

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 organisation, 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.