



## A turning point in the fight against **fuel poverty in Wales**

### The UK Government should:

1. undertake meaningful consultation with the Welsh Assembly Government in the implementation of existing schemes and programmes, and the development of future strategies or innovations
2. review the winter fuel allowance and better target its reach to those most in need. We believe that the allowance should be targeted at the fuel poor of all ages including children and young people, those living in hard to treat homes and those with long term health conditions, as well as older people
3. do more to promote income maximisation in Wales and work with the Welsh Assembly Government and voluntary and community organisations to reach groups most in need of targeting

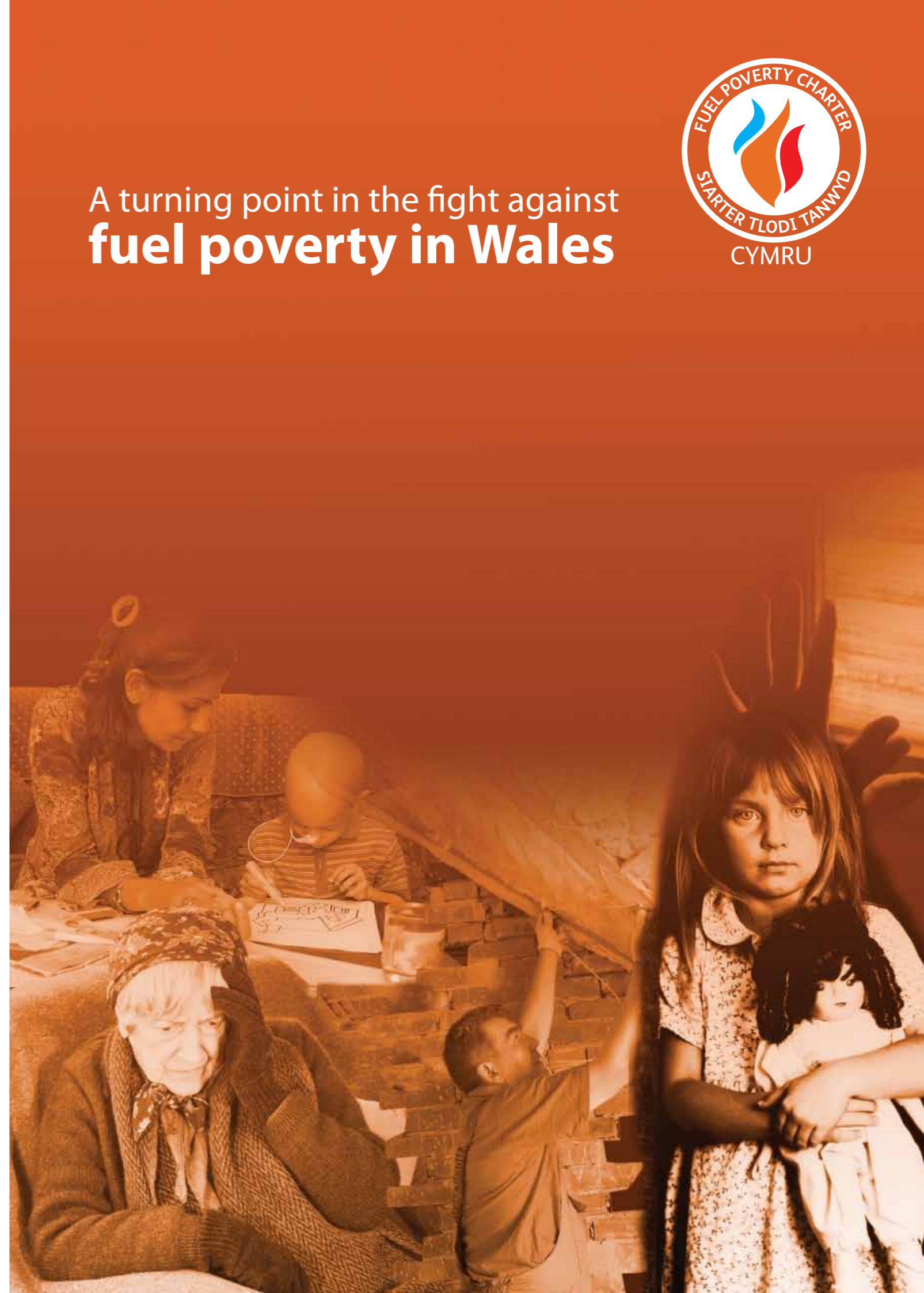
### Ofgem should:

1. put in place better safeguards for protecting the poor in Wales
2. address the price differential in Wales

### Local authorities should:

1. develop and implement local affordable warmth action plans and strategies
2. ensure that fuel poverty is a priority for local Children and Young People's Partnerships and Health, Social Care and Wellbeing Strategic Partnerships and use these mechanisms to embed consideration of fuel poverty across the local statutory agenda

**We call on the Welsh Assembly Government to endorse this Charter and implement the policy priorities set out within it**




# Charter Partners

Llais Defnyddwyr Cymru  Consumer Focus Wales

  
Ymgyrchu Dros Gartrefi Clyd  
Campaigning for Warm Homes

 Oxfam

 Shelter  
Cymru

 **Children in Wales**  
Plant yng Nghymru

 ECO  
Carbon Footprint  
Helping households reduce their carbon footprint

END CHILD POVERTY NETWORK CYMRU  
RHIFYDWAITH DILEU TLODI PLANT CYMRU

 Care & Repair Cymru

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bureau**

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**HELP THE AGED WE WILL**  
Help the Aged yng Nghymru  
Help the Aged in Wales

## Fuel Poverty Charter

# A turning point in the fight against fuel poverty in Wales

## Putting the Welsh Fuel Poverty Commitment back on track

Both the UK Government and the Welsh Assembly Government have a legal duty under the UK's 2000 Warm Homes and Energy Conservation Act to do everything reasonably practicable to eliminate fuel poverty. In Wales, the Welsh Assembly Government has developed legally binding targets to tackle fuel poverty among vulnerable households by 2010, in all social housing by 2012 and for everyone by 2018. The Welsh Assembly Government has admitted that because of energy price increases in recent years, it is unlikely it will meet its first target to eradicate fuel poverty among vulnerable groups by 2010. To help ensure the Welsh Assembly Government gets back on track we need a more radical and comprehensive approach.

We believe that no-one in Wales should have to live in a cold home. Key stakeholders in Wales have come together to develop a fuel poverty charter to highlight the urgent action we believe needs to be taken in order that we put the fuel poverty agenda back on track.

## We call for:

- a detailed action plan setting out how and when fuel poverty will be eradicated in Wales
- support to all fuel-poor households to stay warm until fuel poverty is eradicated
- a co-ordinated and united approach across the statutory sector (at UK and Wales level) which involves partners from the private, voluntary and community sectors in Wales

We call on the Welsh Assembly Government to endorse this charter and implement the policy priorities set out in it as a comprehensive package. This will enable us to move forward to ensure that every household in Wales can benefit from the comfort of a warm home.

### Eating or heating – the uncomfortable truth about fuel poverty

Around 320,000 households in Wales, 1 in 4, experience fuel poverty. In technical terms this means they have to spend 10 per cent or more of their income on energy to heat the home. This means they will not be able to afford to heat or power their homes as well as eat properly; the choice is potentially between eating and heating.

There are around 320,000 households in Wales, one in four, experience fuel poverty

The average household's annual energy bill in the UK currently exceeds £1,200. This is an increase of 33 per cent in the last year and more than twice the average bill of five years ago. In Wales, high energy prices are compounded by the poor quality of the housing stock, which makes homes more expensive to heat. There is a high incidence of poverty and low income, and

many households lack access to mains gas. Welsh households also pay approximately 5 per cent more for electricity than our UK counterparts. In Wales there are a high number of households in

debt to energy suppliers; in September 2008, 50,547 households were in debt to their electricity suppliers (of which 20,669 were on prepayment meters) and 46,588 households were in debt to their gas suppliers (of which 27,139 were on prepayment meters).

The consequences of living in cold, damp homes are devastating. Living in fuel poverty affects people's health, increasing the risk of common ailments such as colds and flu, respiratory infections including bronchitis, and falls in the home. It makes both children and adults more vulnerable to allergies. Cold, damp homes are also linked to asthma, a rapidly growing problem among children in particular. At its most extreme living in cold, damp homes can and does kill; there are approximately 1,500 excess winter deaths reported in Wales each winter, with older people particularly susceptible.

There are also indirect consequences. Living in fuel poverty causes excessive stress for both children and adults and can lead to long-term depression and anxiety. Educational attainment in children can suffer too, with children finding it difficult to complete homework in homes where only one room may be adequately heated. There is also likely to be increased school absence due to cold-related illnesses. Children and adults also experience a degree of social exclusion, often too embarrassed to invite friends back to a cold home. As well as the consequences in terms of the health and life chances of individuals and families across Wales, being unable to adequately heat the home has broader economic implications for services such as health, education and employment. Living in fuel poverty ultimately means having to make difficult choices between paying for fuel bills, paying for other essentials such as food, or getting into unmanageable debt. Rising unemployment with lower household income adds to the difficulties Welsh fuel poor households are facing.

To sign the charter and to get involved visit [www.fuelpovertycharterwales.org.uk](http://www.fuelpovertycharterwales.org.uk)



**We call for:**

**A detailed action plan setting out how and when fuel poverty will be eradicated in Wales**

We need to create the conditions which ensure everyone is able to exercise their fundamental right to a warm home, and break the cycle of fuel poverty. Sustainable development and social justice principles, which balance social, economic and environmental issues must be the driving forces behind actions to end fuel poverty.

**We need a fully-costed Fuel Poverty Action Plan that spells out exactly what measures the Welsh Assembly Government needs to take to meet its fuel poverty targets, how much these measures will cost and how they will be delivered, alongside clear milestones against which progress towards these targets can be measured.**

**The Welsh Assembly Government should:**

1. Develop robust data to show who and where the fuel poor are. The most recent data held by the Welsh Assembly Government dates back to 2004. Since then, energy prices have approximately doubled, pushing hundreds of thousands more households in Wales into fuel poverty. The Welsh Assembly Government does not have a clear understanding of the composition of these newly fuel-poor households or of any underlying trends. We also do not know if there has been a deepening as well as widening of fuel poverty, with more people becoming severely fuel poor. Without this data, any proposals to tackle fuel poverty are based on an only partially understood situation.
2. Undertake an audit of existing data sources, identifying gaps in knowledge and seek to put in place mechanisms to address this. This should include identifying hard-to-reach groups in fuel poverty such as the working poor and those with long-term health conditions who may have specific needs.
3. Give consideration to including specific questions relating to fuel poverty in the new National survey being developed.
4. Identify key outcomes we seek to reach by alleviating people out of fuel poverty such as health, housing, education and wellbeing, and develop ways of measuring these outcomes. This is vital to ensure that the social and health benefits of being lifted out of fuel poverty are considered alongside financial and energy saving benefits. Recognition should be given to the cost benefit of such outcomes over broader policy areas.

Above all, however, the gathering of such data should not preclude the Assembly Government taking from urgent action now to tackle fuel poverty in Wales.

**Support to all fuel poor households to stay warm-until fuel poverty is eradicated**

Liberal market-driven systems and policies have failed to safeguard people from fuel poverty. Price tariffs are complicated, payment methods favoured by those in poverty often come with a price premium and even where social tariffs exist, eligible customers are not aware of them. There is support for energy efficiency programmes through the Welsh Government's Home Energy Efficiency Scheme and utility company funded schemes, but these are not always well targeted or coherent. In addition, there is The Welsh Government's National Energy Efficiency and Savings plan proposes to co-ordinate HEES and CERT, but has no power or authority to do so. We think that this is a significant omission, which needs to be addressed.

**The Welsh Assembly Government should:**

1. Work with the UK Government to bring an equitable share of UK energy efficiency schemes to Wales and use all levers available to ensure that energy suppliers are targeting such measures at those who are most vulnerable.
2. Create a package of advice and support that is available to people in fuel poverty through a range of sources including through trusted advice agencies such as the example provided by CAB's Better Health project. This package should include information about grants available under HEES, CERT and other schemes as appropriate for energy efficiency, as well as renewable energy measures and advice on benefits. It should also provide support and advice around energy tariffs for vulnerable consumers. This is vital to ensure that some form of help is available to all in fuel poverty, regardless of their eligibility for higher support, whilst enabling identification of those eligible for such support.



## Fuel Poverty Charter

3. Work with UK Ministers to take action to force energy companies to reduce the unfair surcharges on prepayment meters and introduce a mandatory social tariff for vulnerable consumers with minimum standards. We also believe that the WAG should take a role in assisting consumers onto cheaper tariffs and promoting financial inclusion so that cheaper payment methods can be taken advantage of by those who most struggle with their bills.
4. Provide support to rural fuel poor households off the gas network by not penalising them with top-up costs for HEES support and develop pilot projects to identify fuel-poor homes in rural areas and fund a range of schemes to test the efficacy of approaches in lifting hard-to-treat homes out of fuel poverty. Currently, many rural households suffer the double whammy of living in hard-to-treat homes which are difficult to insulate while also being reliant on the most expensive forms of fuel for heating and being ineligible for dual fuel discounts. Innovative approaches, such as micro-renewables can help, but the high costs associated with new technologies means they are beyond the reach of most people.
5. Raise the incomes of the fuel poor by working with the UK Government to ensure that people eligible for existing benefits are taking them up. This should be achieved by extending existing benefit take-up schemes to other hard-to-reach groups. These benefit take up schemes should be extended to provide energy efficiency support and advice to vulnerable consumers.
6. Develop a crisis fund to support low income and vulnerable households who are vulnerable and would not otherwise be eligible for grant support, but could not afford the cost of emergency heating, insulation or other such measures. HEES is not an emergency heating solution and many fuel poor are not eligible for it anyway. Crisis funds would allow those in desperate need with no savings of their own to put in emergency heating and other such measures.
7. Drive forward the Welsh Housing Quality Standard and consider whether additional measures are needed to bring those in social housing out of fuel poverty by the Assembly Government's target date of 2012 .



### A co-ordinated and united approach across the statutory sector (at UK and Wales level) that involves partners from the private, voluntary and community sectors in Wales.

All agencies have a role to play in driving the fuel poverty agenda forward. For instance, statutory agencies such housing departments, social care and health agencies have a key role in identifying and targeting individuals in fuel poverty and directing them to appropriate support. Voluntary and community organisations can also play a key role in assisting with targeting hard-to-reach groups and providing advice and guidance around how to engage and provide support to these groups. The Welsh Assembly Government should actively engage with all sectors to drive this agenda forward.

#### The Welsh Assembly Government should:

1. Establish a Cross Departmental Ministerial Fuel Poverty Task Force with a duty to meet the Government's legal duties on fuel poverty. We want to see all Welsh Ministers committing to incorporating action on fuel poverty into the strategic plans of Government departments, divisions and their agents, so that everyone takes responsibility for their contribution to tackling fuel poverty in Wales. The task force should link closely and meet with UK Ministers responsible in this area.
2. Place a statutory duty on local authorities' to tackle fuel poverty. Local government has a key role to play in tackling fuel poverty but without clear strategic guidance from the Welsh Assembly Government, their focus will shift to delivering other core statutory services.
3. Liaise with the UK Government to ensure that UK schemes and programmes take full account of Wales and that there is better co-ordination with HEES and other initiatives developed here in Wales. In addition, seek to influence the UK Government over changes to the Winter Fuel Allowance.
4. Hold Ofgem to account for the way energy suppliers operate in Wales.
5. Provide greater transparency about relationships with energy suppliers in Wales and Ofgem, enabling questions to be raised with the Minister by external stakeholders for consideration in such forums and discussion to be made available publically.
6. Develop a strategic approach to communicating the help available for people in fuel poverty, using a range of methods including through appropriate frontline workers.