Fuel poverty and what the Community Energy Sector is doing about it

It’s official, winter is here, and with mixed messages from the meteorologists about just how cold or warm it will be, one thing we can be sure of is that those in fuel poverty will be feeling the cold the most. As a country, we have a lot to be thankful for with our temperate seasons, but in one of the most developed and richest countries in the world, the cold still impacts the health and wellbeing of 11% of the population. The Marmot Review’s Health Impacts of Cold Homes and Fuel Poverty report stated that,

“Although their causes are inter-related, the effects of fuel poverty are distinct from the effects of income poverty. They relate to specific health conditions rather than health as a whole and negative health outcomes are more immediate than the outcomes caused by income poverty.”

By using case studies, this report highlights how Community Energy groups are especially well placed to provide life changing assistance to vulnerable households living in fuel poverty.
Plymouth Energy Community is a highly successful Community Energy organisation with 1200 members, over 300 investors, 33 community owned solar installations and a variety of well-established grassroots services helping the most vulnerable in society. Their work is admired nationally and has brought £6,500,000 of inward investment to Plymouth to address fuel poverty, energy efficiency and local clean energy supply. Over 11,000 households have benefitted from PEC. They provide users of their services a multi-dimensional approach to tackling fuel poverty, this includes access to grants to clear energy debt, free and assisted insulation and tariff switching advice. They also offer energy awareness training for volunteers and frontline staff, energy-focused apprenticeships, as well as a new programme assisting disabled residents to stay warm and well.

DECC statistics show how in 2014, using the Low Income High Costs definition, 2,615,000 households were categorised as fuel poor. National Energy Action describe how “a lack of energy efficiency in housing sees the poorest households spend £1 billion more on keeping warm when compared to non-fuel poor households”. The UK Government had pledged to eliminate fuel poverty by 2016, but a recent review has changed the targets and definition of fuel poverty. With new goal posts, and a 14-year fuel poverty strategy written, a revised date of elimination was set for 2030. This is where Community Energy groups on the ground right now come into play and prove their worth.

We want to highlight the work of two Community Energy England members, Brighton & Hove Energy Services Co-operative (BHESCo) and Plymouth Energy Community (PEC).

BHESCo are a not-for-profit social enterprise bringing together the community of Brighton and Hove to develop renewable energy projects, improve energy efficiency, reduce fuel bills and tackle fuel poverty. So far in 2016, BHESCo have helped 180 households in fuel poverty through the Warmth for Wellbeing project, which is run in collaboration with a number of organisations including Citizens Advice, Brighton Housing Trust and Brighton & Hove City Council. Their primary concern is to switch the resident to a more appropriate energy tariff, as often they have built up debt with their current supplier. But they also help residents by stopping draughts and replacing energy-sapping light bulbs with LEDs. Where it has been possible to quantify economic savings, they have saved, on average, £240 per household per year.

We also want to highlight work being conducted by the wider sector. Severn Wye Energy Agency manages the Warm and Well scheme in partnership with seven local authorities in Gloucestershire. Since 2001, the scheme has given energy efficiency advice to thousands of households, improved over 41,000 properties and been highlighted as an example of good practice in several best practice guides and toolkits. The Warm and Well scheme aims to improve energy efficiency in the home, whilst reducing the risk of fuel poverty and associated health problems. They do this by raising public awareness, providing advice to households and helping make referrals into grant and discount schemes. The central issues addressed are the links between energy efficiency, affordable warmth, cold living conditions and health risks, such as cardiovascular illness and condensation damp related respiratory illness.

These award-winning projects highlight the embedded social benefits that can be achieved by community groups. Other projects across the country are doing or aiming to achieve similar, often channelling profits from the production of clean renewable energy into helping the community. Helping the vulnerable in society is one of the primary motivators for Community Energy groups, and what sets them apart from the private sector.
This case study is an account written in the words of the customer. The customer is a woman in her 70s who suffers ill health and is a carer for her husband who also suffers ill health.

Under the Warmth for Wellbeing (W4W) project, Money Advice Plus referred us to BHESCo to help with our energy bills and usage. When Tim (from BHESCo) first came round to do an energy assessment on our home we had a lot of debt on our energy bills, as well as other debt, which carried over from our old address. We were really struggling with money and what we should do to pay it off. Tim helped us understand our energy consumption, what our bills meant and how to manage repayments of the debt. Thanks to his visit, we also received some money from Mind.

We were with one of the Big Six suppliers and their bills were really high. BHESCo helped us switch to a cheaper tariff with Co-operative Energy and get away from our previous supplier because their customer service was not good. We really struggled with communicating with our old suppliers. However, BHESCo staff persevered, acting as our advocate and made sure that the switch went ahead, despite numerous errors made by our previous suppliers.

We feel that BHESCo is there to support us if there are any future problems and this has given me confidence to tackle problems too. I feel I can manage my energy bills at home more easily because of the BHESCo energy monitor installed by Tim. All these things have helped us manage our finances, relieve some stress and increase our comfort. I feel less confused now and my stress levels have reduced. Money Advice helped make a big difference by referring us to BHESCo. Tim informed us of our eligibility for the Warm Home Discount and is making sure we receive this off our winter fuel bill, which is as much as £140. Both myself, but especially my husband, have medical issues and we both receive Pension Credit and Disability Living Allowance, so this money will make a big difference.

My husband and I both struggle with mental and physical illnesses which impact on our lives daily. As my husband's full-time carer this can be especially stressful and tiring for me. It is invaluable to receive support like this under the W4W project. It is given us confidence that we can get help and are not on our own.

It is reassuring to know that we have BHESCo's continuous support to manage energy companies and our bills when we need it. This is helping our stress levels and ability to cope with bad situations.

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A CASE STUDY FROM A PLYMOUTH ENERGY COMMUNITY CASEWORKER - GARY AND HIS PREPAYMENT METER

As a caseworker on projects aiming to lessen the grip of fuel poverty across the Plymouth area, we are equipped with three essential tools: Income maximisation, energy saving advice and switching to cheaper tariffs. What is sometimes not so apparent is the time spent unpicking the difficult situations that our residents find themselves in. It is a critical part of what we do day-to-day and can sometimes be the only answer to a person’s huge energy bills. Because when we say energy bill, it doesn’t always relate to energy use. Increasingly we are finding people whose energy bill reflects the ailing infrastructure of our energy suppliers more than it does the actual amount of energy they have used.

We first came across Gary at a confidence building workshop for people isolated in the community. Gary and the other members had been referred to the group by the jobcentre or their GP. When Gary told us that someone had come to the door one day and pushed him to switch suppliers, I could hardly believe what I was hearing. He was now in debt with his gas supplier and his family hadn’t had any heating or hot water for nearly two years. His house didn’t even have an up-to-date gas safety certificate as the gas had been ‘capped’ due to lack of payment! We took Gary’s details and reassured him that he had every chance of being successful with a fuel debt application.

Gary told us how the debt had come about. He had been told by a representative of an independent energy provider that there would be no standing charge if he were to switch to them, meaning that in the summer months when no heating was being used Gary would not have to top up his prepayment meter. This was false, and by November Gary had become unknowingly in £70 of debt. Every time the meter was topped up the money was swallowed up by the existing charge, so Gary was forced to stop using the meter entirely. Gary had no contact information for his energy provider and no access to a computer, so was stuck in this situation for over two years with the debt continuing to amass beyond anything he could afford to repay. Both Gary and his family’s health had declined – he and his grand-daughter had developed bronchitis, and the house was suffering with considerable damp. Gary had already survived a suicide attempt a month previously and we couldn’t help feeling that his guilt was contributing to his depression and other mental health issues.

We took photos of the meters as evidence of misselling and found that the salesman had placed Gary on an economy 7 tariff – designed for people who can use more of their electricity at night on a cheaper rate. Suppliers make up the difference by nearly doubling the daytime rates; Gary and his family use the electricity in the day so had been overpaying for two years. We acted as Gary’s advocate and through a difficult series of exchanges with the energy company’s customer service, managed eventually to get through to the complaints team and inform them that we were going to Ofgem to report several cases of misselling and aggressive sales techniques. The debt was written off Gary’s meter and we were informed by the energy provider that they had closed the complaint.

Getting the debt written off the meter was a small step in the right direction. We opened another complaint and have been chasing a refund for Gary ever since. Ofgem has since launched an investigation into the provider’s practices and we have provided them with examples of how they had miss-sold the people of Plymouth whilst contributing to the hardship that surrounds the world of prepayment meters. Gary’s heating is now uncapped and their electricity unit rate has dropped so considerably since switching, they should be able to pay for gas through the savings.

This work is fraught with frustration and dead-ends, but our supplier mediation service is essential to the work that we do at Plymouth Energy Community. We won’t stop until people who have sought our help are given what they are owed.
Over recent months the Warm & Well team have carried out 130 home visits to home owners and private tenants in Gloucestershire. The home visits are offered to households vulnerable to fuel poverty. They help identify simple ways to make homes warmer and cheaper to run. Referrals for home visits can be made directly by the householder or by health professionals and other support services.

Senior Energy Advisor, David Roberts’ recent visit to Mr R in Warmley gives an idea of the kind savings that can be made. Warm & Well was contacted by Mr R’s support worker as his flat was inadequately heated with just two electric bar fires in his one bed flat. David identified that Mr R was on an Economy 7 tariff, which was unsuited to the way he heated his home and that Mr R was also entitled to a Warm Home discount of £140. Simply by switching to a standard tariff and claiming a Warm Home Discount, the Warm and Well team reduced Mr R’s electricity bill from £400 to just £80. In addition, David has referred Mr R to the Central Heating Fund to have free central heating installed which will make his home much warmer and safer to live in.

Another customer was Mrs S, an elderly single lady who suffers with a respiratory condition that can be adversely affected by the cold. She was relying on plug in electric heaters and a fan heater to heat her park home. Park homes are typically constructed from poorly insulated timber frames with minimal insulation so when it is cold, they struggle to maintain a comfortable temperature and lose heat quickly when the heating goes off. But, this park home had access to mains gas which is unusual for this type of property. As Mrs S was in receipt of a qualifying benefit, Warm & Well identified that she would be eligible for Energy Company Obligation (ECO). A local installer on Severn Wye’s Link to Energy Installer Network was contracted to install a new condensing combination boiler with four radiators for her. The new boiler installation has reduced Mrs S’ annual fuel bill by over 50%, resulting in estimated savings of £891, and a carbon emissions reduction of 52%. Maintaining an even temperature throughout her home has meant an improvement in Mrs S’ health and happiness, her whole house is heated to a comfortable level and she is saving money.

TWO CASE STUDIES FROM SEVERN WYE ENERGY AGENCY – MR R AND MRS S CHANGE PLANS

Community Energy England (CEE) was established in 2014 as a not for profit organisation to provide a voice for the Community Energy sector and to help to create the conditions within which Community Energy can flourish. We do this by supporting sector development, sharing best practice, building cross-sector partnerships and advocating for supportive policies at national and local levels. The majority our 200 member organisations are from the Community Energy sector but the membership extends across a wide range of organisations which work with and support the Community Energy sector.

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