National Energy Action would welcome the Welsh Government's continued support to ensure Ofgem continue to monitor, enforce, and improve suppliers' performance in this regard; to continue to support the smart meter rollout (particularly for prepay users); and to reduce standing charges for prepay customers.

Working with partners

9.9 To further support and protect low-income and vulnerable households, the Welsh Government should also work with wider partners to deliver actions where it does not have direct delegations to deliver. National Energy Action would like to see this as a new action in the *Tackling Fuel Poverty Plan* to intentionally engage with other sectors, including:

- Ofgem
- Energy suppliers (across GB and including Ynni Cymru)
- Energy networks
- Local governments
- Housing sector
- Health sector

9.10 We acknowledge the Welsh Government's ongoing and welcome engagement with Ofgem on issues such as prepay and would encourage extending this to achieve further fairer outcomes for vulnerable Welsh households in the retail energy market. This should include, but not be limited to, issues relating to:

- Prepay and the impact of self-disconnection
- Smart meters
- Debt
- Standing charges and regional variations in prices
- Revisions to supplier licence conditions

9.11 We also note that the Welsh Government currently makes no specific reference to engage with the housing or health sectors in its *Tackling Fuel Poverty Plan*, despite both matters being devolved. We

would therefore like to see these included as new distinct actions to engage both sectors to help tackle fuel poverty, reduce avoidable inequalities and drive-up standards. Namely by:

- Working with the housing sector to actively track related issues in social housing and respond to those sets of issues, and assessing how low-income vulnerable households are being prioritised for energy efficiency upgrades. The Welsh Government has introduced new, higher minimum energy efficiency standards for social housing (under the WHQS 2023), in contrast to the stagnant policy in the private rented sector that is set by the UK Government. The Welsh Government should, therefore, also actively track the enforcement of housing standards in the private rented sector (including PRS MEES and HHSRS), any barriers to enforcement, the role of Rent Smart Wales in this regard, all with a view to ultimately improve the quality of the PRS in Wales. To enforce tenants' rights to a warm, safe and healthy home, government and local authorities need to work closely together to ensure monitoring and enforcement is a resourced priority for all local authorities. This includes building local authority capacity to enforce current minimum standards. Currently, constrained finances and capacity mean many local authorities struggle to allocate adequate resources to monitor and enforce standards in the private rented sector.
- Working with the health sector to reduce avoidable health inequalities and to help tackle fuel poverty, which costs the NHS in Wales approximately £95m every year³⁴. This may require targeted/focused efforts at a local level, in areas where fuel poverty and health inequalities are deepest. The Welsh Government's Cold Weather Resilience Plan does not commit to such action or to align work with Wales' health sector in this way currently. In 2024-25, National Energy Action, Care & Repair Cymru and Warm Wales are working jointly with the health sector to help embed well-established processes and approaches to fuel poverty and reduce health inequalities. Lessons learnt from this programme can help with focused engagement with the health sector in Wales.

END

¹ See *Fuel poverty modelled estimates for Wales*, Welsh Government (2022) at <https://www.gov.wales/fuel-poverty-modelled-estimates-wales-october-2021/>

² Based on Ofgem's previous way of working (used until late 2023), October's GB average of £1,717 is actually ~£1,800. In South Wales, it is equivalent to £1,834 and in North Wales and Mersey, £1,845. See <https://www.nea.org.uk/news/tdcv-explainer>

³ Under its *Tackling Fuel Poverty Plan 2021–2035*, the Welsh Government has set three targets, namely that by 2035: no households are estimated to be living in severe or persistent fuel poverty as far as reasonably practicable; not more than 5% of households are estimated to be living in fuel poverty at any one time as far as reasonably practicable; *and* the number of all households 'at risk' of falling into fuel poverty will be more than halved based on the 2018 estimate. See <https://www.gov.wales/tackling-fuel-poverty-2021-2035-html#section-64048>

⁴ National Energy Action and YouGov surveyed 1,059 Welsh adults between 9 – 13 September 2024, see *Half of Welsh adults are likely to ration their energy use this winter – as bills RISE again*, National Energy Action (2024) at <https://www.nea.org.uk/news/oct-24-price-cap-wales-survey/>

⁵ See *Debt and Arrears Indicators*, Ofgem (2024) at <https://www.ofgem.gov.uk/publications/debt-and-arrears-indicators>

⁶ The issue here, arguably, is not that the Winter Fuel Payment is now targeted, but that it has not been targeted effectively. Nor has any other additional, targeted energy bill support been made available.

⁷ See *Plenary 18/09/2024 – Welsh Parliament*, Senedd Cymru (2024) at <https://record.senedd.wales/Plenary/14106#A90378>

⁸ See *State of Wales briefing: pensioners and Winter Fuel Payment*, Bevan Foundation (2024) at [State of Wales briefings - Bevan Foundation](https://www.bevanfoundation.org.uk/state-of-wales-briefings-bevan-foundation) and *Commissioner urges rethink on Winter Fuel Payment means testing*, Older People's Commissioner (2024), at <https://olderpeople.wales/news/commissioner-urges-rethink-on-winter-fuel-payment-means-testing/>

⁹ See *Written Question – WQ93698 – Welsh Parliament*, Senedd Cymru (2024), at <https://record.senedd.wales/WrittenQuestion/93698>

¹⁰ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹¹ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹² See *Get free home energy efficiency improvements from Nest*, Welsh Government at <https://www.gov.wales/get-free-home-energy-efficiency-improvements-nest/eligibility>

¹³ See *The Welsh Government's Warm Homes Programme*, Audit Wales (2021) at <https://audit.wales/publication/welsh-governments-warm-homes-programme>

¹⁴ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹⁵ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹⁶ The suggested age-related criteria are taken from Ofgem's recently updated rules regarding involuntary installations for prepayment meters (PPMs). However, it should be noted that PPMs should only be a last resort and only ever installed where it is safe and reasonably practicable to do so – irrespective of age or health. In addition to this, while suppliers are prohibited from force-fitting a PPM in a household where someone is aged 75 or over, or two and under, the regulations also prohibit suppliers from force-fitting a PPM in *financially vulnerable* households with someone aged 65 or over, or five and under, where they are unlikely to be able to afford a reasonable level of energy consumption and will frequently, or for prolonged periods, self-disconnect and risk causing significant consumer harm. In these circumstances, the supplier must consider PPM to be not safe and reasonably practicable. Given the overall eligibility criteria for Nest, it is reasonable to assume that all eligible applicants to Nest are also financially vulnerable, given they are living on the lowest incomes in the least efficient homes across Wales. It is also worth noting that when Ofgem published these updated rules, the Senedd's Petitions Committee made representations that the rules were too narrow, and the First Minister stated in Plenary on 9 January 2024 that the rules, while significantly stricter than the previous arrangements, "don't go far enough, in our view". See *Plenary 09/01/2024 – Welsh Parliament*, Senedd Cymru (2024) at <https://record.senedd.wales/Plenary/13678>

¹⁷ National Energy Action and other Fuel Poverty Advisory Panel members fed back these concerns in advance of the decision the Welsh Government has now taken. There was also consensus among the majority of the group that should the Welsh Government deem it necessary to limit boiler repairs/replacements to a distinct subset of eligible Nest applicants with no heating or hot water and for whom heat pumps/low-carbon heating is not yet a viable/appropriate option, then this should, at the very least, be expanded to include those:

- aged 65 years and over;
- with children aged five and under;
- who are pregnant (save being turned away and having to reapply shortly after giving birth and once baby is now at home);
- households with residents with one of the existing health conditions (as proposed);
- with a terminal illness (as proposed).

Worryingly, not even these recommendations appear to have been adopted. Further, the Welsh Government's original draft included a degree of flexibility, stating "*Those with a clear need for crisis support, falling just outside the age thresholds, would be considered on a case-by-case basis*". This also appears to have since been removed, noting that the Welsh Government now states it will "monitor the situation, particularly for those with a clear need for crisis support, falling just outside the age thresholds listed".

¹⁸ See *How could Wales heat and build homes and workplaces by 2035?*, Wales Net Zero 2035 Challenge Group (2024) at <https://netzero2035.wales/our-reports/how-could-wales-heat-and-build-homes-and-workplaces-by-2035>

¹⁹ See *National Energy Action Cymru – Fuel poverty and the Warm Homes Programme* (2022) at <https://business.senedd.wales/documents/s122018/FP12-%20National%20Energy%20Action%20Cymru.pdf>

²⁰ See <https://www.gov.wales/local-area-fuel-poverty-estimates-april-2017-march-2018>

²¹ See *Fuel Poverty in Wales*, Climate Change, Environment and Rural Affairs Committee (2020) at <https://senedd.wales/laid%20documents/cr-ld13147/cr-ld13147-e.pdf>

²² Audit Wales stated that "future schemes would benefit from increased scrutiny of delivery, closer monitoring of contract compliance and better management information". See *The Welsh Government's Warm Homes Programme*, Audit Wales (2021) at <https://audit.wales/publication/welsh-governments-warm-homes-programme>.

²³ See *Tackling Fuel Poverty Plan 2021–2035*, Welsh Government (2021) at <https://www.gov.wales/tackling-fuel-poverty-2021-2035-html#section-64048>

²⁴ See *UK Fuel Poverty Monitor 2022-23*, National Energy Action (2024) at <https://www.nea.org.uk/wp-content/uploads/2024/01/FPM-full-31-January.pdf>

²⁵ See *Warm Homes and Energy Conservation Act 2000*, at <https://www.legislation.gov.uk/ukpga/2000/31/contents>

²⁶ See *Draft Budget 2024-25*, Welsh Government (2023), at <https://www.gov.wales/sites/default/files/publications/2024-02/ministers-written-evidence-to-senedd-scrutiny-committees-2024-2025.pdf>

²⁷ See *Household Energy Efficiency Statistics*, UK Government (2024) at <https://www.gov.uk/government/statistics/household-energy-efficiency-statistics-headline-release-october-2024>

²⁸ See *Household Energy Efficiency Statistics*, UK Government (2024) at <https://www.gov.uk/government/statistics/household-energy-efficiency-statistics-headline-release-october-2024>

²⁹ See https://assets.publishing.service.gov.uk/media/63761678e90e0728475ed4fd/CCS1022065440-001_SECURE_HMT_Autumn_Statement_November_2022_BOOK.pdf

³⁰ See *Help to Repay Proposal*, Money Advice Trust (2023) at <https://moneyadvice.org/help-to-repay>

³¹ The forced installation of PPMs by warrant is not new, often used as a tool to recover debts. However, despite repeated warnings from Ofgem, and supplier license conditions stipulating that forced installation of PPMs is a last resort and only to be done when it is safe and reasonably practicable for consumers, the situation deteriorated over the pandemic and the onset of the energy crisis. In December 2022, the *i* paper reported that nearly half a million warrants had been issued since the Covid-19 pandemic. A similar investigation also found that since October 2021, the number of warrants had increased by 18% at the time, with one court in the north of England signing off 496 warrants in under four minutes. In February 2023, an undercover investigation by *The Times* exposed British Gas debt agents force fitting PPMs into the homes of vulnerable households.

³² See *New prepayment meter rules extend protections for vulnerable people*, Ofgem (2023), at <https://www.ofgem.gov.uk/press-release/new-prepayment-meter-rules-extend-protections-vulnerable-people>

³³ Ofgem routinely collects data through its suppliers' Social Obligations Reporting. Some data is routinely collected but has not yet been shared, including data on self-disconnection and smart PPMs more broadly. Other data, such as total amount of energy debt and arrears by nation *and* average amounts owed by customer in each nation are not routinely collected or published. National Energy Action believes they should be.

³⁴ See *Making a Difference Housing and Health: A Case for Investment*, Public Health Wales at <https://phw.nhs.wales/files/housing-and-health-reports/a-case-for-investment-report> Note: Public Health Wales' report also highlights that every £1 spent on housing adaptations prior to hospital discharge results in £7.50 of cost savings for health and social care services.

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP09

Ymateb gan: Care & Repair Cymru | Response from: Care & Repair Cymru



Care & Repair Cymru

Care & Repair are Wales' older people's housing champions. We help our clients to live independently in warm, safe, accessible homes by delivering housing adaptations and home improvements. We offer a holistic casework service including a dedicated fuel poverty service, Older Not Colder. We offer a holistic casework service including a whole house assessment taken from a national framework, including a falls risk assessment, welfare benefits check and home safety information and advice

In 2023/2024, we delivered the following:

£21.8 million in housing repair and improvement works
£12.5 million of unclaimed benefits for older people
67,606 individual services delivered to older people

Terms of reference

The terms of reference for the inquiry are to explore:

- **Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey;**

Care & Repair Cymru does not believe the current picture of fuel poverty provided via Welsh Government's estimates represents the true scale of fuel poverty in Wales. The basis for Welsh Government's estimates on fuel poverty in Wales uses both the 2008 Living in Wales Survey and the 2017-18 Wales Housing Conditions Survey. Updated Welsh Government fuel poverty statistics from April 2022 used the same data sets. These data sets predate the cost-of-living and energy crises. From our first-hand experience delivering over 67,000 services in approximately 50,000 homes in Wales last year, it is clear that many of the households we support cannot keep up with the expenditure required to heat their homes to a comfortable level. We are seeing a large increase in the number of homes in poor condition, leading to poor thermal efficiency, with higher volumes of calls about damp and mould.

Our own data suggest that our clients are struggling more than ever with finances. For clients who cannot afford the cost of repair works, our caseworkers spend time applying for benevolent funds on their behalf. Since the onset of the cost-of-living crisis, we have seen an increase in the number of works being funded through our charitable hardship funds of 130%.¹ This indicates that older households in Wales do not possess the resource they once did to be able to keep up with the maintenance of their property. The Welsh Housing Conditions Survey found that 18% of homes in Wales have a Category 1 hazard present. From our experience in the homes of tens of thousands of older people in Wales each year, we believe this is far higher.

The challenge of affordability is compounded by the increase of materials and contractor costs, in our report, The State of Older People in Wales, demonstrated how material and labour costs have increased significantly, a Senior Care & Repair Technical Officer commented *'three or four years ago a sheet of plaster board was probably about £6 or £7, it's now about £18 or £19 a sheet'*ⁱⁱ. This means people have less income to pay for repairs whilst the cost of making improvements have increased. This is why Care & Repair Cymru does not believe there is an accurate picture of the current levels of fuel poverty in

Wales. Local authorities and local organisations such as Care & Repair Cymru hold valuable data for the Welsh Housing Conditions Survey. Last year, Care & Repair Cymru delivered 67,606 individual services to older people meaning that we have client data on:

- Property tenure
- Benefit entitlements and income
- Hazards by location in the home
- Household make up

We recommend that the re-implementation of the Welsh Housing Conditions Survey should use a breadth of data, such as that offered by Care & Repair, and other local partners, to understand the financial and housing challenges of households in Wales.

- **The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales;**

As the leading older people's housing charity in Wales Care & Repair are concerned about the changes to the eligibility criteria for the Winter Fuel Payment. Whilst we understand UK Government's budget constraints and how not all those of pensionable age necessarily need the winter fuel payment, we have concerns on two groups of older people:

Older people who fall just outside eligibility criteria:

There are older households in Wales who aren't eligible for pension credit but are still on low-income. The removal of the payment for this group of people, alongside an increase in the energy price cap from October 2024, will see those households having to make careful choices about how much they spend on energy this winter. Those just above the threshold will also miss out on other 'passport benefits', such as council tax reduction or support with your broadband and water bills. Creating a cliff edge of support by cutting off the winter fuel payment will put many older people at risk of fuel poverty this winter, particularly for households whose income is just a few pence about the required £221.30 a week.

Older people eligible for pension credit but do not claim it:

There are around 50,000 older people in Wales who are entitled to pension credit but do not claim itⁱⁱⁱ. Last year, Care & Repair helped raise £12.5 million in unclaimed benefits amongst our clients^{iv}, and we welcome both UK and Welsh Government's commitment to increase pension credit uptake. Low benefit uptake is particularly prevalent for older people; Care & Repair caseworkers have cited reasons such as digital exclusion, stigma attached to benefits and 'not wanting to take money away from other households who may need it more' as to why our clients are apprehensive about making a claim.

Overall, for the first category, one-off payments such as the WFP are a lifeline in the winter, considering these households don't have access to other 'passport' benefits from pension credit eligibility. For the second category, these households are already in the lowest income groups therefore already at risk of, or in fuel poverty, will not receive the payment pushing them further into more severe fuel poverty.

- **The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area-based approach;**

Eligibility Criteria:

The new Warm Homes Programme includes some welcome changes to the eligibility criteria compared to the previous scheme. We are pleased to see the following changes:

- Discounting disability benefits as income; Attendance Allowance and Personal Independence Payments are to pay for extra costs associated with disability so should not be counted as income.
- The ability to apply more than once; this allows those living in energy inefficient homes to receive upgrades if they are eligible.
- Homes classes as business can now apply, including households living on working farms.

Energy efficiency measures available:

The Warm Homes Programme policy statement, published in June 2023, outlined the available measures. It stated '*Domestic energy efficiency measures available through the current Programme are still relevant and applicable so are expected to be maintained. Fabric First - Heating and ventilation measures would be available only when the thermal efficiency of the dwelling has been improved to a satisfactory standard to accommodate them. Low carbon technologies will be prioritised where it makes sense to do so.*' In theory, Care & Repair Cymru welcome these energy efficiency measures and agree with the sentiment of improving the fabric of a property to ensure homes are brought up to a decent standard for heating. However, in practice, Care & Repair agency staff have reported the following concerns:

- Caseworkers have experienced clients being rejected for **any/all measures**, including insulation, if a client does not want low-carbon technology such as an Air Source Heat Pump (ASHP)
- Caseworkers have experienced clients being rejected for **any/all measures**, including insulation if the home is deemed unsuitable for an ASHP after initial survey, despite living in fuel poverty and eligible for support via the WHP.

Please find below a brief summary of some of the reports we have received from caseworkers and HEO's working directly with clients.

Case study 1 - Location: Powys

Client with dementia living in a pre-1919 stone cottage, struggling to keep her home warm and had a faulty oil boiler. When NEST visited the property and informed the client that an ASHP would not be suitable for her property, and they did not offer her any other measures, including insulation measures, or onward referrals for support. Care & Repair's Home Energy Officer followed up with NEST on behalf of the client and was told again that the client would not be able to have measures, including insulation measures and would not make any onward referrals to other schemes such as ECO4. Client has an open fire to keep her warm, but this is a safety risk due to her dementia. In order to not leave this client at risk, Care & Repair's Home Energy Officer is currently trying to raise benevolent funds to try to replace client's oil boiler, which is around £6000.

Case study 2 - Location: Cardiff and the Vale

Home Energy Officer referred a client who met the eligibility criteria to NEST. The client had a home survey from NEST and was offered an ASHP. Our client decided against the ASHP as he was worried



about how invasive the work would be and felt anxious not being able to use the technology. Once the client decided he did not want an ASHP, he was then told by NEST surveyors that they could not offer him anything else on the scheme, such as insulation measures, despite his home not having any insulation in the property.

Our Care & Repair Home Energy Officers cover the whole of Wales. **Every** Home Energy Officer had examples of similar situations as outlined above. This is a Wales-wide issue.

Care & Repair clients have protected characteristics due to the nature of our service. Our average client age is 77, four out of five clients declare a disability, and we support thousands of people with sensory and cognitive issues like dementia each year. For these reasons, we find that many of our clients feel anxious about having new technology such as an ASHP and often just want a like for like replacement, alongside some insulation measures such as cavity wall or loft insulation. The Warm Homes Programme is Welsh Government's primary mechanism for tackling fuel poverty; therefore, it needs to work for vulnerable, older households where for various reasons it would not be suitable to have technology such as a heat pump installed. For many households eligible for NEST who do not want or cannot have an ASHP, there are limited options for support to keep their homes warm over the colder months. This is detrimental to households with health conditions that are exacerbated by the cold.

Approach to delivering services:

We have been pleased the separation of the advice and delivery aspects of the programme. We welcome that Energy Savings Trust (EST) are offering the advice side of the programme; EST are a trusted voice in the energy sector and, as delivery providers of the Energy Redress Scheme, they have up to date information on the available energy support schemes.

However, Care & Repair Cymru are concerned on the pathway between advice to delivery service:

- Miscommunication from advice services through to delivery services on available measures
- Lost NEST referrals which means longer wait times.

Please consult the case studies below that highlight Care & Repair concerns on the delivery of services.

Case study 3 - Location: Western Bay

A client contacted Care & Repair after agreeing to work to be undertaken by NEST, this included insulation measures alongside an ASHP. The client was advised by NEST that he would be contacted within 14 days to discuss installation date, however no one followed up with the client. Our HEO contacted NEST regarding this case and was informed that the client in question had rejected the work, despite the client presenting an email sent to NEST which stated he would like to go ahead. The client was informed that if he wanted to go ahead with the NEST measures, he would need to start the process again which could take up to 6 weeks for another survey. Our client then felt mistrustful of the service and is now unsure whether to go through this process.

Case study 4 - Location: Carmarthenshire

A visually impaired client in her eighties had received measures from NEST, including an ASHP after her oil boiler had stopped working. Due to her sight challenges, she was not entirely clear as to what she



would be receiving and felt that the ASHP installation had not been adequately explained to her. As far as our caseworker is aware, she did not receive any insulation measures. The client contacted Care & Repair as the ASHP was unable to heat their home past 18 degrees and she was concerned about the approaching winter months. The client had resorted to buying electric heaters to keep herself warm, which has ultimately will result in an increase in her electricity bill, our client has described her situation as 'being worse off than she was before.'

Overall, Care & Repair Cymru welcome a separate advice service from the WHP, but we are concerned that this service is not being translated effectively in the delivery aspect of the scheme. It is paramount that those who receive measures from NEST are given sufficient support and in-depth information about the technology in their homes. It is also critical for delivery agents to understand how to recognise vulnerable households with procedures in place to prevent the installation of technology that is unsuitable for an individual.

- **How changes from the previous programme will impact delivery, particularly in terms of the numbers of households that will be supported;**

Care & Repair Cymru welcome the following changes to the programme:

- The higher threshold of £35,00 per property.
- The fabric first approach; clients are now able to receive fabric measures and have a deeper retrofit, increasing the energy efficiency of a property.

However, we have two major concerns on the changes to the new schemes:

- The number of households that will be supported
- Vulnerable households not getting the support they need

Number of households that will be supported:

Care & Repair was a top referral partner to the previous NEST, however we have had difficulty in making successful referrals into the new scheme. For example, one Home Energy Officer in Carmarthenshire told us how, in previous the NEST scheme he was applying on behalf of clients 3 to 4 times a week, however he has not been able to make a single successful referral into NEST since the new iteration began in April. We acknowledge that it is difficult to make a direct comparison between the scheme iterations, as the previous NEST worked predominantly as a boiler replacement service, therefore a simpler, less costly service. However, from the experience of Home Energy Officers and caseworkers using NEST directly, it seems that it has not been effective at supporting the households of Care & Repair clients

This is evidenced through Care & Repair's data collection:

- From the data we have available, since the scheme began, our fuel poverty service, Older Not Colder, has only made 7 referrals, within 6 months, into the new Warm Homes Programme, compared to 22 to ECO4 and 23 to GBIS in the same time frame.



- From the data we have available, our 70+ Cymru project, our previous fuel poverty service, made around 60 successful referrals into the previous Warm Homes Programme with 6 months.

Care & Repair acknowledges that the new scheme will be unable to support as many homes as the previous scheme, but our data and caseworker feedback shows how it is challenging to make any successful referrals.

Vulnerable households will not have the support they need this winter if current trends continue

To be eligible for works a property's EPC rating must be improved by at least two grades. Our caseworkers have highlighted that this requirement is "ruling a lot of people out" who are eligible for Nest, including households who meet the eligibility criteria around income, health conditions and current EPC of the property. In most cases, this is when the older person meets the health, income and EPC rating thresholds, however often these properties have a very old or inefficient boiler and simply repairing or replacing the boiler will not improve the EPC sufficiently for Nest to help, despite the person living in fuel poverty, in a cold home, and without heating. In the words of one senior caseworker, she is worried that in the schemes efforts to tackle climate change, it will inadvertently 'kill a lot of older people'. This comment was deeply concerning, and we believe contradicts what we understand to be the intention of the Warm Homes Programme.

Whilst we understand the rationale behind Welsh Government's position that our journey to net zero must be compatible with tackling fuel poverty; we must ensure no one is left behind as we decarbonise our housing stock. Following discussions with our caseworkers who work directly with vulnerable, older households and have had first-hand experience of the new Warm Homes Programme, we are deeply concerned that the changes from the previous programme to fit more low-carbon technology comes at the detriment to households living in fuel poverty. The programme must continue to support clients with faulty or old boilers by delivering repairs, as set out in the original policy statement.

- **The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and if not, what further action is needed**

Care & Repair Cymru does not believe the Warm Homes Programme is helping to address fuel poverty in Wales for the majority of our clients who need this type of support. Following feedback from local Care & Repair agencies, we are concerned the emphasis on supporting people who are living in fuel poverty right now is being lost in favour of more invasive energy efficiency interventions.

Our clients need urgent help to fix their heating systems and ensure they can heat their homes, making them more efficient and therefore reduce bills and lifting them out of fuel poverty:

- Our previous fuel poverty scheme, 70+ Cymru, supported clients across all corners of Wales and upon evaluation of the scheme, 96% of clients that used this service were, by Welsh Government's definition, considered to be in fuel poverty^{vi}. On average, a client who was referred to 70+ Cymru was spending 15% of their income on gas and electricity in 2022-2023.

The Warm Homes Programme is Welsh Government's 'primary mechanism of tackling fuel poverty'^{vii}, however, for our clients that cannot accept an ASHP or other low-carbon technology, it has not been successful, and our caseworkers must seek alternative means to support them. It is for these types of clients in fuel poverty that Care & Repair Cymru does not believe the scheme is helping address persistent fuel poverty.

Please see below a case study that outlines this issue:

Case study 5 – Location: Gwynedd a Mon

Our 92-year-old client was referred to our Older Not Colder service through Gwynedd County Council's Energy Team. She has electric storage heaters and her main heater does not work, making her house cold. She had been referred to NEST last year under the old scheme, however upon investigating the lack of progress with this referral, we were told it had been 'lost'. Our Home Energy Officer followed up with the new NEST to see if they could offer the client any support. NEST acknowledged her referral to the previous scheme but were unsure how this got lost, and informed our HEO that they were unable to offer the client anything on the new scheme.

Given the age of this client, there could be serious health implications if they continue to live in a cold home. Surely the priority for this household is to ensure they have working heating over the cold months. Whilst we understand the scheme has carbon reduction targets to hit, this client would have benefitted if NEST was able to offer her a replacement electric heater, alongside some insulation measures if necessary. In not doing so, the scheme was unable to support the client in keeping her home warm and safe.

Care & Repair Cymru also reached out to caseworkers and Home Energy Officers to understand where the Warm Homes Programme **is** working to tackle persistent fuel poverty for households. We received feedback that the scheme's ability to refer households to ECO4 and/or other schemes has been successful so that homes have received insulation and heating measures,

Care & Repair Cymru have recommendations to ensure the Warm Homes Programme works to improve persistent fuel poverty:

1. Deliver measures for households where it is not suitable to install low-carbon technology

Care & Repair offers a holistic, person-centred approach to housing improvement: the client and their needs are at the centre of every intervention we complete. Installing low-carbon technology into homes of individuals with complex vulnerabilities is a not suitable blanket approach to ameliorate fuel poverty. The scheme has lost its previously more person-centred approach in favour of blindness to low carb technology. The scheme could work if it reverted to an approach that considers the needs of the person as well as the house. The scheme must strike the balance between reducing carbon emissions and providing vulnerable households with a warm home for the winter.

2. Expand the eligibility criteria for the 'crisis' route of the Warm Homes Programme



The Welsh Government has chosen to introduce additional eligibility criteria for this 'crisis' route of the Warm Homes Programme: applicants must be over 75; have a child aged 2 or under; a relevant health condition; or terminal illness, alongside the original NEST criteria. These criteria should be expanded; we believe that any low-income household without heating or hot water should be deemed as 'in crisis' and have access to this route of the scheme without any additional eligibility criteria.

Adding on additional eligibility criteria directly contradicts the new Warm Homes Programme Policy statement which outlines that:

*'In cases where transition to a lower carbon heating source is not viable, either because a technical solution is not possible (for example in listed buildings) or the running costs to the household would be excessive, alternative measures might be considered if households energy bills and carbon emissions can be reduced. For example, when moving from fossil fuels to an electric heating system that would cause a significant increase in running costs (due to complexities of the fabric improvement) **the priority could be the repair of energy-efficient gas boilers.**'*

As per the policy statement, boiler repairs (or replacements in necessary circumstances) should be available to all eligible Nest applicants without working heating or hot water where low carbon heating is not yet viable/appropriate, irrespective of household's age or health.

Households that use alternative fuel types such as oil or electric storage heaters must also be supported under the 'crisis' route. Under the 'crisis' route, households can be supported to have a gas boiler repair or replacement in exceptional circumstances. However, our clients are not always connected to mains gas, for example, in Ceredigion 35.3% of households have oil central heating^{viii}. Whilst we understand Welsh Government is working to rectify these issues, immediate support (suggested below) must be in place for homes on alternative sources of heating.

- Emergency electrical heaters alongside financial resource to cover the increase in bills from using this.
- Directing grants for non-gas boilers to support organisations, such as Care & Repair Cymru and Warm Wales, to administer these and support households in finding suitable contractors for repair or replacements.

3. Ensure support for those living in park homes

Across Wales, namely in West Wales and Conwy & Denbighshire, we have had experience of clients living in park homes being rejected for NEST, despite being eligible, as they live in a park home. Park homes are unique in their construction which means traditional means of insulation and heating does not work for these properties thus they have been ineligible for NEST. The Warm Homes Programme is the primary resource to support those in fuel poverty in the owner occupier or PRS, therefore it must work for all homes, regardless of construction. Please see below an example of a client, living in fuel poverty, being unable to access support through the WHP:

Case study 6 – Location: Conwy & Denbighshire



Client lives alone in a park home with minimal insulation and an old boiler, struggling to produce heating or hot water. She has COPD and osteoporosis, resorting last winter to sleeping on the floor in the hallway to be near a functioning radiator. She is in fuel debt and severe fuel poverty (22%). Due to the type of home, our client was told she is ineligible for ECO4 funding or NEST.

Care & Repair were able to source hardship funding to replace the boiler via a mix of national and local pots of benevolent money available to Care & Repair, however this is not always the case.

- **The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme.**

Care & Repair Cymru have found that other schemes do have a positive impact on our clients living in fuel poverty: Local Authority grants have been a lifeline for clients who have been unsuccessful in receiving support from NEST.

Caseworkers from across 13 local Care & Repair agencies commented that they rely on local authority disrepair funds or boiler replacement funds to help fix or replace client boilers or install insulation measures. For example, Caerphilly County Borough Council have launched energy grant to help residents improve the energy efficiency of their homes, specifically for those with fuel fires, back boilers or single glazed windows^{ix}

However, Care & Repair Cymru is concerned on the reliance of local funding to address fuel poverty:

- Local authorities are under immense financial pressure, meaning that such funding is at risk of being cut. The above is an example from **one** Local Authority out of twenty-two.
- The reliance on local funding creates the challenge of a postcode lottery in tackling fuel poverty and contradicts Welsh Government's commitment to the Just Transition, which states 'as we move to a cleaner, stronger, fairer Wales, we will leave no-one behind'^x.

By relying on a postcode lottery of funding, households will be at a disadvantage depending on their geographical location. We must ensure a national level scheme, such as the Warm Homes Programme can work for those who are eligible, not just those for whom an air source heat pump is appropriate. The Warm Homes Programme is a big pot of funding at risk of being underutilised despite hugely challenging financial times because of its inaccessibility to those who it is meant to support and protect.

- **How the Welsh Government is working with the UK Government to address fuel poverty.**

Care & Repair Cymru welcome Welsh Government's constant commitment to support UK Government in providing longer-term support for those in fuel poverty and we recognise that issues regarding tackling energy debt, enduring price protections for low income and vulnerable households and the overreliance of prepayment meters cannot be realised in Wales without the support of UK Government. Welsh Government should continue to work with UK Government on the following key issues:

Enduring Price Protections

- The introduction of a social tariff to subsidise energy prices for low-income and vulnerable households. The UK Government committed to developing new consumer protections in its Autumn 2022 statement, stating, “work with consumer groups and industry to consider the best approach, including options such as social tariffs”^{xi} but has failed to do so.

Energy debt

- The cost-of-living and energy crisis has resulted in high levels of energy debt, including two thirds of homes in energy debt are in arrears, with no repayment plan. Welsh Government should push for implementation of a matching debt repayment scheme (a Help to Repay scheme) from UK Government to address the rising challenge of energy debt.

Standing charges

- Standing charges disproportionately affect people living in Wales, those living in North Wales paying over £80 more on their standing charges annually than those in London. High standing charges also disempower households to use less energy, standing charges make up the same amount on bills regardless of how much you use. Welsh Government should continue to work with Ofgem and UK Government to make these charges geographically fairer, and more affordable.

ⁱ Care & Repair Cymru (2024) *From Wear and Tear to Disrepair*. Available at: <https://careandrepair.org.uk/wp-content/uploads/2024/02/From-Wear-and-Tear-to-Disrepair-FINAL-ENG.pdf>

ⁱⁱ Care & Repair Cymru (2023) *The State of Older People’s Housing in Wales*. Available at: <https://careandrepair.org.uk/our-reports/>

ⁱⁱⁱ Bevan Foundation (2024) *State of Wales Briefing: Pensions and Winter Fuel Payment*. Available at: [State of Wales briefing: pensions and Winter Fuel Payment - Bevan Foundation](#)

^{iv} Care & Repair Cymru (2024) *Impact Report 2023-24*. Available at: <https://careandrepair.org.uk/impact-report-2023-24/>

^v Welsh Government (2023) *Warm Homes Programme Policy Statement*. Available at: <https://www.gov.wales/new-warm-homes-programme-policy-statement-html>

^{vi} Care & Repair Cymru (2023) *The State of Older People’s Housing in Wales*. Available at: <https://careandrepair.org.uk/our-reports/>

^{vii} Welsh Government (2023) *Warm Homes Programme Policy Statement*. Available at: <https://www.gov.wales/new-warm-homes-programme-policy-statement-html>

^{viii} ONS (2024) *Type of Central Heating*. Available at: <https://www.ons.gov.uk/census/maps/choropleth/housing/type-of-central-heating-in-household/heating-type/district-or-communal-heat-networks-only?lad=W06000008>

^{ix} Caerphilly County Council (2024) *Energy Grants available for Caerphilly Households*. Available at: <https://www.caerphilly.gov.uk/news/news-bulletin/august-2024/energy-grants-available-for-caerphilly-households>



^x Welsh Government (2023) *Just Transition Framework*. Available at:
<https://www.gov.wales/sites/default/files/consultations/2023-12/consultation-just-transition-framework.pdf>

^{xi} UK Government (2023) *Debate on Energy Social Tariff*. Available at:
<https://researchbriefings.files.parliament.uk/documents/CDP-2023-0202/CDP-2023-0202.pdf>

Eitem 4.1

Supporting Disabled Colleagues at Admiral: A Commitment to Inclusivity and Wellbeing

Admiral welcomes the opportunity to present to the Equality and Social Justice Committee and the importance of sharing best practice with Welsh Parliament and other employers.

Introduction to inclusivity at Admiral

Admiral is a FTSE100 financial services company with a strong commitment to inclusivity and the wellbeing of all colleagues. Our ethos, 'people who like what they do, do it better', drives us to create a supportive environment for everyone.

Admiral is dedicated to breaking down barriers and ensuring that all colleagues feel valued and our end goal is to remove the need to 'disclose' a disability etc by having all manner of adjustments available freely without the need for 'red tape'.

Best Practices and Initiatives

Reasonable Adjustments: Admiral's Reasonable Adjustment Policy ensures that all colleagues have access to the necessary support to perform their roles effectively. This includes providing specialist equipment, adjusting job roles, and ensuring accessibility in our buildings.

Customised Adjustments Plan (CAP): The CAP is a living document that records agreed adjustments between a colleague and their line manager. It is regularly reviewed to ensure it meets the evolving needs of the colleague.

Wellbeing and Workplace Support Team: The Wellbeing and Workplace Support team at Admiral focuses on providing accessible support for colleagues' physical, mental, and financial wellbeing. They ensure colleagues receive necessary adjustments, whether regarding equipment, software, training, coaching, or assessments, documented in the Customised Adjustments Plan (CAP) and regularly reviewed to meet evolving needs.

Wellbeing and Workplace Support Team: The Wellbeing and Workplace Support (WWS) team at Admiral is dedicated to educating, enabling, and engaging colleagues with accessible support for their overall wellbeing, whether it be physical, mental, or financial in nature. The WWS team is responsible for ensuring that all colleagues have the right support throughout their time at Admiral. This includes providing adjustments to the working environment around equipment, software, training, coaching, or assessments. These adjustments may be needed for various reasons, such as neurodiversity, long-term health conditions, or even allergies that could affect colleagues at work. They ensure that all colleagues have access to reasonable adjustments, which are documented in the Customised Adjustments Plan (CAP). This plan is regularly reviewed to meet the evolving needs of the colleague.

Case study demonstrating successful impact: a colleague who uses a wheelchair for mobility, has arthritis, hearing loss and a mental health condition.

Adjustments made: working patterns, wheelchair additions, bespoke keyboard and mouse, bespoke office chair, foot springs, special speakers for hearing, desk extension.

“The CAP has had such a positive impact. It has turned those painful days into relatively pain free and I'm able to continue the work to a high productivity and high standard. It is out there so everybody can see it and there are no awkward conversations to be had.”

Open The Door event: ‘Disability Inclusion in the Employee Lifecycle’

We held a free five-hour digital experience we held with an external partner – MS Society Cymru. It featured virtual talks and panel discussions with influential thinkers and business leaders from across the commercial, public, and third sectors (Jane Hutt MS, Minister for Social Justice; Stuart Nixon MBE, MS Society Ambassador; Terry Mills, Disabled People’s Employment Champion - Welsh Government; and Diane Lightfoot, CEO of Business Disability Forum, Paul Billington, Admiral Wellbeing & Workplace Support Manager).

The event aimed to help develop more inclusive workplaces across Wales for people with disabilities and provided participants with many best practices around accessibility and inclusion. 80 organisations (with a combined employee reach of 72,000) attended. Since then, we have hosted visits from Macquarie Group, Nestle, South Wales Police and Bluestone on how we endeavour to be more inclusive, and what we have done to date.

A selection of comments from ‘Open The Door’:

- **Fiona McDonald**, Policy, Press, and Communications Manager at MS Society Cymru
“It is one thing for an individual employer such as Admiral to create a diverse and inclusive workforce internally, but it takes vision and commitment within an organisation to share that good practice in order to benefits us all.”
- **Other feedback:** “I loved the fact that everyone shared their personal stories and support links to assist us. The main thing I will take back with me is communication is key, working for a large business with lots of differing roles and variety of people and we need to change our ways and adapt to each individual need.”

Challenges and overcoming them

Doing what is right is not always easy and Admiral has faced several challenges in supporting disabled colleagues, including ensuring accessibility and providing appropriate adjustments. Here are some examples:

Challenge: Ensuring Accessibility in Buildings: Ensuring that our buildings were accessible to all colleagues, including those with mobility issues.

Solution: We conducted comprehensive accessibility audits and made necessary modifications, such as installing ramps, automatic doors, and accessible restrooms. These changes have significantly improved accessibility for all colleagues.

Challenge: Providing Appropriate Adjustments for Neurodiverse Colleagues:

Supporting neurodiverse colleagues, such as those with dyslexia, ADHD, or autism, required tailored adjustments to their work environment and processes.

Solution: We implemented the Customised Adjustments Plan (CAP), which allows for personalised adjustments based on individual needs. For example, one colleague with dyslexia was provided with specialist software and additional training, which helped them excel in their role. We also made assisted software a standard install on all our laptops/PCs and train our people managers on neurodiversity and provide toolkits to all to make best use of our resources and tools to aid effective work practices at home and in the office.

Positive Outcomes

Our commitment to supporting disabled colleagues has led to many positive outcomes:

- Increased colleague satisfaction and engagement, as evidenced by testimonials from colleagues who have received support.
- Recognition as a Disability Confident Leader, demonstrating our commitment to inclusivity and best practices.
- Being the first financial sector employer to receive the 'Neurodiversity Friendly' award and feature in the City & Guilds Neurodiversity index report.

Recruitment

Admiral's commitment to support disabled colleagues and those with impactful health conditions, begins with our recruitment. Ensuring potential and new colleagues they have a smooth experience and transition into the company. Here are some specific examples of the impact:

Assistance Dog: During the application stage, a candidate asked if they could bring in their assistance dog which they required due to Tourette's. The candidate was successful and was offered a tour of the office and the opportunity to sit and meet with the team to share awareness of the dog and the candidate's condition before they joined.

Wheelchair User: During the application stage, a candidate informed us that they were a permanent wheelchair user. Once successful, Admiral provided a disabled parking space on-site, met the candidate in the car park on their first day to show them the office, implemented a Personal Emergency Evacuation Plan (PEEP), and ensured that the relevant Fire Marshals and Evac Chair operators were informed that assistance was required.

Visual Timer for ADHD: The team recently ordered a visual timer to support a colleague with ADHD. This timer helps the colleague manage their time effectively during work and meetings.

Data

In 2019, Admiral recorded 2.83 per cent of colleagues had a disability. The disclosure rate was 77 per cent. In 2024, one in ten colleagues have a disability and the disclosure rate has increased to 87 per cent.

This year, in the Great Place to Work survey, 94 per cent of colleagues at Admiral said they feel they are treated fairly regardless of their disability or long-term health condition. This peaked at 97 per cent during the pandemic (2020 and 2021).

Appendix

Admiral Group's Award Cabinet

In the past 18 months:

- Great Place To Work® and Fortune magazine have named Admiral Group as one of the [Fortune World's Best Workplaces™ in 2024](#)
- Admiral has been named 14th UK's Best Workplace for Wellbeing by Great Place To Work
- Admiral has been named a Disability Confident Leader (level 3) of the Disability Confident scheme
- Admiral has been named Endometriosis Friendly Employer by Endometriosis UK
- Admiral has been awarded with Gold status by The Corporate Health Standard
- Admiral Group placed silver for "Approach to Diversity, Equity & Inclusion" at the UK Contact Centre Awards
- Admiral Canada has been named one of Canada's Best Workplaces for Inclusion 2024 by Great Place To Work Canada
- Admiral Canada has been named one of Canada's Best Workplaces for Mental Wellness 2024 by Great Place To Work
- Conte has been awarded 13th Best Workplaces for Diversity, Equity and Inclusion 2024 by Great Place to Work Italia.
- Admiral Seguros has been awarded the Special Award Better for People by Spain's Great Place To Work
- Admiral Seguros has been awarded the 3rd Best Wellbeing Business Plan Award at the Gala de los XII Corporate Wellbeing Awards



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref JH/PO/350/24

Mike Hedges AS

Cadeirydd

Y Pwyllgor Deddfwriaeth, Cyfiawnder a'r Cyfansoddiad

Senedd Cymru

SeneddDCC@senedd.cymru

22 Tachwedd 2024

Annwyl Mike,

Y Cytundeb Cysylltiadau Rhyngsefydliadol: Cyfarfodydd Rhynglywodraethol i ddod

Rwy'n ysgrifennu yn unol â'r Cytundeb Cysylltiadau Rhyngsefydliadol i'ch hysbysu am Grŵp y Pedair Gwlad sydd wedi'i sefydlu i ddatblygu Strategaeth Tlodi Plant Llywodraeth y DU. Pwrpas y grŵp yw ymgorffori'r Alban, Cymru a Gogledd Iwerddon i ddatblygu Strategaeth ar Dlodi Plant ar gyfer y DU gyfan. Bydd y grŵp yn rhoi cyfle i Gymru, yr Alban a Gogledd Iwerddon lywio'r gwaith o ddatblygu'r strategaeth ar gyfer y DU gyfan, a sicrhau bod y strategaeth arfaethedig yn ategu'r strategaethau presennol yng Nghymru, yr Alban a Gogledd Iwerddon sydd eisoes ar waith.

Bûm yn y cyfarfod cyntaf ar 13 Tachwedd. Cadeirydd y cyfarfod oedd Alison McGovern AS - Gweinidog Cyflogaeth y DU a Catherine McKinnell AS – Gweinidog Safonau Ysgolion y DU. Hefyd yn bresennol roedd Shirley-Anne Somerville ASA – Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol Llywodraeth yr Alban ac Emma Little-Pengelly – Dirprwy Brif Weinidog Gogledd Iwerddon, a'r Is-weinidog Aisling Reilly, Gweithrediaeth Gogledd Iwerddon.

Yn ystod y cyfarfod hwn, pwysleisiais fod angen inni gydweithio ar draws y llywodraeth i fynd i'r afael â thlodi plant. Roeddwn i hefyd yn awyddus i sicrhau bod ein strategaethau'n ategu ei gilydd ac nad ydynt yn dyblygu gwaith, yn enwedig o ran meysydd sy'n ymwneud â chymwyseddau a gedwir yn ôl ac sydd wedi'u datganoli. Roeddwn i hefyd am dynnu sylw at y dulliau sydd ar waith yma yng Nghymru i fynd i'r afael â thlodi plant a lliniaru effeithiau gwaethaf byw mewn tlodi ac i bwysleisio blaenoriaethau Cymru, yn enwedig mewn meysydd nad ydynt wedi'u datganoli.

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

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

Gohebiaeth.Jane.Hutt@llyw.cymru
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.

Yn anffodus, nid oedd yn bosibl rhoi gwybod ichi ymlaen llaw am y cyfarfod hwn, oherwydd iddo gael ei alw ar fyr rybudd.

Mae'r fforwm hwn yn debygol o gyfarfod bob mis hyd nes y cyhoeddir Strategaeth Tlodi Plant Llywodraeth y DU – a disgwylir i'r Strategaeth gael ei chyhoeddi yn ystod gwanwyn 2025. Yn anffodus, gan fod y cyfarfodydd yn debygol o gael eu galw ar fyr rybudd, ni fydd modd rhoi gwybod ymlaen llaw am ddyddiad pob cyfarfod. Fodd bynnag, byddaf yn rhoi diweddariad ichi yn dilyn pob cyfarfod, ac yn rhoi gwybod ichi pan fydd gwaith y grŵp yn dod i ben.

Rwy'n anfon copi o'r llythyr hwn at Huw Irranca-Davies AS, y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig; Y Pwyllgor Plant, Pobl Ifanc ac Addysg; a'r Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol.

Yr gywir,

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

Ysgrifennydd y Cabinet dros Gyfiawnder Cymdeithasol, y Trefnydd a'r Prif Chwip
Cabinet Secretary for Social Justice, Trefnydd and Chief Whip

22 Tachwedd 2024

Jenny Rathbone AS
Cadeirydd y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol
Senedd Cymru

Annwyl Jenny,

Cais am wybodaeth fel rhan o'r ymchwiliad i'r bwloch cyflogaeth anabledd

Diolch am eich llythyr dyddiedig 11 Tachwedd yn gofyn am wybodaeth fel rhan o'r ymchwiliad i'r bwloch cyflogaeth anabledd. Gobeithio y bydd y wybodaeth isod yn gymorth.

Gweithwyr anabl

Mae data a gasglwyd trwy borth hunanwasanaeth Adnoddau Dynol (AD) (ar 20 Tachwedd 2024) yn dangos bod 40 o weithwyr y Comisiwn wedi datgan bod ganddynt anabledd. Byddwn yn parhau i annog yr holl staff anabl i gofnodi eu statws anabledd ar ein system AD, gan ein bod yn credu bod llawer o bobl ag anableddau 'cudd', megis salwch meddwl, anableddau dysgu a chyflyrau iechyd hirdymor eraill, a allai uniaethu gyda'r diffiniad o anabledd ar ein system, ddim yn cael eu hadlewyrchu yn y data hwn.

Mae gan y Comisiwn Strategaeth Llesiant 2022-25 ar waith sy'n amlinellu ei ymrwymiad i iechyd meddwl, lles corfforol, lles ariannol a lles cymdeithasol. Eleni, fe wnaethom ddarparu gwybodaeth ychwanegol yn yr Adroddiad Blynyddol Amrywiaeth a Chynhwysiant 2023-24 ynghylch anabledd, iechyd meddwl a lles sy'n bodloni gofynion y Fframwaith Adrodd Gwirfoddol ar Anabledd, Iechyd Meddwl a Lles.

Arweinydd Hyderus o ran Anabledd (Lefel Tri)

Ar hyn o bryd mae gan Gomisiwn y Senedd statws Cyflogwr Hyderus o ran Anabledd (lefel dau). Un o'r ymrwymadau yn Strategaeth Amrywiaeth a Chynhwysiant y Comisiwn 2022-26 yw sicrhau statws Arweinydd Hyderus o ran Anabledd. Mae'r Gwasanaeth AD ar hyn o bryd yn cwmpasu'r rhaglen waith hon.

Arferion a Gweithdrefnau Recriwtio

Yn unol â'r Cynllun Hyderus o ran Anabledd, mae Comisiwn y Senedd yn gwarantu cyfweiliadau i ymgeiswyr anabl sydd wedi bodloni'r meini prawf gofynnol ar gyfer rôl.

Byddwn yn parhau i ddefnyddio ein cynllun denu recriwtio i sicrhau ein bod yn rhoi sicrwydd i ddarpar ymgeiswyr anabl ynghylch y cymorth y gallent ei ddisgwyl gennym ni fel cyflogwr



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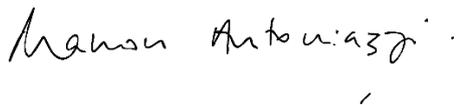
cynhwysol drwy gydol y broses recriwtio ac yn ystod eu cyflogaeth. Mae hyn yn cynnwys addasiadau rhesymol ar bob cam o'r broses recriwtio a chefnogaeth barhaus unwaith y bydd gweithwyr newydd yn cael eu cyflogi gennym ni.

Mae'r Gwasanaeth AD yn adnewyddu'r tudalennau gwe recriwtio i sicrhau bod y wybodaeth hon ar gyfer darpar ymgeiswyr yn flaenllaw. Gwahoddir ymgeiswyr i drafod unrhyw ofynion sydd ganddynt gyda'n Tîm Recriwtio.

Data Bwlch Cyflog Anabledd

Efallai y byddai hefyd yn ddefnyddiol i ddarparu gwybodaeth i'r Pwyllgor am ein bwlch cyflog anabledd. Ar 31 Mawrth 2024 roedd canolrif bwlch cyflog anabledd y Comisiwn yn 0.0%, a oedd wedi aros yn gyson â chanolrif bwlch cyflog 0.0% y flwyddyn flaenorol (ar 31 Mawrth 2023). Mae hyn yn cymharu'n ffafriol â chanolrif bwlch cyflog anabledd y DU yn 2023 o 12.7% (fel yr adroddwyd gan y Swyddfa Ystadegau Gwladol - nid yw ffigurau 2024 wedi'u cyhoeddi eto).

Yn gywir,



Manon Antoniazzi

Prif Weithredwr a Chlerc y Senedd / Chief Executive and Clerk of the Senedd

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.



Manon Antoniazzi
Prif Weithredwr a Chlerc
Senedd Cymru / Welsh Parliament

Annwyl Manon,

11 Tachwedd 2024

Cais am wybodaeth fel rhan o'r ymchwiliad i'r bwloch cyflogaeth anabledd

Ar hyn o bryd rydym yn cymryd tystiolaeth fel rhan o'n hymchwiliad i'r bwloch cyflogaeth anabledd. Rydym wedi cael tystiolaeth bwerus sy'n ein hatgoffa bod gennym lawer mwy i'w wneud i newid agweddau a chwalu'r rhwystrau sy'n gwneud bywyd yn anos i bobl anabl.

Fel senedd a etholir gan y bobl, credwn ein bod yn bwysig i'r Senedd anelu at osod esiampol gadarnhaol i eraill. Felly, byddem yn croesawu rhagor o wybodaeth am fwloch cyflogaeth anabledd Comisiwn y Senedd. A allech chi ddarparu ffigurau ar nifer y bobl anabl a gyflogir gan Gomisiwn y Senedd ac amlinellid o sut y mae'r Comisiwn yn sicrhau bod ei arferion a'i weithdrefnau recriwtio yn deg ac yn hygyrch yn enwedig o ran anabledd. A oes rheswm pam mae Comisiwn y Senedd wedi penderfynu peidio â chael statws Lefel 3 Arweinydd Hyderus o ran Anabledd (mae Lefelau 1 a 2 yn hunan-ardystio felly'n llai ystyrlon efallai)?

Hoffem ddiolch o flaen llaw am ystyried ein cais a byddem yn croesawu ymateb erbyn diwedd y diwrnod gwaith ar 22 Tachwedd os yw'n bosibl o gwbl fel y gall yr Aelodau ystyried cyn i ni ddod â'r gwaith casglu i ben gyda sesiwn dystiolaeth weinidogol ar y 25ain.

Yn gywir,

Jenny Rathbone AS

Cadeirydd y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol

Senedd Cymru / Welsh Parliament



Jenny Rathbone

Cadeirydd y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol

Trwy ebost

25ain o Dachwedd 2024

Annwyl Jenny,

Diolch i chi am eich llythyr dyddiedig 15 Hydref 2024, yn gofyn am y wybodaeth ddiweddaraf am yr argymhellion yn adroddiad SEHR yn ymwneud â chydweithio rhwng Llywodraeth Cymru, y Comisiwn Cydraddoldeb a Hawliau Dynol a fy swyddfa i.

Rwy'n cefnogi'n llwyr yr argymhellion yn yr adroddiad: gan gynnwys yr argymhelliad i'm tîm a minnau weithio gyda'r Comisiwn i archwilio cyfleoedd i wella cyfathrebu a rhannu gwybodaeth am faterion sy'n ymwneud â chydaddoldeb a hawliau dynol, gan gynnwys protocolau ar gyfer rhannu data; a chydgyssylltu camau gweithredu gan ddefnyddio pwerau presennol i ddwyn Llywodraeth Cymru ac awdurdodau cyhoeddus i gyfrif.

Cynhwysaf yma grynodedb o rai o'r camau yr ydym wedi'u cymryd yn unol â'r argymhelliad hwn. Mae rhai o'r camau gweithredu cyn yr adroddiad ac maent wedi'u cynnwys fel cyd-destun.

Er mwyn helpu i integreiddio'r dyletswyddau cydraddoldeb a llesiant yn ogystal â chefnogi'r gwaith o roi'r economi gymdeithasol newydd ar waith, buom yn gweithio ar y cyd â Llywodraeth Cymru a'r Comisiwn Cydraddoldeb a Hawliau Dynol yn 2021 i gynhyrchu [Cymru sy'm Fwy Cyfartal: Canllaw Mapio](#). Cynlluniwyd y Pecyn Cymorth i helpu cyrff cyhoeddus i gymhwyso'r tair set o ddyletswyddau mewn ffordd gyson.

Mae un o'r prosiectau allweddol yr ydym wedi partneru'n llwyddiannus arno mewn perthynas â'r argymhelliad hwn wedi canolbwyntio ar asesiadau effaith integredig. Trefnwyd cyfres o weithdai gan Lywodraeth Cymru yn gynharach eleni i greu cymuned ymarfer. Mae aelodau fy nhîm, gan gynnwys ein Dirprwy Gomisiynydd, wedi mynychu hwn. Mae fy swyddfa bellach yn gweithio ar gefnogi'r rhwydwaith hwn ac yn archwilio, gydag eraill gan gynnwys y Comisiwn, sut y gallwn

Comisiynydd Cenedlaethau'r Dyfodol Cymru
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Caerdydd, CF11 6BH
cystylltwchani@cenedlaethaurdyfodol.cymru
cenedlaethaurdyfodol.cymru

Future Generations Commissioner for Wales
Tramshed Tech, Pendyris Street
Cardiff, CF11 6BH
contactus@futuregenerations.wales
futuregenerations.wales



wella'r broses o integreiddio asesiadau effaith a gwella eu hansawdd yn gyffredinol. Byddwn yn cynnal dau weithdy yn y flwyddyn newydd a fydd yn cynnwys Llywodraeth Cymru a'r Comisiwn.

Mae fy Nirprwy Gomisiynydd hefyd wedi mynychu cyfarfodydd Grŵp Cynghori ar Hawliau Dynol Llywodraeth Cymru sydd hefyd yn cynnwys yr EHRC ac sy'n cael gwybod am ddatblygiad y grŵp. Gwnaethom sylwadau ar Gylch Gorchwyl drafft y grŵp i sicrhau ei fod yn integreiddio'n dda â Deddf Llesiant Cenedlaethau'r Dyfodol. Rwy'n deall nad yw'r grŵp wedi cyfarfod ers mis Chwefror 2024 oherwydd newidiadau o fewn Llywodraeth Cymru sydd wedi digwydd ers hynny a disgwyliaf glywed yn fuan erbyn y dyddiad nesaf.

Mae fy nhîm yn rhan o drafodaethau ochr yn ochr â'r EHRC gyda'r Grŵp Cynghori ar Wella'r Gyllideb ac Effaith (BIIAG) a sefydlwyd gan Drysorlys Cymru i roi cyngor wrth iddynt baratoi cyllideb Llywodraeth Cymru.

Dros y misoedd diwethaf, mae fy nhîm a minnau wedi canolbwyntio ar gryfhau ein perthynas a'n cydweithrediad â'r EHRC er mwyn cyflawni fy strategaeth Cymru Can. Rydym wedi cynnal cyfres o gyfarfodydd i gwmpasu rhaglen waith ar y cyd yr hoffem fwrw ymlaen â hi yn y dyfodol. Mae meysydd ar gyfer cydweithio arfaethedig a rhai posibl yn y dyfodol yn cynnwys y canlynol:

- mewnbwn gan y Comisiwn Cydraddoldeb a Hawliau Dynol wrth ddrafftio Adroddiad Cenedlaethau'r Dyfodol 2025 i sicrhau aliniad ac i atgyfnerthu ein gwaith priodol – rydym eisoes wedi cynnal sesiwn gyda'r Comisiwn Cydraddoldeb a Hawliau Dynol i lunio'r gwaith o ddrafftio argymhellion ynghylch nod Cymru Fwy Cyfartal ac wedi gwahodd mewnbwn pellach ganddynt yn ystod y cam nesaf yr ymglymiad;
- cydweithio ar weithio gyda chyrff cyhoeddus ar sut i wella eu hymwneud â phobl yr effeithir arnynt gan anghydraddoldebau, yn enwedig o safbwynt croestoriadol, a'r angen am arferion gorau cydraddoldeb a chynhwysiant i symud y tu hwnt i brosiectau ac i mewn i 'fusnes fel arfer'
- Mae Deallusrwydd Artiffisial yn nodwedd yn ein dwy strategaeth ac mae potensial i gydweithio ar y pwnc hwnnw;
- Y potensial i gydweithio i dynnu sylw at ddiffyg cynnydd ar fynd i'r afael ag anghydraddoldeb sydd wedi gwreiddio yng Nghymru, yn unol â 10fed pen-blwydd Deddf Llesiant Cenedlaethau'r Dyfodol y flwyddyn nesaf;

- Mae'r Comisiwn wedi nodi rôl iddyn nhw eu hunain wrth fynd i'r afael â phegynnu ac rydym wedi trafod sut y gallem gydweithio ar hyn yn y dyfodol;
- Y potensial i ni weithio gyda Bwrdd EHRC y DU ar sut mae ymagwedd sy'n canolbwyntio ar dueddiadau'r dyfodol yn darparu lens ddefnyddiol ar gyfer eu gwaith eu hunain.

Yn olaf, er gwaethaf cyfyngiadau capasiti, rwyf am sicrhau'r Pwyllgor fy mod yn sicrhau bod cydraddoldeb, amrywiaeth a chynhwysiant wrth wraidd fy strategaeth [Cymru Can](#).

Rwy'n gobeithio y bydd y diweddariad hwn yn ddefnyddiol i'r Pwyllgor. Rhowch wybod i mi os oes angen rhagor o wybodaeth arnoch.

Yr eiddoch yn gywir,



Derek Walker

Comisiynydd Cenedlaethau'r Dyfodol Cymru

Derek Walker
Comisiynydd Cenedlaethau'r Dyfodol

15 Hydref 2024

Annwyl Derek,

Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol yng Nghymru

Ym mis Mai 2022, nododd Llywodraeth Cymru bum maes gweithredu a oedd yn mynd i'r afael â'r holl argymhellion a dderbyniwyd yn yr adroddiad Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol. Pwysleisiodd un o'r argymhellion hyn yr angen i gryfhau cysylltiadau a chydweithio rhwng y llywodraeth, y Comisiwn Cydraddoldeb a Hawliau Dynol, Comisiynydd Cenedlaethau'r Dyfodol a Chymdeithas y Gyfraith wrth hyrwyddo'r agenda hawliau dynol.

Yng ngoleuni'r uchod, byddem yn croesawu diweddariad gennych chi ar yr argymhellion sy'n ymwneud â chydweithio rhwng Llywodraeth Cymru a Chomisiynydd Cenedlaethau'r Dyfodol, gan gynnwys unrhyw fanylion penodol am unrhyw gamau a gymerwyd.

Rydym hefyd wedi amgáu copi o'r ohebiaeth ddiweddaraf i Lywodraeth Cymru sy'n rhoi rhagor o gyd-destun i'n gwaith yn y maes hwn.

Edrychwn ymlaen at glywed gennych.

Yn gywir,

Jenny Rathbone AS

Cadeirydd, y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol







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

Jenny Rathbone AS
Cadeirydd, y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol
Senedd Cymru
Bae Caerdydd, Caerdydd
CF99 1SN

21 November 2024

Dear Jenny,

Re: Strengthening and Advancing Equality and Human Rights in Wales

Thank you for your letter of the 15th of October seeking an update regarding the recommendations of the SAEHR Report.

As an England and Wales organisation, The Law Society takes human rights very seriously and undertakes a wide range of work that both supports and promotes human rights, both in the UK and abroad. Below are a few examples of our work on human rights over the last 12 months. Further details of this work can be accessed by clicking on the links.

- [Rwanda asylum partnership](#)
- [Human Rights](#)
- [Illegal Migration Act](#)

As the Wales office of The Law Society, and as the wider organisational work above proves, we very much support the overarching aims and principles set out in the SAEHR report and we are very happy to be involved in discussions with Welsh Government and the numerous other wider stakeholders who have an interest in human rights in Wales.

However, as was repeatedly pointed out to Professor Simon Hoffman and Dr Sarah Nason, the authors of the SAEHR report, at the point the final draft was circulated to us for comment, the Wales Office of The Law Society have neither the staffing resource, finances or human rights expertise within the team to be in a leadership position to drive a strengthening of relationships and increased and ongoing collaboration with Welsh Government, the Equality and Human Rights Commission, Future Generations Commissioner around the human rights agenda.

Any such Law Society Wales office based human rights work programme, which would be separate from and in addition to the work undertaken in London and our already set and budgeted local priorities and work programme, would place a significantly increased burden of work on a Wales office that consists of only four members of staff.

We worked closely and collaboratively with Welsh Government officials to ensure our request to the report authors that the recommendation that specifically mentions The Law Society should be amended to reflect this.

As a result, Welsh Government very kindly arranged a meeting between myself and the report authors where I set out my reasons for seeking the change to the recommendation.

The reasoning behind asking for the specific naming of The Law Society Wales office to be withdrawn at the draft stage were as set out below: -

1. The Law Society Wales office is a part of a wider independent organisation that receives no public funding in Wales and is of limited staff capacity.
2. As the Wales office of an independent organisation, we set our own priorities and work programme according to the needs and views of our members in Wales and in accordance with the wider organisational business plan. These priorities are ours and ours alone to set and resource and are not for the report authors or any other external agency to dictate.
3. We do not feel it is right, or within the purview of the SAEHR report authors to specifically name us, alongside Welsh Government, the Equality and Human Rights Commission and the Future Generations Commissioner as a body that should have a specific responsibility for driving this advancement In Wales, whilst several other organisations who may also have a significant role and interest are not specifically named.
4. This is a matter that would benefit from contributions from the whole of the legal sector, including the Bar Council, university law schools, other legal education and training providers, and it should be driven and guided by those organisations with specific responsibilities in the area of human rights such as the EHRC, the Future Generations Commissioner for Wales and potentially Public Law Wales.
5. Following several attempts at explanation, the authors of the SAEHR report appear to have misunderstood the role, function, remit and capacity of The Law Society's work in Wales, as part of and within the wider Law Society organisation. In fact, the report refers several times to "The Law Society of Wales," an organisation that does not exist.

As an organisation we fully and actively support the strengthening and advancing of equality and human rights in many territories, including Wales and we are very happy to play our part in any future multi-agency discussions and programmes around how we can all contribute to that as a goal. However, as of today we have received no communication from either the Equality and Human Rights Commission or the Future Generations Commissioner in relation to any work that is being developed in this area.

Yours sincerely,



Jonathan Davies

Head of Wales, The Law Society

Cymdeithas y Cyfreithwyr

15 Hydref 2024

Annwyl Cymdeithas y Cyfreithwyr

Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol yng Nghymru

Ym mis Mai 2022, nododd Llywodraeth Cymru bum maes gweithredu a oedd yn mynd i'r afael â'r holl argymhellion a dderbyniwyd yn yr adroddiad Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol. Pwysleisiodd un o'r argymhellion hyn yr angen i gryfhau cysylltiadau a chydweithio rhwng y llywodraeth, y Comisiwn Cydraddoldeb a Hawliau Dynol, Comisiynydd Cenedlaethau'r Dyfodol a Chymdeithas y Gyfraith wrth hyrwyddo'r agenda hawliau dynol.

Yng ngoleuni'r uchod, byddem yn croesawu diweddariad gennych chi ar yr argymhellion sy'n ymwneud â chydweithio rhwng Llywodraeth Cymru a Chymdeithas y Gyfraith, gan gynnwys unrhyw fanylion penodol am unrhyw gamau a gymerwyd.

Rydym hefyd wedi amgáu copi o'r ohebiaeth ddiweddaraf i Lywodraeth Cymru sy'n rhoi rhagor o gyd-destun i'n gwaith yn y maes hwn.

Edrychwn ymlaen at glywed gennych.

Yn gywir,



Jenny Rathbone AS

Cadeirydd, y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol



Eitem 4.6



Comisiwn
Cydraddoldeb a
Hawliau Dynol

Equality and
Human Rights
Commission

Jenny Rathbone AS

Cadeirydd, Pwyllgor Cydraddoldeb a
Chyfiawnder Cymdeithasol
Senedd Cymru
Trwy e-bost yn unig

Ein cyf: 20241128 RathboneJ

Dydd Iau 28 Tachwedd 2024

Annwyl Jenny,

Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol yng Nghymru

Ysgrifennaf mewn ymateb i'ch llythyr dyddiedig 15 Hydref, yn dilyn y sesiwn dystiolaeth ar yr adroddiad 'Cryfhau a hyrwyddo cydraddoldeb a hawliau dynol yng Nghymru'. Gofynnodd y Pwyllgor am yr wybodaeth ddiweddaraf am gydweithio rhwng y Comisiwn a Llywodraeth Cymru i hyrwyddo hawliau dynol.

Atodaf bapur briffio sy'n nodi ein rôl fel Sefydliad Hawliau Dynol Cenedlaethol statws A, ein gwaith gyda Llywodraeth Cymru, a'r camau yr ydym wedi'u cymryd i hyrwyddo hawliau dynol ers cyhoeddi'r adroddiad.

Bydd y Comisiwn yn croesawu gohebiaeth yn y Gymraeg a'r Saesneg.

The Commission welcomes correspondence in Welsh or English.

Ff/T: 029 2044 7710

E: correspondence@equalityhumanrights.com

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Companies House (1st Floor),
Crown Way, Cardiff, CF14 3UZ

equalityhumanrights.com

Tudalen y pecyn 74



Gobeithiaf y bydd y papur briffio yn ddefnyddiol i'r Pwyllgor. Os oes gennych chi neu aelodau'r Pwyllgor unrhyw gwestiynau pellach, mae croeso i chi gysylltu â ni.

Yr eiddoch yn gywir,

Ruth Coombs
Pennaeth Cymru

Bydd y Comisiwn yn croesawu gohebiaeth yn y Gymraeg a'r Saesneg.

The Commission welcomes correspondence in Welsh or English.

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equalityhumanrights.com

Papur Briffio ar gyfer Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol y Senedd

Y Comisiwn Cydraddoldeb a Hawliau Dynol

Mae'r Comisiwn Cydraddoldeb a Hawliau Dynol (EHRC) yn gorff statudol annibynnol ac yn Sefydliad Hawliau Dynol Cenedlaethol statws A. Mae ganddo fandad sy'n cwmpasu cydraddoldeb ym Mhrydain Fawr, hawliau dynol yng Nghymru a Lloegr, a hawliau dynol yn yr Alban ar gyfer materion a gedwir i Senedd y DU.

Fel Sefydliad Hawliau Dynol Cenedlaethol statws A (NHRI) cawn ein hasesu yn erbyn Egwyddorion Paris. Maent yn ei gwneud yn ofynnol i NHRI:

- Bod yn gymwys i hyrwyddo a diogelu hawliau dynol
- Bod â mandad cyfansoddiadol a deddfwriaethol eang, clir
- Cyflwyno cyngor ar faterion hawliau dynol i'r llywodraeth a'r Senedd
- Cydweithredu â'r Cenhedloedd Unedig a sefydliadau rhyngwladol eraill i amddiffyn a hyrwyddo hawliau dynol
- Hyrwyddo addysg hawliau dynol mewn ysgolion, prifysgolion a chylchoedd proffesiynol
- Mynd i'r afael â phob math o wahaniaethu drwy gynyddu ymwybyddiaeth y cyhoedd o hawliau dynol
- Sicrhau cynrychiolaeth luosog yn ei benodiadau
- Cael cyllid digonol
- Bod yn annibynnol wrth wneud penderfyniadau a gweithredu

Ailachredwyd y Comisiwn fel NHRI statws A ddiwethaf ym mis Mai 2024.

Cydweithio â Llywodraeth Cymru i hyrwyddo hawliau dynol, a rhoi cyngor iddi

Mae Deddf Cydraddoldeb 2006 yn gosod dyletswyddau ar y Comisiwn i roi cyngor i lywodraethau ar ddeddfiadau cydraddoldeb a hawliau dynol.¹

Ers cyhoeddi'r adroddiad 'Cryfhau a hyrwyddo cydraddoldeb a hawliau dynol yng Nghymru' (SAEHR) ac ymrwymïadau a wnaed yn y Rhaglen Lywodraethu, mae'r Comisiwn wedi bod yn gweithio gyda Llywodraeth Cymru fel sylwedydd ar ei Grŵp Cyngori ar Hawliau Dynol a'i Weithgor Opsiynau Deddfwriaethol. Rydym wedi rhoi cyngor ar fwrw ymlaen ag argymhellion SAHER, yn enwedig gan roi cyngor ar gamau i ymgorffori cytuniadau hawliau dynol rhyngwladol yn neddfwriaeth ddomestig Cymru. Mae'r Comisiwn yn cefnogi ymgorffori cytuniadau hawliau dynol rhyngwladol mewn cyfraith ddomestig, a fyddai'n hyrwyddo ac yn cryfhau amddiffyniadau hawliau dynol i bobl yng Nghymru.

Rydym wedi cydweithio â Llywodraeth Cymru a phartneriaid ar ddatblygu 'datganiad o ymrwymiad i hawliau dynol' ar gyfer gwasanaethau cyhoeddus Cymru. Yn ogystal, rydym wedi ymrwymo i roi cyngor pellach i Lywodraeth Cymru ar egwyddorion allweddol ar gyfer dull gweithredu sy'n seiliedig ar hawliau dynol, a fyddai'n sail i'r datganiad.

Yn dilyn deddfu'r ddyletswydd economaidd-gymdeithasol gan y Senedd yn 2021, buom yn cydweithio â Llywodraeth Cymru a Chomisiynydd Cenedlaethau'r Dyfodol ar ganllawiau i gyrff cyhoeddus. Paratowyd y canllawiau Mapio'r dyletswyddau i gefnogi cyrff cyhoeddus i ystyried y cyfleoedd o gymhwyso'r ddyletswydd economaidd-gymdeithasol, dyletswydd cydraddoldeb y sector cyhoeddus a'r dyletswyddau llesiant mewn ffordd gyson.² Mae gan wireddu hawliau economaidd-gymdeithasol, amddiffyn rhag gwahaniaethu a'r dyletswyddau llesiant, ac egwyddorion datblygu cynaliadwy rolau pwysig i'w chwarae wrth gyflawni hawliau dynol.

Fel rhan o'r broses ar gyfer cwblhau ein hadroddiadau i'r Cenhedloedd Unedig ar gydymffurfiaeth y DU â'i rhwymedigaethau rhyngwladol, mae swyddogion Llywodraeth Cymru yn darparu gwiriad ffeithiol o'n hadroddiadau. Mae hyn yn

¹ [Deddf Cydraddoldeb 2006](#), adran 11 [cyrchwyd 22 Tachwedd 2024]

² [Cymru sy'n Fwy Cyfartal - Mapio'r Dyletswyddau](#)

sicrhau bod y wybodaeth a ddarperir i'r Cenhedloedd Unedig yn gywir ac yn gadarn.

Ein gwaith i hyrwyddo a diogelu hawliau dynol

Mae gan y Comisiwn ddyletswydd statudol i hybu dealltwriaeth a diogelu hawliau dynol ac i annog arfer da.³ Rydym yn cyflawni'r ddyletswydd hon mewn nifer o ffyrdd.

Traciwr Hawliau Dynol

Offeryn ar-lein chwiliadwy yw ein [Traciwr Hawliau Dynol](#) i olrhain pa mor dda y mae'r DU yn rhoi ei dyletswyddau hawliau dynol ar waith. Mae'r traciwr yn cynnwys yr holl argymhellion diweddaraf a wnaed i'r DU gan gyrff cytuniadau'r Cenhedloedd Unedig a'r Adolygiad Cyfnodol Cyffredinol (UPR). Mae'n caniatáu i seneddwyr, cymdeithas sifil a'r cyhoedd chwilio yn ôl y [DU](#) a [Chymru](#) fel y gallwch weld pa lywodraeth sy'n gyfrifol am weithredu'r argymhellion a'r cynnydd y maent yn ei wneud i gyflawni eu rhwymedigaethau rhyngwladol.

Fel rhan o'r gwaith hwn, rydym yn darparu sesiynau hyfforddi am ddim i gyflwyno sefydliadau cymdeithas sifil i rwymedigaethau hawliau dynol rhyngwladol y DU a dangos sut i ddefnyddio'r Traciwr Hawliau Dynol.

Rydym wedi hyfforddi nifer o swyddogion Llywodraeth Cymru ar y Traciwr Hawliau Dynol.

Gwaith meithrin capasiti

Sicrhau bod cymdeithas sifil fywiog, gref yn cael ei chydabod mewn nifer o gytuniadau hawliau dynol. Drwy ein gwaith meithrin gallu, rydym yn helpu sefydliadau cymdeithas sifil i ddeall eu hawliau ac yn eu cefnogi i ymgysylltu â phrosesau hawliau dynol y Cenhedloedd Unedig fel modd o fynnu'r hawliau hynny.

Ers 2021 rydym wedi darparu cyllid i sefydliadau cymdeithas sifil gynhyrchu adroddiadau cysgodol i lywio archwiliadau Pwyllgorau'r Cenhedloedd Unedig o Lywodraethau'r DU a Chymru ar nifer o gytuniadau gan gynnwys:

³ [Deddf Cydraddoldeb 2006](#), adran 9 [cyrchwyd 22 Tachwedd 2024]

- Confensiwn ar Ddileu Pob math o Wahaniaethu Hiliol (CERD) – Race Equality First

-
- Confensiwn ar Hawliau Pobl Anabl (CRPD) – Anabledd Cymru
 - Cyfamod Rhyngwladol ar Hawliau Economaidd, Cymdeithasol a Diwylliannol (ICESCR) – Just Fair

Rydym wedi darparu cyllid i sefydliadau deithio i archwiliadau'r Cenhedloedd Unedig ac ymgysylltu â nhw gan gynnwys:

- Confensiwn ar Hawliau'r Plentyn (CRC) – Plant yng Nghymru
- Confensiwn ar Hawliau Pobl Anabl (CRPD) – clymblaid y DU o Sefydliadau Pobl Anabl gan gynnwys Anabledd Cymru

Monitro cytuniad y Cenhedloedd Unedig

Fel NHRI statws-A ar gyfer Cymru a Lloegr mae gennym gyfrifoldeb i hyrwyddo gweithrediad effeithiol y cytuniadau hawliau dynol y mae'r DU wedi'u cadarnhau.

Mae ein gwaith monitro hawliau dynol yn cynnwys darparu cyngor i lywodraethau'r DU a Chymru ac i randdeiliaid i sicrhau bod achosion o dorri hawliau dynol yn cael eu hatal a'u herio. Rydym yn ymgysylltu ag adolygiadau hawliau dynol rhyngwladol, gan gynnwys cyflwyno adroddiadau annibynnol ar weithredu rhwymedigaethau cytuniad yn y DU.

Ers 2021, rydym wedi cyflwyno adroddiadau i'r Cenhedloedd Unedig ar y cytuniadau rhyngwladol canlynol:

- [Confensiwn ar Ddileu Pob math o Wahaniaethu Hiliol \(CERD\)](#)
- [Cyfamod Rhyngwladol Hawliau Sifil a Gwleidyddol \(ICCPR\)](#)
- [Cyfamod Rhyngwladol Hawliau Economaidd, Cymdeithasol a Diwylliannol \(ICESCR\)](#)
- [Confensiwn ar Hawliau'r Plentyn \(CRC\)](#)
- [Confensiwn ar Hawliau Pobl Anabl \(CRPD\)](#)

Adrodd ar gynnydd ar gydraddoldeb a hawliau dynol

Mae adrodd ar gynnydd o ran diogelu cydraddoldeb a hawliau dynol yn ddyletswydd statudol ar y Comisiwn.⁴ Yn 2023 cyhoeddwyd ein hadroddiad [Monitor Cydraddoldeb a Hawliau Dynol: A yw Cymru'n Decach?](#)

⁴ [Deddf Cydraddoldeb 2006](#), adran 12

Mae'r adroddiad hwn yn rhoi trosolwg ar sail tystiolaeth o gynnydd ar gydraddoldeb a hawliau dynol yng Nghymru. Fe'i trefnir yn ôl y nodweddion gwarchoddedig a sefydlwyd yn Neddf Cydraddoldeb 2010. Mae hefyd yn cynnwys pennod sy'n canolbwyntio ar feysydd blaenoriaeth allweddol gan gynnwys hawliau dynol, statws economaidd-gymdeithasol a'r iaith Gymraeg.

Rydym wedi ymgysylltu'n helaeth â rhanddeiliaid ledled Cymru i dynnu sylw at y canfyddiadau allweddol ac annog gweithredu ar yr anghydraddoldebau a'r materion hawliau dynol a amlygwyd gan yr adroddiad.

Cynghori'r Llywodraeth a'r Senedd ar hawliau dynol

Wrth gyflawni ein dyletswydd statudol i roi cyngor i lywodraethau a seneddau rydym yn rhoi cyngor arbenigol yn rheolaidd i'r Senedd a Llywodraeth Cymru ar hawliau dynol a'r fframwaith hawliau dynol rhyngwladol, drwy:

- cyflwyniadau i ymchwiliadau'r Pwyllgor
- ymateb i ymgynghoriadau'r Llywodraeth
- sesiynau briffio i Aelodau'r Senedd
- rhannu gwybodaeth â Gwasanaeth Ymchwil y Senedd

Mae enghreifftiau diweddar yn cynnwys rhoi cyngor ar y fframwaith hawliau dynol i ymchwiliad Pwyllgor Plant a Phobl Ifanc y Senedd i fynediad addysg i blant anabl. Yn dilyn ein cyngor, cyhoeddodd y Pwyllgor y byddai ei ymchwiliad yn defnyddio UNCRC a UNCRPD fel fframwaith cyfeirio.

Yn 2023, fe wnaethom gyflwyno tystiolaeth i Lywodraeth Cymru a Phwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol y Senedd ar y Strategaeth Tlodi Plant ddrafft. Fe wnaethom dynnu sylw at yr angen i gryfhau aliniad y strategaeth â rhwymedigaethau Llywodraeth Cymru o dan yr UNCRC, a sylwadau cloi diweddar Pwyllgor y Cenhedloedd Unedig.

Comisiwn Cydraddoldeb a Hawliau Dynol

15 Hydref 2024

Annwyl Ruth Coombs,

Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol yng Nghymru

Ym mis Mai 2022, nododd Llywodraeth Cymru bum maes gweithredu a oedd yn mynd i'r afael â'r holl argymhellion a dderbyniwyd yn yr [adroddiad Cryfhau a Hyrwyddo Cydraddoldeb a Hawliau Dynol](#). Pwysleisiodd un o'r argymhellion hyn yr angen i gryfhau cysylltiadau a chydweithio rhwng y llywodraeth, y Comisiwn Cydraddoldeb a Hawliau Dynol, Comisiynydd Cenedlaethau'r Dyfodol a Chymdeithas y Gyfraith wrth hyrwyddo'r agenda hawliau dynol.

Yng ngoleuni'r uchod, byddem yn croesawu diweddariad gennych chi ar yr argymhellion sy'n ymwneud â chydweithio rhwng Llywodraeth Cymru a Chomisiwn Cydraddoldeb a Hawliau Dynol, gan gynnwys unrhyw fanylion penodol am unrhyw gamau a gymerwyd.

Rydym hefyd wedi amgáu copi o'r ohebiaeth ddiweddaraf i Lywodraeth Cymru sy'n rhoi rhagor o gyd-destun i'n gwaith yn y maes hwn.

Edrychwn ymlaen at glywed gennych.

Yn gywir,

Jenny Rathbone AS

Cadeirydd, y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol

Eitem 4.7

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP01

Ymateb gan: National Energy Action (NEA) Cymru | Response from: National Energy Action (NEA) Cymru



1. Executive Summary

- 1.1 National Energy Action (NEA) Cymru welcomes the Committee’s follow-up inquiry into fuel poverty and the Warm Homes Programme.
- 1.2 Fuel poverty remains a deep, enduring issue across Wales, estimated to impact virtually all of our low-income households.
- 1.3 Energy prices remain significantly higher than pre-crisis levels. As we head into winter, low-income and vulnerable households of all ages in Wales face higher energy bills, record levels of energy debt, and less support than last winter.
- 1.4 ‘Part One’ of the latest iteration of the Welsh Government’s Warm Homes Programme – its flagship programme to tackle fuel poverty – launched on 1 April 2024. National Energy Action welcomes the steps taken by the Welsh Government to provide deeper retrofit for those least able to pay and, more generally, has fully supported a ‘worst first’, ‘fabric first’ and ‘low carbon first’ approach.
- 1.5 However, National Energy Action understands that within the first six months of operation, some *eligible* households are currently being turned away for measures if their home is not yet viable or appropriate for a heat pump. This is very concerning and in sharp contrast to how we and other key stakeholders understood the scheme was intended to operate. It risks leaving eligible, low-income households, living in the least efficient homes, with no working heating or hot water. National Energy Action strongly recommends this issue is resolved as a matter of urgency.
- 1.6 We also highlight the ongoing need to:
- significantly scale up investment in the Warm Homes Programme;
 - incorporate an area-based approach with its own distinct pot of funding;
 - introduce energy efficiency-based interim targets, if we are to have a plan that meets the scale of the challenge.
- 1.7 It is also critical, of course, that Wales maximises the funding available from GB-wide schemes such as ECO4 and that all local authorities across Wales access and utilise ECO Flex funding and are adequately resourced to do so.
- 1.8 The context around fuel poverty has changed dramatically and significantly in the past few years and National Energy Action welcomes the Welsh Government’s efforts to engage the UK Government and Ofgem on related issues that sit within their control. Energy is an essential service and there is an urgent need for the UK Government and Ofgem to introduce deeper, targeted and enduring price protection; address crushing levels of energy debt; and support those who need it most.
- 1.9 The next decade must prioritise the delivery of enduring solutions to fuel poverty, including by substantially increasing investment to improve the energy efficiency of fuel poor homes and help ensure a fair and affordable transition to net zero.
- 1.10 Few things are more essential than having access to heat and power.

2. Introduction

- 2.1 National Energy Action (NEA) is the national fuel poverty and energy efficiency charity. We've worked across England, Wales, and Northern Ireland for over 40 years, to ensure that everyone in the UK can afford to live in a warm, safe and healthy home. We work together with frontline practitioners, companies, regulators and governments for customers in vulnerable circumstances to make positive changes. We welcome this opportunity to help inform the Committee's follow-up inquiry into fuel poverty in Wales and the Warm Homes Programme.
- 2.2 The context around fuel poverty has changed dramatically and significantly in the past few years. As a result of the energy crisis, the number of fuel poor households in Wales has sharply increased. In 2018, 12% of all households in Wales were estimated to be living in fuel poverty. This increased to 14% in October 2021 and to up to 45% (614,000) of all households by April 2022, when the energy price cap rose to £2,000 a year for an average, dual-fuel household in GB. Of these, 8% (115,000) were living in severe fuel poverty. It was estimated that 98% (217,700) of all lower-income households live in fuel poverty, over four in 10 of whom were estimated to be in deep, severe fuel poverty¹.
- 2.3 It is evident that the personal impacts of ongoing high prices, high debt levels and a lack of support on households in Wales are exceptionally acute. With deficit budgets and nothing left to ration, the poorest households living in the least efficient homes continue to face desperate conditions. The severity of the situation has prompted the energy crisis and its impacts to be one of the most prominent public policy challenges facing Wales and the UK in recent history.
- 2.4 The next decade needs to be a decade of delivery. There is an ongoing and urgent need to focus on enduring long-term solutions. This means upgrading the energy efficiency of fuel poor homes and decarbonising heat, as well as introducing deeper price protection, to deliver a fair, affordable and just transition for current and future generations.

3. Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Welsh Housing Conditions Survey

- 3.1 Although the peak of high energy prices has passed, the estimates outlined above remain worryingly relevant as average energy costs remain close to what they were in April 2022, and significantly higher than pre-crisis levels. On 1 October 2024, energy prices rose to £1,717 per year for an average dual-fuel bill by direct debit. However, there are regional variations in prices and the rates paid in Wales are persistently higher – south Wales (£1,753 per year) and north Wales (£1,764 per year) are routinely in the top three most expensive regions across GB².
- 3.2 It is vital that the Welsh Government publishes biennial fuel poverty estimates for Wales. Unfortunately, the Welsh Government's estimates continue to be modelled using the Welsh Housing Conditions Survey 2017-18, notably conducted long before the energy and cost-of-living crisis. The survey is intended to be conducted every five years but is now approaching eight years old and three years overdue. An updated survey, together with biennial fuel poverty estimates for Wales, are necessary to provide an accurate picture of the situation in Wales both at a national and local level. It is impossible to evaluate progress towards Welsh Government's 2035 objectives without regular and reliable updates³.
- 3.3 A recent nationally representative survey by National Energy Action Cymru and YouGov found that half (51%) of adults in Wales are likely to ration their energy use this winter (compared with 46% in GB). This may lead them to use less energy than they should to maintain their comfort and wellbeing, to the detriment of their health.

3.4 The survey also found that even in the last three months, when energy usage is typically lower, householders were making significant cutbacks:

- 48% have turned off more lights than they wanted to (same as GB);
- 27% have had cold meals rather than using the oven (compared with 23% in GB);
- 42% have reduced their use of baths or showers (40% in GB);
- 29% haven't run the washing machine when they needed to (25% in GB);
- 4% have reduced the use of essential medical equipment (same as GB).

This presents a very worrying picture for the winter ahead⁴.

3.5 Total energy debt has also reached £3.7bn across GB, three-quarters of which is estimated to be arrears (i.e. money owed on domestic gas and electricity accounts that is not yet on a repayment plan)⁵. This indicates that energy debt is only likely to continue to grow and the situation get worse. Further, the average amount a household in arrears owes to their energy supplier is reportedly £2,875 – considerably more than a year's worth of supply even at today's very high prices. Money that many can ill afford to repay.

3.6 In addition to this, recent data shared by Ofgem with the Welsh Government and its Fuel Poverty Advisory Panel indicates that the consequences of this debt are being felt acutely in Wales. We refer further to this in Section 4 of this response.

3.7 Struggling households are in the third year of an energy crisis. Even before the crisis, our clients had no slack in their budgets. Three years on, they are mired in record levels of energy debt and severely rationing their energy. The gap in support for vulnerable households who are not on means-tested benefits has also grown.

4. The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales

4.1 The UK Government's recent decision to limit the Winter Fuel Payment to pensioners receiving Pension Credit has raised wide concerns about the impact on older people's ability to keep warm and well at home, leaving many pensioners in need without support this winter.

4.2 The Winter Fuel Payment was previously paid to almost all pensioner households, at a rate of £200 per household and £300 for people aged over 80.

4.3 For winter 2024-25, only people receiving Pension Credit will be eligible for the Winter Fuel Payment. These changes to eligibility mean many low-income pensioners whose incomes are marginally above the Pension Credit threshold will now miss out, as will those eligible for Pension Credit but who do not claim it⁶. It is estimated that up to 400,000 pensioners in Wales in total may now miss out on this support⁷ (including c. 50,000 pensioners who are reportedly eligible for Pension Credit but do not claim it)⁸.

4.4 Older people can have higher energy needs because they often spend more time at home, may be less physically active, and/or have health conditions that are exacerbated by the cold. As the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip stated in response to a Written Question on 9 August 2024, *"The decision that the Winter Fuel Payment will no longer be universal risks pushing some pensioners into fuel poverty"*⁹.

4.5 Beyond the Winter Fuel Payment, the only energy support available to working age households is the Warm Home Discount (WHD). This has risen by just £10 over a decade in which energy prices have doubled.

4.6 Put simply, low-income and vulnerable households of all ages in Wales are heading into winter facing higher energy bills, record levels of energy debt and less support than the last.

5. The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area-based approach

5.1 Poor energy efficiency is a key driver of fuel poverty, leaving many households in inefficient homes more exposed to high energy prices. As the driver that sits most squarely within its devolved powers, the Welsh Government states that it is its long-term ambition “to improve the energy efficiency of Welsh homes, ensuring we use only the energy we need, to keep homes comfortably warm at an affordable cost”, as outlined in its Policy Statement published on 15 June 2023¹⁰.

5.2 The new Warm Homes Programme is the Welsh Government’s “primary mechanism to tackle fuel poverty” and will “also contribute towards achieving a net zero Wales”. The new Nest scheme is ‘Part One’ of the Programme and launched in April 2024, albeit a year later than intended. The scheme aims to provide deeper retrofit through a “fabric, worst and low carbon first approach, delivering measures to improve the energy efficiency of the least thermally efficient low-income households in Wales”¹¹.

5.3 National Energy Action has consistently championed and supported the Warm Homes Programme and has supported the new scheme’s policy development and implementation. As such, we were very pleased to see the Programme adopt a greater focus on deeper retrofit, including insulation and low carbon technologies where appropriate, for those most in need.

5.4 However, based on evidence received from numerous stakeholders across Wales – including via the Fuel Poverty Coalition Cymru, our regional Wales Fuel Poverty Forums, and a workshop led at Care & Repair Cymru’s recent annual conference – National Energy Action is very concerned that there is an early, significant issue within the new Nest scheme which requires urgent resolution, currently leaving some eligible households without heating or hot water. We hope this inquiry can shine a light on this urgent deficiency within the new scheme, ultimately to ensure that no eligible household is left in the cold. These are households who are all, invariably, living on the lowest incomes in the least efficient housing across Wales and much of our response in this section focuses on this (under ‘Measures’).

5.5 There are also several other matters worth raising, and we group all of this under key themes, namely: Eligibility, Measures, Part Two and an area-based approach, and Monitoring and evaluation.

Eligibility

5.6 National Energy Action welcomes the expanded Nest eligibility criteria to target the ‘worst first’ – i.e. those living on the lowest incomes, in the least efficient homes.

5.7 Households are now eligible for Nest if they: own or privately rent their home; are on a low-income (less than 60% of median equivalised net household income) or means-tested benefits; and have an EPC rating of E or less; or an EPC rating of D or less if a householder has an eligible health condition¹².

5.8 We are pleased to see eligibility extended beyond the hard-edge of means-tested benefits, as well as to include those suffering with health conditions exacerbated by the cold. As recommended, welcome steps have also been taken to ringfence disability benefits from household income calculations.

Measures

5.9 The previous scheme fell short of its original intended ‘whole-house’ approach and increasingly became a boiler-replacement scheme¹³. National Energy Action advised thereafter the need for the new iteration to take a ‘fabric-first’ approach to guarantee meaningful energy efficiency upgrades and provide a permanent solution to lower bills – an approach that was recognised by the Welsh Government in its

Policy Statement¹⁴.

- 5.10 In the Programme's tender document, a wide range of measures were confirmed to be part of the new scheme. This includes loft insulation; cavity wall insulation; solid wall insulation; heating repairs (including boiler repairs, or boiler replacements in exceptional circumstances); heat pumps and hot water systems; heating controls; central heating systems; ventilation improvements; solar PV and batteries; and windows and doors (where not doing so would significantly and adversely affect the benefit of other newly installed measures).
- 5.11 To enable a 'whole-house' approach, the spend threshold per property has been substantially increased to enable the Nest scheme to provide significant fabric upgrades and heating measures as appropriate. National Energy Action welcomes this decision, as it enables the scheme to take a 'fabric first' approach (as necessary) and, unlike before, means it can address the distinct challenges faced in rural areas, with appropriate levels of funding that account for the more complex and costly measures required to address rural fuel poverty.
- 5.12 In addition to a 'worst' and 'fabric first' approach, the scheme also intends to take a 'low carbon first' approach, meaning that when it comes to heating measures, "low carbon technologies will be prioritised where it makes sense to do so"¹⁵.
- 5.13 In instances where transitioning to a lower carbon heating source such as an air source heat pump (ASHP) is not currently viable – for example because it is not yet possible for it to be installed (e.g. no suitable space/within boundary, a listed building, and the like) or because the running costs to the household would be excessive (risking pushing them deeper into fuel poverty) – then boiler repairs, or replacements in exceptional circumstances, were intended to be part of the scheme. As outlined in Welsh Government's Policy Statement, for example: "when moving from fossil fuels to an electric heating system that would cause a significant increase in running costs (due to complexities of the fabric improvement) the priority could be the repair of energy-efficient gas boilers".
- 5.14 However, it has come to National Energy Action's attention that within the first six months of the scheme's operation, some eligible households are currently being turned away for measures if their home is not yet viable for a heat pump. This is very concerning and in sharp contrast to how we and many other key stakeholders understood the scheme intended to operate. Several stakeholders have in fact commented that the Nest scheme has become a carbon reduction scheme, not a fuel poverty one.
- 5.15 At a meeting of the Fuel Poverty Advisory Panel on 6 September 2024, the Welsh Government made clear that it was aware of this issue, and that ASHPs are "not suitable for all properties in Wales" and that this is having an "impact on vulnerable households without heat and hot water". To try and address this, the Welsh Government proposed a 'Nest Crisis Boiler Repair/Replacement' route to enable eligible Nest applicants *who meet additional eligibility criteria* to access boiler repairs (or replacements in exceptional circumstances). Despite strong advice to the contrary from members, National Energy Action understands the Welsh Government has proceeded with an approach to trial boiler repairs for 2024-25, limiting boiler repairs exclusively to eligible households with occupants aged 75 years and over, or with children under two years old, or with occupants with a relevant health condition, or terminal illnesses¹⁶.
- 5.16 Concerningly, this approach represents a significant narrowing of eligibility for this measure under the scheme (contradicting the original Policy Statement) and risks leaving many eligible Nest applicants *without* heating or hot water. Households who are all, invariably, living on the lowest incomes in the least efficient housing across Wales, and evidently in crisis irrespective of age or health. As such, National Energy Action does not feel able to support this decision and believes this avoidable outcome would potentially be a bigger concern than the previous scheme's shortcomings when many eligible households were not able to access the full range of energy saving measures they and their homes needed. Further, no reference in the Welsh Government's trial is made to the provision of boiler replacements, and not all broken boilers can be fixed.

5.17 We, alongside other members of the Fuel Poverty Advisory Panel and Fuel Poverty Coalition Cymru, are also concerned that it appears there isn't any significant promotion planned of the new boiler repair scheme.

5.18 Our view is that when an eligible Nest applicant applies to the scheme, the following should take place:

(a) The scheme insulates their home as appropriate;

and

(b) *If they have working heating/hot water:* assesses whether it is viable now to switch to low-carbon heating or wait until it is appropriate to do so in the future, conscious that through fabric improvements it has otherwise made the home low-carbon heat/ heat pump ready in the meantime;

or

If they do not have working heating/hot water: either installs low-carbon heating if it is viable/appropriate to do so now *or* repairs/replaces their existing fossil fuel heating system, having otherwise made the home low-carbon heat/heat pump ready (for when it is appropriate to do so in the future).

In this way, boiler repairs (or replacements in necessary circumstances) should be available to *all* eligible Nest applicants without working heating or hot water where low-carbon heating is not yet viable, irrespective of age and health¹⁷.

5.19 Enabling multiple/repeat applications to Nest (where still eligible), as the Welsh Government has now welcomingly done, means that this approach is possible. And, in line with Wales Net Zero 2035 Challenge Group advice¹⁸, means that:

- in the immediate term, where possible, heat pumps can be installed now where viable and not likely to increase costs, alongside fabric upgrades to deliver affordable warmth;
- in the near-medium term, as heat pump costs come down and confidence increases, more homes benefiting from the scheme will get heat pumps first time alongside fabric upgrades;
- beyond that, in the longer term, (a) upfront and running cost reductions will mean a majority of homes receiving fuel poverty support will routinely receive a heat pump as part of a package of retrofit measures and (b) homes which were made heat pump ready earlier in the lifetime of the Warm Homes Programme will now appropriately receive heat pumps when their boiler reaches end of life.

5.20 It is of course imperative that in all of this, recipients of Nest receive appropriate advice, support and aftercare relating to their new measures – not least to ensure they know how to run their new systems efficiently and to keep costs as low as possible.

5.21 Ultimately, if this approach to energy efficiency is taken, the Nest scheme would lift its beneficiaries out of fuel poverty, providing a permanent reduction in energy bills, year after year. It will make the homes of those in fuel poverty – whether persistent, severe, or otherwise – much warmer, greener, healthier places to live.

Part Two and an area-based approach

5.22 Only 'Part One' of the new Warm Homes Programme is currently operational. This is chiefly demanded, and while welcome, is insufficient to tackle fuel poverty by itself.

- 5.23 In its Policy Statement of 15 June 2023, the Welsh Government stated that ‘Part Two’ will involve “the development of a whole housing stock approach to decarbonisation to provide a long-term strategy for energy efficiency, fuel poverty and decarbonisation for the sector”. No more is currently known about Part Two of the Programme, 16+ months on.
- 5.24 There has not been an area-based scheme funded by the Welsh Government since Arbed closed in 2021. There are several benefits to an area-based approach (as outlined and recommended in the Equality and Social Justice Committee’s previous inquiry into Fuel Poverty and the Warm Homes Programme in 2022). These include economies of scale, neighbourhood impact, as well as economic benefits¹⁹. This therefore represents a key gap in current provision.
- 5.25 National Energy Action has previously championed the merits of an area-based scheme targeting clusters of inefficient homes in deprived areas, running alongside a demand-led scheme. A former subsidiary CIC of National Energy Action, Warm Zones, were also the first to pilot an area-based approach in the UK and it worked very well until funding shifted to cherry-picking eligible properties and measures.
- 5.26 We understand and welcome that the Welsh Government is working with its delivery agents to deliver area-based ‘projects’ as part of the new Warm Homes Programme. However, it is crucial that a distinct pot of funding is made available for an area-based approach, separate from Nest, to avoid further constraints on the already under-funded demand-led scheme.
- 5.27 It is also key that an area-based approach still targets areas within Wales with the highest levels of fuel poverty. The Welsh Government’s local authority-level fuel poverty estimates for Wales date back to 2018 (due to the Welsh Housing Conditions Survey). At the time, 23% of households in Gwynedd and 21% of households in Ceredigion were estimated to be in fuel poverty, when the national average across Wales was 12%.²⁰ Areas such as these face several compounding issues that serve to make fuel poverty worse.

Monitoring and evaluation

- 5.28 The previous CCERA Committee’s inquiry into the Warm Homes Programme in 2020 highlighted serious concerns related to the lack of a robust monitoring and evaluation framework for the previous iteration of the Programme²¹, impeding the assessment of each schemes’ impact on fuel poverty. This is a crucial aspect given the Programme is the key delivery mechanism for tackling fuel poverty in Wales. Similar concerns were also reported by Audit Wales in 2021²².
- 5.29 The Welsh Government states that “robust monitoring and evaluation” has been implemented within the new Programme. As outlined in its Policy Statement, it states this will address several areas, namely:
- The impact measures have had on individual households in relation to bill savings
 - The impact the scheme has on fuel poverty
 - Carbon savings over the lifetime of the assets retrofitted
 - The contribution made towards wider community benefits, such as skills and the foundational economy.

While National Energy Action supports the Welsh Government’s intentions to produce annual reports and to develop a monitoring and evaluation framework to track its effectiveness, additional assessments should be carried out in several other relevant areas, including:

- Take-up across tenures
- Take-up across income levels (e.g., means-tested benefits vs relative low income)
- Take-up under the health-based criteria (e.g., who is accessing the scheme and with what health conditions, where they are based and how they were referred in)
- Referrals (e.g., from what sectors and organisations)

- Customer journey (including when and why households may drop out of the scheme)
- Measures provided
- Any additional assistance offered (e.g., via ECO or other relevant schemes, as well as safety and carbon monoxide, etc.)
- The outcomes for beneficiaries of the Programme.

Such monitoring and evaluation on progress and outcomes of the new Nest scheme (and the Programme more broadly) should regularly be made public.

6. How changes from the previous Warm Homes Programme will impact delivery, particularly in terms of the numbers of households that will be supported

- 6.1 It has been widely acknowledged, including by the Welsh Government, that current investment of £30 million per year is not sufficient to meet need or targets. The tender document published as part of the procurement process for the new Programme indicated that around 1600 homes would be upgraded annually over the duration of the scheme. Based on this figure, it would take well over a century to upgrade all of Wales's lower-income households currently estimated to be in fuel poverty (i.e., up to 217,700).
- 6.2 We understand that the Welsh Government has faced its toughest budgetary situation since devolution, but there remains an urgent need to improve the energy efficiency of fuel poor homes across Wales, especially for those living on the lowest incomes in the least efficient properties. If Welsh Government is to meet its 2035 targets, reduce fuel poverty and eradicate severe fuel poverty as far as reasonably practicable²³, as well as meet climate change ambitions, it must be prepared to invest to save, significantly scaling up the level of investment in the Programme.
- 6.3 We understand that the Welsh Government intends soon to fully assess the level of investment required to decarbonise fuel poor homes and to make long-term plans for delivering the funding required. There are significant benefits attached to this and National Energy Action encourages the Welsh Government to carry out an assessment of said benefits including savings on energy bills; thermal comfort; health and wellbeing; increased capital value of properties; employment; reduced carbon emissions; and improvements to air quality.
- 6.4 As part of National Energy Action's UK Fuel Poverty Monitor 2022-23²⁴ report, modelling by Gemserv illustrates that approximately £2bn of funding would ultimately be required in Wales to ensure that all low-income households live in a property with an EPC C by 2030. £1bn of this funding would be required from additional government investment in Wales, alongside £1bn via private and social landlords.
- 6.5 It is also understood that the UK Government's Warm Homes Plan will result in significant consequential for the devolved nations, with the UK Government confirming it will initially invest £3.4bn to kickstart the programme in the first three years. National Energy Action firmly believes resulting consequential should be invested into the Warm Homes Programme – i.e. to upgrade the energy efficiency of fuel poor homes in Wales.

7. The need for energy efficiency-based Interim Targets

- 7.1 The Welsh Government's *Tackling Fuel Poverty Plan 2021-2035* was published in March 2021 to address fuel poverty in Wales and to support those "struggling to meet the cost of their domestic energy needs". The publication of the plan and its actions were, and still are, welcomed by National Energy Action.
- 7.2 However, there remains a noticeable lack of interim targets in the Plan, despite the Welsh Government's statutory obligations to specify such targets. This requirement is set out in the Warm Homes and Energy Conservation Act (WHECA) 2000²⁵ to "specify interim objectives to be achieved and target dates for achieving them".

- 7.3 With 10 years left between now and the end target date of 2035, there are widespread concerns that three non-statutory targets, spanning three Senedd terms, with no interim milestones, seriously risks not driving the sustained and necessary action and investment that is required to address fuel poverty in Wales.
- 7.4 There are several benefits associated with the introduction of such meaningful interim targets, not least that it will help to provide a clearer pathway to 2035 within Welsh Government's sphere of control, provide vital opportunities to review progress through the duration of the Plan, and enable Welsh Government to meet its statutory obligations.
- 7.5 There are also numerous benefits associated with meeting energy efficiency-based fuel poverty targets, as outlined in National Energy Action's UK Fuel Poverty Monitor 2022-23. It shows that if Wales had a similar target to England (i.e. for all low-income households to live in a property with an EPC C by 2030), the following benefits could be accessed cumulatively up to 2030:
- £1.1bn in total cumulative energy bill savings for households
 - £0.2bn in value of increases to thermal comfort
 - £0.2bn in increased capital value of private rented properties
 - 3,000 additional full-time jobs
 - 1.7 MtCO₂e in reduced carbon emissions
 - £5.5bn in improved air quality damage cost savings
- 7.6 National Energy Action and other key stakeholders, including the Fuel Poverty Coalition Cymru, have been calling on Welsh Government to introduce such targets for many years. Regrettably, neither these nor any other interim targets have yet been introduced into the Plan.
- 7.7 It is understood that Welsh Government is currently in the process of updating the Plan's short-term actions, and we have advised that an action to "Develop and introduce interim, energy efficiency-based targets to address fuel poverty" should be included, to be achieved by the end of this Senedd term (i.e. May 2025).

8. How effective local authorities have been at accessing and utilising Energy Company Obligation (ECO) Flex funding

- 8.1 A further key opportunity to upgrade the energy efficiency of fuel poor homes in Wales is by maximising the funding available from GB-wide schemes, such as ECO4, the funding pots of which far surpass that of the current Warm Homes Programme.
- 8.2 National Energy Action understands that the Welsh Government has provided support to local authorities to develop Statement of Intent on LA ECO Flex through local partnerships and the Welsh Local Government Association.
- 8.3 We understand the Welsh Government has also provided a total of £352,000 of funding in 2023-24, alongside technical assistance, to local authorities to enable them to leverage funds from ECO and the Great British Insulation Scheme²⁶ – ultimately to encourage them to engage fully with the opportunity.
- 8.4 However, despite these welcome steps, it is not necessarily clear to stakeholders what each local authority is doing in this space and how effective they have been at accessing and utilising this funding. National Energy Action understands there is a varied picture across Wales, with some local authorities more engaged than others. For example, according to the latest available data, under the ECO3 interim / ECO4 Flex scheme, Powys has had the most installations (4,388) while Torfaen has had zero²⁷. We are also aware that many local authorities are struggling for capacity and resources.

- 8.5 The installation of measures through ECO is reported by parliamentary constituency and varies significantly by region. According to the latest data, between January 2013 and June 2024, Ceredigion Preseli has seen the highest number of installations in Wales, with 7,555 measures installed, equating to 184.7 measures per 1,000 households. In contrast, Monmouthshire has only 2,303 households receiving measures, equivalent to just 56.3 households per 1,000 households. This highlights a considerable discrepancy in the distribution of ECO measures across regions in Wales²⁸.
- 8.6 It is critical that local authorities in Wales maximise ECO Flex funding and are adequately resourced to do so, ultimately to ensure residents in their area are able to benefit from support available under the scheme.
- 8.7 National Energy Action also understands that under the new Nest scheme, Energy Saving Trust (who delivers the Nest scheme's advice and triaging) is in the process of working with each local authority in Wales to set up suitable referral pathways into ECO4 Flex. National Energy Action recommends that residents are *referred directly*, and not simply directed or signposted, to improve accessibility and ultimately to help ensure as many eligible residents receive support as possible.
- 8.8 Referrals to ECO and other relevant UK Government initiatives should also be monitored and regularly reported on to help enable the Welsh Government to track and assess the delivery of these schemes in Wales, the contribution they are making towards 2035 objectives, and the differences they are making to their beneficiaries.
- 8.9 There is currently wider uncertainty around the ECO4 scheme and whether it will be extended past its current end date of March 2026. The UK Government must urgently bring forward a decision to extend the scheme and consult on its specifics.

9. How the Welsh Government is working with the UK Government to address fuel poverty

- 9.1 National Energy Action welcomes the Welsh Government's ongoing work with the UK Government on various wider, related issues during the energy and cost-of-living crisis, including the need for deeper price protection, debt management, and reducing the overreliance on prepayment meters. Continuing to address these areas will help the Welsh Government to make progress towards its own 2035 targets and help ensure low-income and vulnerable households across Wales can afford to keep warm, safe and healthy at home.

Deeper price protection

- 9.2 Few things are more essential than having access to heat and power. Energy is an essential service and there is an ongoing need to introduce deeper, enduring price protection to help make energy affordable for low-income and vulnerable consumers.
- 9.3 This could be introduced in the form of a social energy tariff which would subsidise energy prices for fuel poor households. The Welsh Government has publicly supported these proposals and National Energy Action would welcome it continuing to do so. The previous UK Government committed in its Autumn Statement 2022 to "develop a new approach to consumer protection in energy markets, [to] apply from April 2024 onwards". In so doing, it promised to "work with consumer groups and industry to consider the best approach, including options such as social tariffs, as part of wider retail market reforms", but unfortunately failed to do so.²⁹

Energy debt

- 9.4 There is also an urgent need for UK Government and Ofgem to address the growing mountain of debt in the energy sector. As described above, this is unprecedented and unsustainable, and the consequences

are particularly acute in Wales.

9.5 National Energy Action supports calls for this to be addressed through a 'Help to Repay' scheme that provides funding towards writing off debt and matching debt repayments, to help accelerate the repayment of energy debts for low-income, vulnerable households³⁰.

Prepayment meters

9.6 National Energy Action has welcomed the Welsh Government's engagement and support with issues relating to prepayment meters (PPMs), particularly during the scandal in 2023³¹. Despite welcome progress from Ofgem on strengthened rules around the 'involuntary installation' of PPMs³², unfortunately the issue of overreliance on the installation of PPMs to recover debt is far from over.

9.7 Recent data shared by Ofgem with the Welsh Government and its Fuel Poverty Advisory Panel clearly reveals that PPMs are increasingly being used as a tool for debt repayment. The data shows that the number of accounts in arrears (i.e. without a repayment plan) in Wales has risen significantly (up 25%) in 2023. For those in debt, the number of households repaying via PPMs is up 92% for electricity (almost double) and 179% for gas (almost triple) since 2020³³. The most growth was between 2022 and 2023 precisely when the ban on the forced installation of PPMs was in place. This indicates a combination of two things – that customers are willingly choosing to repay via PPM and/or customers are being 'encouraged' to move over to a PPM by their supplier.

9.8 National Energy Action would welcome the Welsh Government's continued support to ensure Ofgem continue to monitor, enforce, and improve suppliers' performance in this regard; to continue to support the smart meter rollout (particularly for prepay users); and to reduce standing charges for prepay customers.

Working with partners

9.9 To further support and protect low-income and vulnerable households, the Welsh Government should also work with wider partners to deliver actions where it does not have direct delegations to deliver. National Energy Action would like to see this as a new action in the *Tackling Fuel Poverty Plan* to intentionally engage with other sectors, including:

- Ofgem
- Energy suppliers (across GB and including Ynni Cymru)
- Energy networks
- Local governments
- Housing sector
- Health sector

9.10 We acknowledge the Welsh Government's ongoing and welcome engagement with Ofgem on issues such as prepay and would encourage extending this to achieve further fairer outcomes for vulnerable Welsh households in the retail energy market. This should include, but not be limited to, issues relating to:

- Prepay and the impact of self-disconnection
- Smart meters
- Debt
- Standing charges and regional variations in prices
- Revisions to supplier licence conditions

9.11 We also note that the Welsh Government currently makes no specific reference to engage with the housing or health sectors in its *Tackling Fuel Poverty Plan*, despite both matters being devolved. We

would therefore like to see these included as new distinct actions to engage both sectors to help tackle fuel poverty, reduce avoidable inequalities and drive-up standards. Namely by:

- Working with the housing sector to actively track related issues in social housing and respond to those sets of issues, and assessing how low-income vulnerable households are being prioritised for energy efficiency upgrades. The Welsh Government has introduced new, higher minimum energy efficiency standards for social housing (under the WHQS 2023), in contrast to the stagnant policy in the private rented sector that is set by the UK Government. The Welsh Government should, therefore, also actively track the enforcement of housing standards in the private rented sector (including PRS MEES and HHSRS), any barriers to enforcement, the role of Rent Smart Wales in this regard, all with a view to ultimately improve the quality of the PRS in Wales. To enforce tenants' rights to a warm, safe and healthy home, government and local authorities need to work closely together to ensure monitoring and enforcement is a resourced priority for all local authorities. This includes building local authority capacity to enforce current minimum standards. Currently, constrained finances and capacity mean many local authorities struggle to allocate adequate resources to monitor and enforce standards in the private rented sector.
- Working with the health sector to reduce avoidable health inequalities and to help tackle fuel poverty, which costs the NHS in Wales approximately £95m every year³⁴. This may require targeted/focused efforts at a local level, in areas where fuel poverty and health inequalities are deepest. The Welsh Government's Cold Weather Resilience Plan does not commit to such action or to align work with Wales' health sector in this way currently. In 2024-25, National Energy Action, Care & Repair Cymru and Warm Wales are working jointly with the health sector to help embed well-established processes and approaches to fuel poverty and reduce health inequalities. Lessons learnt from this programme can help with focused engagement with the health sector in Wales.

END

¹ See *Fuel poverty modelled estimates for Wales*, Welsh Government (2022) at <https://www.gov.wales/fuel-poverty-modelled-estimates-wales-october-2021/>

² Based on Ofgem's previous way of working (used until late 2023), October's GB average of £1,717 is actually ~£1,800. In South Wales, it is equivalent to £1,834 and in North Wales and Mersey, £1,845. See <https://www.nea.org.uk/news/tdcv-explainer>

³ Under its *Tackling Fuel Poverty Plan 2021–2035*, the Welsh Government has set three targets, namely that by 2035: no households are estimated to be living in severe or persistent fuel poverty as far as reasonably practicable; not more than 5% of households are estimated to be living in fuel poverty at any one time as far as reasonably practicable; *and* the number of all households 'at risk' of falling into fuel poverty will be more than halved based on the 2018 estimate. See <https://www.gov.wales/tackling-fuel-poverty-2021-2035-html#section-64048>

⁴ National Energy Action and YouGov surveyed 1,059 Welsh adults between 9 – 13 September 2024, see *Half of Welsh adults are likely to ration their energy use this winter – as bills RISE again*, National Energy Action (2024) at <https://www.nea.org.uk/news/oct-24-price-cap-wales-survey/>

⁵ See *Debt and Arrears Indicators*, Ofgem (2024) at <https://www.ofgem.gov.uk/publications/debt-and-arrears-indicators>

⁶ The issue here, arguably, is not that the Winter Fuel Payment is now targeted, but that it has not been targeted effectively. Nor has any other additional, targeted energy bill support been made available.

⁷ See *Plenary 18/09/2024 – Welsh Parliament*, Senedd Cymru (2024) at <https://record.senedd.wales/Plenary/14106#A90378>

⁸ See *State of Wales briefing: pensioners and Winter Fuel Payment*, Bevan Foundation (2024) at [State of Wales briefings - Bevan Foundation](https://www.bevanfoundation.org.uk/state-of-wales-briefings-bevan-foundation) and *Commissioner urges rethink on Winter Fuel Payment means testing*, Older People's Commissioner (2024), at <https://olderpeople.wales/news/commissioner-urges-rethink-on-winter-fuel-payment-means-testing/>

⁹ See *Written Question – WQ93698 – Welsh Parliament, Senedd Cymru* (2024), at <https://record.senedd.wales/WrittenQuestion/93698>

¹⁰ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹¹ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹² See *Get free home energy efficiency improvements from Nest*, Welsh Government at <https://www.gov.wales/get-free-home-energy-efficiency-improvements-nest/eligibility>

¹³ See *The Welsh Government's Warm Homes Programme*, Audit Wales (2021) at <https://audit.wales/publication/welsh-governments-warm-homes-programme>

¹⁴ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹⁵ See *New Warm Homes Programme: policy statement*, Welsh Government (2023) at <https://www.gov.wales/new-warm-homes-programme-policy-statement-html/>

¹⁶ The suggested age-related criteria are taken from Ofgem's recently updated rules regarding involuntary installations for prepayment meters (PPMs). However, it should be noted that PPMs should only be a last resort and only ever installed where it is safe and reasonably practicable to do so – irrespective of age or health. In addition to this, while suppliers are prohibited from force-fitting a PPM in a household where someone is aged 75 or over, or two and under, the regulations also prohibit suppliers from force-fitting a PPM in *financially vulnerable* households with someone aged 65 or over, or five and under, where they are unlikely to be able to afford a reasonable level of energy consumption and will frequently, or for prolonged periods, self-disconnect and risk causing significant consumer harm. In these circumstances, the supplier must consider PPM to be not safe and reasonably practicable. Given the overall eligibility criteria for Nest, it is reasonable to assume that all eligible applicants to Nest are also financially vulnerable, given they are living on the lowest incomes in the least efficient homes across Wales. It is also worth noting that when Ofgem published these updated rules, the Senedd's Petitions Committee made representations that the rules were too narrow, and the First Minister stated in Plenary on 9 January 2024 that the rules, while significantly stricter than the previous arrangements, "don't go far enough, in our view". See *Plenary 09/01/2024 – Welsh Parliament, Senedd Cymru* (2024) at <https://record.senedd.wales/Plenary/13678>

¹⁷ National Energy Action and other Fuel Poverty Advisory Panel members fed back these concerns in advance of the decision the Welsh Government has now taken. There was also consensus among the majority of the group that should the Welsh Government deem it necessary to limit boiler repairs/replacements to a distinct subset of eligible Nest applicants with no heating or hot water and for whom heat pumps/low-carbon heating is not yet a viable/appropriate option, then this should, at the very least, be expanded to include those:

- aged 65 years and over;
- with children aged five and under;
- who are pregnant (save being turned away and having to reapply shortly after giving birth and once baby is now at home);
- households with residents with one of the existing health conditions (as proposed);
- with a terminal illness (as proposed).

Worryingly, not even these recommendations appear to have been adopted. Further, the Welsh Government's original draft included a degree of flexibility, stating "*Those with a clear need for crisis support, falling just outside the age thresholds, would be considered on a case-by-case basis*". This also appears to have since been removed, noting that the Welsh Government now states it will "monitor the situation, particularly for those with a clear need for crisis support, falling just outside the age thresholds listed".

¹⁸ See *How could Wales heat and build homes and workplaces by 2035?*, Wales Net Zero 2035 Challenge Group (2024) at <https://netzero2035.wales/our-reports/how-could-wales-heat-and-build-homes-and-workplaces-by-2035>

¹⁹ See *National Energy Action Cymru – Fuel poverty and the Warm Homes Programme* (2022) at <https://business.senedd.wales/documents/s122018/FP12-%20National%20Energy%20Action%20Cymru.pdf>

²⁰ See <https://www.gov.wales/local-area-fuel-poverty-estimates-april-2017-march-2018>

²¹ See *Fuel Poverty in Wales*, Climate Change, Environment and Rural Affairs Committee (2020) at <https://senedd.wales/laid%20documents/cr-ld13147/cr-ld13147-e.pdf>

²² Audit Wales stated that "future schemes would benefit from increased scrutiny of delivery, closer monitoring of contract compliance and better management information". See *The Welsh Government's Warm Homes Programme*, Audit Wales (2021) at <https://audit.wales/publication/welsh-governments-warm-homes-programme>.

²³ See *Tackling Fuel Poverty Plan 2021–2035*, Welsh Government (2021) at <https://www.gov.wales/tackling-fuel-poverty-2021-2035-html#section-64048>

²⁴ See *UK Fuel Poverty Monitor 2022-23*, National Energy Action (2024) at <https://www.nea.org.uk/wp-content/uploads/2024/01/FPM-full-31-January.pdf>

²⁵ See *Warm Homes and Energy Conservation Act 2000*, at <https://www.legislation.gov.uk/ukpga/2000/31/contents>

²⁶ See *Draft Budget 2024-25*, Welsh Government (2023), at <https://www.gov.wales/sites/default/files/publications/2024-02/ministers-written-evidence-to-senedd-scrutiny-committees-2024-2025.pdf>

²⁷ See *Household Energy Efficiency Statistics*, UK Government (2024) at <https://www.gov.uk/government/statistics/household-energy-efficiency-statistics-headline-release-october-2024>

²⁸ See *Household Energy Efficiency Statistics*, UK Government (2024) at <https://www.gov.uk/government/statistics/household-energy-efficiency-statistics-headline-release-october-2024>

²⁹ See https://assets.publishing.service.gov.uk/media/63761678e90e0728475ed4fd/CCS1022065440-001_SECURE_HMT_Autumn_Statement_November_2022_BOOK.pdf

³⁰ See *Help to Repay Proposal*, Money Advice Trust (2023) at <https://moneyadvice.org/help-to-repay>

³¹ The forced installation of PPMs by warrant is not new, often used as a tool to recover debts. However, despite repeated warnings from Ofgem, and supplier license conditions stipulating that forced installation of PPMs is a last resort and only to be done when it is safe and reasonably practicable for consumers, the situation deteriorated over the pandemic and the onset of the energy crisis. In December 2022, the *i* paper reported that nearly half a million warrants had been issued since the Covid-19 pandemic. A similar investigation also found that since October 2021, the number of warrants had increased by 18% at the time, with one court in the north of England signing off 496 warrants in under four minutes. In February 2023, an undercover investigation by *The Times* exposed British Gas debt agents force fitting PPMs into the homes of vulnerable households.

³² See *New prepayment meter rules extend protections for vulnerable people*, Ofgem (2023), at <https://www.ofgem.gov.uk/press-release/new-prepayment-meter-rules-extend-protections-vulnerable-people>

³³ Ofgem routinely collects data through its suppliers' Social Obligations Reporting. Some data is routinely collected but has not yet been shared, including data on self-disconnection and smart PPMs more broadly. Other data, such as total amount of energy debt and arrears by nation *and* average amounts owed by customer in each nation are not routinely collected or published. National Energy Action believes they should be.

³⁴ See *Making a Difference Housing and Health: A Case for Investment*, Public Health Wales at <https://phw.nhs.wales/files/housing-and-health-reports/a-case-for-investment-report> Note: Public Health Wales' report also highlights that every £1 spent on housing adaptations prior to hospital discharge results in £7.50 of cost savings for health and social care services.

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP02

Ymateb gan: Comisiynydd Pobl Hŷn Cymru | Response from: Older People's Commissioner for Wales



CONSULTATION RESPONSE



Comisiynydd
Pobl Hŷn
Cymru
Older People's
Commissioner
for Wales

Senedd Equality and Social Justice Committee Consultation: Fuel Poverty in Wales

The Older People's Commissioner for Wales (OPCW) welcomes the opportunity to respond to the Senedd Equality and Social Justice Committee's consultation on Fuel Poverty in Wales.

Introduction

Fuel poverty is an issue that affects a significant number of older people across Wales. The true extent of older people affected is hard to assess due to a lack of recent data. Projections are based on 2008 Living in Wales Survey and the 2017-18 Wales Housing Conditions Survey: as of 1 October 2021, 22% of single pensioner households, and 13% of pensioner couple households in Wales were in fuel poverty.¹

Older people have contacted the Commissioner to raise a range of issues connected with fuel poverty such as living in older, damp properties that are hard to heat; living off grid and relying on oil or LPG heating and also the difficulties in understanding energy bills, especially when receiving estimates. This causes considerable hardship, frustration and distress to older people who experience these problems.

The Commissioner has also heard from many older people about the impact that the UK Government's decision to restrict the Winter Fuel Allowance to only those in receipt of Pension Credit will have this winter. This decision is likely to mean the number of older people in fuel poverty and severe fuel poverty will increase, with significant harm to physical and mental health and wellbeing as a result.

The Welsh Government's Tackling Fuel Poverty Plan "Tackling fuel poverty 2021 to 2035"² was published in March 2021 to address fuel poverty in Wales and to support those "struggling to meet the cost of their domestic energy needs". The Commissioner's office responded to the consultation on the Plan, stating that the timescale for change was too broad and calling for a target to eradicate fuel poverty amongst older people by 2026. There remains a noticeable lack of interim targets in the plan. It is essential that interim targets are introduced in order to concentrate action on this issue. The context of fuel poverty has changed significantly and rapidly since the original plan was first published.

¹ Welsh Government (2023) Fuel poverty modelled estimates for Wales. (June 2023). Available at: <https://www.gov.wales/fuel-poverty-interactive-dashboard>

² Welsh Government Tackling fuel poverty 2021 to 2035 A plan to support people struggling to meet the cost of their domestic energy needs. Available at: <https://www.gov.wales/sites/default/files/pdf-versions/2021/12/4/1638465219/tackling-fuel-poverty-2021-2035.pdf>

Is there an accurate picture of fuel poverty in Wales?

The consultation notes the reliance on the 2008 Living in Wales Survey and the 2017-18 Wales Housing Conditions Survey. This does not therefore provide an accurate picture of fuel poverty in Wales, as the surveys are based on data that are out of date. Many factors have affected household income and living costs since then, such as inflation, changes in employment patterns, and the impact of COVID-19 and Brexit. These factors influence fuel poverty, making any older data less relevant and reliable.

Since 2021, there has been a significant increase in energy costs and energy debt. Likewise, the UK Government's decision to restrict Winter Fuel Allowance Payments to only those older people in receipt of Pension Credit will not have been taken into account.

However, Wales has also made strides in retrofitting homes with better insulation, more efficient heating systems, and other measures that reduce energy usage. This would not be captured fully by surveys conducted several years ago.

A more accurate picture of fuel poverty in Wales is needed, especially as Wales has the oldest housing stock in the UK,³ meaning many houses are poorly insulated, leading to increased energy costs and fuel poverty. Fuel poverty results in cold homes, which contributes to excess winter mortality and to a range of symptomatic illness. Older people are likely to be disproportionately affected by changes in temperature caused by colder weather. 75% of excess winter deaths are people aged 75 and above.⁴ The average older person supported by Care and Repair (a charity that helps older people to live independently through repairs, adaptations and home maintenance) spends 19% of their income on utilities over the winter. In the winter of 2022/23, clients who engaged with Care and Repair's fuel poverty and energy advice service were spending on average 25% of their income on utilities.

Cold weather and living in a cold home can affect and exacerbate respiratory and circulatory conditions, cardiovascular disease and accidental injury.⁵ Research also indicates a link between cold home temperatures and poorer mental health. Wales's old housing stock and poor energy efficiency leads to significant costs for NHS Wales: in 2019, Public Health Wales estimated that the impact of excess cold increases the costs to the health service associated with poor quality housing by around £41M, bringing the total to nearly £100M a year.⁶ Going without food or not eating enough over time leads to malnutrition, which increases the risk of frailty, increasing GP visits, hospital admissions and the length of stay in hospital.⁷

³ Welsh Housing Conditions Survey (headline results): April 2017 to March 2018. Available at:

<https://www.gov.wales/welsh-housing-conditions-survey-headline-results-april-2017-march-2018>

⁴ Care and Repair (2024) Older people in Wales: Poverty in Winter. Available at: careandrepair.org.uk/winter-report/

⁵ Public Health England/UCL Institute of Health Equity (2014), Local action on health inequalities: Fuel poverty and cold home-related health problems, p. 4. Available at: [Briefing7_Fuel_poverty_health_inequalities.pdf](#) (publishing.service.gov.uk)

⁶ S, Garrett H, Woodfine L, Watkins G, Woodham A. (2019). The full cost of poor housing in Wales, Building Research Establishment Ltd, Public Health Wales, Welsh Government. Available at:

[The Cost of Poor Housing report English final2-1.pdf](#) (phwwhocc.co.uk)

⁷ UK Government (2017), Impact assessment: Helping older people maintain a healthy diet: A review of what works. Available at: [Helping older people maintain a healthy diet: A review of what works - GOV.UK](#) (www.gov.uk)

Impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales

The decision to restrict Winter Fuel Allowance payments, worth up to £300 per year, to only those older people in receipt of Pension Credit will have a serious negative effect on some of the poorest older people across Wales, pushing more into fuel poverty. All those who are entitled to Pension Credit, but do not currently claim, will now also miss out on Winter Fuel Allowance. This is concerning, as it will impact thousands of older people across Wales, in a period when energy debts are rising.

Around 50,000 eligible households in Wales do not claim the Pension Credit they are entitled to, meaning that around £117 million is left unclaimed rather than reaching those who need it most.⁸ The changes by the UK Government to eligibility for Winter Fuel Allowance will only increase the amount of entitlements left unclaimed in Wales.

Wales has proportionately more older people than other parts of the UK and so the impact of the change in eligibility criteria will be felt significantly in Wales. People over 60 make up 28.2% of the population of Wales, compared to 24.7% of England and 24.9% of the UK as a whole.⁹ The Department for Work and Pensions estimate that 33% of eligible single older men, 33% of eligible single older women and 31% of eligible couples do not claim the Pension Credit to which they are entitled.

Pension Credit also operates on a 'cliff edge' whereby someone's income determines that they are either entitled or not entitled to support – there is no taper. This means that someone who is not eligible for Pension Credit as a result of being over the qualification threshold by even a few pence misses out on all the other support that is unlocked, which now includes Winter Fuel Allowance.

The tight timescale for the changes is also a cause for concern. The policy change was announced on 29 July with w/c 16 September 2024 used as the qualifying week for Winter Fuel Allowance payments. Although Pension Credit payments can be backdated, meaning applications by 21 December 2024 can still qualify for Winter Fuel Allowance, this is still a very tight timescale for applications to be made by eligible older people who do not currently claim. Older people will also have up to £600 less this winter compared to last year in UK Government support with their heating bills, because the cost-of-living payments brought in temporarily by the previous UK Government have now stopped.

Data from the June 2024 ONS Public opinions and social trends survey also showed that older people (70+) were more likely to say the cost of energy bills has increased (53%) than younger age groups and that they were using less gas and electricity to combat this.¹⁰ The National Survey for Wales has recently reported that 25% of 65-74 year olds and 17% of those aged over 75 say they sometimes or always struggle to pay bills.¹¹

Older people have contacted the Commissioner with concerns about the Winter Fuel Allowance change in eligibility criteria, for example: "I am upset and appalled by the announcement... that Winter Fuel payments are to be scrapped for pensioners except for those on benefits. As a

⁸ Independent Age (2019) https://www.independentage.org/sites/default/files/2019-07/Credit%20where%20its%20due%20report_0.pdf

⁹ StatsWales (2024) National level population estimates by year, age and UK country. Available at: <https://statswales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates/nationallevelpopulationestimates-by-year-age-ukcountry>

¹⁰ ONS (2024) <https://www.ons.gov.uk/releases/publicopinionsandsocialtrendsgreatbritainjune2024>

¹¹ Welsh Government (2023) National Survey for Wales April 2022 to March 2023 <https://gov.wales/national-survey-walesresults-viewer>

pensioner who worked all my life and saved money for my retirement, I am not entitled to any means funded benefits. However, in past years the WFP has been a lifeline in helping me to pay for even the minimum amount of heat (three hours a day at 15°). I live in a rural area and so my home is dependent upon LPG fuel which is very expensive.”

Other older people have contacted the Commissioner stating that the Winter Fuel payments have been a lifeline to pay for even the minimum amount of heat. One older person explained how she had cut out a meal a day in an attempt to be able to afford to heat her home. Individuals have also told of the impact on people who are more susceptible to the cold as a result of heart conditions and taking blood thinning medication, for example. The withdrawal of the payment at such short notice has created anxiety.

Warm Homes Programme

The Welsh Government’s Policy Statement of June 2023 provided a useful overview of the purpose and approach of the new Warm Homes Programme.¹² Changes to the eligibility criteria for support with energy efficiency measures under the new scheme are welcome. The move from qualification being based on receipt of means tested benefits to a low-income threshold instead, for example, is positive. However, while the need to prioritise dwellings with an Energy Performance Certificate (EPC) rating of E and below is understandable, older people living in homes with a higher EPC rating than E may still experience ill health as a result of fuel poverty and living in cold homes. It is helpful that individuals with a recognised health condition (such as a chronic respiratory, circulatory or mental health condition) living in a household with an EPC of D will also be eligible.

Likewise, the change to allow more than one application per household, meaning that if a household supported by a previous Warm Homes scheme intervention remains in fuel poverty and meets the eligibility criteria, they may apply for additional support, is also a beneficial development.

The prioritisation of low carbon technologies where it makes sense to do so, alongside ensuring that the Warm Homes Programme has some flexibility to support the most vulnerable in society in exceptional circumstances is reasonable.

However, in practice, this flexibility does not seem to take into account the reality of much of Wales’s housing stock and the circumstances of many older people living in fuel poverty. Low carbon options can be limited for older housing stock. Such homes can be harder to retrofit and more expensive to upgrade. Warm Homes guidance no longer mentions boiler repair or replacement as an option for the free home energy efficiency improvements available.¹³

Given the climate emergency and the need to transition to Net Zero, the Welsh Government’s statement that ‘Long-term investment in fossil fuel heating systems will be permitted only exceptionally under the new Warm Homes Programme’ is understandable.¹⁴ The example given in the Policy Statement of prioritising energy-efficient gas boilers where moving from fossil fuels to an electric heating system would cause a significant increase in running costs is pragmatic.

¹² Welsh Government (2023) New Warm Homes Programme: policy statement, [New Warm Homes Programme: policy statement \[HTML\] | GOV.WALES](#)

¹³ See Nest Guidance: [Get free home energy efficiency improvements from Nest | GOV.WALES](#)

¹⁴ Welsh Government (2023) New Warm Homes Programme: policy statement, [New Warm Homes Programme: policy statement \[HTML\] | GOV.WALES](#)

The Commissioner is therefore extremely concerned to understand that for 2024-25, even in a 'crisis' situation where a household does not have an operational heating and hot water system and an individual is eligible for support under the Warm Homes Programme, there is an additional set of eligibility criteria that need to be met before boiler repairs can be undertaken. These criteria for the most part mirror Ofgem's rules for installing involuntary prepayment meters.¹⁵ This would limit boiler repair support in Wales under the Warm Homes Programme to:

- i) households with occupants aged 75 years and over or
- ii) households with children aged under 2 years old or
- iii) households with occupants with severe health issues including those with a medical dependency on a warm home – one of the existing health conditions. If a household qualifies for Nest via a health condition, they are eligible for this crisis route or
- iv) households with occupants with terminal illness.

While the Commissioner accepts that the Welsh Government's intention is to monitor the situation, it is completely unacceptable for any eligible household to lack a functioning heating and hot water system and for no action to be taken if low carbon solutions are not yet viable or appropriate.

Boiler repairs (or replacements in necessary circumstances) should be available to all eligible applicants without working heating or hot water where low carbon heating is not yet viable/appropriate, irrespective of age and health.

It is disappointing that boiler repairs, and even replacements, may still be the most appropriate solution in many more cases than would be desirable as Wales seeks to transition to Net Zero. Nevertheless, the alternative of leaving people without heating and hot water indefinitely should not be seen as any sort of viable or acceptable option, especially as winter approaches.

The Welsh Government should urgently clarify and publicise that boiler repairs and replacements are still a permitted activity under the Warm Homes Programme. This is especially the case given the UK Government's decision to restrict Winter Fuel Allowance payments to only older people in receipt of Pension Credit, the impact of which is discussed above.

Particularly in colder months, the priority has to be on ensuring that the homes of vulnerable people, many of whom will be older people, are warm, safe and energy efficient. Cold homes present a significant threat to the health of older people. Preparation to make homes low carbon ready is rightly an important aspect of the Warm Homes Programme but the main initial focus must be measures to ensure homes are warm, safe, energy efficient and protect the health of all who live in them. No eligible person should be left in a crisis situation without an operational heating and hot water system.

Other concerns with the Warm Homes Programme include the scale of the scheme (particularly given rising energy prices and the cost-of-living crisis), the overall levels of funding provided to undertake activity, and the processes for monitoring, evaluation, and reporting on progress. There is a need to monitor and record requests from people who did not receive assistance when they were eligible to do so, as well as people who do not fall within the eligibility criteria to understand if changes are needed. Some households may be left unsupported as the eligibility criteria for the programme may not capture all those in need.

¹⁵ See Ofgem (2023), New rules for installing involuntary prepayment meters. Available at: [New rules for installing involuntary prepayment meters | Ofgem](#)

Effectiveness of other support

The support available to households in or at risk of fuel poverty includes the Welsh Government Discretionary Assistance Fund (DAF) and support via the Fuel Bank Foundation. There is no longer a specific Winter Fuel payment available from the Welsh Government.

The numbers of older people using the DAF are low in proportion to other age groups. The eligibility criteria for qualifying for payments are narrow, for example 'be in extreme financial hardship, for example you've lost your job, applied for benefits and waiting for your first payment or have no money to buy food, gas and electricity'.¹⁶ This rules out older people who need support as a result of fuel poverty but who are not in absolute crisis. The latest DAF figures (June 2024)¹⁷ show 810 people between 69 and 69 years old in receipt of support via this avenue, while the numbers for people aged over 70 were even lower, with only 160 payments. This is in contrast to 2,235 people aged 50-59.

Welsh Government co-operation with UK Government on fuel poverty

The UK Government announced that it would extend the Household Support Fund in England to help struggling households with bills and essential costs over the winter, with associated Barnett consequential for Wales.¹⁸ It is vital that some of the additional financial resources available are used to specifically support older people struggling as a result of the changes to Winter Fuel Allowance. Additional funding should not simply be added to existing support channels such as DAF where it is unlikely to reach all older people who need it.

Overall, the picture of how the Welsh Government and the UK Government will work together on addressing fuel poverty is still emerging. There may be future opportunities. For example, the UK Government has introduced the Great British Energy Bill where one of the stated objectives is 'improvements in energy efficiency'. What this might mean for Wales over the years ahead is not yet clear. More detail is needed on how the Welsh Government and UK Government plan to tackle fuel poverty.

Conclusion

Fuel poverty is a serious issue that adversely affects the health and wellbeing of a significant number of older people across Wales. The impact of the restriction of Winter Fuel Allowance payments in 2024-25 is likely to push more older people into fuel poverty. The Commissioner would like to highlight the following areas:

¹⁶ Guidance on the Discretionary Assistance Fund (DAF). Available at: <https://www.gov.wales/discretionary-assistance-fund-daf/eligibility>

¹⁷ Discretionary Assistance Fund by Age - Monthly data (April 2023 Onwards). Available at: <https://stats.wales.gov.wales/Catalogue/Community-Safety-and-Social-Inclusion/discretionary-assistance-fund/discretionaryassistancefund-by-age-monthly>

¹⁸ Can be seen at: <https://www.gov.uk/government/news/government-support-extended-to-help-struggling-households-with-bills-and-essential-costs-over-winter>

- The need for the Welsh Government’s Warm Homes Scheme to achieve a better balance between the transition to Net Zero and putting in place effective measures to make homes warm, safe and energy efficient in the shorter term. This must include the provision of boiler repairs and replacements when this is the best available option and no eligible household should be left without heating or hot water.
- Clarity must be provided to all those involved in the Warm Homes Programme, including referring agencies and the public, about the full range of permitted support measures.
- Better, reliable and more up to date data on fuel poverty in Wales should be collected and published which allows the experiences of different groups of citizens to be easily understood. Ideally, this would include five year age bands to be able to assess the experiences of different groups of older people. The biennial review of performance towards 2035 objectives, which was a commitment in the “Tackling fuel poverty 2021 to 2035” plan, must be published on time in future.
- The development and introduction of interim energy efficiency-based targets to address fuel poverty should be undertaken by the Welsh Government and put in place by the end of the current Senedd term in 2025.
- Specific support for older people experiencing fuel poverty (or greater fuel poverty) as a result of the restriction of Winter Fuel Allowance should be put in place urgently by the Welsh Government, with ongoing funding identified in the Welsh Government’s draft budget for 2025-26.

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Job Role: Policy and Practice Lead, Older People’s Commissioner for Wales



Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP03

Ymateb gan: Grŵp Rhanddeiliaid Menter Gymdeithasol | Response from: Social Enterprise Stakeholder Group



Fuel Poverty

- (Q1) Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey;
- (Q2) The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales;
- (Q3) The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area based approach;
- (Q4) How changes from the previous programme will impact delivery, particularly in terms of the numbers of households that will be supported;
- (Q5) The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and if not, what further action is needed;
- (Q6) The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme;
- (Q7) How effective local authorities have been at accessing and utilising ECO Flex funding;
- (Q8) How the Welsh Government is working with the UK Government to address fuel poverty.

Social Enterprise Stakeholder Group

The Social Enterprise Stakeholder Group (SESG) is passionate about the potential of social enterprise to transform the Welsh economy. Our members are Cwmpas, Social Firms Wales, DTA Wales, UnLtd and WCVA.

In 2020, the SESG published its ten-year Vision and Action Plan, Transforming Wales through Social Enterprise, which seeks to make social enterprise the business model of choice in Wales by 2030. The SESG has come together as a consortium to deliver Social Business Wales, the Welsh Government's flagship specialist support service for social businesses, and is working strategically to make Wales the best place to start and grow a social enterprise.

Response

There is a crisis of poverty in Welsh communities. This comes in many different forms, and fuel poverty is an increasingly big part of this. We support the calls made by National Energy Action for the scaling up of investment in addressing fuel poverty and that this is targeted at those in our communities most at need. We support calls for more targeted support in the form of a social tariff for the energy market (Q5).

In order to address fuel poverty effectively, we also need an accurate picture of fuel poverty in Wales, which is not possible without collection of up-to-date, robust data. This data should also develop an understanding of how fuel poverty interacts with other forms and causes of poverty, such as food poverty and data poverty (Q1).

Community Energy

Fundamentally, the unfairness of extensive fuel poverty in Wales is a result of an imbalanced market, with ownership and power disproportionately in the hands of a small number of people and corporations. In order to create a stronger, fairer and more sustainable energy system and end fuel poverty we need to empower communities in Wales to develop democratically-owned community energy projects to re-balance the market. (Q5)

Across the UK the community-owned energy sector is growing significantly. The Community Energy [State of the Sector 2024](#) report found that turnover in the sector has reached £43.2m, employing 796 people including 102 new jobs. £12.9m was contributed to local economies through organisational expenditure and community benefit funds. Bill savings of £4.4m were made through energy advice schemes, and people have been helped to save £13.8m since 2020. There has been a continued diversification in the type of services and support offered, with the sector demonstrating significant innovation following the dramatic rise in the cost of energy in recent years.

The headlines from Community Energy Wales' [State of the Sector 2023](#) report found that in 2022, there were 36 active community energy groups based within Wales with a total of 29.2 MW of community owned energy capacity, a 6% increase from 2021 total. 2.9 MW of new electricity capacity was installed during 2022, including 3 new solar projects. 160 FTE working across the sector in Wales, an increase of 15 FTE from last year.

The community energy sector in Wales is delivering sustainable energy generation, cutting fuel bills, and building more resilient local communities. On top of this, community energy projects are diversifying their work and developing new services for communities to tackle fuel poverty in the short and longer-term. Community energy projects in Wales have developed new services advising on energy efficiency and delivering low carbon community heating, community transport, and education and outreach projects. These groups are uniquely placed to offer high-quality support to communities because they are anchored in their local area, are trusted deliverers and have local networks and knowledge

Case Study: Datblygiadau Egni Gwledig

There are many examples in Wales of community energy projects that are creating huge social value and improving the lives of individuals most at-risk of fuel poverty.

[Datblygiadau Egni Gwledig](#) were recently nominated for the Social Enterprise in the Community Award at the Social Business Wales Awards 2024.

DEG is an award-winning social enterprise supporting community-led action across northwest Wales. They aim to increase their area's ability to cope with the rising cost of

fossil fuels and improve the natural environment whilst supporting communities to transition to zero carbon.

Their work provides communities with the confidence, knowledge and ambition to take ownership of their future:

- Reducing energy use, fuel costs and dependence on unsustainable fuels
- Strengthening the local economy
- Generating sustainable electricity and heat

The [Prosiect Sero Net Gwynedd](#) initiative was launched in March 2022.

The ambitious project is a partnership between many organisations, ventures and businesses from all corners of Gwynedd, namely DEG, Cyd Ynni, Partneriaeth Ogwen, Yr Orsaf, MaesNi, YnNi Llŷn, Adra Housing Association, Grŵp Cynefin, and Grŵp Llandrillo Menai.

There are many strands to the project which all work towards decarbonising Gwynedd's housing stock, creating local jobs in the green economy, and helping families across Gwynedd use energy in a more efficient way. These include establishing an innovative training hub for upskilling on new technology e.g. installation of heat pumps, assessment of community buildings, and employing Community Energy Officers who offer energy advice and ensure residents are on the correct energy tariffs. The energy officers are trained to offer advice about insulation, draught proofing, and how to use energy in a cost-efficient way so that residents spend less on energy bills.

The aim with Prosiect Sero Net is to help Gwynedd on the march towards net zero, helping residents whether people are privately renting, living in social housing or an owner-occupier.

As we head towards 2030, the project will help as many people as possible to reduce their carbon emissions – but more importantly, will be helping people with the costs associated with becoming carbon neutral.

Community energy and community-owned initiatives will be essential to making the fundamental changes needed in the energy market and genuinely addressing fuel poverty. The sector should be invested in and supported to grow its size and impact as a key part of the mission to tackle and end fuel poverty in Wales. (Q5)

This can be done in a number of ways (Q5):

- We support calls from Community Energy Wales to set up a new community wealth fund from a levy on energy developers for the use of natural resources;
- We support calls from Community Energy Wales for changes that are needed to be made to enable local energy trading

- We support calls from Community Energy Wales for an expansion in public procurement of community or local energy
- We support the ambitions of Ynni Cymru but believe that investment in support for community-owned models is essential to supporting sustainable, long-term solutions and would welcome the opportunity to work with them and other stakeholders to support communities to develop new models of ownership
- Specialist support for new and growing community energy projects is key and should be invested in, as well as government taking a pro-active role in ensuring communities have the capacity, resources and awareness needed to start and grow these projects for long term sustainability
- There should be legislation embedding rights to community ownership of land and assets in Wales, making it easier for groups to have access to the land needed for community energy projects

The Welsh and UK Governments should continue to work in partnership to address fuel poverty. In addition, the Welsh Government should seek to work with a coalition of other stakeholders to develop a multi-faceted approach to tackling fuel poverty and re-balancing the energy market. The social enterprise and community-owned energy sectors have unique skills, knowledge and relationships of trust with communities and must be seen as a vital partner in ensuring that Wales is free of fuel poverty. Investing in the sector should be seen as investing in our collective energy resilience and groups should be supported to develop the capacity to engage in policy development and implementation. (Q8)

In addition, the Warm Homes Programme can be supported in taking an area-based approach by engaging with the community energy sector and developing relationships where possible to ensure their specialist networks and knowledge within local communities are used as a vital asset, ensuring that the sector is adequately resourced and compensated for its work and expertise. (Q3).

Tackling fuel poverty will require re-balancing the economy as a whole to secure a just transition to a sustainable, net-zero economy, and community and social enterprises will be crucial to this. SESG Members DTA Wales run Egin, a programme that aims to unlock the collective power of communities in Wales to take their first steps towards tackling climate change and living more sustainably – especially those who are the most likely to be affected by climate change – by engaging with experienced Peer Mentors.

Conclusion

Tackling fuel poverty in Wales will require a multi-faceted approach. In the short-term, we need to support people suffering from fuel poverty and community energy projects are already doing this in innovative and community-led ways and should be supported to expand this further. In the medium and longer-terms, we need to re-balance the energy market to ensure that decisions are made in the interest of communities first and foremost, and community-ownership and social enterprise models within the energy sector and the wider economy are essential to this.

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP04

Ymateb gan: Age Cymru | Response from: Age Cymru





Equality and Social Justice Committee
Consultation: Fuel Poverty in Wales
From: Age Cymru
November 2024

1. Introduction

1.1 Age Cymru is the leading national charity working to improve the lives of all older people in Wales. We believe older people should be able to lead healthy and fulfilled lives, have adequate income, access to high quality services and the opportunity to shape their own future. We seek to provide a strong voice for all older people in Wales and to raise awareness of the issues of importance to them.

1.2 Fuel poverty modelled estimates for Wales, as October 2021, report that households in fuel poverty are generally older.¹ In October 2021, 24% of all fuel-poor households contained a Household Reference Person (HRP) aged over 75 and 41% contained an HRP aged 65 or over.²

1.3 The National Survey for Wales recently reported that 25% of 65-74 year olds and 17% of those aged over 75 say they sometimes or always struggle to pay bills.³ Around 18% of older people in Wales live in relative income poverty.⁴

2. Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey.

2.1 It's important that the Welsh Government publishes up to date fuel poverty estimates for Wales to provide an accurate picture of fuel poverty at both national and local levels. To tackle fuel poverty effectively and to evaluate the progress and effectiveness of its Fuel Poverty Plan, Welsh Government should provide up to date fuel poverty estimates and updated data on housing stock quality for Wales. Current estimates of fuel poverty continue to be modelled on the Welsh Housing Conditions Survey 2017-18, which was prior to the energy and cost-of-

¹ [Fuel poverty modelled estimates for Wales: as at October 2021 | GOV.WALES](#)

² Ibid.

³ [Understanding-Wales-ageing-population-September-24.pdf \(olderpeople.wales\)](#), citing Welsh Government (2023) National Survey for Wales April 2022 to March 2023 [National Survey for Wales: results viewer | GOV.WALES](#)

⁴ [careandrepair.org.uk/housing2023/](#)

living crisis. The survey should be repeated as soon as possible to provide updated information.

3 The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales.

3.1 The Cabinet Secretary for Social Justice, Trefnydd and Chief Whip stated in response to a Written Question on 9 August 2024, “The decision that the Winter Fuel Payment will no longer be universal risks pushing some pensioners into fuel poverty”.⁵

3.2 We believe that changes to the eligibility criteria for the Winter Fuel Payment this winter, with virtually no notice, and no compensatory measures to protect poor and vulnerable pensioners, risks pushing older people into fuel poverty in Wales.

3.3 We believe that thousands of older people in Wales will be impacted by this cut. There are three key groups of older people we are particularly concerned about:

- those who just miss out on Pension Credit because their very modest incomes are slightly too high for them to be eligible.
- those with high energy needs because of disability or illness, and/or who live in energy inefficient homes which cost a lot of money to heat.
- the estimated 56,000⁶ households in Wales that don't receive the Pension Credit for which they are eligible because they do not claim it.

3.4 In Age Cymru's 2024 annual survey with over 1300 older people across Wales⁷ we heard that almost half of respondents found the cost-of-living to be a challenge over the last 12 months, and over half of respondents had issues with their physical health. We are concerned that this may only worsen with cuts to this vital financial support during the winter months.

3.5 We've heard from Age Cymru Advice about the concerns highlighted by older people around the loss of the Winter Fuel Payment and the anxiety and uncertainty this posed for older people. Older people with fixed incomes express they're very concerned, not just about their current circumstances, but about what is going to happen next as there have been so many changes in recent years. People don't feel their circumstances are improving and yet support is being withdrawn.

⁵ <https://record.senedd.wales/WrittenQuestion/93698>

⁶ Age UK calculations based on the latest available data from the Office for National Statistics parliamentary constituency population estimates (mid-2022) released 19th March 2024, Department for Work and Pensions (DWP) Pension Credit recipient numbers (February 2024), DWP Universal Credit recipient numbers (June 2024) and DWP income-related benefit take-up figures (financial year ending 2022) released 26 October 2023. Estimates of figures of older people missing out because they are not in receipt of qualifying benefits they are entitled to, assumes Pension Credit take-up rate is uniform across the geography of England & Wales. All data accessed on 22nd August 2024. Figures on number of people are rounded to the nearest hundred.

⁷ [Age Cymru | Annual survey](#)

3.6 We have included a table about some topics and enquiries that Age Cymru Advice have logged this year in relation to the same period last year, which shows increases in enquiries around benefit checks, including Pension Credit and the Winter Fuel Payment, compared to the same reporting period last year. The table also shows an increase in enquiries around home improvements and energy efficiency.

3.7 Table of some topics and enquiries Age Cymru Advice Line team have logged this year in relation to the same period last year:

Topics	Total enquiries for reporting period Jan 1 – Sept 30 2023	Total enquiries for reporting period Jan 1 – Sept 30 2024	Percentage increase
Benefit Check	672	940	40%
Pension Credit	151	301	99%
Winter Fuel Payment	9	112	1144%
Total for Benefits	2787	3668	32%
Home improvements/ energy efficiency	149	213	43%

3.8 The UK Government has said more will be done to encourage those entitled to Pension Credit to claim it but this will take time and won't stop many missing out this year.

3.9 We want the UK Government to rethink their decision on Winter Fuel Payments. We've been hearing from people in Wales about how they'll really struggle without the Winter Fuel Payment – with people cutting down on food, heating, hot water. We were disappointed by the lack of mitigating measures or financial support in the UK budget in October 2024 for the thousands of older people in Wales who will no longer receive the Winter Fuel Payment.

3.10 We welcome the extra funding for the Household Support Fund in the UK October budget and look forward to seeing how this translates in support for older people in Wales.

4 The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area based approach.

- 4.1 We were supportive of the new Warm Homes Programme having some flexibility 'to support the most vulnerable in society in exceptional circumstances [...] For example, when moving from fossil fuels to an electric heating system that would cause a significant increase in running costs [...] the priority could be the repair of energy-efficient gas boilers'.⁸
- 4.2 Feedback we've received from Age Cymru Advice, however, is that older people that have applied for Nest are being offered Air Source Heat Pumps seemingly as the only option. We've heard that people are concerned about the potential cost of running a heat pump, and are worried about how to use such technology.
- 4.3 We heard from a lady who was quite frustrated because the only thing NEST could offer was a heat pump and that wasn't suitable for her property. She needed a new boiler and they couldn't help.
- 4.4 Since changes to the Nest scheme in Wales, we're hearing that there's a lot of confusion and concern around what support people may be able to access should their boiler stop working. The support people received in the previous Nest scheme was always highly spoken of. Many have shared that they've been informed they can only access a heat pump, however, as they live in older properties or do not have the space for a heat pump, they're unable to get one installed.
- 4.5 Heat pumps aren't suitable for all homes.⁹ We noted in the Welsh Government's Heat Strategy for Wales consultation document that 'the upfront costs of heat pumps are still beyond the means of many people [...]' and 'The operational costs of heat pumps compared to gas boilers are one of the major barriers to the transition [...]'.¹⁰
- 4.6 We believe that Welsh Government should undertake equality impact assessments to ensure that low income and vulnerable households are not disproportionately affected financially by the decarbonisation of the existing housing stock, to ensure a fair transition for older consumers as we move towards net zero.
- 4.7 Whilst we note that 'Long-term investment in fossil fuel heating systems will be permitted only exceptionally under the new Warm Homes Programme',¹⁰ we have concerns about those households where, for example, the gas boiler is not repairable, and which would be unable to meet the upfront and/or running costs of a heat pump. It's important that such households are supported to be able to have a warm home, and that assessors involved in the new Nest scheme are aware of the flexibility in the Programme and take such issues into account.
- 4.8 Welsh Government recently proposed a 'Nest Crisis Boiler Repair/Replacement' route to enable eligible Nest applicants who meet additional eligibility criteria to access boiler repairs (or replacements in exceptional circumstances), i.e. 'If a

⁸ [outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf \(gov.wales\)](#)

⁹ [Heat pumps 'not suitable' for half of UK homes - Utility Week](#)

¹⁰ [outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf \(gov.wales\)](#)

household does not have an operational heating and hot water system'. Welsh Government has proposed an approach to trial boiler repairs for 2024-25, limiting boiler repairs exclusively to eligible households with occupants aged 75 years and over, or with children under two years old, or with occupants with a relevant health condition, or terminal illnesses.

4.9 We would deem that any household without an operational heating or a hot water system would be in crisis during the cold winter months, and that all households that are eligible for Nest should qualify for the crisis boiler repair / replacement measure.

4.10 Should Welsh Government retain eligibility criteria for these measures, then these should be broadened:

4.10.1 Due to the impact that cold homes have on health, especially during the cold winter months, we would wish to see the age criterion of households with 'occupants are aged 75 and over' changed to 'occupants are aged 65 and over'. Many older people in Wales experience poor health, as evidenced by the fact that healthy life expectancy is as low as 59 in some places and that two-thirds of people aged 65+ report living with a longstanding illness.¹¹ A report by the Centre for Ageing Better (coverage in England) highlights 'when people in the most deprived areas get to the age of 65, they have twice as many years of ill-health ahead of them as those in the least deprived areas, despite the fact they are also likely to live shorter lives'.¹² In the UK, two-thirds of adults aged over 65 are expected to be living with multiple health conditions (multi-morbidity) by 2035; most people over 65 will be affected by arthritis (62.6%), followed by high blood pressure (55.9%), respiratory disease (24.4%), cancer (23.7%) and diabetes (21.6%).¹³

4.10.2 Due to the impact that cold homes have on health, especially during the cold winter months, we would wish to see the eligibility criterion of 'households with children aged under 2 years old' extended to include children up to and including the age of 5 years old. Households with pregnant women should also be included.

4.11 It's important that the 'Nest Crisis Boiler Repair/Replacement' route is widely publicised, and that Nest assessors are aware of these criteria when carrying out assessments on homes, to ensure that people are not being left without support.

5 The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme.

5.1 Some older people are turning to various schemes to improve their homes' energy efficiency in the hopes that it will bring their monthly energy payments down. Many are using savings they had set aside for funeral expenses,

¹¹ [Impact of reported NHS Pressures on older people™s access to health services](#)

¹² [Health and Wellbeing | The State of Ageing 2023-24 | Centre for Ageing Better \(ageing-better.org.uk\)](#)

¹³ [Multi-morbidity predicted to increase in the UK over the next 20 years \(nih.ac.uk\)](#)

healthcare or social care if needed. Concerningly, a number of these people have been approached by tradespersons who are selling unfit or unsuitable products.

5.2 Rising energy prices and increased public interest in improving home energy efficiency have had the unfortunate side effect of encouraging fraud and business malpractice in the domestic energy sector. Age Cymru and partner organisations have received multiple reports of exploitative business practice by installers. This includes:

- Aggressive sales tactics, often targeted at older and more vulnerable people
- Installing measures that are not financially viable for the occupant, or which cause damage to the property
- Undertaking work without a contract
- Shortened 'cooling off' periods to minimise the customer's right to complain
- Misleading advertising that uses false or manipulated 'endorsements' from charities or government.

5.3 One increasingly common example that draws on several of these behaviours is the selling of spray foam loft insulation.¹⁴

- Some cases picked up by Age Cymru include:
 - o A partner charity reported that an older client had spent £3,500 to have spray foam installed, only to pay another £2,000 to remove the foam when they realised that their home was no longer marketable. During the time taken for the foam to be removed, the house's value had dropped by £15,000.
 - o An older person was referred to Age Cymru Advice after losing over £8,000 to a doorstep trader who claimed that they 'needed' to replace their existing loft insulation with a new model.

5.4 Exploitative behaviour from traders is in part a result of the terms of the UK Government's ECO scheme,¹⁵ which lacks inbuilt regulation and works on a financial incentive for traders to seek out clients:

- Reports made to Age Cymru have mentioned rogue traders using the ECO branding in their advertisements, claiming that the ECO scheme allows them to charge their clients a discounted rate (a ruse used to get them to pay full price).
- We recommend that the UK Government rethinks the ECO scheme in advance of the termination of ECO4 in 2026, with a view to increasing regulation and removing incentives for installers to pursue sales aggressively and without due consideration for the potential vulnerability of clients.

6.0 How the Welsh Government is working with the UK Government to address fuel poverty.

6.1 The high cost of energy remains an area requiring particular attention given the direct link that energy prices have to levels of fuel poverty. It is of vital importance

¹⁴ [RICS release new spray foam consumer guide](#)

¹⁵ [Energy Company Obligation \(ECO\) | Ofgem](#)

that Welsh Government, as stated in its Tackling Fuel Poverty Plan, uses its influence to ensure that the UK Government, Energy Regulator and energy companies consider and meet the needs of people living in Wales.¹⁶

- 6.2 Age Cymru Advice has reported the following issues around fuel poverty and older people in recent months, notably the cost of energy, energy debt, and difficulties in providing meter readings.
- 6.3 Older people often cite their energy bill as one of their largest and most concerning outgoings (due to the uncertainty around the fluctuations in price). Older people have also expressed that they're concerned they'll be forced onto prepayment meters and will be paying even more for their energy and are concerned about being without fuel.
- 6.4 We are getting more enquiries from people who are disclosing that they're struggling with a health condition. They often express that they are struggling to adequately heat their properties as the cost of energy has increased beyond what they're able to afford and their health condition requires them to keep the home at a certain temperature. We're also hearing from carers who are concerned about this on behalf of the older person they care for.
- 6.5 We speak with older people who live in larger, privately owned homes, unsuitable for their needs. A lack of suitable housing means they're finding it hard to move to a more suitable property and despite living in a larger property, they're often on low incomes. These older, larger homes are hard to heat and the older people who live in them are either foregoing heating or racking up energy debt which they're concerned they will be unable to pay.
- 6.6 Older people are expressing they're still struggling to provide meter readings. For some this leads to very large debts and can lead to incorrect bills with frequent changes to the Price Cap.
- 6.7 One individual we spoke with hadn't been able to take a meter reading in over a year as their mobility was poor and the meter was out of sight. Although they were signed up to the Priority Services Register, their supplier had declined to offer support with meter readings. This led to a debt of over £3,000 on the account.
- 6.8 Another individual we spoke with was provided with estimated meter readings as her meter was faulty. The supplier was initially reluctant to offer a new meter, however they have now agreed to do so. Unfortunately, during this time she has accumulated £500 in energy debt, and she is unsure whether this is correct. She's now concerned about putting her heating on this winter as she has this amount of debt, which she will struggle to pay.

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¹⁶ <https://gov.wales/tackling-fuel-poverty-2021-2035-html>

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP05

Ymateb gan: Cymdeithas Clefyd Niwronau Motor | Response from: Motor Neurone Disease (MND) Association



Fuel Poverty in Wales

MND Association Response

Name	Jennifer Mills, Senior Policy and Public Affairs Adviser
Organisation	Motor Neurone Disease (MND) Association
Contact details	
These are the views of:	The MND Association – the leading charity in England, Wales and Northern Ireland focused on funding research, improving access to care and campaigning for people living with or affected by MND.

What is Motor Neurone Disease?

Motor neurone disease (MND) is a fatal, rapidly progressing disease that affects the brain and spinal cord. It attacks the nerves that control movement so muscles no longer work. It leaves people locked in a failing body, unable to walk, talk and eventually, breathe.

Six people are diagnosed with MND every day in the UK, and six people die. The lifetime risk of developing the disease is 1 in 300. MND affects around 5,000 adults in the UK at any one time, around 200 of whom are living in Wales.

MND kills a third of people within a year of diagnosis and more than half within two years. There is no cure.

Why are warm homes essential for people living with MND?

The right to adequate housing is enshrined in international law¹. This involves more than just four walls and a roof, Governments must make sure this includes safe, warm, dry and healthy housing.

This is even harder to achieve during the winter months, where excess deaths are exacerbated by colder conditions. Indeed, the NICE guidelines for excess winter deaths and

¹ [Universal Declaration of Human Rights | United Nations](#)

the risks associated with cold homes recommends we ‘be aware that living in a cold home may have a greater effect on people who spend longer than an average amount of time at home. This could include those with chronic health conditions (including terminal illnesses) or disabilities’².

Motor neurone disease is one of these chronic health conditions. MND causes significant muscle wastage, which reduces the body's natural ability to insulate and retain heat. This can lead to several symptoms such as muscle stiffness, severe pain, and cramps.

To manage these symptoms and maintain their comfort, it is essential for people with MND to keep their homes consistently warm. In many cases, people living with MND need to keep their home at an even higher temperature than prior to diagnosis to remain comfortable. Many people living with MND also report increased usage of items like electric blankets and heated seat pads.

Due to the progressive nature of the disease, people living with MND also spend more time, on average, in the home. Combined, these lead to consistently increasing energy consumption and significantly higher utility bills when managing the symptoms of the disease.

Broader energy costs

Outside of their increased heating costs, people living with MND incur extremely high energy costs whilst managing their condition. To live safely and independently, people with MND require essential powered equipment including communication devices, medical devices like artificial ventilators, cough assist machines, and saliva suction devices, and mobility aids such as powered wheelchairs, adjustable furniture, and hoists.

Combined, these are extremely costly to both acquire and maintain.

Our Through the Roof (2023) report³ found that:

- 74% of people with MND have cut back on heating due to increased energy costs, and 67% plan to continue reducing heating usage over the next year.
- Some individuals experience electricity bills as high as £10,000 per year due to their reliance on essential powered equipment.

² [Recommendations | Excess winter deaths and illness and the health risks associated with cold homes | Guidance | NICE](#)

³ [Through the roof report_0.pdf](#)

- 28% of people reported reducing their use of assistive equipment to cope with rising costs, putting their health and wellbeing at risk.

These results show that while the cost of living remains stubbornly high, the social security system is not providing adequate support to protect people with complex health conditions like MND from the effects. People living with MND are still facing extremely difficult choices between maintaining their quality of life or prioritise their health and wellbeing.

Winter Fuel Payment

Changes to the eligibility criteria for the Winter Fuel Payment are leaving people living with MND in Wales without vital support.

Our research shows that people living with MND spend an additional £14,500 per year to manage the condition, with much of this comprising energy costs. The Winter Fuel Payment helps alleviate some of this financial burden, and we are concerned that without it, even more people living with MND will be forced to cut back on their use of heating and assistive equipment.

Many people living with MND either cannot or do not claim means-tested benefits due to their age at diagnosis or the existence of savings. However, with such rapid disease progression and high costs, these resources can become depleted very quickly, leaving people living with MND and their families in financial precarity. The means-testing process overlooks these situational factors and the unavoidable expenses incurred after being diagnosed with MND. This will leave many vulnerable individuals without the support they need.

One person living with MND in Wales told us he was worried about losing his winter fuel payment this year. He lives alone and is 74 years old. He does not qualify for pension credit due to a small private pension, limited by the shortening of his working life after his diagnosis, which does not cover his expenses but leaves him ineligible for Government support.

While lack of data and cross-Government competencies makes it hard to assess exactly how many people this decision will impact, we are concerned that there are many people in similar circumstances living with MND in Wales, who have extremely high day-to-day living costs, less ability to generate income and often low savings which are rapidly depleted, but are just above the threshold for Government support.

To highlight our concerns, on 12th September, we delivered a letter to the Treasury co-signed by healthcare professionals and politicians from around the UK. In this, we highlighted the story of another person living with MND who is unable to claim pension credit due to savings

after cashing in a private pension to buy a wheelchair accessible vehicle, a ground floor extension, and a wet room along with a riser recliner and a mobility scooter⁴.

Adequacy of Welsh Government Support

Warm Homes Programme

As one of Welsh Government's primary approaches to reducing fuel poverty, we believe the Warm Homes Scheme does little to address the needs of high-energy users such as people with complex health conditions like MND.

The scheme focuses heavily on improving carbon efficiency which, while extremely important, does little to address the immediate need for support for people living with MND or the underlying inequity that is both a cause and consequence of fuel poverty.

Indeed, it is disappointing to see that eligibility criteria for the scheme includes very limited chronic health conditions which does not include people with terminal illnesses such as MND⁵. Further, we are concerned to see that despite Welsh Government identifying that people living with long-term illnesses are particularly vulnerable to fuel poverty⁶ and the well-established links between fuel poverty and disability⁷, the equality impact assessment for the Programme has not been published and no reference was made to disability in the integrated impact assessment.⁸

Warm Hubs

We also note the Welsh Government's recent announcement that £1.5 million will be distributed to local authorities to fund warm hubs across the winter⁹.

While we appreciate this vital funding, we are concerned that such spaces are often not accessible to people living with MND who are struggling to pay their bills. Particularly in the latter stages of disease progression, people with MND may have extremely limited mobility and many are unable to leave the home so will be unable to benefit from warm hubs if they are unable to afford to heat their own homes.

⁴ [Over 40 MPs from eight parties sign MND Association letter questioning government over Winter Fuel Payment | MND Association](#)

⁵ [Get free home energy efficiency improvements from Nest: Eligibility | GOV.WALES](#)

⁶ [Tackling fuel poverty 2021 to 2035 \[HTML\] | GOV.WALES](#)

⁷ [Fuel poverty set to double | Disability charity Scope UK](#)

⁸ [New Warm Homes Programme: integrated impact assessment \[HTML\] | GOV.WALES](#)

⁹ [£1.5m for safe and warm hubs across Wales | GOV.WALES](#)

Discretionary Assistance Fund

We welcome the Welsh Government's establishment of the discretionary assistance fund (DAF). The fund provides emergency financial support for people in immediate need but is not intended to be a long-term solution for support.

Indeed, it provides little relief for people living with MND as their increasing energy usage is not transitory. As the disease progresses, the need for both heating and assistive technology and, therefore, the cost of energy, will become both greater and more constant. As such, people living with MND need a targeted, long-term solution for support with their energy bills.

Beyond this, we are concerned that monitoring of the impact of the DAF remains difficult. Despite quarterly published statistics, it is unclear how many disabled people in Wales benefit from the fund.

Further, uptake of the fund remains low among certain groups. Despite Wales having a larger proportion of older people than anywhere else across the UK, the most recent data release shows people aged 60 and above received the smallest value through both arms of the DAF¹⁰. It is important to note that this may not be down to lack of need but more lack of awareness and accessibility.

Conclusions and Recommendations

We believe that the loss of winter fuel payments disproportionately impacts people with complex health conditions like MND due to their high energy need and lack of access to suitable benefits.

We welcome the steps Welsh Government have made to mitigate the impacts of the loss of the winter fuel payment alongside the broader increases in cost-of-living. However, we believe these are insufficient to properly support vulnerable people with particularly high fuel and energy costs like people living with MND.

We recommend the following:

1. Welsh Government to call on UK Government to restore the universal winter fuel payment.
2. Targeted, long-term financial support for high-energy users such as people living with and affected by MND.

¹⁰ [Discretionary assistance fund: April to June 2024 \[HTML\] | GOV.WALES](#)

3. Better communications around the current support available.
4. The consideration of the needs of people with complex health conditions like MND within all impact assessments for schemes designed to tackle fuel poverty.
5. Work with the Equality, Race and Disability Evidence Units to better evidence the energy requirements of disabled people, particularly those who are high-energy users such as people living with and affected by MND.

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP06

Ymateb gan: Iechyd Cyhoeddus Cymru | Response from: Public Health Wales



Public Health Wales NHS Trust

Submission to the Equality and Social Justice Committee follow-up inquiry into fuel poverty and the Warm Homes Programme

Nb: Welsh language version to follow shortly.

Summary

- Living in a cold home (below 18°C) has significant public health implications, as shown by the evidence in this response.
 - Spending less on heating homes creates cold and damp conditions and can compound existing poor quality or poorly insulated housing. This can be bad for health, increasing the risk of heart and lung conditions, or infectious respiratory illnesses such as influenza (flu).
 - Particularly at risk are older people, the very young and those who have underlying health conditions.
- The current picture of fuel poverty in Wales should be based on up-to date data and evidence which reflect changes to housing energy efficiency, disposable income and the cost of energy on health, well-being and equity in Wales. Public Health Wales would welcome the further collection of data on fuel poverty and population groups at risk. Further, that the impacts of fuel poverty on physical and mental health and on health inequalities are duly considered and that a preventative approach is taken.
- In November 2024, Public Health Wales will publish the '*Cold Homes in Wales: Is the satisfactory heating regime appropriate for health and well-being?*' report, which was commissioned by Welsh Government as part of its Tackling Fuel Poverty 2021 to 2035 plan to assess the appropriateness of the satisfactory heating regime to keep people comfortable and safe.
 - The report provides evidence-informed recommendations on the satisfactory heating regime and seeks to inform the approach to tackling fuel poverty in Wales to help protect and promote health, well-being and equity. The findings of this report will be used in our oral evidence.

Introduction

Public Health Wales NHS Trust is the national public health organisation for Wales. We work to protect and improve health and well-being and reduce health inequalities for the people of Wales. We are pleased to respond to the Equality and Social Justice Committee follow-up inquiry regarding fuel poverty and the Warm Homes Programme. This response provides evidence from the Public Health Wales *Housing Warmth and Health and Well-being in Wales* programme that was undertaken in conjunction with Bangor University, including the recent publication of a '[Keeping warm at home during winter in Wales](#)' report and a systematic review on '[Cold homes and their association with health and well-being](#)'.

Housing and financial security and well-being, which enable individuals and families to adequately heat their homes, are wider determinants of health. With rising energy and food costs, for example, more people are experiencing fuel poverty and having to choose between feeding their families and keeping the lights and heating on. The stress and anxiety that comes with these decisions takes a toll on mental health. Poorer mental health can also lead to poorer physical health, and can increase health harming behaviours, such as smoking, alcohol consumption and low physical activity levels (Roberts et al., 2022¹).

A systematic review from Public Health Wales and Bangor University found that indoor temperatures below 18°C are associated with negative effects on health (Janssen et al., 2023²). Spending less on heating homes creates cold and damp conditions and can compound existing poor quality or poorly insulated housing. This can be bad for health, increasing the risk of heart and lung conditions, or infectious respiratory illnesses such as influenza (Roberts et al., 2022).

Public Health Wales is therefore responding to this enquiry to provide further evidence highlighting these health impacts in relation to fuel poverty. Public Health Wales believes that any future policy and action addressing fuel poverty should place

¹ Roberts M, Petchey L, Challenger A, Azam S, Masters R, Peden J. *Cost of living crisis in Wales: A public health lens*. Cardiff: Public Health Wales. 2022. Available from: [Cost of living crisis in Wales: A public health lens - World Health Organization Collaborating Centre On Investment for Health and Well-being \(phwwhocc.co.uk\)](#).

² Janssen H, Ford K, Gascoyne B, Hill R, Roberts M, Bellis MA, et al. Cold indoor temperatures and their association with health and well-being: a systematic literature review. *Public Health*. 2023;1;224:185–94. doi.org/10.1016/j.puhe.2023.09.006

focus on maximising opportunities to protect health and well-being among current and future populations in Wales.

Response to the terms of reference of the inquiry

The purpose of this paper is to respond to the terms of reference for the inquiry from a public health perspective, using evidence drawn from the Public Health Wales *Housing Warmth and Health and Well-being in Wales* programme. Our responses are set out below.

Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey

An accurate picture of fuel poverty in Wales today should present up-to-date estimates of energy efficiency; disposable income; and the cost of energy, and should seek to identify those population groups that are most at risk of living in fuel poverty and the associated physical and mental health harms. Fuel poverty is associated with living in a cold home, which is a risk factor for poor physical and mental health, including winter and cold related deaths.

Work undertaken by Public Health Wales and Bangor University as part of the *Housing Warmth and Health and Well-being in Wales* programme has helped to address some of these gaps by updating the evidence on the impacts of cold homes on health and well-being. The [systematic review](#) found:

- Indoor temperatures below 18°C are associated with negative effects on health. These negative effects were related to cardiovascular and respiratory health, sleep, physical performance (an important risk factor for falls and fall-related injuries) and general well-being.
- Some population groups are understood to be particularly at risk of poorer health from exposure to cold indoor temperatures, including older people, children and individuals living with disabilities or long-term health conditions, particularly cardiorespiratory disease.
- There is a gap in the research on fuel poverty and heating practices, and what this means for health and well-being.

Drawing on the identified gaps identified in the systematic review and contributing to the picture of fuel poverty in Wales, Public Health Wales and Bangor University conducted a national household survey of adults resident in Wales, from January to March 2022 – known as The Housing Warmth Survey (Wales). This survey was repeated with a sub-sample of participants from January to March 2023, to explore changes in how people stay warm at home during winter and the impacts on health and well-being.

The survey did not measure fuel poverty, but the findings provide insight into heating practices used in households in Wales over a time of increasing domestic energy costs. Survey findings published in the 2024 report [Keeping Warm at Home in Wales](#), reveal that:

- Participants reported setting their thermostats to lower temperatures in 2023, with the mean reported thermostat setting decreasing significantly³ from 19.9°C in 2022 to 19.3°C in 2023.
- The duration of heating also reduced from 10.2 hours to 9.8 hours across weekdays and 10.6 hours to 10.2 hours at weekends from 2022 to 2023 respectively, although this reduction was non-significant.
- There was a significant reduction in the proportion of participants who reported that their first response to feeling cold was to turn up the heating temperature from 17.2% in 2022 to 10.2% in 2023. Other changes in behaviours such as putting on extra clothes were non-significant.
- There was a significant increase in the proportion of participants who reported any stress or anxiety in the previous three months over the costs of heating their home (from 57.2% in 2022 to 66.5% in 2023).
- There was an increase in the proportion of participants who reported cutting the size of their meal or skipping meals in the previous three months due to heating costs (from 9.1% in 2022 to 11.3% in 2023), although this finding was non-significant. However, more recent research in Wales (winter 2023/24) found a quarter of people (24%) reported that they either cut down on the

³ A p-value less than or equal to 0.05 indicates a statistically significant result.

size of a meal or missed a meal for themselves in the three months to January 2024 (Bevan Foundation, 2024⁴).

- Nine in ten participants reported thermal comfort in their main living area, but there was a significant decrease in the proportion of participants reporting thermal comfort (from 94.0% in 2022 to 89.5% in 2023). A lack of thermal comfort is linked to poorer well-being (Huebner et al, 2023⁵).

The above findings are important because they identify a change towards lower heating temperatures in home environments in Wales and the reduction in duration of heating being used. The findings show that in 2023 compared with 2022, more people in Wales were reporting heating their homes to a lower temperature, being exposed to the dilemma of whether to 'heat' or 'eat', and feeling stress or anxiety over their heating costs.

In November 2024, Public Health Wales will publish the report '*Cold Homes in Wales: Is the satisfactory heating regime appropriate for health and well-being?*', which was commissioned by Welsh Government as part of its Tackling Fuel Poverty 2021 to 2035 plan to assess the appropriateness of the satisfactory heating regime to keep people comfortable and safe. The report will further contribute to the picture of fuel poverty in Wales by:

- Bringing together evidence from The Housing Warmth Survey (Wales), the available literature, and expert consultation and advice.
- Exploring the heating regimes used in homes in Wales during winter; who is at risk of living in colder homes (defined as homes where thermostats are set to below 18°C); and the impacts of living in colder homes on health and well-being.
- Providing a set of evidence-informed recommendations on the satisfactory heating regime which could inform the approach to tackling fuel poverty in Wales, to help protect and promote health, well-being and equity.

⁴ Bevan Foundation. *A snapshot of poverty in winter 2024*. Merthyr Tydfil: The Bevan Foundation. 2024. Available from: [A snapshot of poverty in winter 2024 - Bevan Foundation](#).

⁵ Huebner GM, Hanmer C, Zapata-Webborn E, Pullinger M, Mckenna J, Few J, et al. Self-reported energy use behaviour changed significantly during the cost-of-living crisis in winter 2022/23: insights from cross-sectional and longitudinal surveys in Great Britain. *Scientific Reports*. 2023;13:21683. doi.org/10.1038/s41598-023-48181-7.

The *Housing Warmth and Health and Well-being in Wales* programme has been informed by modelled estimates of fuel poverty in Wales published by the Welsh Government (Welsh Government, 2022⁶). These modelled estimates have shown a significant rise in the number of people that could be living in fuel poverty; with up to an estimated 45% (614,000) in April 2022 compared to 14% (196,000) in 2021. Therefore, more people are expected to be living in cold homes (below 18°C) and experiencing the associated health impacts. Nevertheless, there are several cautions to consider for an accurate picture of fuel poverty in Wales:

- Much has changed regarding fuel poverty since the 2008 Living in Wales Survey and the 2017-18 Wales Housing Conditions Survey, which means they do not give the full picture of fuel poverty in Wales today.
- Higher costs of living, including higher energy prices, claim a greater proportion of households' disposable income and can increase rates of fuel poverty. A previous Public Health Wales publication reported that the cost of living crisis meant that more people were unable to afford the essentials, having wide-ranging negative impacts on mental and physical health (Roberts et al., 2022).
- Energy price rises are likely to hit lower income households disproportionately, given their proportionately higher spending of income on utility bills.
- A combination of inter-related factors should be taken into account including the energy efficiency of a dwelling; disposable income; and the cost of energy as these are the three key factors contributing to fuel poverty⁷. These factors change over time and thus up to date data needs to be collected.

To conclude, we would recommend further collection of data on fuel poverty and population groups at risk of experiencing fuel poverty and that data collection considers the impacts of fuel poverty on physical and mental health.

⁶ Welsh Government. *Fuel poverty modelled estimates for Wales (headline results): as at October 2021*. 2022. Available from: [Fuel poverty modelled estimates for Wales \(headline results\): as at October 2021 \[HTML\] | GOV.WALES](#).

⁷ ONS. *How fuel poverty is measured in the UK*. 2023. Available from: [How fuel poverty is measured in the UK - Office for National Statistics](#)

The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales.

Public Health Wales believes that the potential impact on health and well-being should be considered, when making any changes to the eligibility criteria for the Winter Fuel Payment in Wales. This is because current evidence shows the vulnerability of older adults and low-income households. For example, although, the World Health Organization recommends a minimum indoor temperature of 18°C for general populations during cold seasons in temperate and colder climates, it states that a higher minimum temperature may be necessary for vulnerable groups, including children, the elderly and those with chronic illness⁸. This is because they are particularly vulnerable to the negative impacts on health that a cold home can have.

The Public Health Wales and Bangor University systematic review further highlights that older adults are particularly at risk of the negative impacts on health from living in a cold home (Janssen et al., 2023), and therefore any changes to eligibility criteria for the Winter Fuel Payment should consider this.

People living in the poorest parts of Wales face a complex web of challenges that lead them to die more than six years earlier than those in the least deprived areas and spend more years in poorer health (Roberts et al, 2022). A previous Public Health Wales report applying a public health lens to the cost of living crisis in Wales noted that the cost of living would push more people from just about coping to a state of struggling or crisis, but that those who were already the worst off were those who would be hardest hit, accelerating what were already increasing differences in health between those with more and less money in Wales (Roberts et al., 2022). As such, any potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales would need to consider socio-economic status, in line with the requirements of the socio-economic duty introduced as part of the Equality Act 2010, as well as any impact on health inequalities.

⁸ World Health Organization. *WHO housing and health guidelines*. World Health Organization. 2018. Available from: [WHO Housing and health guidelines](#)

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP07

Ymateb gan: Cyngor ar Bopeth Cymru | Response from: Citizens Advice Cymru





Citizens Advice Cymru's response to the Equality and Social Justice Committee's inquiry into fuel poverty and the Warm Homes Programme

1. Introduction

- 1.1. The latest fuel poverty estimates, published in 2022, indicated that up to 45% of households in Wales were estimated to be spending 10% or more of their income on energy costs each month, with 8% spending 20% or more.¹ Alarmingly, this included almost all of the low incomes households in Wales.
- 1.2. The evidence we see from our advice services suggests that whilst there are no recent fuel poverty estimates available, high energy prices are adding sustained pressure to household budgets three years on from the start of the crisis.
- 1.3. In July, our research found that 3 in 5 (59%) households in Wales are worried about affording their energy bills this winter in light of the new price cap (£1717).² The impact of this is exacerbated by Wales having some of the least efficient housing in England and Wales, making homes expensive and difficult to heat, as well as more prone to damp and mould.³
- 1.4. As a result, households are being pushed into debt. Ofgem have recorded record levels of debt this year with over £3.7 billion in energy debt and arrears.⁴ This has been reflected in the number of people needing support from our advice services with energy debt problems, including for help arranging repayment plans and dealing with enforcement. Since January, more than 5600 people in Wales have come to us for help with energy debt problems- more than double the number helped in 2019.

¹ Welsh Government, [Fuel poverty modelled estimates for Wales: as at October 202](#), November 2022

² Citizens Advice Cymru, [Energy Affordability Autumn 2024|Fforddiadwyedd Ynni Hydref 2024 - Citizens Advice](#), October 2024

³ The median efficiency score in Wales is 66 which is joint lowest out of the regions in England and Wales, with Yorkshire and Humber.

⁴ Ofgem, [Debt and Arrears Indicators | Ofgem](#), June 2024

- 1.5. The people we help with energy debt are spending far more on energy than before the rise in prices. On average, our debt clients in Wales spend 56% more each month on electricity and 36% more on gas than in 2021, leaving far less for other essential costs and less flexibility to repay debts. This falls within the wider context of pressured budgets, with half (49%) of our energy debt clients now living on a negative budget.
- 1.6. This means they are likely to fall deeper into debt and will find it harder to afford debt repayments. Amongst our energy debt clients, the average level of energy debt has risen to a record of £1516 per household compared to £1159 at the same point in 2023- a 31% increase.⁵
- 1.7. We found that over a quarter of households (26%) in Wales struggled to keep their home warm last winter, with renters, households with children and those with a disability or long-term health condition amongst the hardest hit.⁶ With higher levels of debt going into this winter, there is a very real concern that more households are at risk of going cold or taking drastic actions to cover bills. More than half (55%) of those who say they are worried about paying their energy bills say they would use less or switch off their heating or hot water this winter to manage their bills and 2 in 5 (41%) say they would need to cut back on or skip meals.⁷
- 1.8. Whilst have seen a decrease in people coming to us for advice after being moved or forced to prepay for their energy, we know that prepayment meter (PPM) users remain at a significant risk of disconnection, with 1 in 3 PPM users in Wales disconnecting during the last year because they could not afford to top up. Since January, we have seen 2529 PPM users struggling to top up.

⁵ Anonymised budget data is collected as part of debt assessments with clients coming for advice on debt. This analysis shows the trimmed mean for level of debt amongst clients with any energy debt.

⁶ Citizens Advice Cymru, [Energy Affordability Autumn 2024|Fforddiadwyedd Ynni Hydref 2024 - Citizens Advice](#), October 2024

⁷ Citizens Advice Cymru, [Energy Affordability Autumn 2024|Fforddiadwyedd Ynni Hydref 2024 - Citizens Advice](#), October 2024

2. Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey;

- 2.1. High energy costs are here to stay. Despite a drop from their highest levels, the energy price cap for this winter rose to £1717 in October, still £500 higher than in 2021- pre energy-crisis.⁸ Expert predictions show that wholesale prices are likely to remain higher than pre-crisis levels for the rest of the decade.⁹
- 2.2. Given sustained high energy prices, what we see in our advice services, and wider research, it is clear that the high fuel poverty estimates published in 2022 are still likely to broadly reflect the immense difficulty households are facing with energy costs. However, as referenced in the inquiry, these estimates are based on the Welsh Housing Conditions survey from 2017-2018, which is more than seven years old and cannot give us an accurate picture of people's current circumstances given the context of the pandemic and the cost-of-living crisis in the years since.
- 2.3. Given the context of sustained energy cost pressure, as well as the objectives of the Welsh Government's Tackling Fuel Poverty Strategy 2021-2035¹⁰, we strongly believe that up to date data is needed to provide regular, more reliable estimates of fuel poverty. This would facilitate much needed monitoring of targets and support the development of policies and initiatives aimed at combating fuel poverty.
- 2.4. In addition to the need for updated insight on Welsh housing conditions, there remain wide calls for a broader 'Welsh Housing Survey' which could collect both the data needed around energy efficiency and conditions of properties in Wales to estimate fuel poverty levels, as well as broader

⁸ Ofgem, [Energy price cap | Ofgem](#), October 2024

⁹ Cornwall Insights, [New forecast warns power prices to remain elevated until late 2030s - Cornwall Insight](#), July 2023

¹⁰ Welsh Government, [Tackling fuel poverty 2021 to 2035 \[HTML\] | GOV.WALES](#), March 2021

considerations and impacts of housing in Wales including the profile of households, tenure, costs, satisfaction and demand.^{11 12}

- 2.5. Whilst we know that the Welsh Government is looking for ways to fill evidence gaps through recent consultations regarding adequate housing and homelessness, we believe that up-to-date survey data and independent insights are essential for the Welsh Government to make more informed decisions about policy direction and to monitor the impacts of policy changes more effectively.

3. The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales;

- 3.1. The question of energy costs and fuel poverty needs long term solutions. Energy support schemes have been vital to keep households afloat, but have also had serious limitations and shortfalls.
- 3.2. The Winter Fuel Payment (WFP), whilst crucial for many households, was not well targeted to low income pensioners, spreading support thinly across all income groups. It had also not been updated in more than 20 years meaning it did not provide sufficient support to those who needed it most. Similarly, the Warm Homes Discount (WHD) aimed at low income households with high energy costs, also falls far short of what's needed to help people who are in the greatest need.¹³ There is a clear and urgent need for ongoing, better-targeted support for all those who struggle to warm their homes, including low incomes families and pensioners.
- 3.3. In July of this year, before the announcement of the changes to the Winter Fuel Payment, more than half of the people in Wales we surveyed were concerned about keeping up with energy costs when energy prices increased in October. Large proportions of these expect to go without the

¹¹ Senedd Research, [Everything we don't know about housing in Wales](#), August 2024

¹² Institute of Welsh Affairs, [Welsh Housing Survey: Better Data isn't a Partisan Issue](#), February 2021

¹³ The scheme has never been set at a level which is based on an assessment of consumer need, and the level has rarely been updated to reflect rising costs. In 2014 it was worth 12.5% of the average bill, but now only makes up just over 8%.

heat or hot water they need or skip meals to keep up with energy bills over the winter.¹⁴

- 3.4. Recent changes to the Winter Fuel Payment mean that pensioners in Wales are now facing a cliff-edge in support. Those on low incomes who are not quite eligible for Pension Credit, or those not yet in receipt of Pension Credit they would be eligible for, are set to lose access to up to £300 in additional support.
- 3.5. Based on the number of Pension Credit claimants at the time of the announcement, an estimated 400,000 households in Wales may no longer receive the payment¹⁵, including 80,000 who are eligible for Pension Credit but don't yet claim it.¹⁶
- 3.6. Whilst cold homes are detrimental to health in general, it is clear that some groups are particularly vulnerable to the impact of a cold or damp home, including those with particular health conditions, young children and older people.¹⁷
- 3.7. In light of this, it is essential that all those eligible for Pension Credit are able to access it to ensure they also receive related support, including the Winter Fuel Payment. We have welcomed actions from the Welsh Government to promote and facilitate the uptake of Pension Credit in Wales to secure support for all those who should be eligible for the payment.¹⁸
- 3.8. Local Citizens Advice offices in Wales also continue to work with MPs, councils and food banks to increase awareness of Pension Credit. Since the start of September we have seen at least a 153% increase in unique

¹⁴ Citizens Advice Cymru, [Energy Affordability Autumn 2024|Fforddiadwyedd Ynni Hydref 2024 - Citizens Advice](#), September 2024

¹⁵ <https://questions-statements.parliament.uk/written-questions/detail/2024-07-30/2641>

¹⁶ <https://olderpeople.wales/news/commissioner-urges-rethink-on-winter-fuel-payment-means-testing/>

¹⁷ Public Health Wales, [Cold homes and their association with health and well-being: a systematic literature review](#), February 2024

¹⁸ Welsh Government, [Check what financial support you might be entitled to | GOV.WALES](#), November 2024

clients accessing advice about Pension Credit every week compared to the same weeks in 2023/24.

- 3.9. However, these changes emphasise the need for the UK Government to look at energy support as a whole. Our analysis has shown that an uptick in Pension Credit claimants could inadvertently put serious pressure onto the Warm Home Discount as people who receive the Pension Credit Guarantee Credit also automatically receive the WHD. However, because the overall WHD budget is fixed, this could lead to fewer rebates being provided to working age families.¹⁹
- 3.10. Looking ahead, Citizens Advice have shown how an improved Warm Homes Discount has the potential to provide better targeted, more effective support to all households on lower incomes, including pensioners.²⁰
- 3.11. We believe that the UK Government should transition to a tiered system that provides varying levels of financial support based on energy needs.²¹ For example, households with the highest energy costs would receive a larger discount. In doing so, this would protect groups that are more vulnerable to high energy costs such as households with children and low-income pensioners.
- 3.12. Furthermore, we recommend an expansion to the eligibility criteria to include more households, such as those on means-tested benefits who do not currently qualify for the WHD under its existing eligibility requirements. The level of WHD support should also be reviewed and adjusted annually to address the volatility in energy prices. This adjustment would allow support to remain proportional to actual energy costs ensuring households continue to receive adequate relief as prices fluctuate.

¹⁹ Citizens Advice, [Fixing the foundations: The need for better targeted support for energy consumers - Citizens Advice](#), August 2024

²⁰ Ibid.

²¹ Ibid.

3.13. The UK Government did not promise any further energy support this winter in the Autumn Statement, leaving many anxious about how they will manage this winter. Given that the opportunity to implement a tiered WHD or increase payments by the upcoming winter has now passed, we believe the UK Government should urgently consider ways to provide additional targeted support this winter for people in most need.

4. The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area based approach;

- 4.1. The Welsh Government has defined the Warm Homes Programme as their 'primary mechanism to tackle fuel poverty', setting out to ensure that '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.'²²
- 4.2. The ongoing pressures of energy prices on households bring the dual challenges of eradicating fuel poverty and transitioning to net zero into sharp focus. It is well evidenced that increasing the energy efficiency of homes keeps them warmer and requires less energy to heat as well as preparing homes for the transition to low carbon heat.
- 4.3. Our analysis of energy consumption by EPC in December 2022, showed that the average home pays an 'inefficiency penalty' of almost £350 a year compared to a home with an EPC C, with the worst insulated homes wasting more than £900.²³
- 4.4. With 3 in 4 privately owned homes failing to reach the EPC C target, Wales has a long way to go to reach their 2035 targets.²⁴ This means over a half a million households are wasting money on heat that escapes through leaky buildings.

²² Welsh Government, [New Warm Homes Programme: policy statement \[HTML\] | GOV.WALES](#), June 2023

²³ Citizens Advice, [Grinding to a halt? Removing the roadblocks to increased energy efficiency and decarbonisation of private housing in Wales - Citizens Advice](#), December 2022

²⁴ Ibid.

- 4.5. Citizens Advice has supported the development of the most recent iteration of the Warm Homes Programme and sees it as a crucial element of the Welsh Government's strategy to combat fuel poverty. We previously outlined how the previous iteration of the scheme was not contributing enough progress towards fuel poverty targets, and was at risk of becoming a 'boiler replacement scheme' by *prioritising* fossil fuel heating measures and therefore *restricting the insulation of homes* as a result of a low spend cap.²⁵
- 4.6. During the consultation phase for the new iteration of the scheme, we recommended, alongside other Fuel Poverty Coalition Cymru partners, that insulation and other fabric improvements become the cornerstone of the next iteration of the WHP.²⁶
- 4.7. We supported a significantly higher cost cap in the new iteration and the flexibility to make multiple applications, to facilitate a longer-term 'whole house' approach to retrofit, as well as widening the eligibility to those on low incomes who are not in receipt of means tested benefits. This helps to ensure that there is better targeting of households who are in need for this support.
- 4.8. We were pleased that these recommendations were implemented in the new iteration of 'Part One' of the scheme, which is currently operational. This enables the scheme to focus on deeper retrofit of homes, including prioritising insulation and low carbon technologies where they are suitable for the property and would not cost the occupant more in bills.²⁷
- 4.9. However, we are concerned that in practice, the new NEST scheme currently risks *reducing* the available support to households in fuel poverty and *restricting* support based on the suitability of low carbon technologies.

²⁵ Ibid.

²⁶ Citizens Advice, [Citizens Advice response to the consultation on Proposals for the next iteration of the Warm Homes Programme](#), April 2022

²⁷ Welsh Government, [New Warm Homes Programme: policy statement \[HTML\] | GOV.WALES](#), June 2023

- 4.10. As the primary scheme to address fuel poverty, it is extremely concerning that evidence we are hearing through Fuel Poverty Coalition Cymru members, suggests that some households are unable to access the full range of measures available through the scheme if a heat pump is not a viable option for their home (either as a result of their property being unsuitable for this or if this risks higher energy costs).
- 4.11. Most worryingly, this also means that should they not be able to install a heat pump, but have a broken boiler, they are not receiving help to replace or repair the existing heating system, leaving them with no hot water or heating.
- 4.12. Responding to the proposed changes to the scheme in 2022, we emphasised that, ‘...it is right that where electrified heating would result in energy bills that are unaffordable that a pragmatic approach needs to be taken’ and outlined that, ‘...while this may not make some homes net zero at this initial stage, it will nevertheless meet the aims of alleviating fuel poverty, tackling the climate emergency and creating a socially just nation.’²⁸
- 4.13. Following concerns raised by members of the Fuel Poverty Coalition Cymru, the Welsh Government has proposed a boiler repair scheme on a trial basis for 2024-25. However, the eligibility criteria for the scheme is extremely limited in only providing this support to those in narrow age brackets such as the over 75s and under 2 or those with ‘severe health issues including those with a medical dependency on a warm home’ or ‘households with occupants with terminal illness’. There is no inclusion of a boiler replacement scheme which also excludes households where a boiler cannot be repaired.
- 4.14. The approach to boiler repair and replacement appears to be at odds with the intention and principles of the scheme, which aims to combat fuel poverty. This also contradicts the policy statement that outlined that,

²⁸ Citizens Advice, [Citizens Advice response to the consultation on Proposals for the next iteration of the Warm Homes Programme](#), April 2022

'...it is important the new Warm Homes Programme has some flexibility to support the most vulnerable in our society in exceptional circumstances.'²⁹

- 4.15. The policy statement for the scheme outlined that 'when moving from fossil fuels to an electric heating system would cause a significant increase in running costs (due to the complexities of the fabric improvement) the priority could be the repair of energy efficiency gas boilers.'³⁰ We are disappointed that this new guidance on boiler repair appears to be limiting people's access to repairs and replacement in practice.
- 4.16. By nature of the NEST eligibility criteria, all those who apply will be living on a very low income, live in an inefficient home or have a medical condition that is exacerbated by living in a cold home. To narrow the criteria further for boiler repairs (and to exclude replacements altogether) risks leaving households who cannot afford to carry out measures themselves in dire situations, especially over the winter months.
- 4.17. We believe that the Government should reconsider the guidance for the boiler repair and replacement eligibility to ensure that all households who are without a working heating system can access whatever measure is most appropriate for them at this time.

5. How changes from the previous programme will impact delivery, particularly in terms of the numbers of households that will be supported;

'Part One' of the Warm Homes Programme- NEST

- 5.1. The key objective of the Warm Homes Programme is to tackle fuel poverty in Wales, whilst also progressing energy efficiency of poorly insulated homes. As outlined above, we believe aspects of 'Part One' of the scheme need stronger safeguards to avoid inadvertently worsening the effects of

²⁹ Welsh Government, [New Warm Homes Programme: policy statement \[HTML\] | GOV.WALES](#), June 2023

³⁰ Ibid.

fuel poverty for some households, whose current situation is not suitable for low-carbon heating.

- 5.2. Another key concern in the longer-term is that the level of funding currently allocated to 'Part One' of the Warm Homes Programme, falls far short of the total funding needed to meet its goals, including an estimated 89% shortfall reaching EPC goals for privately rented housing.³¹
- 5.3. Alongside the goals set by both the UK and Welsh Governments to get all homes up to EPC C rating by 2023, the key fuel poverty targets set out in the Tackling Fuel Poverty strategy are that by 2035:
 - No households are estimated to be living in severe or persistent fuel poverty as far as reasonably practicable;
 - Not more than 5% of households are estimated to be living in fuel poverty at any one time as far as reasonably practicable;
 - The number of all households "at risk" of falling into fuel poverty will be more than halved based on the 2018 estimate
- 5.4. Looking ahead, we believe that the Welsh Government should progress plans to assess the overall level of funding needed to achieve these goals to identify funding gaps and identify opportunities. This could include utilising future consequentials from the UK Government's Warm Homes Plan, and facilitating the best use of private funding.

Interim targets

- 5.5. We have also strongly welcomed mention of developing interim targets around fuel poverty in the proposed updates on the Fuel Poverty Plan 2021-2035. We believe that interim targets are vital for defining the role that the Welsh Government will play in progressing fuel poverty goals within the levers available to them and ensure regular monitoring of progress. We believe that this action could be strengthened by including the action to develop and *introduce* targets.

³¹ Chartered Institute of Housing, [Decarbonising Wales' Private Rented Sector](#), July 2022

'Part Two' of the Warm Homes Programme

- 5.6. In order to reduce fuel poverty and contribute to the net zero transition, we believe that there is an important role to be played by an area-based scheme, building on Arbed. Whilst 'Part Two' of the Warm Homes Programme was cited in the Policy Statement for the programme in 2023, there is currently no further information known about the area-based element of the scheme.
- 5.7. As outlined in our response to the initial consultation on this iteration of the Warm Homes Programme, we believe that an area-based scheme under the WHP could utilise all funding sources available to households in different financial circumstances in order to deliver a more viable street by street approach and could therefore play a unique role in deploying Welsh Government and ECO funding side by side.³²

6. The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme;

- 6.1. The Welsh Government has provided vital funding to provide fuel vouchers to households on prepayment meters as well as support for off-grid households. We are also pleased that additional funding has been made available to fund Warm Hubs this winter.³³ We know this support has been a lifeline for those at the sharp end of the crisis.³⁴
- 6.2. It is well understood that prepayment meter users in fuel poverty remain at significant risk of disconnection. We have seen over 2500 PPM users struggling to top up since January- 8 times more than in 2021. Last winter, we found that a third of PPM users in Wales had been disconnected from their energy supply in the past year because they couldn't afford to top up. Three quarters, (72%) said this had a negative impact on their mental health, and 43% said it had a negative impact on their physical health.

³² Citizens Advice, [Citizens Advice response to the consultation on Proposals for the next iteration of the Warm Homes Programme](#), April 2022

³³ Welsh Government, [£1.5m for safe and warm hubs across Wales](#), October 2024

³⁴ Welsh Government, [Written Statement: Welsh Government Fuel Voucher Scheme \(10 June 2022\)](#)

- 6.3. Our recent research has highlighted the crucial role that crisis support continues to play for households in Wales.³⁵ Despite some easing to household budgets, our recent analysis found that comparing the first 8 months of 2022 and 2024, our local Citizens Advice offices saw a 17% rise in the number of people coming to them in crisis situations.³⁶
- 6.4. Since the start of the year, we have helped more than 6000 people in Wales to access a fuel voucher.³⁷ We also know that fuel poverty is part of a broader context, with many needing multiple forms of support. In 2023, 1 in 4 (26%) of the people who came for a food bank referral also needed a fuel voucher referral and 1 in 5 (21%) needed help with the Discretionary Assistance Fund (DAF).
- 6.5. Additionally, our advisers in rural Wales emphasised the value of support for off-grid households. In focus groups, advisers highlighted the support from Welsh Government provided through the Fuel Bank Foundation (FBF) Heat Fund, which provides up to £500 for off-grid fuel support, and told us they use it regularly to help their clients living off-grid with fuel support. Advisers noted that, whilst still very welcome, off-grid support offered through the DAF (£250) fell short of the minimum order amount needed for an order of oil, meaning that some off-grid clients were unable to order fuel despite this support.³⁸
- 6.6. To reduce the growing reliance on crisis support for everyday essentials and bills, broader policy reforms are needed, many of which are the responsibility of the UK Government, including targeted energy support. However, given the current fiscal landscape, combined with the time it will take to implement many of these changes (if taken forward), there is a need to maintain and strengthen a permanent crisis support scheme in Wales (such as the Discretionary Assistance Fund) to help people now and

³⁵ Citizens Advice Cymru, [Reaching crisis point: the story in Wales](#) | Cyrraedd pwynt argyfwng: y stori yng Nghymru - Citizens Advice, October 2024

³⁶ Ibid.

³⁷ Ibid.

³⁸ Ibid.



over the coming months. We outlined our recommendations to protect and expand crisis support in our recent report.³⁹

7. How the Welsh Government is working with the UK Government to address fuel poverty.

- 7.1. This year so far we have seen 328 clients who have been moved onto a prepayment meter or switched to prepay on their smart meter in order to repay arrears. As outlined above, PPM users remain particularly vulnerable to unaffordable energy costs.
- 7.2. We have strongly welcomed the Welsh Government's work in highlighting the impact of forced PPM installation for the collection of arrears to Ofgem, the UK Government and energy suppliers during the cost of living crisis. Despite the new Licensing Conditions for suppliers, we do continue to see problems where companies are not adhering to the conditions. In the context of record debt levels, it will therefore be vital to continue monitoring the installation of prepayment meters to ensure that vulnerable households are protected, as well as continuing to highlight issues when they arise.
- 7.3. As outlined in Section 3 of this response, alongside improving the energy efficiency of homes, we believe that targeted energy support is essential going forwards to protect people in Wales from fluctuating energy prices and fuel poverty. The Welsh Government has previously supported proposals for a social tariff and we would welcome the government continuing to do so, despite the UK Government making no commitments to this support in their Autumn Budget.

³⁹ Ibid.

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP08

Ymateb gan: Cyngor Sir Powys | Response from: Powys County Council



Terms of reference

The terms of reference for the inquiry are to explore:

- Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey;
- The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales;
- The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area based approach; **We would encourage the scheme, and delivery partners, to have the ability to be more flexible in its approach to collaborate closely with trusted local partners such as Local Authorities to ensure its delivery meets local needs, and compliments local programmes for the betterment of service users. An example would be the blending of available funding programmes such as ECO4-Flex with NEST, and Green Wales Homes Scheme for eligible households. They should not be accessed in isolation if the mechanism is in place locally.**
- How changes from the previous programme will impact delivery, particularly in terms of the numbers of households that will be supported;
- The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and if not, what further action is needed;
- The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme;
- How effective local authorities have been at accessing and utilising ECO Flex funding; **Powys County Council have been active in its promotion of ECO4-Flex and is leading the way in Wales with its innovative partnership with CIC, Warm Wales, in its approach and delivery. Powys' [Warm Wales Powys Energy Saving Scheme \(ECO4 Flex\) - Powys County Council](#) continues to evolve to meet local demands for the betterment of our service users. It is felt that more could be done to integrate these finite resources by the blending of funding if the opportunity existed.**
- How the Welsh Government is working with the UK Government to address fuel poverty.

Response details

- Your name and contact details as the person, or organisation, submitting the evidence. See signature below
- Whether your evidence is submitted as an individual, or on behalf of an organisation. On behalf of Powys County Council

- If you are submitting evidence as an individual, confirmation that you are over 18 years old. I am over 18 years
- If you are under 13 years old, your parent or guardian's agreement that you can participate (this can be provided via email). N/A
- Confirmation of whether you would prefer that your name is not published alongside your evidence (names of individuals under 18 years old will not be published). I consent
- Confirmation of whether you would like the Committee to treat any or all of your written evidence as confidential, with reasons for the request. No requirement
- If you have referred to a third party in your evidence, such as a parent, spouse or relative, confirmation that they have agreed that you can share information that may be used to identify them and that they understand that it will be published. N/A

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP09

Ymateb gan: Care & Repair Cymru | Response from: Care & Repair Cymru



Care & Repair Cymru

Care & Repair are Wales' older people's housing champions. We help our clients to live independently in warm, safe, accessible homes by delivering housing adaptations and home improvements. We offer a holistic casework service including a dedicated fuel poverty service, Older Not Colder. We offer a holistic casework service including a whole house assessment taken from a national framework, including a falls risk assessment, welfare benefits check and home safety information and advice

In 2023/2024, we delivered the following:

£21.8 million in housing repair and improvement works
£12.5 million of unclaimed benefits for older people
67,606 individual services delivered to older people

Terms of reference

The terms of reference for the inquiry are to explore:

- **Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey;**

Care & Repair Cymru does not believe the current picture of fuel poverty provided via Welsh Government's estimates represents the true scale of fuel poverty in Wales. The basis for Welsh Government's estimates on fuel poverty in Wales uses both the 2008 Living in Wales Survey and the 2017-18 Wales Housing Conditions Survey. Updated Welsh Government fuel poverty statistics from April 2022 used the same data sets. These data sets predate the cost-of-living and energy crises. From our first-hand experience delivering over 67,000 services in approximately 50,000 homes in Wales last year, it is clear that many of the households we support cannot keep up with the expenditure required to heat their homes to a comfortable level. We are seeing a large increase in the number of homes in poor condition, leading to poor thermal efficiency, with higher volumes of calls about damp and mould.

Our own data suggest that our clients are struggling more than ever with finances. For clients who cannot afford the cost of repair works, our caseworkers spend time applying for benevolent funds on their behalf. Since the onset of the cost-of-living crisis, we have seen an increase in the number of works being funded through our charitable hardship funds of 130%¹. This indicates that older households in Wales do not possess the resource they once did to be able to keep up with the maintenance of their property. The Welsh Housing Conditions Survey found that 18% of homes in Wales have a Category 1 hazard present. From our experience in the homes of tens of thousands of older people in Wales each year, we believe this is far higher.

The challenge of affordability is compounded by the increase of materials and contractor costs, in our report, *The State of Older People in Wales*, demonstrated how material and labour costs have increased significantly, a Senior Care & Repair Technical Officer commented *'three or four years ago a sheet of plaster board was probably about £6 or £7, it's now about £18 or £19 a sheet'*ⁱⁱ. This means people have less income to pay for repairs whilst the cost of making improvements have increased. This is why Care & Repair Cymru does not believe there is an accurate picture of the current levels of fuel poverty in



Wales. Local authorities and local organisations such as Care & Repair Cymru hold valuable data for the Welsh Housing Conditions Survey. Last year, Care & Repair Cymru delivered 67,606 individual services to older people meaning that we have client data on:

- Property tenure
- Benefit entitlements and income
- Hazards by location in the home
- Household make up

We recommend that the re-implementation of the Welsh Housing Conditions Survey should use a breadth of data, such as that offered by Care & Repair, and other local partners, to understand the financial and housing challenges of households in Wales.

- **The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales;**

As the leading older people's housing charity in Wales Care & Repair are concerned about the changes to the eligibility criteria for the Winter Fuel Payment. Whilst we understand UK Government's budget constraints and how not all those of pensionable age necessarily need the winter fuel payment, we have concerns on two groups of older people:

Older people who fall just outside eligibility criteria:

There are older households in Wales who aren't eligible for pension credit but are still on low-income. The removal of the payment for this group of people, alongside an increase in the energy price cap from October 2024, will see those households having to make careful choices about how much they spend on energy this winter. Those just above the threshold will also miss out on other 'passport benefits', such as council tax reduction or support with your broadband and water bills. Creating a cliff edge of support by cutting off the winter fuel payment will put many older people at risk of fuel poverty this winter, particularly for households whose income is just a few pence about the required £221.30 a week.

Older people eligible for pension credit but do not claim it:

There are around 50,000 older people in Wales who are entitled to pension credit but do not claim itⁱⁱⁱ. Last year, Care & Repair helped raise £12.5 million in unclaimed benefits amongst our clients^{iv}, and we welcome both UK and Welsh Government's commitment to increase pension credit uptake. Low benefit uptake is particularly prevalent for older people; Care & Repair caseworkers have cited reasons such as digital exclusion, stigma attached to benefits and 'not wanting to take money away from other households who may need it more' as to why our clients are apprehensive about making a claim.

Overall, for the first category, one-off payments such as the WFP are a lifeline in the winter, considering these households don't have access to other 'passport' benefits from pension credit eligibility. For the second category, these households are already in the lowest income groups therefore already at risk of, or in fuel poverty, will not receive the payment pushing them further into more severe fuel poverty.

- **The detail of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area-based approach;**

Eligibility Criteria:

The new Warm Homes Programme includes some welcome changes to the eligibility criteria compared to the previous scheme. We are pleased to see the following changes:

- Discounting disability benefits as income; Attendance Allowance and Personal Independence Payments are to pay for extra costs associated with disability so should not be counted as income.
- The ability to apply more than once; this allows those living in energy inefficient homes to receive upgrades if they are eligible.
- Homes classes as business can now apply, including households living on working farms.

Energy efficiency measures available:

The Warm Homes Programme policy statement, published in June 2023, outlined the available measures. It stated '*Domestic energy efficiency measures available through the current Programme are still relevant and applicable so are expected to be maintained. Fabric First - Heating and ventilation measures would be available only when the thermal efficiency of the dwelling has been improved to a satisfactory standard to accommodate them. Low carbon technologies will be prioritised where it makes sense to do so.*' In theory, Care & Repair Cymru welcome these energy efficiency measures and agree with the sentiment of improving the fabric of a property to ensure homes are brought up to a decent standard for heating. However, in practice, Care & Repair agency staff have reported the following concerns:

- Caseworkers have experienced clients being rejected for **any/all measures**, including insulation, if a client does not want low-carbon technology such as an Air Source Heat Pump (ASHP)
- Caseworkers have experienced clients being rejected for **any/all measures**, including insulation if the home is deemed unsuitable for an ASHP after initial survey, despite living in fuel poverty and eligible for support via the WHP.

Please find below a brief summary of some of the reports we have received from caseworkers and HEO's working directly with clients.

Case study 1 - Location: Powys

Client with dementia living in a pre-1919 stone cottage, struggling to keep her home warm and had a faulty oil boiler. When NEST visited the property and informed the client that an ASHP would not be suitable for her property, and they did not offer her any other measures, including insulation measures, or onward referrals for support. Care & Repair's Home Energy Officer followed up with NEST on behalf of the client and was told again that the client would not be able to have measures, including insulation measures and would not make any onward referrals to other schemes such as ECO4. Client has an open fire to keep her warm, but this is a safety risk due to her dementia. In order to not leave this client at risk, Care & Repair's Home Energy Officer is currently trying to raise benevolent funds to try to replace client's oil boiler, which is around £6000.

Case study 2 - Location: Cardiff and the Vale

Home Energy Officer referred a client who met the eligibility criteria to NEST. The client had a home survey from NEST and was offered an ASHP. Our client decided against the ASHP as he was worried



about how invasive the work would be and felt anxious not being able to use the technology. Once the client decided he did not want an ASHP, he was then told by NEST surveyors that they could not offer him anything else on the scheme, such as insulation measures, despite his home not having any insulation in the property.

Our Care & Repair Home Energy Officers cover the whole of Wales. **Every** Home Energy Officer had examples of similar situations as outlined above. This is a Wales-wide issue.

Care & Repair clients have protected characteristics due to the nature of our service. Our average client age is 77, four out of five clients declare a disability, and we support thousands of people with sensory and cognitive issues like dementia each year. For these reasons, we find that many of our clients feel anxious about having new technology such as an ASHP and often just want a like for like replacement, alongside some insulation measures such as cavity wall or loft insulation. The Warm Homes Programme is Welsh Government's primary mechanism for tackling fuel poverty; therefore, it needs to work for vulnerable, older households where for various reasons it would not be suitable to have technology such as a heat pump installed. For many households eligible for NEST who do not want or cannot have an ASHP, there are limited options for support to keep their homes warm over the colder months. This is detrimental to households with health conditions that are exacerbated by the cold.

Approach to delivering services:

We have been pleased the separation of the advice and delivery aspects of the programme. We welcome that Energy Savings Trust (EST) are offering the advice side of the programme; EST are a trusted voice in the energy sector and, as delivery providers of the Energy Redress Scheme, they have up to date information on the available energy support schemes.

However, Care & Repair Cymru are concerned on the pathway between advice to delivery service:

- Miscommunication from advice services through to delivery services on available measures
- Lost NEST referrals which means longer wait times.

Please consult the case studies below that highlight Care & Repair concerns on the delivery of services.

Case study 3 - Location: Western Bay

A client contacted Care & Repair after agreeing to work to be undertaken by NEST, this included insulation measures alongside an ASHP. The client was advised by NEST that he would be contacted within 14 days to discuss installation date, however no one followed up with the client. Our HEO contacted NEST regarding this case and was informed that the client in question had rejected the work, despite the client presenting an email sent to NEST which stated he would like to go ahead. The client was informed that if he wanted to go ahead with the NEST measures, he would need to start the process again which could take up to 6 weeks for another survey. Our client then felt mistrustful of the service and is now unsure whether to go through this process.

Case study 4 - Location: Carmarthenshire

A visually impaired client in her eighties had received measures from NEST, including an ASHP after her oil boiler had stopped working. Due to her sight challenges, she was not entirely clear as to what she

would be receiving and felt that the ASHP installation had not been adequately explained to her. As far as our caseworker is aware, she did not receive any insulation measures. The client contacted Care & Repair as the ASHP was unable to heat their home past 18 degrees and she was concerned about the approaching winter months. The client had resorted to buying electric heaters to keep herself warm, which has ultimately will result in an increase in her electricity bill, our client has described her situation as 'being worse off than she was before.'

Overall, Care & Repair Cymru welcome a separate advice service from the WHP, but we are concerned that this service is not being translated effectively in the delivery aspect of the scheme. It is paramount that those who receive measures from NEST are given sufficient support and in-depth information about the technology in their homes. It is also critical for delivery agents to understand how to recognise vulnerable households with procedures in place to prevent the installation of technology that is unsuitable for an individual.

- **How changes from the previous programme will impact delivery, particularly in terms of the numbers of households that will be supported;**

Care & Repair Cymru welcome the following changes to the programme:

- The higher threshold of £35,00 per property.
- The fabric first approach; clients are now able to receive fabric measures and have a deeper retrofit, increasing the energy efficiency of a property.

However, we have two major concerns on the changes to the new schemes:

- The number of households that will be supported
- Vulnerable households not getting the support they need

Number of households that will be supported:

Care & Repair was a top referral partner to the previous NEST, however we have had difficulty in making successful referrals into the new scheme. For example, one Home Energy Officer in Carmarthenshire told us how, in previous the NEST scheme he was applying on behalf of clients 3 to 4 times a week, however he has not been able to make a single successful referral into NEST since the new iteration began in April. We acknowledge that it is difficult to make a direct comparison between the scheme iterations, as the previous NEST worked predominantly as a boiler replacement service, therefore a simpler, less costly service. However, from the experience of Home Energy Officers and caseworkers using NEST directly, it seems that it has not been effective at supporting the households of Care & Repair clients

This is evidenced through Care & Repair's data collection:

- From the data we have available, since the scheme began, our fuel poverty service, Older Not Colder, has only made 7 referrals, within 6 months, into the new Warm Homes Programme, compared to 22 to ECO4 and 23 to GBIS in the same time frame.



- From the data we have available, our 70+ Cymru project, our previous fuel poverty service, made around 60 successful referrals into the previous Warm Homes Programme with 6 months.

Care & Repair acknowledges that the new scheme will be unable to support as many homes as the previous scheme, but our data and caseworker feedback shows how it is challenging to make any successful referrals.

Vulnerable households will not have the support they need this winter if current trends continue

To be eligible for works a property's EPC rating must be improved by at least two grades. Our caseworkers have highlighted that this requirement is "ruling a lot of people out" who are eligible for Nest, including households who meet the eligibility criteria around income, health conditions and current EPC of the property. In most cases, this is when the older person meets the health, income and EPC rating thresholds, however often these properties have a very old or inefficient boiler and simply repairing or replacing the boiler will not improve the EPC sufficiently for Nest to help, despite the person living in fuel poverty, in a cold home, and without heating. In the words of one senior caseworker, she is worried that in the schemes efforts to tackle climate change, it will inadvertently 'kill a lot of older people'. This comment was deeply concerning, and we believe contradicts what we understand to be the intention of the Warm Homes Programme.

Whilst we understand the rationale behind Welsh Government's position that our journey to net zero must be compatible with tackling fuel poverty; we must ensure no one is left behind as we decarbonise our housing stock. Following discussions with our caseworkers who work directly with vulnerable, older households and have had first-hand experience of the new Warm Homes Programme, we are deeply concerned that the changes from the previous programme to fit more low-carbon technology comes at the detriment to households living in fuel poverty. The programme must continue to support clients with faulty or old boilers by delivering repairs, as set out in the original policy statement.

- **The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and if not, what further action is needed**

Care & Repair Cymru does not believe the Warm Homes Programme is helping to address fuel poverty in Wales for the majority of our clients who need this type of support. Following feedback from local Care & Repair agencies, we are concerned the emphasis on supporting people who are living in fuel poverty right now is being lost in favour of more invasive energy efficiency interventions.

Our clients need urgent help to fix their heating systems and ensure they can heat their homes, making them more efficient and therefore reduce bills and lifting them out of fuel poverty:

- Our previous fuel poverty scheme, 70+ Cymru, supported clients across all corners of Wales and upon evaluation of the scheme, 96% of clients that used this service were, by Welsh Government's definition, considered to be in fuel poverty^{vi}. On average, a client who was referred to 70+ Cymru was spending 15% of their income on gas and electricity in 2022-2023.

The Warm Homes Programme is Welsh Government's 'primary mechanism of tackling fuel poverty'^{vii}, however, for our clients that cannot accept an ASHP or other low-carbon technology, it has not been successful, and our caseworkers must seek alternative means to support them. It is for these types of clients in fuel poverty that Care & Repair Cymru does not believe the scheme is helping address persistent fuel poverty.

Please see below a case study that outlines this issue:

Case study 5 – Location: Gwynedd a Mon

Our 92-year-old client was referred to our Older Not Colder service through Gwynedd County Council's Energy Team. She has electric storage heaters and her main heater does not work, making her house cold. She had been referred to NEST last year under the old scheme, however upon investigating the lack of progress with this referral, we were told it had been 'lost'. Our Home Energy Officer followed up with the new NEST to see if they could offer the client any support. NEST acknowledged her referral to the previous scheme but were unsure how this got lost, and informed our HEO that they were unable to offer the client anything on the new scheme.

Given the age of this client, there could be serious health implications if they continue to live in a cold home. Surely the priority for this household is to ensure they have working heating over the cold months. Whilst we understand the scheme has carbon reduction targets to hit, this client would have benefitted if NEST was able to offer her a replacement electric heater, alongside some insulation measures if necessary. In not doing so, the scheme was unable to support the client in keeping her home warm and safe.

Care & Repair Cymru also reached out to caseworkers and Home Energy Officers to understand where the Warm Homes Programme **is** working to tackle persistent fuel poverty for households. We received feedback that the scheme's ability to refer households to ECO4 and/or other schemes has been successful so that homes have received insulation and heating measures,

Care & Repair Cymru have recommendations to ensure the Warm Homes Programme works to improve persistent fuel poverty:

1. Deliver measures for households where it is not suitable to install low-carbon technology

Care & Repair offers a holistic, person-centred approach to housing improvement: the client and their needs are at the centre of every intervention we complete. Installing low-carbon technology into homes of individuals with complex vulnerabilities is a not suitable blanket approach to ameliorate fuel poverty. The scheme has lost its previously more person-centred approach in favour of blindness to low carb technology. The scheme could work if it reverted to an approach that considers the needs of the person as well as the house. The scheme must strike the balance between reducing carbon emissions and providing vulnerable households with a warm home for the winter.

2. Expand the eligibility criteria for the 'crisis' route of the Warm Homes Programme



The Welsh Government has chosen to introduce additional eligibility criteria for this 'crisis' route of the Warm Homes Programme: applicants must be over 75; have a child aged 2 or under; a relevant health condition; or terminal illness, alongside the original NEST criteria. These criteria should be expanded; we believe that any low-income household without heating or hot water should be deemed as 'in crisis' and have access to this route of the scheme without any additional eligibility criteria.

Adding on additional eligibility criteria directly contradicts the new Warm Homes Programme Policy statement which outlines that:

*'In cases where transition to a lower carbon heating source is not viable, either because a technical solution is not possible (for example in listed buildings) or the running costs to the household would be excessive, alternative measures might be considered if households energy bills and carbon emissions can be reduced. For example, when moving from fossil fuels to an electric heating system that would cause a significant increase in running costs (due to complexities of the fabric improvement) **the priority could be the repair of energy-efficient gas boilers.**'*

As per the policy statement, boiler repairs (or replacements in necessary circumstances) should be available to all eligible Nest applicants without working heating or hot water where low carbon heating is not yet viable/appropriate, irrespective of household's age or health.

Households that use alternative fuel types such as oil or electric storage heaters must also be supported under the 'crisis' route. Under the 'crisis' route, households can be supported to have a gas boiler repair or replacement in exceptional circumstances. However, our clients are not always connected to mains gas, for example, in Ceredigion 35.3% of households have oil central heating^{viii}. Whilst we understand Welsh Government is working to rectify these issues, immediate support (suggested below) must be in place for homes on alternative sources of heating.

- Emergency electrical heaters alongside financial resource to cover the increase in bills from using this.
- Directing grants for non-gas boilers to support organisations, such as Care & Repair Cymru and Warm Wales, to administer these and support households in finding suitable contractors for repair or replacements.

3. Ensure support for those living in park homes

Across Wales, namely in West Wales and Conwy & Denbighshire, we have had experience of clients living in park homes being rejected for NEST, despite being eligible, as they live in a park home. Park homes are unique in their construction which means traditional means of insulation and heating does not work for these properties thus they have been ineligible for NEST. The Warm Homes Programme is the primary resource to support those in fuel poverty in the owner occupier or PRS, therefore it must work for all homes, regardless of construction. Please see below an example of a client, living in fuel poverty, being unable to access support through the WHP:

Case study 6 – Location: Conwy & Denbighshire



Client lives alone in a park home with minimal insulation and an old boiler, struggling to produce heating or hot water. She has COPD and osteoporosis, resorting last winter to sleeping on the floor in the hallway to be near a functioning radiator. She is in fuel debt and severe fuel poverty (22%). Due to the type of home, our client was told she is ineligible for ECO4 funding or NEST.

Care & Repair were able to source hardship funding to replace the boiler via a mix of national and local pots of benevolent money available to Care & Repair, however this is not always the case.

- **The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme.**

Care & Repair Cymru have found that other schemes do have a positive impact on our clients living in fuel poverty: Local Authority grants have been a lifeline for clients who have been unsuccessful in receiving support from NEST.

Caseworkers from across 13 local Care & Repair agencies commented that they rely on local authority disrepair funds or boiler replacement funds to help fix or replace client boilers or install insulation measures. For example, Caerphilly County Borough Council have launched energy grant to help residents improve the energy efficiency of their homes, specifically for those with fuel fires, back boilers or single glazed windows^{ix}

However, Care & Repair Cymru is concerned on the reliance of local funding to address fuel poverty:

- Local authorities are under immense financial pressure, meaning that such funding is at risk of being cut. The above is an example from **one** Local Authority out of twenty-two.
- The reliance on local funding creates the challenge of a postcode lottery in tackling fuel poverty and contradicts Welsh Government's commitment to the Just Transition, which states 'as we move to a cleaner, stronger, fairer Wales, we will leave no-one behind'^x.

By relying on a postcode lottery of funding, households will be at a disadvantage depending on their geographical location. We must ensure a national level scheme, such as the Warm Homes Programme can work for those who are eligible, not just those for whom an air source heat pump is appropriate. The Warm Homes Programme is a big pot of funding at risk of being underutilised despite hugely challenging financial times because of its inaccessibility to those who it is meant to support and protect.

- **How the Welsh Government is working with the UK Government to address fuel poverty.**

Care & Repair Cymru welcome Welsh Government's constant commitment to support UK Government in providing longer-term support for those in fuel poverty and we recognise that issues regarding tackling energy debt, enduring price protections for low income and vulnerable households and the overreliance of prepayment meters cannot be realised in Wales without the support of UK Government. Welsh Government should continue to work with UK Government on the following key issues:

Enduring Price Protections

- The introduction of a social tariff to subsidise energy prices for low-income and vulnerable households. The UK Government committed to developing new consumer protections in its Autumn 2022 statement, stating, “work with consumer groups and industry to consider the best approach, including options such as social tariffs”^{xi} but has failed to do so.

Energy debt

- The cost-of-living and energy crisis has resulted in high levels of energy debt, including two thirds of homes in energy debt are in arrears, with no repayment plan. Welsh Government should push for implementation of a matching debt repayment scheme (a Help to Repay scheme) from UK Government to address the rising challenge of energy debt.

Standing charges

- Standing charges disproportionately affect people living in Wales, those living in North Wales paying over £80 more on their standing charges annually than those in London. High standing charges also disempower households to use less energy, standing charges make up the same amount on bills regardless of how much you use. Welsh Government should continue to work with Ofgem and UK Government to make these charges geographically fairer, and more affordable.

ⁱ Care & Repair Cymru (2024) *From Wear and Tear to Disrepair*. Available at: <https://careandrepair.org.uk/wp-content/uploads/2024/02/From-Wear-and-Tear-to-Disrepair-FINAL-ENG.pdf>

ⁱⁱ Care & Repair Cymru (2023) *The State of Older People’s Housing in Wales*. Available at: <https://careandrepair.org.uk/our-reports/>

ⁱⁱⁱ Bevan Foundation (2024) *State of Wales Briefing: Pensions and Winter Fuel Payment*. Available at: [State of Wales briefing: pensions and Winter Fuel Payment - Bevan Foundation](#)

^{iv} Care & Repair Cymru (2024) *Impact Report 2023-24*. Available at: <https://careandrepair.org.uk/impact-report-2023-24/>

^v Welsh Government (2023) *Warm Homes Programme Policy Statement*. Available at: <https://www.gov.wales/new-warm-homes-programme-policy-statement-html>

^{vi} Care & Repair Cymru (2023) *The State of Older People’s Housing in Wales*. Available at: <https://careandrepair.org.uk/our-reports/>

^{vii} Welsh Government (2023) *Warm Homes Programme Policy Statement*. Available at: <https://www.gov.wales/new-warm-homes-programme-policy-statement-html>

^{viii} ONS (2024) *Type of Central Heating*. Available at: <https://www.ons.gov.uk/census/maps/choropleth/housing/type-of-central-heating-in-household/heating-type/district-or-communal-heat-networks-only?lad=W06000008>

^{ix} Caerphilly County Council (2024) *Energy Grants available for Caerphilly Households*. Available at: <https://www.caerphilly.gov.uk/news/news-bulletin/august-2024/energy-grants-available-for-caerphilly-households>



^x Welsh Government (2023) *Just Transition Framework*. Available at:
<https://www.gov.wales/sites/default/files/consultations/2023-12/consultation-just-transition-framework.pdf>

^{xi} UK Government (2023) *Debate on Energy Social Tariff*. Available at:
<https://researchbriefings.files.parliament.uk/documents/CDP-2023-0202/CDP-2023-0202.pdf>

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP10

Ymateb gan: Tai Pawb, CIH Cymru a Shelter Cymru | Response from: Tai Pawb, CIH Cymru and Shelter Cymru



‘Fuel Poverty in Wales’ – A perspective from the right to adequate housing

Equality and Social Justice Committee | Senedd Cymru | November 2024

Submitted jointly by ‘Back the Bill’ partners Tai Pawb, CIH Cymru and Shelter Cymru



This response is submitted jointly by the ‘Back the Bill – the right to a good home’ coalition partners, namely Tai Pawb, CIH Cymru and Shelter Cymru. ‘We’ and ‘our’ refers to the partner organisations.

Tai Pawb works to advance equality and social justice in housing in Wales. We imagine a Wales where everyone has the right to a good home | www.taipawb.org

CIH Cymru supports housing professionals to create a future in which everyone has a place to call home. We’re the professional body for people who work in housing, the independent voice for housing and the home of professional standards | www.cih.org

Shelter Cymru exists to defend the right to a safe home. We help thousands of people each year in Wales by offering free, independent advice | www.sheltercymru.org

The right to adequate housing

The right to adequate housing means everyone has the right to live somewhere in security, peace, and dignity.

There are seven components to the right to adequate housing. These are:

- Legal security of tenure
- Affordability
- Habitability
- Availability of services, materials, facilities, and infrastructure
- Accessibility
- Location
- Cultural adequacy

The universal right to adequate housing **cannot be delivered overnight**. Instead, it is achieved through **progressive realisation**. **Progressive realisation is** a process that legally requires government to commit the maximum available resources, including land and finance, over time towards the realisation of a the right. And crucially, to take no measures that could contradict that right. This means that a right to adequate housing is a long-term, achievable policy goal.

1. Introduction

- 1.1 The [Back the Bill](#) campaign welcomes this opportunity to engage with Senedd Cymru's Equality and Social Justice Committee's inquiry into Fuel Poverty in Wales. Since 2019, we've campaigned to secure housing as a human right and built the evidence base on incorporating the right to adequate housing in Wales which, according to an opinion poll, is supported by **77% of people in Wales surveyed in 2020.**
- 1.1.1 The campaign applauds the Committee's desire to scrutinise progress on Fuel Poverty in Wales. Rather than focusing on the specific detailed questions, our response will explore strategic issues linked to the cause, impact and solutions of Fuel Poverty.
- 1.1.2 The initial part of our response focuses on who fuel poverty affects most. We link the need for a better approach to Fuel Poverty to decarbonisation. We further identify the benefits of incorporating the right to adequate housing into domestic law in addressing fuel poverty – and the shortcomings of the recently released White Paper into seeing correlation between the two.
- 1.1.3 We conclude our response by focusing on issues we feel are appropriate to consider in how to move forward in the battle against fuel poverty – aligned with the recent White Paper on 'Housing Adequacy'.

2. Fuel Poverty and its impact

- 2.1.1 Following the price cap increase of April 2022, up to 45% of all households in Wales [were estimated](#) to be living in fuel poverty. We know in Wales, 632 people die every winter due to cold homes. People most affected include households on benefits and lower incomes, older people, disabled people – as well as those suffering from long-term health conditions which require additional heating or energy consumption.
- 2.1.2 Poor housing conditions, including those linked to Fuel Poverty, can have adverse effects on individuals' physical and mental health, increasing use of the NHS, worsening self-reported health and reducing life expectancy. In a 2019 report, Public Health Wales estimated that poor housing costs the health service in Wales [£95m per year](#). According to the authors, investing £1 in improving warmth in vulnerable households could generate £4 savings due to reduction in hospital admissions for circulation and lung conditions. Another [study](#) by Rodgers et al. (2018) explored the health impact of improving housing conditions by carrying out an experiment in the south-west of Wales. The authors found that housing improved to a national quality standard by improving wall insulation or upgrading electrical systems can result in fewer hospital admissions of tenants aged 60 years old or more
- 2.1.3 A [recent study](#) in the USA found that improving energy efficiency and increasing ventilation in existing affordable houses could have positive effects on health outcomes and generate healthcare cost savings of an average of more than US\$200 per person per year.
- 2.1.4 It's clear Fuel Poverty doesn't just affect those most vulnerable in society, but all our services too. We welcome the Welsh Government's ambition to address Fuel Poverty by 2035 through the following non statutory targets:
- No households are estimated to be living in severe or persistent fuel poverty as far as reasonably practicable;
 - Not more than 5% of households are estimated to be living in fuel poverty at any one time as far as reasonably practicable;
 - The number of all households "at risk" of falling into fuel poverty will be more than halved based on the 2018 estimate.
- 2.1.5 Its currently unclear as to what progress has been made against these targets based on the latest Welsh government figures, however we believe for them to succeed, there needs to be a significant change.

3. Fuel Poverty and decarbonisation

- 3.1.1 Housing adequacy, fuel poverty and decarbonisation are intrinsically linked. It's difficult to resolve one without the other two and we believe tackling these together provides the best opportunity for sustainable change.
- 3.1.2 In March 2021, the Welsh Government committed to achieving net-zero emissions by 2050, following its interim carbon reductions targets for 2030 and 2040 (63% and 89% reduction, respectively). Reducing energy usage and carbon emissions in housing is necessary to combat against climate change. In Wales, housing is one of the biggest emitters, responsible for 9% of all greenhouse gas emissions. The median energy efficiency score, which takes into account the housing impact on the environment based on expected CO2 emissions, was 64 in 2021, which is equivalent to an EPC of band D; the lower the rating, the higher the environmental impact.
- 3.1.3 Inadequate homes tend to not be energy efficient, resulting in greater emissions of greenhouse gases and low levels of thermal comfort. Nicol et al explored a case study example focusing on the costs and benefits of improving a Welsh dwelling with an energy efficiency score of 21. Home improvements would include loft insulation, installation of double glazing and improvement of the heating system, which would result in increasing the energy efficiency score of the building to 57. Additionally, the CO2 emissions of the dwelling and the annual fuel cost would decrease by 53% and 49%, respectively.
- 3.1.4 The Welsh Government has set ambitious targets for decarbonisation. Given the central role of housing to CO2 emissions, it's challenging to see how they can be achieved, given the age and condition of Wales' housing stock, without radical investment and intervention. Without this investment Fuel Poverty will endure, particularly as energy and the welfare state remain as reserved powers.

4. Housing in Wales- Fuel Poverty and a right to adequate housing

- 4.1 In 2021, we welcomed the Welsh Government's commitment to introducing a right to adequate housing through its Programme for Government and the Co-operation Agreement with Plaid Cymru. In October 2024, while the Welsh Government brought forward a White paper towards delivering housing adequacy, we believe that the proposals contained within are insufficient to deal with the myriad, systemic challenges faced across the housing sector, including fuel poverty.
- 4.2.1 As Back the Bill partners, **we believe radical reform of the system is required in Wales if we are to properly address the housing crisis and the poor outcomes faced by too many people.** Incorporation of the right to adequate housing would increase investment, accountability, and require milestones and targets across a range of areas which would be scrutinised.
- 4.2.2 We believe the convergence of issues around fuel poverty, decarbonisation and adequacy, mean that the White Paper would have been an ideal vehicle to deliver the Welsh Government's ambitions around Fuel Poverty, driving investment in housing and technology change in relation to decarbonisation and measures around affordability. Sadly, this opportunity has been missed and it remains to be seen whether proposals around Fuel Poverty can be met. While incorporation of housing as a human right is about providing long-term legislation for housing, it does provide opportunities and a framework for addressing current challenges like Fuel Poverty in the short-medium term.

5. Conclusion

5.1.1 Our response has highlighted the link between the right to adequate housing, decarbonisation and fuel poverty. We firmly believe that without making this link at a legislative, strategic and policy level – it will not be possible to deliver the progress in these areas we want as a nation. The White Paper on ‘Housing Adequacy’ offers an opportunity to reflect on this – through stakeholder responses - and consider ways to lever in the changes and investment to end fuel poverty.

5.1.2 In conclusion, we’ve identified a number of questions we feel relevant to addressing fuel poverty in the context of the White Paper, which the Committee may wish to consider and address potential ways in which the two could support each other:

- The factors behind the proliferation of fuel poverty in recent years (despite a degree of discretionary state-sponsored or direct packages of support)
- How can we better align at a strategic level fuel poverty with decarbonisation?
- What opportunities would legal incorporation of a right to adequate housing present for people, and in particular tenants, who suffer from fuel poverty?
- How do we ensure that we have a long-term plan to address fuel poverty which isn’t undermined by the markets or discretionary government policies?

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP11

Ymateb gan: Cyngor ar Bopeth Sir Ddinbych | Response from: Citizens Advice Denbighshire



Fuel Poverty in Wales

Senedd Consultation Response

November 2024



cyngor ar
bopeth

citizens
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Sir Ddinbych
Denbighshire Tudalen y pecyn 172

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Citizens Advice Denbighshire is an independent charity seeking to provide free, confidential, independent and impartial advice and support to all in Denbighshire, no matter their background or circumstances, and no matter their issue.

We are the official welfare rights and consumer advice service of Denbighshire County Council and our aims are to reduce poverty, improve financial and personal resilience, and prevent homelessness, thereby contributing to improved wellbeing within our community.

As part of our responsibility to improve the policies and practices that affect people's lives, we are pleased to have the opportunity to contribute to the Equality and Social Justice Committee's consultation on fuel poverty in Wales.

This consultation response is informed by the experiences of our staff and volunteers in Denbighshire in the course of providing advice and support to those who have asked for our help, particularly in regard to the provision of energy-related advice. This report will follow the terms of reference set out by the Committee in their consultation document.

1. Executive Summary

1.1 The reliance on pre-Covid and pre-Ukraine war data for assessing fuel poverty leads to a significant underestimation of the problem. Our data reveals a consistently higher demand for energy-related advice and support compared to 2018, indicating that the cost of living crisis has become the "new normal".

1.2 Changes to the Winter Fuel Payment eligibility criteria, while expanding slightly, will negatively impact many people's ability to afford fuel costs. The continued exclusion of Housing Benefit and Council Tax Reduction recipients from eligibility is particularly concerning, as they are financially vulnerable and may now struggle to afford heating with the removal of this universal benefit. Additionally, the freezing of Local Housing Allowance and the limited increase in Universal Credit will exacerbate the difficulties people under the pensionable age have in paying fuel bills.

1.3 While the Warm Homes Programme has potential to help alleviate fuel poverty, experiences with it are mixed. The expanded eligibility criteria are positive, but interventions often focus solely on heating system improvements without addressing inadequate insulation, particularly in older housing stock.

1.4 The push for low-carbon measures like air-source heat pumps *without* proper insulation can be counterproductive in the short and medium-term, given the high cost of electricity compared to gas. Installing these systems without addressing insulation can actually increase energy costs for residents.

1.5 New, efficient gas boilers (particularly those that are hydrogen-blend-ready, to help meet emission targets should hydrogen be introduced to the gas network) should be included in upgrade schemes.

1.6 The support available to households facing fuel poverty is ineffective. The limited options beyond the Winter Fuel Payment and Warm Homes Programme often force clients to

choose between heating and basic necessities, though a financial inability to choose between the two is becoming more common. Emergency measures like the Discretionary Assistance Fund and prepayment meter vouchers have become routine support, highlighting the inadequacy of current systems.

1.7 The success of ECO funding depends on the installers participating in the scheme. There are difficulties finding installers who can implement adequate insulation upgrades, which are necessary for the efficient use of electric heating systems.

1.8 There appears to be limited cooperation between the Welsh and UK Governments in addressing fuel poverty, evidenced by the reaction to the Winter Fuel Payment changes. UK Government responsibilities, such as the link between electricity prices and wholesale gas prices, despite increasing reliance on renewable energy sources, further complicate the issue. Additionally, the ineffectiveness of the energy regulator, Ofgem, in protecting consumers adds to the burden for people across the county and country.

1.9 A more long-term approach to tackling fuel poverty is required, with a need for:

- Updated data collection that accurately reflects the current situation.
- A genuine whole-house approach within the Warm Homes Programme that prioritises insulation alongside heating system improvements.
- Consideration of newer, more efficient gas boiler replacements as a short-to-medium-term solution, especially given the high cost of electricity.
- A reform of existing support mechanisms to address the inadequacy of emergency measures and the need for more sustainable solutions.
- Greater cooperation between the Welsh and UK governments to address the interconnected challenges of fuel poverty, particularly focusing on addressing the issues of energy market regulation and volatility to better protect consumers.

1.10 We urge a shift from short-term crisis management to long-term sustainable solutions that address the root causes of fuel poverty and provide effective support to those in need.

2. Whether there is an accurate picture of fuel poverty in Wales today, given that data is based on the 2008 Living in Wales Survey and 2017-18 Wales Housing Conditions Survey.

2.1 The current data used to assess fuel poverty is significantly outdated, relying on pre-Covid and pre-Ukraine war information. The data does not account for the substantial increases in energy prices and the relatively static benefit levels, resulting in a significant underestimation of fuel poverty in Wales.

2.2 Our data suggests that the cost of living crisis is less of an extraordinary moment but rather a new normal cost of living for the foreseeable future. High energy prices, accompanied by a relative stagnation in welfare benefits and the removal of winter fuel

support payments and other interventions, have resulted in a consistently higher demand for advice and support on energy-related issues compared to that in 2018.

2.3 To illustrate the increasing demand for energy advice, *Figure 1* shows the cumulative number of citizens in Denbighshire we've helped with energy issues each year from 2018 (the year of the data used by the Welsh Government in the 2017-18 Housing Conditions Survey), accompanied by general trend lines.

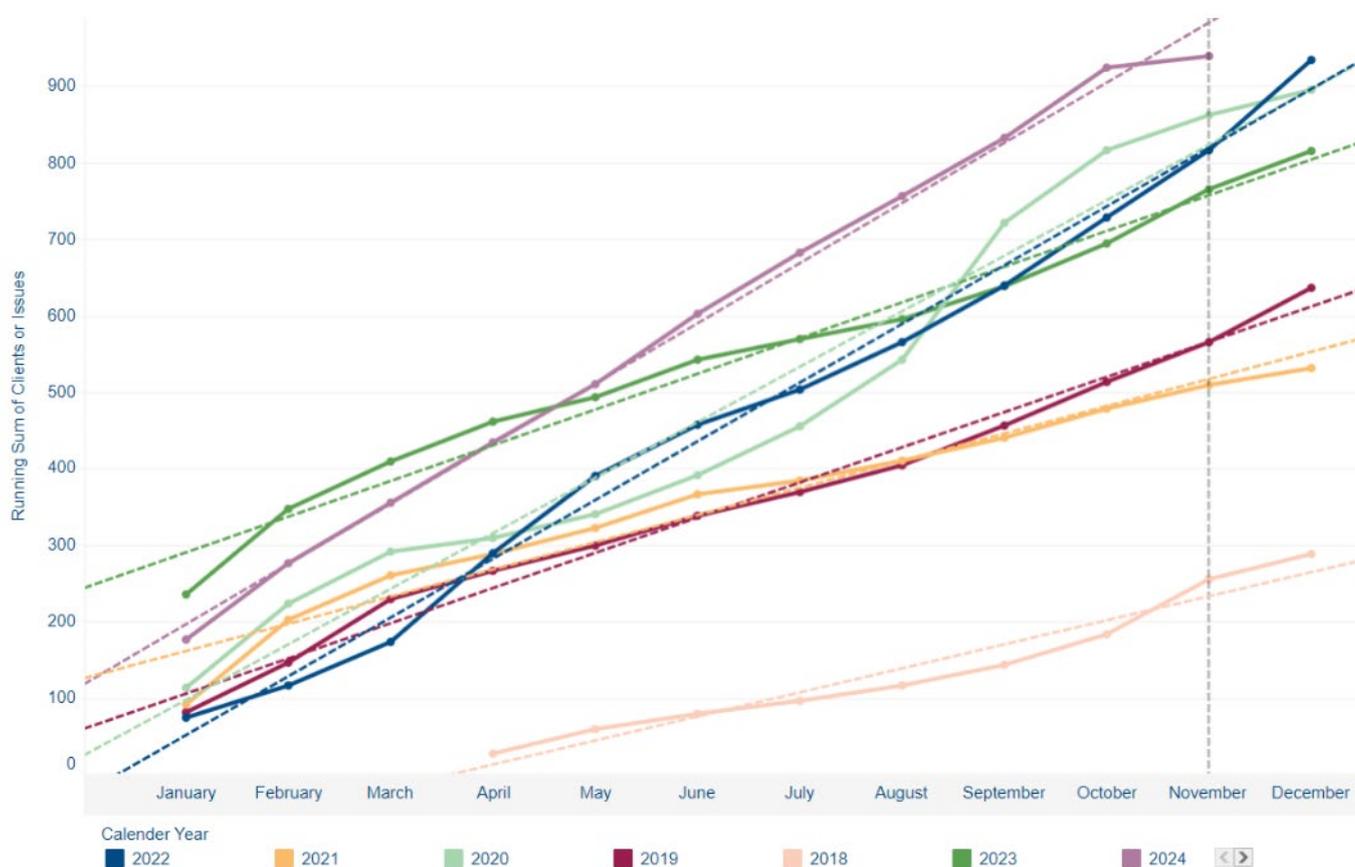


Figure 1. Cumulative number of people helped with energy issues each year.

2.4 Our data demonstrates that the demand for energy advice in Denbighshire - and indeed all advice areas - was modest in 2018 relative to the following years. From 2019, the need for this advice and support throughout the year increases in part due to our securing funding specifically for a specialist energy advice, escalating further in 2020 explained partly by more people working from home and houses requiring heating throughout the day, before falling again slightly in 2021, explained in part by the introduction of Welsh and UK Government cost of living payments aimed at alleviating energy costs.

2.5 A further increase in demand for energy advice coincides with the first dramatic increase in the price cap announced in April 2022 (see the dark blue line). Since this first price cap increase, and subsequent increases, the need for energy advice and support has only continued to grow. So far in 2024, we're seeing more clients asking for advice and support on energy costs than ever before.

2.6 Using the definition for fuel poverty given by the Welsh Government¹ for fuel poverty (i.e. households needing to pay more than 10% of their full household income to maintain a satisfactory heating regime), our advisers have estimated that the vast majority of clients who experience income poverty also face fuel poverty.

2.7 We can illustrate this further with the experience of one of our clients; an individual with a household income between £15,000-19,900 per year (£1,663.58 per month at the highest end of this income bracket). Despite receiving everything they're entitled to, including Universal Credit with housing and child elements, their energy bills of £173.33 per month (10.4% of their monthly income) pushed them into fuel poverty.

3. The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales.

3.1 The changes to the Winter Fuel Payment eligibility criteria are expected to have a significant negative impact on our clients' ability to afford fuel costs this winter. While the inclusion of Universal Credit and Child Tax Credit slightly expands eligibility, but only in the circumstances of a mixed-age couple and guardianship over a child respectively, other changes (such as the inclusion of income-based Employment Support Allowance, income-based Jobseekers' Allowance, Income Support, and Working Tax Credit) are not relevant to most people claiming the State Pension.

3.2 Excluding Housing Benefit and Council Tax Reductions from eligibility means that individuals on these benefits, who are considered financially vulnerable enough to receive these welfare benefits in the first place and who don't qualify for the Warm Home Discount Core Group 2 fuel-poor rebate, will lose the support of the Winter Fuel Payment through the ending of universal entitlement and may struggle this winter to afford fuel costs. The harmful relationship between a cold home and general poor health is well documented².

3.3 The Winter Fuel Payment has been reformed to become effectively a supplement to Pension Credit, which has a threshold that is itself too low to adequately support low-income pensioners. Homeowners, too, are less likely to qualify for Pension Credit or the Warm Home Discount, and the changes to the Winter Fuel Payment will further reduce their income at a time when many are at their most vulnerable financially and physically.

3.4 The changes to the Winter Fuel Payment may be unfair. A single pensioner receiving the new State Pension, a small occupational pension (£50 per week), a disability-related benefit, and savings under £24,000, may still be entitled for Pension Credit and retain their Winter Fuel Payment. Single pensioners receiving only the new State Pension, with no savings or disability-related benefits, have lost that entitlement.

¹ Welsh Government (2021). Tackling fuel poverty 2021 to 2035. <https://www.gov.wales/tackling-fuel-poverty-2021-2035-html>

² Senedd Research (2024). Cold and damp homes: What is being done to address housing related ill-health? <https://research.senedd.wales/research-articles/cold-and-damp-homes-what-is-being-done-to-address-housing-related-ill-health/>

3.5 Given the Local Housing Allowance has been frozen for the next financial year and Universal Credit is set to rise by only 1.7%, paying fuel bills will remain extremely difficult or even impossible for many already receiving support under the pensionable age.

4. The details of the new Warm Homes Programme, including the energy efficiency measures offered, changes to eligibility criteria, the approach to delivering advice services, and the development of an area based approach.

4.1 Our experience of the current Warm Homes Programme is mixed. The expansion of the eligibility criteria to include households with an EPC rating of E and below (or D and below when the resident has an eligible health condition) and to include the sliding scale low-income threshold, alongside the exemption of disability-related benefits from counting as income, is welcomed. Investments in houses with better insulation can benefit from more efficient heating systems, but these improvements aren't necessarily appropriate for all eligible households.

4.2 We've noticed that the experience of those benefiting from the Warm Homes Programme can vary regionally with the scheme limited by the capacity of local companies involved. This is a particular issue when it comes to finding installers to commit to the improvement of insulation in our older housing stock. Nonetheless, we're finding that our clients may still be offered low carbon measures, such as electric air-source heat pumps, without this insulation being installed.

4.3 There seems to have been a similar issue with the previous iteration of the programme, with the Warm Homes Nest Scheme Annual Report 2022-23 confirming that insulation accounted for just 6.6% of all measures installed that year, 0.1% being enhanced insulation³.

4.4 One of the Welsh Government's ambitions through the Warm Homes Programme is to invest in "*low carbon measures such as heat pumps or solar panels with battery storage.. [that] will make households more resilient to rising energy prices in the future*"⁴. At present, however, replacing gas boiler systems with electronic air-source heat pump systems without improving the insulation of the housing stock can have the opposite effect - as acknowledged by the former Minister for Climate Change upon the announcement of the new Warm Homes Programme⁵.

4.5 This is particularly problematic as the price of electricity is currently four times more expensive than gas. A kilowatt hour (kWh) of gas costs 6.24p, whereas a kWh of electricity costs 24.50p⁶. This has resulted in a resistance from our clients to transfer to electric heating systems.

³ Welsh Government (2023). Warm Homes Nest scheme: annual report 2022 to 2023. (<https://www.gov.wales/warm-homes-nest-scheme-annual-report-2022-2023-html>)

⁴ Welsh Government (2024). New Warm Homes Programme: integrated impact assessment. (<https://www.gov.wales/new-warm-homes-programme-integrated-impact-assessment-html>)

⁵ The Climate Change Minister stated on the 12th March 2024 that "there's no point in putting an air source heat pump into a house that leaks like a sieve". Senedd Cymru (2024). Plenary 12/03/2024. (<https://record.senedd.wales/Plenary/13743#A86301>)

⁶ Ofgem (2024). Energy price cap. <https://www.ofgem.gov.uk/energy-price-cap>

5. The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and if not, what further action is needed.

5.1 The Warm Homes Programme has the potential to help alleviate fuel poverty and the focus on a whole-house approach is encouraging. To date, however, we have found interventions to be largely focused on improvements to heating systems.

5.2 As housing in Wales is generally old and houses built prior to 1930 are likely to be single-wall and not cavity insulated, this whole-house approach is vital to improving both energy efficiency and alleviating fuel poverty. The ECO4 funding leveraged by the Warm Homes Programme does not appear to adhere to this approach consistently and is dependent on the installers signed up to the scheme in the area. In an effort to alleviate fuel poverty and to avoid exposure to ever-increasing electricity costs, we've had the need to refer a client on to Care & Repair who were able to find a company based in England to install a new gas boiler system.

5.3 Extending the range of improvements to include newer, more efficient gas boiler replacements would help alleviate fuel poverty more effectively given the high cost of electric systems in households not currently well-equipped for efficient heat retention.

5.4 While this may seem to contradict the Welsh Government's aim to use the Warm Homes Programme to help meet net-zero carbon emission targets, in the short to medium-term efficient gas boiler systems in more properties could have a more immediate impact in alleviating fuel poverty and could result in lower carbon emissions than if older, less efficient gas heating systems were not replaced at all.

5.5 It is not necessary to create a trade-off between alleviating fuel poverty and reducing household carbon emissions. In the longer term, British Gas notes that many of these newer, widely available gas boilers are 'hydrogen-blend ready' and would be able to use a 20% hydrogen blend "*without any problems*"⁷. The UK Government is exploring the feasibility of introducing hydrogen into the gas network, with a decision expected in 2026⁸.

6. The effectiveness of support available to households in or at risk of fuel poverty, in addition to the Warm Homes Programme.

6.1 The support available to households in or at risk of fuel poverty is not very effective.

6.2 On average throughout 2023-24, 25% of our client base sought our advice and support on issues relating to fuel (gas, electricity, etc.) and water bills. This fluctuated throughout the year, rising to 30% in December and sitting at 16% in July, highlighting a well-known greater need in the winter months. As such, support such as the Winter Fuel Payment and access to

⁷ British Gas (2023). How might hydrogen help heat our homes? <https://www.britishgas.co.uk/the-source/greener-living/hydrogen-heating.html>

⁸ Foot Ansley LLP (2024). Green hydrogen: Can Labour deliver on its plans to double production? <https://www.lexology.com/library/detail.aspx?g=64bd3fa5-ee8b-4467-9cb6-db7d1dabc913>

the Warm Homes Programme, can be vital tools in helping alleviate higher energy costs in these months.

6.3 Outside of the Winter Fuel Payment and the Warm Homes Programme, there are limited options available to our clients in helping to alleviate fuel poverty, and whereas before clients were often faced with a choice between *'eating and heating'*, now we're finding clients frequently return to Citizens Advice Denbighshire with a recurring issue: an inability to afford both fuel costs *and* basic necessities such as food. As these financial pressures on income and fuel poverty are rarely isolated, support in aid of alleviating income poverty can help alleviate fuel poverty and vice-versa.

6.4 In these circumstances, alongside our routine income maximisation assessments, we can utilise the Discretionary Assistance Fund (DAF), prepayment meter vouchers, and food bank vouchers. These tools were once considered emergency measures to help somebody in a moment of crisis but have now become a standard support to address immediate and urgent needs prior to an income maximisation calculation.

6.5 While these urgent payments are now necessarily distributed routinely and in increasing urgency, the design of these interventions is still based on them being one-off crisis payments rather than tools with which to alleviate fuel poverty. DAF payments are limited to 3 receipts in a 12-month period (notwithstanding possible applications in circumstances of exceptional need) and the fuel vouchers our advisers have access to are limited to 6 receipts in a 12-month period. For those receiving Universal Credit and struggling with their energy bills in between payments, once one advance payment has been made clients cannot apply for another and may be forced to seek support through these emergency payment measures.

6.6 These support measures were designed for those most in need in the context of a general cost of living that no longer exists and, as a result of rising prices, stagnating welfare benefit rates, and wages, these measures are inadequate in addressing crises.

6.7 *Figure 2* illustrates the gradual increase in the number of clients in Denbighshire asking for advice and support for foodbank vouchers, energy-related issues, and fuel-related debts. The dramatic peak in 2020 can be attributed to the height of the pandemic (as mentioned previously) but it is clear that the demand for all three issue areas increased from 2022 and has maintained an average level of demand much higher than that before Covid-19.

6.8 There are even fewer means of support for those living in more rural areas and reliant on oil heating systems as prepayment meter vouchers are not generally applicable for those not connected to the mainline gas network. For people who are in fuel poverty in these areas, support is generally limited to DAF payments and access to these is very limited, as noted above, as well as some rural-specific grants. The trusted partner-only route to accessing these discretionary payments is a potential barrier to those in need accessing this support - assuming the most vulnerable are aware the support exists in the first place.

6.9 An improvement to the support available to alleviate fuel poverty could be the integration of a fuel element to Universal Credit, though this falls beyond the scope of the Welsh Government's responsibilities.

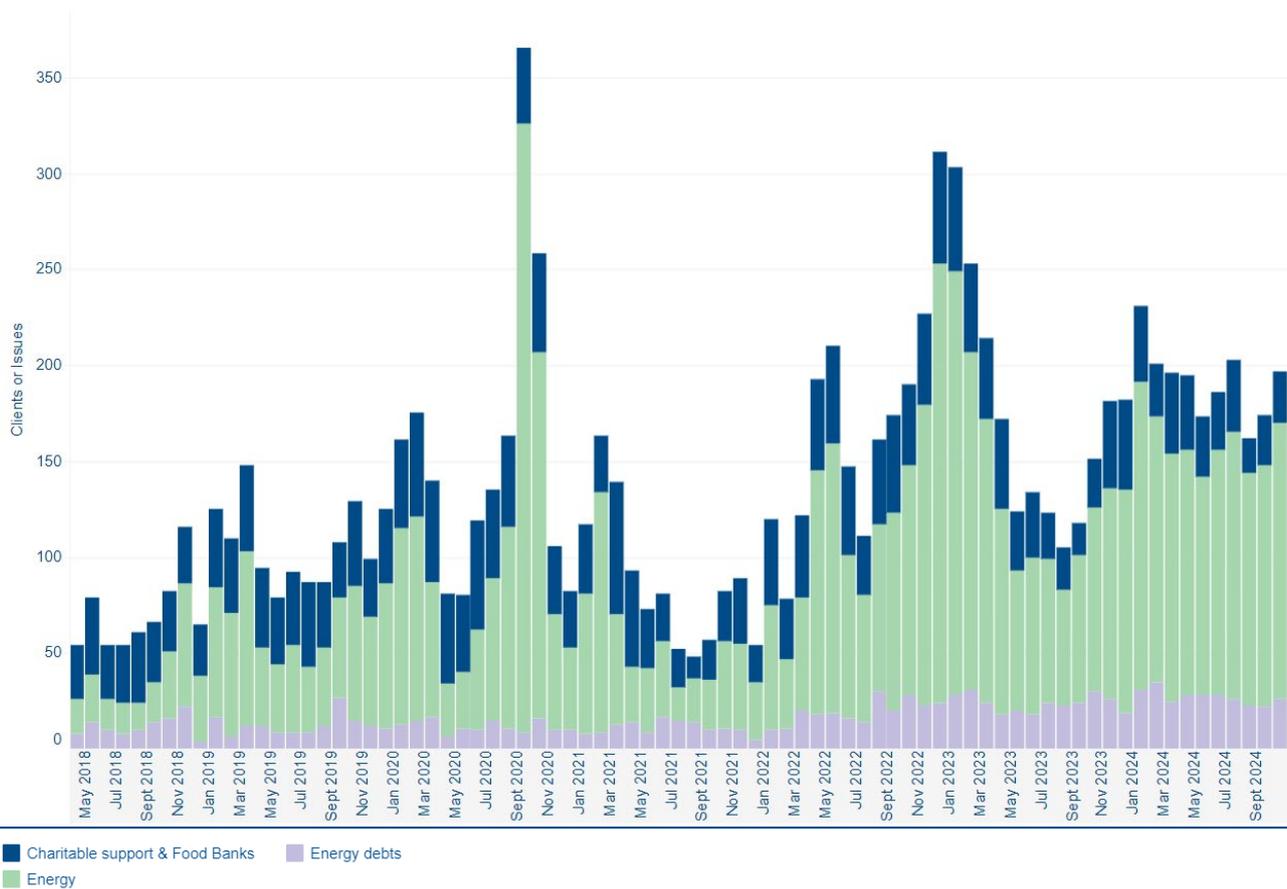


Figure 2. Number of clients making inquiries about food bank availability, energy-related issues, and energy-related debts.

7. How effective local authorities have been at accessing and utilising ECO Flex funding.

7.1 The ECO4 scheme in Denbighshire is managed by Flintshire County Council on Denbighshire County Council’s behalf, with all installers approved, records held, and applicability overseen by Flintshire County Council⁹.

7.2 As we’ve highlighted previously in this response, the success of the ECO Flex funding is dependent on the installers signed up to the scheme itself and although insulation is included in the scheme, we’ve noticed a difficulty in finding installers to implement adequate insulation upgrades to allow our clients to take advantage of electronic heating systems efficiently.

8. How the Welsh Government is working with the UK Government to address fuel poverty.

8.1 The extent of cooperation between the Welsh Government and the UK Government in alleviating fuel poverty in Wales remains to be seen.

⁹ Denbighshire County Council (2024). ECO4 Flexible Eligibility Statement of Intent. <https://www.denbighshire.gov.uk/en/documents/benefits-grants-and-money-advice/adapting-or-improving-a-property/flexibility-eligibility/flexible-eligibility-statement-of-intent-v3.pdf>

8.2 The Welsh Government's initially adverse reaction to the UK Government's decision to remove the universal eligibility for the Winter Fuel Payment for those receiving the State Pension suggests that there was little communication between the governments with relation to address fuel poverty.

8.3 The volatility of electricity prices - an issue reserved to the UK Government - which are still linked to wholesale gas market prices due to the marginal pricing system, adds to the challenge of accurately assessing fuel poverty. While in 2023, only 32% of the UK's energy supply came from natural gas and 51% from zero-carbon power sources¹⁰, the price of electricity is still tied to the wholesale price of natural gas.

8.4 While reform of the wholesale markets are outside the scope of the Welsh Government's powers and the scope of this Senedd consultation, this serves to illustrate the need for longer-term reform and an exploration of potentially decoupling markets, nodal energy systems, and further investment in more low margin renewable energy sources. The Welsh Government and/or the Senedd could make representations to the UK Government on this front.

8.5 Ofgem, the energy regulator, can be ineffective (and may be seen as ineffective) in its protection of consumers. When the energy crisis initially hit and smaller energy companies fell into administration, such as in the case of Bulb Energy's collapse, outstanding charges were carried over to new suppliers and were therefore recoverable. However, the UK Government's Department for Business, Energy, and Industrial Strategy (BEIS) agreed with Bulb's buyer, Teneo, to allow credit balances to be used as working capital¹¹, with Ofgem backing down from ring fencing these balances. Consumers continue to bear the burden of energy companies' unrecovered debts through the standing charge¹². This was blatantly unfair and although it not the normal way of operating¹³, consumer confidence in the UK Government, the energy regulator, and energy companies at a moment of crisis may have been negatively impacted.

8.6 The Welsh Government could do more to urge the UK Government to consider reforms to energy regulation alongside more adequate mitigations to the new cost of living.

For more information and recommendations, please see Citizens Advice Cymru's October 2024 report on the cost of living in Wales: [Reaching Crisis Point](#).

¹⁰ National Grid (2024). Energy explained. <https://www.nationalgrid.com/stories/energy-explained/how-much-uks-energy-renewable>

¹¹ National Audit Office (2023). Investigation into Bulb Energy. p 39. <https://www.nao.org.uk/wp-content/uploads/2023/03/investigation-into-bulb-energy.pdf>

¹² Ofgem (2024). Decision on extension to additional support credit bad debt cost allowance. <https://www.ofgem.gov.uk/decision/decision-extension-additional-support-credit-bad-debt-cost-allowance>

¹³ Ofgem (2024). What happens if your energy supplier goes bust <https://www.ofgem.gov.uk/what-happens-if-your-energy-supplier-goes-bust>

Gall pob un ohonom ni wynebu problemau sy'n teimlo'n gymhleth neu sy'n codi ofn arnom.

Yng Nghyngor ar Bopeth Sir Ddinbych, credwn na ddylai unrhyw un orfod wynebu'r problemau hyn heb gyngor annibynnol o safon uchel.

Dyna pam rydyn ni yma: i roi'r wybodaeth a'r hyder angenrheidiol i bobl fel y gallant ganfod eu ffordd ymlaen – waeth pwy ydyn nhw a beth yw eu problem.

We can all face problems that seem complicated or intimidating.

At Citizens Advice Denbighshire we believe no one should have to face these problems without good quality, independent advice.

That's why we're here: to give people the knowledge and the confidence they need to find their way forward – whoever they are, and whatever their problem.



Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol](#) ar [Tlodi Tanwydd yng Nghymru](#)

This response was submitted to the [Equality and Social Justice Committee](#) consultation on [Fuel Poverty in Wales](#)

FP12

Ymateb gan: Marie Curie | Response from: Marie Curie



Fuel Poverty in Wales

Marie Curie response to the Equality and Social Justice Committee Inquiry

October 2024

1. Introduction

Marie Curie is the UK's largest palliative and end of life care charity. We work hard to enable people who are living with a terminal illness, and their loved ones and carers, to have the best possible experience at the end of life. We offer expert care across Wales, in people's communities and in our Cardiff and the Vale Hospice and provide specialist guidance and support to families with matters related to dying, death and bereavement through our free information and support services. We are also the largest funder of palliative and end of life care research, and we work with Members of the Senedd and policy-makers to ensure that more people in Wales have the best possible end of life experience.

Research shows that energy costs can increase for terminally ill people as a direct result of their illness, and that terminally ill people are at a higher risk of experiencing fuel poverty. Current initiatives to reduce fuel poverty in Wales are unlikely to reach many terminally ill people.

Marie Curie continues to call on the Welsh Government to better target support for terminally ill people to ensure that no-one dies in poverty.

2. Key messages

2.1. Terminally ill people are at a higher risk of experiencing fuel poverty. In 2022 a fifth of terminally ill people in Wales died in fuel poverty.¹

2.2. Current interventions do not go far enough to support terminally ill people, whose energy costs often increase as a result of being ill. A terminally ill person's energy bill can rise by 75% after their diagnosis.² This can be due to needing to run medical devices, needing to maintain a particular body temperature or simply spending more time at home. The cost of running an

¹ Marie Curie (2024) *Dying in Poverty in Wales 2024*

² Marie Curie (2023) *One charge too many: The impact of rising energy costs on people at the end of life* <https://www.mariecurie.org.uk/globalassets/media/documents/policy/dying-in-poverty/k406-povertyenergyreport-finalversion.pdf> [Accessed 25/09/24]

oxygen concentrator can be £65 per month, a dialysis machine £27 per month and a ventilator £35 per month.³

2.3. The Welsh Government have limited powers to reduce the cost of energy. While the Warm Homes Programme is one vehicle to do this, without changes to eligibility criteria, there is a risk that terminally ill people will continue to live in cold homes. Including terminal illness explicitly in the Warm Homes Programme primary eligibility criteria could ensure that it provides support to some terminally ill people.

2.4. However, this would leave many terminally ill people, who do not live in energy inefficient homes, still facing a higher risk of fuel poverty. The Welsh Government should therefore also focus on how the Welsh benefits system can plug evidenced gaps and better support vulnerable groups, including terminally people.

2.5. **Marie Curie is calling on the Welsh Government to increase financial support for terminally ill people to help with energy costs.**

3. Whether there is an accurate picture of fuel poverty in Wales today

3.1. We do not have an accurate picture of fuel poverty in Wales today.

Reliance on old data, particularly given the seismic changes in the energy market over the past eighteen months, is undoubtedly an issue.

3.2. We also do not have an accurate picture of who is experiencing, or is at highest risk of experiencing fuel poverty.

3.3. To understand levels of fuel poverty among terminally ill people, Marie Curie commissioned the Centre for Research in Social Policy at Loughborough University to undertake analysis of available data for the UK, and Wales.

3.4. The analysis found that 23% of working age, and 23% of pension-age people in their last year of life were in fuel poverty in 2022.⁴ This compared to 20% and 21% for those not in their last year of life respectively.

3.5. This analysis used the following definition of fuel poverty:

- Fuel costs to maintain a satisfactory heating regime are over 10% of the household's income after housing costs; **and**
- After housing, fuel, disability and childcare costs the remaining income is less than 90% of the minimum income standard

³ Ibid.

⁴ Marie Curie (2024) *Dying in Poverty in Wales 2024*

3.6. This definition was used as it avoids classifying high-use by high-income households as being in fuel poverty, by considering post-energy income.

3.7. Using the Welsh Government's preferred definition of fuel poverty (fuel costs to maintain a satisfactory heating regime are over 10% of a household's income after housing costs) we see a similar picture of higher rates of fuel poverty for people at end of life. 11.8% of working age people in their last year of life, compared to 9.8% of those not at end of life; 19.4% of pension age people in their last year of life compared to 15.8% of pension age people not at end of life.⁵

4. The potential impact of changes to the eligibility criteria for the Winter Fuel Payment on fuel poverty in Wales

4.1. It's clear from our *Dying in Poverty 2024* report that terminally ill people of pension age are at a higher risk of experiencing fuel poverty. This can be for a number of reasons, which ultimately push energy usage up.

4.2. Changes to restrict the eligibility of the Winter Fuel Payment to pensioners receiving a means-tested benefit will in principle better target the payment to low-income households.⁶ However, these criteria don't take someone's energy needs into account, even if they are only just above the threshold for receiving Pension Credit.

4.3. To date, the Welsh Government's focus has been on maximising take-up of Pension Credit, to ensure that those who are eligible receive the Winter Fuel Payment. This is certainly welcome, given the high levels of underclaimed benefits among pensioners. This work must include pro-active measures, as well as any increased signposting through campaigns such as 'Claim What's Yours', particularly given that pension-age people are more likely to be digitally excluded.

4.4. While the Welsh Government does not have discretionary powers to change how the Winter Fuel Payment operates in Wales, steps can be taken to plug evidenced gaps, and better support vulnerable groups, including terminally ill people. The Welsh benefits system can and should be used to prevent terminally ill people reaching financial crisis point.

4.5. **Marie Curie is calling on the Welsh Government to introduce additional financial support for terminally ill people to help with energy costs.**⁷ This could be done in a number of different ways, one of which would be plugging the

⁵ Additional analysis provided by the Centre for Research in Social Policy at Loughborough University

⁶ Marie Curie (2024) *Dying in Poverty 2024*

⁷ Marie Curie (2024) *Dying in Poverty in Wales 2024*

gaps in the Winter Fuel Payment, extending support to working-age people with a terminal illness and to pension-age people with a terminal illness who are on a low income but are not eligible for pension credit.⁸

4.6. The Welsh Government has previously shown that it is willing to step in where there are gaps in provision in UK social security, such as the introduction of the Winter Fuel Support Scheme between 2022 and 2023.

5. The detail of the new Warm Homes Programme

5.1. Currently, the Warm Homes Programme lists a small number of specific health conditions which can affect whether a household is eligible for support. The policy statement says that “individuals with a recognised health condition (such as chronic respiratory, circulatory or mental health condition) living in a household with an EPC of D will also be eligible.”⁹

5.2. Under the previous programme, which included the same list of health conditions, it was suggested to Marie Curie that there was some discretion in who can access support under the health condition eligibility criteria, but in practice there was very low awareness of the Nest scheme among hospice welfare advisors, and they were highly unlikely to signpost to the scheme as terminal illness was not listed.

5.3. **Marie Curie have long called for terminal illness to be included explicitly within the health conditions eligibility criteria to address this issue.** While it may not be the right intervention for all terminally ill people, it would open up an additional avenue of support for a group that are at a higher risk of fuel poverty.

5.4. Marie Curie is aware that the Welsh Government has introduced a Nest crisis boiler repair/ replacement route to enable eligible Nest applicants who meet additional eligibility criteria to access boiler repair (or replacements in exceptional circumstances). The additional criteria include people with a terminal illness. While the inclusion of terminally ill people in these additional criteria is welcome, without changes to the primary Nest criteria to include terminally ill people, the ability of the Warm Homes Programme to support terminally ill people in fuel poverty will be limited.

5.5. Additionally, we have some concerns about how this new pathway has been rolled out, which could prevent effective referral of eligible people. To

⁸ Ibid.

⁹ Welsh Government (2023) *New Warm Homes Programme: policy statement* <https://www.gov.wales/new-warm-homes-programme-policy-statement-html#:~:text=In%20March%202021%2C%20the%20Welsh,are%20in%20a%20climate%20emergency.> [Accessed 10/10/2024]

date, limited information about the new pathway has been shared with organisations providing advice and guidance, and there has been little to no marketing or publication of information about the new pathway. We are concerned that this could in fact prevent those in need from accessing much needed support to get their heating and hot water back in working order.

6. The extent to which the Warm Homes Programme is helping to address persistent fuel poverty in Wales, and the effectiveness of support available to households in or at risk of fuel poverty in addition to the Warm Homes Programme

6.1. As outlined above, terminally ill people are at a higher risk of fuel poverty. This risks people being unable to make the most of the time they have left because of spiralling bills and constant worries about how to make ends meet.

6.2. There are three main ways to reduce rates of fuel poverty; reducing the cost of energy, reducing energy consumption through improved energy efficiency or putting more money into people's pockets. The Welsh Government have limited powers to address the issue of energy costs. Action to improve energy efficiency of homes is ongoing through the Warm Homes Programme, and support for the introduction of a social tariff is welcome.

6.3. However, in the short to medium term, **the Welsh Government could take action to reduce fuel poverty among terminally ill people through direct support payments**. As outlined above this could be done in a number of different ways, one of which would be to address gaps within the Winter Fuel Payment.

7. How the Welsh Government is working with the UK Government to address fuel poverty

7.1. While there are steps that the Welsh Government can take to tackle fuel poverty, other important levers reside with the UK Government. Marie Curie are calling on the Welsh Government to work in partnership with the UK Government to take a number of steps that could further reduce fuel poverty among terminally ill people across Wales¹⁰:

- **Develop a joint action plan to tackle poverty and fuel poverty at the end of life across the UK. This should include measures to improve the identification, recording and sharing of information about people with**

¹⁰ Marie Curie (2024) *Dying in Poverty 2024*

a terminal illness, both in the last 12 months of life and with longer prognoses.

- Support calls for the introduction of a social tariff for energy, that provides at least a 50% reduction on bills, and is available to people with a terminal illness.
- Gather information on the number of patients who are using medical devices at home and introduce an up-front rebate scheme for the use of all at-home medical devices.

Eitem 7

Yn rhinwedd paragraff(au) vii o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon