

Improving Public Services in Cumbria



Fuel Poverty in Cumbria

A Scrutiny Review

Cumbria Health and Well-being Scrutiny Committee

Scrutiny of Fuel Poverty in Cumbria

March 2009.

Chairman of the Committee:
Councillor A. P. Richardson

Members of the Task and Finish Group
Councillors:

G. Garrity
J. Garnett
E. Mallinson (Task Group Chairman)

Scrutiny Officer: Doug Scott.

1. Introduction

- 1.1 This report contains the findings and recommendations of the Cumbria Health and Well-being Scrutiny Committee on Fuel Poverty. This scrutiny was initiated because of councillors' concerns about the effect of rising fuel prices on constituents, and because reduction of fuel poverty is a target for health and well-being in the Local Area Agreement.
- 1.2 Because the topic is one that the County Council has already prioritised, the Committee decided to carry out a "snapshot" scrutiny to assess the current position and contribute to the initiatives being taken by a range of agencies in Cumbria.
- 1.3 The Committee wishes to express its thanks to all those individuals and organisations who met the Task Group to provide information on fuel poverty. The Committee also wishes to thank Age Concern organisations in Cumbria for providing sets of information packs containing helpful advice to individual old people facing problems in paying for their heating costs, and in particular to Sarah Fee of Age Concern North West for organising this. These packs were offered to individuals who contacted the Committee with their experiences.

2 Recommendations

1. "*Warm Zone*" – Councils and the PCT in Cumbria should explore very seriously the option of designating Cumbria as a "Warm Zone" as a

basis for applying area-based measures to address fuel poverty and reduce carbon emissions, focusing on the areas of greatest need first.

2. *Role of front line staff* – Relevant front line professionals (e.g. fire service, community nurses, social care practitioners (Adult Social Care and Children’s Services), Financial Assessment Officers (CCC), health visitors, DWP & Job Centre plus advisors, housing associations) should have it as part of their role to offer advice on addressing fuel poverty to individuals who could benefit from it. Other bodies (e.g. Age Concern, Citizens Advice) should also be supported in outreach. This requires a consistent approach across agencies and communities to information and advice provision.
3. *Training* – the County Council, NHS Cumbria, and relevant public and third sector bodies, working within the wider Healthy Communities and Older People Partnership, should initiate a programme of inter-agency training across front line professionals who visit people’s homes, in measures to address fuel poverty.
4. *Targeting of Advice* - Advice needs to be targeted at those in greatest need. This clearly includes:
 - Older people particularly those who are vulnerable

but targeting also needs to include younger people, including:

- People with long term illnesses or disabilities (e.g. cancer, people with chronic breathing difficulties, people with mental health problems or learning disabilities, people with other disabilities)
 - Low-income families with young children (which may increasingly include families of unemployed professionals)
 - Tenants of private landlords and non-registered social landlords
 - Low-income families who do not qualify for benefit but can still be helped by good advice on fuel economy and insulation
5. *Councillors* – All councillors should be supported in raising their own awareness of the various ways in which problems of fuel poverty (as well as wider poverty issues) can be addressed, so that they can encourage their constituents to get help and advice, and direct them to appropriate support.
 6. *Lobbying* - The County and District Councils and partners should get more involved with the lobbying of Government on fuel poverty, including:
 - Joining with other rural councils on the LGA to highlight the particular fuel poverty issues affecting rural areas such as higher fuel costs in areas without access to mains gas, and high numbers of old stone properties which are less energy efficient.

- Supporting the National Energy Action in lobbying for carbon reduction money to be spent in sufficient amounts of the “energy poor”.
7. *Mental Health effects* - As fuel poverty, which is part of the wider poverty agenda, is growing in the current economic climate, measures need to be taken by NHS Cumbria and partners to help people who mentally cannot cope with their situations (as was done following the Foot and Mouth crisis in Cumbria in 2001)

3. Executive Summary

- 3.1 The incidence of fuel poverty is widespread and increasing, and it can give rise to health problems and can cause great hardship in other ways. Fuel poverty is a new National Indicator (NI 187) which is a Local Indicator in the new Cumbria Local Area Agreement. This performance target will contribute to reducing fuel poverty levels in Cumbria. The baseline figure for the local indicator is to be established by 31st March 2009.
- 3.2 Cumbria County Council’s initiative, working with NHS Cumbria, the Energy Savings Trust and other partners, in prioritising fuel poverty and working on an action plan for fuel poverty, is welcomed.
- 3.3 Having heard from people affected by fuel poverty, talked to national experts, the County Council’s Cabinet Member, and the professionals leading partnership work on fuel poverty, the Committee has noted where action can be taken to achieve early benefits.
- 3.4 These include
- building in fuel poverty advice and, where appropriate, basic information about financial management, as an integral part of the role of front-line professionals visiting people in their homes;
 - providing general advice, through the Energy Saving Trust, on opportunities to reduce energy use;
 - applying an area-based approach such as “Warm Zone” to areas where fuel poverty is greatest; and
 - undertaking targeted work amongst those in greatest need to reduce the impact of rising fuel bills.
- 3.5 The Committee has particularly highlighted developing the role of front line staff and applying an area-based approach such as “Warm Zone” for priority consideration.

- 3.6 The Committee would also like to see support for the Councillors' role helping constituents address fuel poverty, and has highlighted ways in which effective lobbying for government action, particularly for more recognition of the special problems of rural areas such as in Cumbria.

4. How the Scrutiny was Carried Out

- 4.1 Appendix 1 sets out the meetings of the Task Group and documents examined. Members briefed themselves at the start of the scrutiny on the background to fuel poverty in Cumbria. One member of the Task Group attended a workshop on fuel poverty in Cumbria organised by Action for Communities in Cumbria, which had a particular focus on the special problems of rural areas.
- 4.2 Members felt it important to take soundings on how fuel poverty was being experienced in practice. Accordingly, a wide range of organisations with an interest in the topic were contacted and a press release was issued inviting individuals to give information about their experiences. A number of replies were received (see appendix 2).
- 4.3 In addition, the Task Group looked into best practice from a national perspective and into steps being taken to influence changes nationally, through discussions with the charity National Energy Action.
- 4.4 Members also looked at current practice in Cumbria, including the partnership work being developed, the County Council's poverty strategy, and the draft action plan for anti-poverty which includes actions on fuel poverty

5. Findings

Incidence of fuel poverty

- 5.1 Fuel Poverty is a widespread and growing hardship in Cumbria. The official definition of fuel poverty is where the cost of adequately heating a home amounts to more than 10% of the household's income.

**"Fuel poverty results from a combination of low household income, unaffordable energy costs and inadequate thermal insulation and inefficient and uneconomic heating systems."
(National Energy Action)**

- 5.2 At present, there are no statistics of the actual number of people experiencing fuel poverty in Cumbria, although a sample survey to obtain estimates based on actual experience in Cumbria is nearing completion. Meanwhile, estimates have been drawn up based on

national information. Appendix 3 sets out the estimate for each District in Cumbria compared with regional and national averages.

- 5.3 These figures underestimate the true figures for rural areas, where the combined effects of absence of piped gas and a predominance of thermally inefficient stone houses, push heating costs up by 10-20%. Applying this factor to the figures in Appendix 3 suggests that, with one exception, every District Council in Cumbria could have levels of fuel poverty which are greater than the national average.
- 5.4 Fuel poverty is recognised nationally as a problem which has to be tackled, and there is a national fuel poverty strategy. Fuel poverty is a new National Indicator (NI 187) which is a Local Indicator in the Cumbria Local Area Agreement, 2008 – 20011. This performance target will contribute to reducing fuel poverty levels in Cumbria, and will be monitored by the Health Communities and Older People Thematic Partnership (HCOP).. The baseline figure for the local indicator is to be established by 31st March 2009.
- 5.5 *The initiative of the County Council, NHS Cumbria, the Energy Savings Trust, and other partners to prioritise action on fuel poverty as part of a poverty strategy, including the establishment of a Cumbria Fuel Poverty Task Group and the planned development of a short, medium and long-term Fuel Poverty Action Plan, is welcome as a response to problem which is causing hardship for large numbers of people and which has to be tackled as a key part of Cumbria's Local Area Agreement.*

Range of people affected

- 5.6 From discussions with witnesses, and from letters received, it is clear that fuel poverty affects a wide range of people, including:
- Old people – often vulnerable because of their associated health problems
 - People with long term illnesses or disabilities (e.g. cancer, people with chronic breathing difficulties, people with mental health problems or learning disabilities, people with other disabilities)
 - Low-income families with young children (which may increasingly include families of unemployed professionals)
 - Tenants of private landlords and non-registered social landlords
 - Low-income families who do not qualify for benefit but can still be helped by good advice on fuel economy and insulation
- 5.7 There is a particular relationship between fuel poverty and increased winter deaths, especially those resulting from cardiovascular and respiratory disease. A majority of those affected are older people in the 75+ age group, particularly significant for Cumbria where the number of older people is rising rapidly. Poorly heated homes also result in

reduced mobility, increases in falls and accidents in the home and mental and social health problems (e.g. isolation).

- 5.8 Taking England as a whole, there are around 22,500 additional deaths each year attributable to fuel poverty. Elderly, sick and disabled people are especially vulnerable both to fuel poverty and the adverse health impacts associated with it.

**“Whilst it is generally agreed that factors affecting excess winter mortality are varied and complex there is a strong relationship between thermal standards in housing and excess winter deaths.”
(National Energy Action)**

- 5.9 *There is a close connection between fuel poverty and poor health. Addressing fuel poverty is one means to tackle health problems in the population.*

Fuel Poverty and Hardship

- 5.10 Quite apart from the implications on health, members were struck by the hardship experienced by many people. In response to the Committee inviting comments from individuals and organizations, the Task Group heard of a range of people’s experiences.
- 5.11 The Committee was struck by the hardship experienced by numerous people in Cumbria. Extracts from a few statements provided for the Committee are summarised below:

- **“I am a person with chronic sick problems and live in social housing...if I don’t keep my central heating on 24 hours daily then I am freezing cold to the bone. Government wants energy efficient homes by 2010 but social housing does not meet them”**
- **“I can’t afford a full tank of gas so there is an extra charge of £30 to deliver, so we are penalised for not having enough cash”**
- **“I owed £549 electricity bills. This was due to a badly insulated terraced house. I left after one year’s lease only to get away from that.”**
- **“I have no access to my (electricity) meter. It’s in a locked cupboard which I am forbidden access to”**

5.12 *Fuel poverty can cause great hardship. Addressing fuel poverty is one means to alleviate individuals' hardship.*

Fuel Poverty and Carbon emissions

5.13 Under the Government's Carbon Emission Reduction Target (CERT), energy suppliers must, by 2011, deliver measures that will provide overall lifetime carbon dioxide savings equivalent to the emissions from 700,000 homes each year. It is expected to lead to energy supplier investment of some £2.8bn.

5.14 Improving home insulation or developing cheaper fuel sources can address fuel poverty as well as reduce carbon emissions. However spending money on this type of investment for low income families may not be the most cost-effective way for energy companies to reduce carbon emissions. For example, individuals on low income who benefit from better home insulation may choose to make their homes warmer rather than reduce their use of fuel.

5.15 For this reason, the Government requires energy suppliers to focus 40% of their activity on vulnerable and low-income households.

5.16 *However the charity National Energy Action are concerned that this requirement is at risk of being challenged, and is looking for the support of local authorities to keep this requirement going.*

Measures to address fuel poverty

5.17 There is currently a wide range of measures to help low income families who are experiencing fuel poverty. These include

- financial support towards heating bills (e.g. winter fuel allowances), home insulation (warm front scheme) or replacing boilers (heating rebate scheme) and
- advice on preparing for winter, economizing on heating and healthy living.
- Guidance for people experiencing problems with energy suppliers such as the cost of pre-payment meters; guidance on debt problems
- Registered housing associations are investing in improved insulation and in some cases in new types of heating.

5.18 In Cumbria, much has been done to inform householders about fuel poverty. Road shows have been held, and Age Concern has played a leading role in disseminating information.

- 5.19 However some important features of the help available are not as well known as they might be. Letters received by the Task Group as part of the scrutiny provided evidence to this effect. Examples include:
- “warm front” grants for people on benefit are available for a wide range of benefits, including small benefits such as small weekly housing support payments.
 - Energy suppliers currently differ greatly in the additional charges they make for arrangements for pre-payment, and tenants have the right to change their energy supplier irrespective of their landlord’s view.
- 5.20 *There is a much wider range of help on fuel poverty than many people realise, as well as opportunities for self-help.*

Front Line Advice

- 5.21 Advice about fuel poverty is currently available from a number of sources. In Cumbria this includes:
- Local Citizens Advice Bureaux (via local offices or by phone)
 - Local Age Concern Offices (via local offices or by phone)
 - Advice on saving energy in the home is available from the Energy Savings Trust (freephone number 0800 512 012)
- 5.22 Despite these ready sources, experience of witnesses, and of one member of the Task Group who is associated with Citizens Advice, is that many people in need who could benefit from advice as described above do not approach advice agencies and/or are reluctant to make applications for financial support even when eligible.
- 5.23 Active outreach is therefore potentially very beneficial.
- 5.24 *The integration of “front line” advice through professionals who visit people’s homes in the normal call of duty could a “quick win” in addressing fuel poverty. This could include fire safety officers, district nurses, health visitors, social care practitioners (Adult Social Care and Children’s Services), Financial Assessment Officers (CCC), housing associations, and people associated with Age Concern, CAB and other third sector bodies.*

Training

- 5.25 Giving advice on fuel poverty requires a sufficient degree of knowledge, and also arrangements to give advice need to be properly planned for maximum effect and avoidance of duplication.
- 5.26 Training costs for full coverage are not yet available. However the multi-agency Fuel Poverty Task Group has prepared a bid for 6 half day workshops at a cost of £2,000, which would provide an initial cadre of trained front line staff.

5.27 *As part of preparation, front line staff giving advice on fuel poverty need to be trained in the support available. Inter-agency training, as now carried out by some councils, would pay dividends in Cumbria.*

Role of Councillors

5.28 Councillors can play a valuable role in spreading knowledge about fuel poverty and the measures available to help individuals. Councillors meet constituents experiencing fuel poverty in their surgeries and other contacts in their constituencies, and can encourage them to get help and advice, and direct them to sources of support.

5.29 *For this reason, there is a case for developing councillors' own awareness of fuel poverty. We have already distributed the Government booklet "Keep Well Keep Warm" to all County and District Councillors in Cumbria.*

Rural Areas

5.30 As discussed above, fuel poverty in rural areas, such as much of Cumbria, is greater than the statistics currently indicate. The main reasons are

- Absence of piped gas; oil is a more expensive fuel.
- A high proportion of older stone-built properties, which are thermally inefficient and cannot be insulated as effectively as other properties

5.31 The charity National Energy Action has advised that there is a continual need for the particular features to be brought to the attention of Government.

5.32 *There is a case for the County and District Councils in Cumbria joining with other rural members of the Local Government Association to press these points.*

"Warm Zones"

5.33 "Warm Zones" are area-based partnerships between the local authorities, PCTs, energy companies and other partners to target priority areas to address fuel poverty and reduce carbon emission.

5.34 Warm Zones involve the systematic assessment of the energy efficiency and fuel poverty status of all the households in the zone area followed by coordinated delivery of energy efficiency improvements and related services.

- 5.35 The “Warm Zone” scheme has been developed following pilots in which alternative area-based approaches were evaluated. It is known to be effective. It now operates in a wide range of local authority areas including Northumberland, Devon, Newcastle, Kirklees, Staffordshire, the London boroughs, and many others. Devon and Northumberland, like Cumbria, are rural counties with both urban and rural features.

**“With the help of local authorities and other key partners, a Warm Zone can ensure that affordable warmth is provided to more low-income and vulnerable households.”
(National Energy Action)**

- 5.36 An estimate of costs would be required, taking into account the contribution that could come from the energy companies through the Government’s Carbon Emission Reduction Target (CERT) scheme.
- 5.37 *The designation of Cumbria as a “Warm Zone” could provide a strong focus for tackling fuel poverty and reducing carbon emissions. It could provide a focus for bringing funds to bear on fuel poverty, including funds from the energy companies. It is worth serious consideration.*

Appendix 1

Meetings of the Task Group

Date	Purpose of meeting	Witnesses
12 December 2008	Attendance by scrutiny members at a Workshop on “Fuel Poverty in Cumbria” in Thirlmere, organized by Action for Communities in Cumbria.	Speakers at the Workshop were: <ul style="list-style-type: none"> • Joanne Carr, National Energy Action • Julie Owens, NHS Cumbria • Rod Yeoman, Impact Housing Association • Richard Suddaby, Cumbria Action for Sustainability • Darren Ward, Red Raven Design Ltd • Colin Atkinson, Impact Housing Association
29 January 2009	Meeting of the Task Group to plan the scrutiny	None
27 February 2009	Meeting of the Task Group to: <ul style="list-style-type: none"> • Review statements from organizations and individuals • Meet witnesses • Draw conclusions and recommendations 	<ul style="list-style-type: none"> • Joanne Carr, National Energy Action • Cllr Barbara Cannon, Cabinet Member for Adult and Cultural Services • Tom Barlow, Operation Manager, Cumbria and Lancashire, Energy Savings Trust, • Anne Phillips, Development Manager, Adult and Cultural Services and Designated Lead for Health Improvement for CCC. • Stuart Pate, Head of Community, Cumbria County Council. <p>Neil Hughes, Cumbria LINK, also attended for this meeting.</p>

Documents Examined

1. National Fuel Poverty Strategy –6th Annual Progress Report .
2. “Keep Well, Keep Warm” – HM Government Booklet for over-60’s.
3. Draft Cumbria Action Plan on Fuel Poverty
4. Websites on “Warm Zones” including those of the National Energy Action, Warm Zone Ltd, and Devon County Council.

5. Appendix 2

Organizations who responded to Scrutiny's inquiries about experience with fuel poverty in Cumbria

Age Concern Barrow
Age Concern Eden
Age Concern North West Cumbria
Brampton Community Association
"Breathe Right" South Lakeland
Consumers Advice Bureau South Lakeland
Catholic Caring Services/ Caritas Care
Home Prime Housing Association
South Lakes Housing Association
Strathearn over 60s Club
West Cumbria Carers
McMillan Cancer Relief

Plus statements from 5 individuals

Appendix 3

Fuel Poverty North West/ Cumbria 2005-2009

Data Prepared for: Doug Scott Heath Scrutiny Manager Cumbria County Council by David Lynch NEA Research Officer
03.02.09

District	FP 2005	Percentage of Households Fuel Poor 2005	FP 2009 (NEA est)	Percentage of Households Fuel Poor 2009 (est)
Allerdale	5,351	13%	9,274	23%
Barrow-in-Furness	5,605	18%	9,713	31%
Carlisle	5,715	13%	9,905	23%
Copeland	4,332	15%	7,508	26%
Eden	1,995	10%	3,457	16%
South Lakeland	3,636	8%	6,302	14%
Cumbria Total	26,635	13%	46,158	22%
North West	364,167	13%	631,200	22%
England	2,386,250	12%	3,988,395	18%

Source: NEA Research 2009.

Disclaimer NEA Research 2009. (Please Take Note)

Although useful as an indication, this estimate should be treated with caution. It is based on a relatively simple GLM regression analysis of Fuel Poverty against IMD and % of population >75yrs by ward, against sets of empirical data of varying reliability and age. This work was last revised in September 2005. Our estimations for Cumbria in 2009 are based on the national and regional trends since 2005.

These estimations do not take into account local factors such as incidence of communal heating schemes, larger/smaller than average incidence of older property, lack of mains gas, local levels of rent etc.

FP in rural areas is likely to be underestimated by somewhere around 10-20% (i.e. estimated 10% gives 11-12% in rural areas), although this will vary.