

End Fuel Poverty Coalition www.endfuelpoverty.org.uk

DETAIL LACKING IN ENERGY EFFICIENCY REVIEW Bonfield Review overlooks local level fuel poverty interventions

The End Fuel Poverty Coalition welcomes the Government's Bonfield review, <u>Each Home Counts</u>, which makes a number of pertinent recommendations to underpin the improvement of standards for energy efficiency measures.

However, while the report makes some sensible suggestions, it broadly fails to embed its recommendations in the practicalities of tackling fuel poverty, particularly for the most vulnerable and low income customers and at the vitally important local level. We are most concerned at the lack of strength of recommendations around consumer advice and protection.

- The review often refers to 'vulnerable consumers', but lacks concrete proposals for this
 group. In doing so it fails to lay out an action plan for the hardest to reach consumers
 living in fuel poverty and therefore put all householders at the centre of the process to
 install, and benefit from, energy efficiency measures.
- A clear focus on fuel poverty is weaker than desired, with 'fuel poverty' only appearing six times despite being set out as one of the key motivators for the review itself.
- The huge importance of local, personalised services and advice provision is overlooked in favour centralised, electronic measures. While certainly useful steps in supporting large numbers of fuel poor customers, they are less likely to benefit the most vulnerable and low income customers equally.
- It is unclear how measures proposed will integrate, raising our ongoing concern that the government's fuel poverty strategy is being considered and implemented without effective collaboration between departments at local and national levels.

For the Bonfield review to propose effective measures to support fuel poor households it would need to better attend to issues around the provision of local and bespoke advice.

Local advice

For many people in fuel poverty it's simply not enough to tackle their energy needs alone. Services need to ensure they are imbedded in wider local referral networks to ensure the issues that compound the misery of cold homes and financial destitution are addressed. This includes those spanning social care, primary health, debt and money advice services.

Indeed, BEIS's new HECA reporting requirements asks local authorities to report on this:

"What partnerships are established in the area to deliver support to low income and vulnerable households, including with the health sector, social care services, energy suppliers and charities."

However, the Bonfield review fails to reference 'local advice' at all. It makes a brief reference to the need for independent, impartial advice but seems to rely on a national call centre being all that is required. It is essential that advice is provided in a variety of formats: telephone, internet and face to face, including home visits for the most vulnerable.

The review rather focuses instead on the creation of a centralised information hub and data warehouse. These measures aim to give consumers access to information about energy efficiency measures to support informed decision making about their installation and use. While this will no doubt help many tech savvy households, there are many households for whom a centralised information system isn't an effective means of communication, with 47% of single adults over 65 not having access to the internet for example¹. The review does recognise this and identifies the need to make sure services aren't online only, yet none of the recommendations seek to address this.

Whilst centralised measures could provide a useful back-up to local delivery services, they must be designed as technical and freely accessible support to front line services providing advice at local and regional levels. They are useful, but are only part of the solution.

Referral networks should be a two-way process, as well as other agencies identifying people for energy efficiency measures, the energy advisor should be identifying other services to help address fuel poverty and improve wellbeing i.e. debt advice or befriending services. A central information hub will never be able to map the myriad of support agencies, income and debt advice services, social care providers and frontline health teams.

For example, the NICE guidance on 'Excess winter deaths and illness and the health risks associated with cold homes' contains a recommendation to provide a single-point-of-contact health and housing referral service. One of the key drivers for this recommendation is the recognition that local advice services need to be integrated with health referral networks to address the impacts of fuel poverty i.e. a cold home. Unfortunately, no reference to NICE guidelines is made in the Bonfield review, despite their widespread recognition as sound, evidence-based recommendations for health and care.

Recommendation 1: Advice for fuel poor customers, particularly those that are vulnerable, needs to be embedded in wider local referral networks.

Recommendation 2: Ensure that provision of a local holistic fuel poverty advice service is supported by and funded by all relevant departments i.e. Department of Health, DWP and BEIS.

Quality, bespoke advice

The Government's own Fuel Poverty Committee recognised the need for high quality tailored advice in its first annual report:

"We recommend that the Government recognises the importance and different facets of energy advice and ensure adequate resources are in place for high quality services, offered in a bespoke way that results in meaningful outcomes for fuel poor households."

There are two important aspects to engagement; encouraging the householder to take-up the measure; and making sure they get the full benefit from them i.e. warmth and / or financial savings.

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¹ ONS 2016

The review lays out plans for a quality mark, representing an important step forward in building consumer trust in the energy efficiency market; however, for people in fuel poverty there is much deeper and wider mistrust in the energy market which acts as a barrier to engaging in energy efficiency measures. Over focusing on the current lack of a quality mark as the reason for low customer confidence obscures other factors. For example, one of our members supported an elderly couple with coal fired heating; the primary reason for refusing a new gas central heating system was trust i.e. unlike the 'big six' the coal man didn't put his prices up every winter. The Bonfield review also misses the chance to explore how carrots (incentives, grants etc) and sticks (regulation) are also required to generate consumer demand.

The review seeks to raise attention of trigger points for engaging customers, focusing on when a home becomes cold as a trigger for the fuel poor. However, this trigger is potentially quite late, and misses other triggers for customers at fuel poverty risk, such the householder being made redundant, a cancer diagnosis or changes to their benefits status. Such moments are opportunities for engagement, such as when a customer is seeking advice on debt, but are not considered in the review.

Further, once a measure is installed it's important that the householder has the skills and knowledge to use it appropriately. For example, face to face advice from a heating engineer can be hugely helpful for new gas central heating customers so they can be shown how to get the best from their controls and set the programmer and thermostat to reflect their pattern of habitation and the quirks of their home. The provision of a fact sheet or a link to an online video is no substituted for tailored face to face energy advice, again from a trusted intermediary.

Recommendation 3: Advice must be provided in a variety of formats: telephone, internet and face to face, including home visits from trusted intermediaries for the most vulnerable.

lan Preston on behalf of the End Fuel Poverty Coalition