

TITLE OF REPORT: Implementation of the Council's Fuel Poverty Action Plan

REPORT OF: Colin Huntingdon, Strategic Director, Housing, Environment and Healthy Communities

Summary

Update on fuel poverty and the implementation of our fuel poverty action plan.

Background

1. According to the National Energy Action (NEA) the average annual energy bill, under the Ofgem price cap, is £1,928. NEA estimate there are currently 6.5 million households in poverty, unable to afford to heat their homes to the temperature needed to keep warm and healthy. This figure of 6.5 million significantly exceeds their previous prediction, which in October 2021 was 4.5 million.
2. NEA provide a definition of fuel poverty as follows:

“A household is in fuel poverty if it needs to spend 10% or more of its income on energy in order to maintain a satisfactory heating regime”.

However, the government uses the Low-Income Low Energy Efficiency definition (LILEE) for fuel poverty in England, they consider a household to be fuel poor if:

“They are living in a property with a fuel poor energy efficiency rating of band D or below.
and when they spend the required amount to heat their home, they are left with a residual income below the official poverty line.”

This means there are three important elements in determining whether a household is fuel poor:

- Household income
- Household energy requirements – energy efficiency is a key driver of fuel poverty, as higher energy efficiency reduces a household's fuel costs for a particular size of property.

- Fuel prices – the energy price cap, which keeps suppliers from setting their default tariff higher than a set amount, is largely determined by wholesale energy prices.

The fuel gap (NB: this term is used below) is the additional income that would be needed to bring a household to the point of not being fuel poor.

3. Those in fuel poverty pay a significant proportion of their income just for energy, meaning that they often have to cut back on other essentials, as well as self-rationing their own heating. This can lead to and exacerbate various physical and mental health problems, including respiratory and circulation conditions. People living in fuel poverty use coping tactics such as only heating one room, not using their heating at all, not cooking food, and not having friends or family over.
4. The Annual Fuel Poverty Statistics Report, 2021 (2019 data) tells us that households living in urban areas are most likely to be in fuel poverty, but rural households have the largest fuel poverty gap with an average shortfall of £600 compared to £200 for an urban property. When considering these figures, however, please note they are from 2019 and therefore the real shortfall for both urban and rural is likely to be higher than this.
5. This same report tells us the proportion of households in fuel poverty was highest for private renters at 26% (average shortfall of £150) whilst owner occupiers have the highest average gap at £255. Owner occupiers who own their home outright are slightly less likely to be fuel poor (7.8%) than those with a mortgage (8.6%), partly due to their minimal housing costs.
6. Single parents have the highest proportion of households in fuel poverty and couples aged over 60 have the highest average gap at almost £300.
7. Households with an ethnic minority occupant have a higher likelihood of being in fuel poverty but generally have a lower average gap than a white occupant at £175, compared to £225.
8. It is estimated that Gateshead has in excess of 12,000 fuel poor households, this is a conservative estimate and one we believe will continue to rise year on year. In response to this Gateshead Council created a Health and Wellbeing Implementation Plan within which there is a commitment to “develop local support and food networks to reduce food and fuel poverty.”
9. Further, Gateshead Council has a fuel poverty action plan which has been supported from Council reserves which includes several priorities namely:
 - Information gathering and sharing.
 - Signals and targeting of groups most at risk.

- Improving energy efficiency
- Income maximization and reducing fuel costs.
- Ensuring adequate fuel/energy advice and support is readily accessible to residents.
- Campaigning for policy change

Taking each of these priorities in turn, progress and next steps are outlined below.

Information Gathering and Sharing

We have been able to identify and map our existing data sets on fuel poverty and now have data up to 2021 that we can use to ensure our activity is evidence based. You can see this map at Appendix 1

We have identified the hard to heat homes in our council stock as well as those disconnected from the grid, and are proactively seeking to support these groups through a targeted approach to the distribution of the Department for Work and Pensions Household Support Fund (HSF)

Generally, in our council stock we know which properties have pre-payment meters, but it is accepted it is impossible for us to be sure of other tenures. Again, we have made provision through the HSF for these groups.

Our Warm Space Network has been a useful vehicle for the distribution of information and promotional materials, supporting residents and signposting them for help.

Next steps:

- Continue to develop our advice, information, and guidance around fuel poverty, increase our distribution network and signposting tools.
- Create a Gateshead Fuel Poverty Forum to bring cross sector partners together to ensure we have a full understanding of all the work, opportunities, and challenges around fuel poverty in Gateshead and can respond in a targeted way.

Signals and Targeting Groups Most at Risk

Gateshead Council has collaborated with a range of VCSE agencies to deliver scores of energy roadshows across the Borough. Partners include but are not limited to Northern Powergrid, Northumbria Water, Northern Gas Networks, Citizens Advice Gateshead, and Groundworks NE Green Doctors.

The energy roadshows have taken place in public venues such as the Civic Centre, Trinity Square, and Blaydon Shopping Centre as well as more targeted roadshows with communities of interest, such as St Chads

Community Project, Salvation Army, Chopwell Community Centre, Embells in Felling, and others.

During the roadshows residents had the opportunity to talk to us about the challenges they are facing, to receive information leaflets, to speak to experts about their problems on the day, but also to receive follow-up advice for more complex problems. The nature of these roadshows makes it difficult to quantify exactly how many people benefitted, or what they did with the information they received from us, but we do know that 246 residents accessed high quality, free and impartial advice on energy, including tips for saving energy and staying warm. A further 38 residents booked and attended a further 1-2-1 sessions with a qualified Energy Specialist to look at more complex issues.

Further, all our Warm Space hosts can attend refresher training to include understanding the signals of fuel poverty and signposting residents to the most appropriate service for their issue. Further, in January 2024, Warm Space providers will be invited to attend an online and/or in-person training session on fuel poverty. This will be co-delivered by an Energy Specialist Advisor from Citizens Advice Gateshead and a representative from 2-Way Tenancy Solutions CIC.

Next Steps:

- We will continue to work with partners to maintain a programme of energy road shows.
- We will continue to develop the tools available to support our Warm Space hosts to signpost and make good referrals.

Improving Energy Efficiency

Council frontline officers and Warm Space providers continue to signpost residents to services such as Green Doctor. This allows a specialist energy adviser to visit the home, discuss energy use and to fit instant energy saving measures such as radiator reflectors, draft exclusion, chimney balloons and low energy lightbulbs. This is also an opportunity to discuss their supply and identify any discounted tariffs available etc.

Our officers continue to work with Northern Gas Networks to identify and support residents who are off grid, and we have a sum of money set aside from the Department of Work and Pensions Household Support Fund to support with reconnection and re-establishing a sustainable supply.

The Council's Energy Services Team is also becoming more public-facing and is launching Gateshead's ECO4 Flex with delivery partners EON and EDF, which will provide insulation measures, boiler upgrades, heating controls etc. Available to vulnerable residents, low-income residents and those with certain health conditions. Go-live date later in January 2024.

Gateshead Council is also part of a successful bid for the regional Local Energy Advice Demonstrator, headed by North of Tyne Combined Authority. A retrofit advice programme aimed at hard to reach residents and hard to treat homes. An Energy Advice and Engagement Officer will be allocated to Gateshead, providing retrofit advice, assessments and engagement.

Increasing Income and Reducing Fuel Costs

Income maximization is at the heart of supporting households to deal with rising energy costs. Gateshead Council supports residents with this in a number of ways, we have highlighted examples below:

- I. In 2022/2023 Citizens Advice Gateshead supported more than 20,000 Gateshead residents and secured financial gains (additional income) of more than £12m for local people. Right now, the Council is working with Citizens Advice Gateshead to roll out a benefit take-up scheme as part of our commitment to income maximization.

Are you entitled to claim welfare benefits?

citizens advice Gateshead

DATE	VENUE
15th January 2024	Birtley Library Durham Road, Birtley, DH3 1LE
17th January 2024	Wrekenton Hub High Street, Wrekenton, NE9 7JR
19th January 2024	FACT Springwell Road, Gateshead, NE9 7AB

Appointment slots each day:
9.30am, 10:45am, 12:30pm, 1:45pm and 3:00pm

With the help of our service, you can find out if you are eligible for any welfare benefits or social tariffs.

Gateshead Council

- II. Gateshead continues to prioritise connecting homes to heat networks, as a means to reduce energy costs, and carbon emissions. 820 Council homes are currently served by heat networks, and schemes aims to connect a further 800 homes (various tenures) over the next 3 years.
- III. Our Warm Space network continues to develop, with >90 venues across the Borough providing a range of services to include hot food, social interaction, physical activities, advice, signposting, and support.
- IV. Funded by the Fuel Poverty Reserve, the Council launched a small grants programme in November 2023 to support the continued provision of Warm Spaces during the winter months. The average application was for just under £1,280; 44 VCSE partners were awarded grants.
- V. Also from the Fuel Poverty Reserve, the Council funded 1,000 Winter Warmer packs which are being distributed to residents via Citizens Advice hubs across the Borough. Each pack is designed to keep the person warm, who would otherwise struggle to heat their home due to high fuel costs. Citizens Advice Gateshead is supplementing this provision by providing additional Winter Warmer packs following a successful Winter Warmer fundraising campaign.
- VI. Through a targeted approach to the DWP Household Support Fund the Council has been able to, through its own network of community hubs and referral partners across the VCSE, support residents to access fuel vouchers for topping up pre-pay meters.
- VII. Funded by Round 4 of the DWP Household Support Fund, the Council awarded 16 VCSE partners with a small grant to run cooking courses with a focus on supporting individuals who are at risk of going cold or hungry in the winter months. Upon course completion, participants can take away a cooking appliance such as a slow cooker, soup maker or microwave that will help them cook affordably at home. The average application was for just over £1,500 per organisation.

Next steps:

- Continue to fund advice, information, and guidance for Gateshead residents.
- Seek to create a small grant programme to continually develop our Warm Space Network.

Ensuring adequate fuel/energy advice and support is readily accessible to residents.

We have updated the advice, information, and guidance pages on the Council's website to improve the range and accessibility of information available to Gateshead residents to include resources linked to fuel poverty and energy advice and we have run topical articles in various formats to include Council news and various social media posts and articles.

Citizens Advice Gateshead employ >11 FTE energy advisers (these are not council funded but support council priorities) who are on hand to support Gateshead residents and council services with fuel poverty issues. Further, the Green Doctor service continues to grow, with Gateshead by far the largest refer to the service across the North East region.

We know within our council housing stock there are around 230 households who are disconnected from the national grid and unable to access gas or electricity. To ensure this vulnerable group has access to fuel to heat and light their homes we have commissioned 2Way Tenancy CIC to provide energy advice and tenancy support, to work with these households and their energy suppliers to reconnect the household and create the conditions for a sustainable energy supply.

Next Steps:

- Continue to develop and improve the on-line advice, information, and guidance resources on the Council's website.
- Continue to inform residents and provide signposting information through various communication channels.

Campaigning for policy change

Through our published articles and social media, we are constantly highlighting the challenges faced by our residents. The Corporate Management Team and our Service Directors are regularly talking to policy makers and decision makers about the alleviation of poverty, inequality and disadvantage.

Here are just three examples of our activity:

- The Thrive policy pledge sets a clear intention for lobbying and campaigning when we pledge to:
 - ✓ Tackle inequality so people have a fair chance
 - ✓ Support our communities to support themselves and each other
 - ✓ Work together to fight for a better future for Gateshead

- Gateshead Council has passed a motion to declare a cost-of-living crisis.
- We have written to the government to lobby for the continuation of the DWP Household Support Fund.

Next steps:

- Recruitment of Service Manager for the Communities and Volunteering Team. We anticipate the eventual post-holder will play a critical role in the further development of policy and supporting senior officers to lobby effectively.
- Develop a media campaign and communication strategy to identify and promote campaigning priorities.

Recommendations

10. The views of the OSC are sought on the above proposals, in particular on the proposed next steps.
11. OSC to note following a year long prohibition, a small number of energy companies to include British Gas, EDF and Octopus have been granted approval to resume force-fitting prepayment meters in people's homes.
12. OSC to note that the DWP Household Support Fund, which has evolved through four iterations, may well cease to exist from March 2024 although we and other local authorities are lobbying for its continuation. The DWP Household Support Fund has allowed us to provide small grants to thousands of Gateshead residents at risk of going cold or hungry.

Appendix I

