

**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](#)**

**FP09**

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

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## 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%.<sup>i</sup> 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*'.<sup>ii</sup> 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 'passported 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 it<sup>iii</sup>. Last year, Care & Repair helped raise £12.5 million in unclaimed benefits amongst our clients<sup>iv</sup>, 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 'passported' 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.*'<sup>v</sup> 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<sup>vi</sup>. 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'<sup>vii</sup>, 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<sup>viii</sup>. 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<sup>ix</sup>

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'<sup>x</sup>.

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”<sup>xi</sup> 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.

<sup>i</sup> 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>

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

<sup>iii</sup> 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](#)

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

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

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

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

<sup>viii</sup> 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>

<sup>ix</sup> 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>



<sup>x</sup> Welsh Government (2023) *Just Transition Framework*. Available at:

<https://www.gov.wales/sites/default/files/consultations/2023-12/consultation-just-transition-framework.pdf>

<sup>xi</sup> UK Government (2023) *Debate on Energy Social Tariff*. Available at:

<https://researchbriefings.files.parliament.uk/documents/CDP-2023-0202/CDP-2023-0202.pdf>