

Fuel Poverty Campaign Update

National Pensioners Convention Briefing Paper

February 2013



Introduction

In recent years the NPC has increased its campaigning activity on the issue of fuel poverty and excess winter deaths. This has involved making detailed submissions to formal consultations on energy prices, profits and fuel poverty as well as taking part in protests and lobbying. Part of this work also involves the NPC playing a role in a number of organisations/coalitions which concentrate solely on the issue of fuel poverty. The purpose of this briefing is to therefore give an update on this activity and the current issues being considered.

1. End Fuel Poverty Coalition

This body is chaired by Consumer Focus and brings together a number of charities, trade unions, pressure and campaigning groups; including people with considerable expertise and technical knowledge on fuel poverty and its implications on housing and energy efficiency.

Currently the group is focusing on local authorities and has launched a Local Authority 'commitment' for LAs to sign. The NPC general secretary spoke at its launch last October. There is a model letter to Council leaders and a model resolution for local authorities to adopt. Visit www.endfuelpoverty.org.uk for details.

The coalition is trying to raise awareness of the health implications of fuel poverty and to make the link with the new responsibilities of LAs for public health. Also LAs are seen as the most effective route through which energy efficiency funding could flow. The coalition is also to persuade NICE (National Institute for Clinical Excellence) to include in its Guidance for Local Authority Health and Wellbeing Boards the need to recognise and address fuel poverty. There is also a possibility that Clinical Commissioning Groups can/will fund measures to address fuel poverty.

The coalition is mainly interested in promoting energy efficiency as a solution, in the long term, to fuel poverty. The NPC is interested in looking at the problem more 'in the round' taking into account income and the cost of domestic fuel as well as promoting energy efficiency. However, the NPC supports the current focus on health because there is a danger that the health implications of fuel poverty will become less an issue than they should be. The coalition does recognise the difficulty of measuring the health benefits of improving the fuel efficiency of a home as these can take years to become apparent. The NPC recognises and has stressed in its responses to government that the health implications need to be given due weight and not lost in the detail of an over complicated definition of fuel poverty.

2. Fuel Poverty Action

This pressure group is part of the End Fuel Poverty Coalition and organises protests in response to its members' ideas and suggestions. The next action is to be held on Saturday 16th February at 2pm at the Department of Energy and Climate Change, 3 Whitehall Place, SW1A 2AW. It will be part of a wider national weekend of fuel bill assemblies and action. The action is called "Stop the Great Fuel Robbery" and is about rising fuel bills and the overdependence on gas. See www.fuelpovertyaction.org.uk for details.

3. Energy Bill Revolution

This is another member of the End Fuel Poverty Coalition which the NPC has supported in a number of ways by publicising its petition calling on the government to 'recycle' carbon tax revenue into energy efficiency measures, primarily for the benefit of households in fuel poverty. These CO2 taxes are expected to raise £2billion a year rising to £4billion from 2020.

This 'call' was made very public in a letter to the Prime Minister which the NPC signed along with 100 charities/ businesses on 21st January 2013. Extracts from the letter and an accompanying article were published on the front page of The Times on the same day.

The Energy Bill Revolution has also launched an Early Day Motion number 47 which has 173 MPs signatures in support and a number of public meetings are being organised to allow a discussion with MPs about fuel poverty and the need for the government to do more. These are detailed on the website www.energybillrevolution.org/whats-the-campaign. The dates of the meetings are as follows and groups in the area should be encouraged to take part:

08/02 Kingston
19/02 Birmingham
23/02 Cheltenham
27/02 Hackney
28/02 Bradford on Avon
01/03 Southend
08/03 Sidmouth
08/03 Wanstead
09/03 Bexhill

4. The Green Deal and the Energy Company Obligation

The aim of these schemes is to improve energy efficiency by funding insulation etc through loans, to make homes more energy efficient and thus reduce energy consumption and bills. However, the government cannot control energy prices and cannot guarantee that even in the long run that people will make savings sufficient to offset the cost of the improvements plus the interest on the loans.

There also seems to be a consensus that the Green Deal is 'unlikely to deliver' mainly due to the interest rate for loans under this scheme being just under 7%. Campaigners are saying that these two schemes combined are not enough to lift

people out of fuel poverty. Even when these policies are taken into account, fuel poverty is likely to rise from 6m households to 9m by 2016 if gas prices rise by as much as the government forecasts. The government has already cut financial assistance to the fuel poor by a quarter and reduced spending on energy efficiency for fuel poor homes by 44%. More information on this is available from the Association for Conservation of Energy website: www.ukace.org.

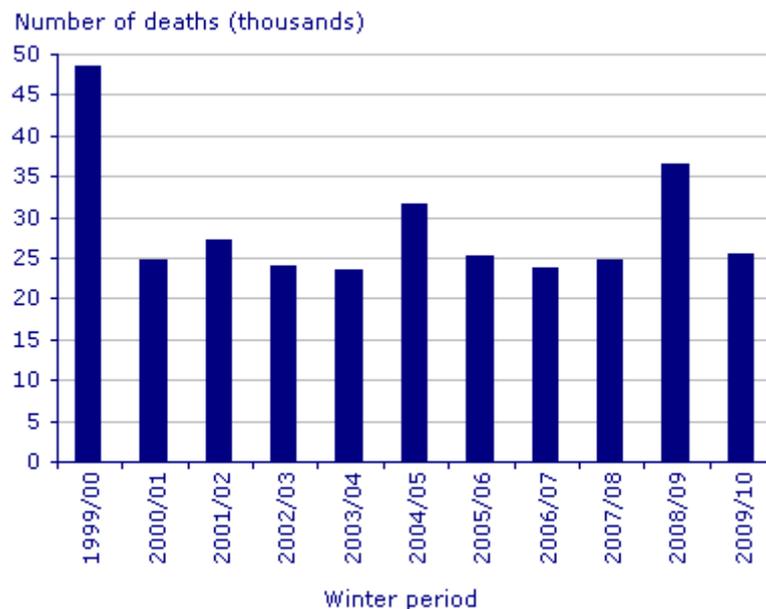
The money for these new schemes is being raised through consumers' bills – a regressive way of raising money compared to the Warm Front programme which the government has closed with an underspend of up to £30 million this year and £50 million last year which was funded with public money raised through income tax and mainly directed at fuel poor households.

5. Excess winter deaths

Every year, the Office for National Statistics provides data on the number of excess winter deaths. These are calculated as winter deaths (deaths occurring in December to March) minus the average of non-winter deaths (April to July of the current year and August to November of the previous year).

In the winter period (December to March) of 2011/12 there were an estimated 24,000 more deaths in England and Wales, compared with the average for the non-winter period. The overall figure represents a death rate of just over 8 pensioners an hour during the 4 month period in question.

Not only is the public shocked by such evidence, but they are angry that government seems incapable of tackling the issue. Reducing the scale of excess winter deaths must therefore be a priority.



Excess winter deaths, England and Wales, 1999/2000–2009/2010

6. Next steps

There can be little doubt as to the negative consequences of fuel poverty on people's health, stress and general well-being – yet failing to tackle it often creates larger unrecognised costs on health and other public services at a later date. The NPC is therefore calling for the following urgent programme of action:

- Introduction of a national programme to improve the heating and insulation standards of existing homes so that they reach the standards of new homes built today. In particular, the homes of all low income and fuel poor households should be improved to the standard by 2016.
- Energy and climate change levies to be recycled to help those with low incomes and high fuel spending, living in energy inefficient homes.
- Legislation to oblige all fuel companies to provide an industry-wide 'social tariff' to low income and fuel poor consumers – that offers a better deal than tariffs offered to more financially secure consumers.
- Ending the use of pre-payment meters.
- Providing an annual fuel allowance to all vulnerable, older and low income households set initially at £500 which keeps pace with annual increases in average energy bills.

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