

**Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cydraddoldeb a Chyflawnder 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**

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**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.<sup>1</sup> 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.<sup>2</sup>

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.<sup>3</sup> Around 18% of older people in Wales live in relative income poverty.<sup>4</sup>

**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-

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

<sup>2</sup> Ibid.

<sup>3</sup> [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](#)

<sup>4</sup> [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”.<sup>5</sup>

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 56,000<sup>6</sup> 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 Wales<sup>7</sup> 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.

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

<sup>6</sup> 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.

<sup>7</sup> [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%
<b>Total for Benefits</b>	<b>2787</b>	<b>3668</b>	<b>32%</b>
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’.<sup>8</sup>

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.<sup>9</sup> 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 [...]’.

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’,<sup>10</sup> 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

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<sup>8</sup> [outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf \(gov.wales\)](https://gov.wales/outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf)

<sup>9</sup> [Heat pumps ‘not suitable’ for half of UK homes - Utility Week](https://www.utilityweek.com/heat-pumps-not-suitable-for-half-of-uk-homes/)

<sup>10</sup> [outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf \(gov.wales\)](https://gov.wales/outcome-summary-tackling-fuel-poverty-2020-to-2035.pdf)

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.<sup>11</sup> 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'.<sup>12</sup> 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%).<sup>13</sup>

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,

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

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

<sup>13</sup> [Multi-morbidity predicted to increase in the UK over the next 20 years \(nhr.ac.uk\)](#)

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.<sup>14</sup>

- 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,<sup>15</sup> 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

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<sup>14</sup> [RICS release new spray foam consumer guide](#)

<sup>15</sup> [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.<sup>16</sup>

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