

Practitioner article

Tackling fuel poverty – how can practitioners help their clients?

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Tackling fuel poverty

Elizabeth Gore works for Energy Action Scotland which is the national charity that aims to eliminate fuel poverty by raising awareness of it, particularly as it affects low income households. Here she outlines the current fuel poverty situation including legislation and schemes designed to mitigate it. She goes on to make some useful suggestions as to how practitioners can help clients to help themselves with this issue.

Introduction

With energy prices scarcely out of the news and indications that fuel poverty is rising, householders and housing practitioners alike are keen to take on board advice about how to reduce the impact.

The pressure to meet targets for improving energy efficiency through policies and legislation, such as the Scottish Housing Quality Standard and the Home Energy Conservation Act, is also a driving force on housing providers. Soon, too, all properties will have to have an energy performance certificate. The Scottish Government is also required by the Housing (Scotland) Act 2001 to end fuel poverty, as far as is practicable, by 2016.

Much has been made of the fact that high energy prices are the result of global market pressures. But does this mean that nothing can be done to offset them – and is there any assistance available now for those people worst affected?

Fuel poverty facts

Those on low or fixed incomes, older people, disabled people or people with long term illnesses which keep them at home, and low income families with young children are all at risk of fuel poverty.

Fuel poverty is the inability to afford adequate warmth in the home, usually defined as having to spend more than 10 per cent of income on energy bills. The causes are a combination of poor energy efficiency of the dwelling, low disposable household income and the high price of domestic fuel.

The consequences of fuel poverty are misery, discomfort, ill health and debt. Often people struggling to pay their bills ration their use of energy, perhaps just heating one room or making the choice between cooking a hot meal and turning on a heater.

The latest Scottish House Condition Survey (<http://www.scotland.gov.uk/Topics/Statistics/SHCS>) figures reported 543,000 (23.5 per cent) households as fuel poor in 2005-06, but stated that for every one per cent increase

in energy price, another 8,000 households would become fuel poor. With recent steep price rises for gas, electricity, coal and heating oil, Energy Action Scotland estimates that today in excess of 700,000 Scottish households – one in three - struggle to afford their energy bills.

Grant schemes

The Scottish Government's main means of achieving the target to end fuel poverty are the Central Heating Programme and the Warm Deal.

The Central Heating Programme provides a central heating system, insulation and energy advice generally up to a value of £3500 for pensioner households who:

- have never had a central heating system (linked heating to two or more rooms)
- are in receipt of the Guarantee Element of Pension Credit who have a system which is broken beyond repair
- are householders over 80 years who have a system which is broken beyond repair.

The Warm Deal is open to people of all ages who are on one of a range of state benefits and provides up to £500 of insulation. This can include cavity wall insulation, loft insulation, tank and pipe lagging, draught proofing, low energy lightbulbs and energy advice.

Energy companies are also required to meet targets agreed with the regulator, Ofgem, to improve the energy efficiency of homes both for customers and non-customers. Under the Carbon Emissions Reduction Target (CERT), each company offers its own range of discounted products and services. They must focus part of this expenditure on vulnerable and fuel poor households and, in some cases, measures such as insulation are free of charge for this group.

Review of fuel poverty

Energy Action Scotland supports these programmes and views energy efficiency as the only sustainable route out of fuel poverty. The cheapest unit of energy is the one you don't need to use in the first place.

However, the current programmes are under review by the Scottish Government. Its Scottish Fuel Poverty Forum, of which both Shelter Scotland and Energy Action Scotland are members, is due to report to Ministers in September. It is the view of a growing number of stakeholder organisations that the programmes must become more focused on the fuel poor if the 2016 target to end fuel poverty is to be met.

Energy Performance Certificates

Legislation will soon require Energy Performance Certificates (EPCs) for all buildings when the property is sold or rented out to new tenants. Sales of dwellings will need an EPC from 1 December 2008, while sales of all other buildings, rentals and public buildings will need an EPC from 4 January 2009. EPCs are already required for new buildings. Once in place, an EPC is valid for 10 years unless changes are made to the building.

The EPC will give building owners better information about the carbon dioxide emissions from their buildings and its energy use. EPCs will include simple cost-effective home improvement measures that will help save energy, reduce bills and cut carbon dioxide emissions.

Getting a good deal for energy

Much of the advice to customers urges them to switch energy company to get a better deal and this can make a difference. However, customers must understand that prices can change often and must be kept under review to ensure the best deal.

Switching sites can provide assistance, but care must be taken to make sure that the level of service chosen is suitable for a particular customer's circumstances or whether there is a tie-in to a contract with penalties, for example, if they want to change supplier or tariff again within a certain period of time. Some companies also still block customers with a debt from switching until the debt is paid off and it is best to contact them direct to discuss options if this happens.

Savings can also sometimes be made by asking the existing supplier about a move to a different tariff or payment method. Often direct debit is cheaper than a prepayment meter, for example. Some companies (but not all) will agree to change a prepayment meter to a standard meter free of charge. Again, however, customers should get advice about which payment method is best suited to them. Credit unions in many areas now offer basic bank accounts for people who perhaps haven't had a bank account before and want to use it for paying bills.

All energy companies are now providing a range of support ('social initiatives') for fuel poor and vulnerable customers. Ofgem has ruled in July this year that to be classed as a social tariff, it has to be at the cheapest price that company offers. Other support available might include trust funds that give grants to people struggling with a debt, special rebates, or benefits entitlement checks.

Priority Service Register

Gas and electricity customers who are of pensionable age, disabled or chronically sick can qualify for the Priority Service Register (PSR) by contacting their supplier. Customers on the register are entitled to additional services free of charge, such as:

- free annual gas safety checks for qualifying customers
- password schemes
- bills available in large print and Braille as well as talking bills
- quarterly meter reading services (if no person occupying the premises is able to read the meter)
- having a prepayment meter moved to improve access
- bill nominee scheme
- priority in an emergency (this could include providing alternative heating and cooking facilities in the event of supply disconnection).

Suppliers are also prohibited from disconnecting a premises occupied by a customer eligible for the PSR during the winter months (1 October - 31 March).

What advice can you give to clients?

The following are things you can actively do to enable people to help themselves out of fuel poverty:

Encourage them to claim if they can

Lots of people don't think they are entitled to any benefits or either don't like to claim or find it difficult to fill out the forms. Citizens Advice Bureaux can often help or point to others that can give support on claiming benefits.

Encourage them to seek energy advice

Even if they have central heating, tenants and householders will need advice about how best to use them and how to set temperature or timer controls. There are also some simple changes that can be made in the home that can save energy and money. Anyone can contact their local Energy Saving Scotland advice centre for free and independent energy efficiency advice and information on grant schemes on freephone 0800 512 012.

If your clients have access to the internet they can get advice on this issue from the Shelter Get advice website

http://scotland.shelter.org.uk/getadvice/advice_topics/repairs_and_bad_conditions/energy_efficiency).

Handy hints

Here, too, are some handy hints to give your clients:

- Insulate their hot-water tank to reduce heating costs and keep their water hot for longer. If their hot-water tank has a thermostat, tell them to check that it is not set too high. 60°C (140°F) is usually hot enough for household use.
- Only switch hot water on for the hours when hot water is needed. It is more expensive to leave it on all day.
- Put up heavy curtains, or curtains with thermal linings, to help to keep the heat in, and close them as soon as it starts to go dark. If your client's radiators are under their windows, tell them not to cover them with your curtains and to tuck curtains behind the radiators.
- Put up small shelves about 5 cm (2 inches) above radiators to push warm air towards the centre of the room.
- If they have central heating, set the room thermostat at a temperature which seems comfortable. The recommended temperature for a living room is 21°C (70°F). If a room feels too warm, don't waste energy by opening windows - turn down the thermostat instead.
- Use low-energy lightbulbs in rooms where the lights are on for long periods of time. They last about 12 times longer than ordinary lightbulbs and use only a fifth of the electricity.
- If they have storage heaters, remind them to close the damper or output dial (sometimes called the boost) before they go to bed or if they go out during the day.

Further information

You can find out more about Energy Action Scotland at: <http://www.eas.org.uk/>

If you would like any further information, please send an email to practicescotland@shelter.org.uk in the first instance.