

TACKLING FUEL POVERTY IN A CLIMATE CRISIS

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Tackling Fuel Poverty in the context of Net Zero targets



Groundwork in the North and Fuel Poverty

Groundwork in the North has been delivering our Green Doctor programme since 2007, providing visits to households at risk of fuel poverty. This includes providing advice, fitting energy saving measures and supporting homes with switching providers and tackling fuel debt.

The problem

In the Clean Growth Strategy the Government has set targets to reduce all greenhouse gas emissions and offset any remaining emissions, in legislation which has been termed 'Net Zero'.

We have in the UK the oldest housing stock in Europe and the Clean Growth Strategy has set targets for improving the private rented and fuel poor housing stock up to Energy Performance Certificate (EPC) Band C by 2030, where practical and cost effective. Improving the efficiency of a home not only cuts costs and carbon, it also has substantial health benefits when people are no longer living in cold, damp homes.

At present 10.9% of households in England are in Fuel Poverty.

In order to achieve net zero targets there is a need to go beyond just tackling energy efficiency at the lowest cost. Local Government has started to set their own strategies for achieving net zero, to lower carbon emissions in industry and through the energy distribution network in their areas.

Initiatives such as changing the network to hydrogen and phasing out heating oil use in boilers in the 2020s are the sort of measures required to address carbon emissions. However we need to ensure households understand changes in technology, and any cost rises associated with changes do not impact on the poor.

None of the schemes currently proposed for tackling domestic carbon saving address how to engage the consumer and ensure the affordability of energy in the future. Any rise in fuel costs brought about by the changes in production and distribution of energy will hit the poorest hardest. Those most in need of warm homes in winter will be least able to afford it.

Our poor are least likely to be able to afford to improve their energy efficiency of their homes, and initiatives such as the Energy Company Obligation (ECO) will still be required to address changing technology needs in order to meet net zero targets, protect the fuel poor against price rises, and address health and wellbeing issues caused by cold damp homes.



CASE STUDY

MRS E



This is a clear case of a vulnerable customer being subjected to the very lowest standards of customer service. Another person in the same situation could easily have been pressured into paying these outrageous demands and never been any the wiser.

Mrs E has lived in the same council property on the outskirts of Bradford for the past 25 years. She is in her late 70s, has suffered a stroke, which has left her with limited mobility, she is also hard of hearing. In spite of these difficulties Mrs E is still very mentally able and although she lives alone, she enjoys the support of her family, who live near by.

The Problem

Mrs E pays for her gas and electricity through a pre-payment meter. She has always been very conscientious, paying a certain set amount each two weeks at the post office and as a result she is always in credit for both fuels; interestingly, she always keeps the receipts for her top-ups and has meticulous records going back several years.

Around seven years ago her electricity supplier, changed her electricity meter to a more modern one. The supply was uninterrupted and no problems became apparent until Mrs E noticed that she hadn't received her Annual Electricity Statement. When she called to question this, the company representative she spoke to told her not to worry. Several years went by following the same pattern: no Annual Statement followed by reassurances from her supplier that everything was OK.

In the summer of 2017 Mrs E received an invoice from her supplier for over £700 and then shortly after another bill for an amended amount of over £800. On calling to question the bill and to explain that she was a PAYG customer and as such couldn't possibly have debt, she was told that the debt was from the standing charge (an amount the utility companies charge every day regardless of usage - usually around 20p).

Mrs E was understandably upset and so asked her younger sister, Mrs H, to talk to her supplier on her behalf. After several phone calls and many hours on hold, Mrs H was able to find out that when the new meter had been installed it hadn't been registered on the system properly. As a result of this oversight the payments Mrs E had been making for the past seven years hadn't found their way to her supplier. The supplier was unwilling to either cancel the debt or to correct their mistake and make sure the meter was properly logged.

Action Taken

The Green Doctor made a complaint on behalf of Mrs E. In raising the complaint we made it very clear that we were more than willing to take the case to the Energy Ombudsman if it wasn't resolved to our satisfaction within the statutory 58-day period.

2 Weeks later an investigator from the supplier emailed Mrs H asking what we would need to consider the case resolved. I advised Mrs H to demand the following:

- Debt removed and monetary compensation of not less than £250.
- A written apology.
- A written explanation of how the problem arose in the first place.
- A written explanation of the measures that will now be taken in order to remedy the situation.

Outcome

All of the above demands were met



Solutions to support Fuel Poverty and achieve Net Zero



Out on the front line supporting the fuel poor, we see the change that is needed, in both policy and funding for energy efficiency programmes.

We support the recommendations of the Committee on Fuel Poverty's October 2019 report. We also support National Energy Action's 2019 Manifesto for Warmth's recommendations. Groundwork believes that the following is required to be able to effectively achieve net zero targets which do not negatively impact on the poorest in society:

1. Fair tariffs

The fuel poor cannot be expected to pay for the implementation of changes to the national energy network and its infrastructure. With many of them currently facing the daily crisis to 'heat or eat', they typically use the least amount of energy and pay the most for it. The fuel poor must be protected against price rises associated with delivery of energy efficiency programmes.

2. Education and behaviour change

Changes such as a move to hydrogen, large scale district heating or other measures will require a change in the use of energy in the home. Without an education programme alongside installations, householders will not understand how to optimise heating in their home and could subsequently spend more or waste energy by mismanagement of heating and lack of behaviour change. This has been evidenced by the low uptake of smart meters despite a funded programme to try to assist with this. Greater targeted support will be required to ensure measures can be implemented and provide real benefit for households.

3. Enforcement of the Privately Rented Sector (PRS)

We see the problems for tenants living in the PRS who live in poor quality housing and lack of enforcement from Local Authorities to deal with housing issues. Local Authorities lack the resources to be able to challenge landlords to improve housing and without this enforcement the sector will never achieve the B and C targets set for 2030.

4. Fair access to funding

At present if you are a fuel poor family the only Government grant you can access is the Warm Homes Discount to enable you to cover the cost of heating in the winter. Winter Fuel Payments are not paid to the 80% of fuel poor households who are not pensioners. This disparity in funding distribution needs to be addressed.

5. A Fuel Poverty Clean Growth Challenge Fund

England is the only UK nation without a dedicated energy efficiency funded programme. Whilst ECO has been extended, it will only ever deliver on changing the easiest to treat homes. A dedicated fund is required which can provide more focus to achieving Band C targets ahead of 2030, as well as addressing hard to tackle issues such as rural fuel poverty.



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GROUNDWORK



Groundwork's contribution to support the Fuel Poor



For the last 12 years Groundwork has been tackling fuel poverty across the North of England. Our Green Doctors give practical advice and guidance to help people reduce utility bills and find solutions to their energy problems. They help people to understand their energy bills, find the best energy deal for them, and switch to a new tariff or provider if necessary.

Green Doctors are experienced advisers who know how to make the biggest cost savings and how to gently encourage behaviour change for the better. They help people to claim benefits and join schemes that they may not have known they were entitled to.

They also provide and fit energy saving measures that keeps people warm and provide support to households which have had new heating systems with how to set up and use thermostats.

Being in the home of the most vulnerable means the Green Doctors see the big picture, often allowing them to provide access to grants and referrals to other organisations that can help with finances, health or home safety.

SO FAR IN 2019

The Green Doctors have visited 2,104 homes across Leeds, Bradford, Wakefield, Kirklees, Calderdale, North Yorkshire and Hull, and saved people:



£83,700

from tariff switches



£29,260

from the Warm Homes Discount

Savings from water advice

£10,644

9,488



Measures installed (LED's, Rad panels, draught proofing etc)



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GROUNDWORK



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MAKE A DIFFERENCE**

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