



Although a formal committee of Brighton & Hove City Council, the Health & Wellbeing Board has a remit which includes matters relating to the Clinical Commissioning Group (CCG), the Local Safeguarding Board for Children and Adults and Healthwatch.

Title:	Update on Fuel Poverty and Affordable Warmth	
Date of Meeting:	12 July 2022	
Report of:	Public Health & Housing	
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Email:		
Wards Affected:	All Wards	
FOR GENERAL RELEASE		
Executive Summary		
<p>This update is in response to the Notice of Motion agreed at the Health & Wellbeing Board on 08/03/22. It provides an update on the Fuel Poverty & Affordable Warmth Strategy for Brighton & Hove; the current energy crisis and the work of the Fuel Poverty & Affordable Warmth Steering Group in coordinating and overseeing support for residents in the city.</p>		
Glossary of Terms		
NICE – National Institute for Health and Care Excellence		

1. Decisions, recommendations and any options

- 1.1 That the Board note the update on the work to date and plans to address the impact of fuel poverty and the significant increase in energy costs for all households in the city.

2. Relevant information

2.1 The Brighton & Hove Fuel Poverty & Affordable Warmth Strategy was developed and agreed at the Health and Wellbeing Board in September 2016. The strategy supported the national strategy published in 2016¹ and the associated NICE guidance published in 2015². It also supports the Brighton & Hove Joint Health and Wellbeing Strategy priorities, including addressing health inequalities and keeping people safe. Plans are being developed for updating the Fuel Poverty & Affordable Warmth Strategy, linking with the Council's work on the cost of living crisis.

2.2 The strategy sets out a number of key actions to address and tackle fuel poverty and the health risks associated with living in cold homes in Brighton & Hove. A key element in the strategy and in subsequent work was the establishment of a multi-agency steering group, jointly chaired by the Council's Public Health and Housing teams.

2.3 The Government released a new national Fuel Poverty strategy³ in February 2021, which included a new definition for Fuel Poverty measurement. The Low Income Low Energy Efficiency (LILEE) measure finds a household to be fuel poor if it:

- Has a residual income below the poverty line (after accounting for required fuel costs); and,
- Lives in a home that has an energy efficiency rating below Band C.

2.4 The latest available figures released in May 2022 using this new definition, estimate that in 2020 (there is a standard two-year lag in the data), 12% of households in Brighton & Hove were in fuel poverty. This equates to 15,814 households in the city. Although the new definition of fuel poverty does not take account of energy costs directly it is safe to assume that the number of households in the city struggling to pay their energy bills has increased significantly over recent months due to the significant increases in energy tariffs.

2.5 Energy prices have increased significantly in response to global wholesale cost price increases. Since January 2021, 29 energy suppliers serving 4.3 million

¹ Department of Energy and Climate Change. Cutting the cost of keeping warm - A fuel poverty strategy for England; 2016.

² National Institute for Health and Care Excellence. Excess winter deaths and illness and the health risks associated with cold homes; 2015.

³ Department for Business, Energy & Industrial Strategy. Sustainable Warmth: Protecting vulnerable households in England; 2021.

households have exited the market in Great Britain and customers have been facing less choice and fewer options to switch to better energy deals.

- 2.6 The energy 'price cap' is a backstop protection for customers set by government, calculated by Ofgem the independent energy regulator. The price cap limits the rates an energy supplier can charge for their default tariffs. These include the standing charge and price for each kWh of electricity and gas - these are the units bills are calculated from. The price cap does not cap the total bill; this will vary depending on how much energy is used.
- 2.7 The price cap applies when customers are on a default energy tariff, whether paying by direct debit, standard credit or a prepayment meter. The price cap does not apply to customers on a fixed-term energy tariff. However, the availability and competitiveness of these tariffs has diminished significantly over recent months as wholesale prices have increased and the number of suppliers has reduced.
- 2.8 The energy price cap increased from 1st April 2022 for approximately 22 million customers nationally. Based on average household use, those on default tariffs paying by direct debit saw an increase of £693 from £1,277 to £1,971 per year. Prepayment customers saw an increase of £708 from £1,309 to £2,017. This is an increase of 54%.
- 2.9 There are estimates that the cap on energy prices could increase by another 40-50% in October, moving the average annual bill to more than £3,000 per household following further wholesale natural gas and electricity price increases, exacerbated by the current conflict in Ukraine.
- 2.10 According to the national fuel poverty charity National Energy Action (NEA), the price cap increase will lead to a further 2 million households living in fuel poverty. There are estimates that the number of households in fuel poverty across the UK will increase to 6.5 million households, an increase of more than 50% in just over six months. This projection is based on the 10% definition of fuel poverty which takes into account what people pay for their energy bills and therefore the scale of fuel poverty in periods of more volatile energy prices.
- 2.11 The Brighton & Hove Fuel Poverty & Affordable Warmth Steering Group has been meeting on a quarterly basis to oversee and coordinate support, identify funding streams and collaborate on projects since 2016. Over the last year, initially in response to the Pandemic and subsequently the increase in energy costs, the steering group has been meeting on a monthly basis with an expanded partnership. More recently, it has also provided opportunity to coordinate work more broadly across both the Council, and other partners in the city, in response to the cost of living crisis.
- 2.12 The Steering Group membership is currently made up of representatives from the Council's Public Health, Housing, Food Policy and Revenues & Benefits Teams, as well as multiple Community & Voluntary Sector (CVS) organisations: Brighton & Hove Energy Services Cooperative (BHESCO), Citizen's Advice

Brighton & Hove (CABH), Money Advice Plus (MAP), National Energy Action (NEA), East Sussex Fire & Rescue Service (ESFRS), British Red Cross (BRC) and Brighton Peace & Environment Centre (BPEC).

- 2.13 There has been significant information sharing over recent months. The Steering Group Chairs (Public Health & Housing) worked with the Council's Communications team to produce a support leaflet that was delivered to every household in the city in February 2022. The leaflets provided information on key national and local support with energy costs, as well as interrelated support around other essential costs, debt and mental health.
- 2.14 Each winter, in collaboration with the Steering Group, Public Health produces two email bulletins for the city's frontline workforce, listing key local support relating to fuel poverty that service users can be signposted or referred to. The e-bulletins are cascaded widely across the Council, NHS and CVS. During winter 2021-22, e-bulletins were cascaded in December and January and received excellent, cross-sector feedback.
- 2.15 The Steering Group has coordinated, supported and overseen numerous advice and support schemes since 2016. These schemes have been delivered collaboratively by the Council, NHS partners and a number of CVS partners, providing multifaceted support for residents in fuel poverty. Support has included energy advice and energy efficiency measures to reduce fuel bills; money advice to maximise household income and ability to afford fuel bills; and cold homes and keep warm guidance to reduce health impacts. Detailed information on current local and national support can be found in Appendix 1. The Steering Group continues to explore options, including external funding opportunities, to establish a 'single point of contact' to provide coordinated access to local and national support.

3. Important considerations and implications

Legal:

- 3.1 Relevant national and local strategies and implementation of the same are referenced in the body of this report. The report provides an update in response to a NoM in accordance with constitutional requirements.

Lawyer consulted: Sandra O'Brien

Date: 14 June 2022

Finance:

- 3.2 As part of the Brighton & Hove Fuel Poverty & Affordable Warmth Strategy, Public Health have allocated a one-year budget for 2022/23 of £0.285m funded from one-off funding (£0.260m) and annual programme spend (£0.025m).

Finance Officer consulted: Sophie Warburton

Date: 14/06/2022



Equalities:

- 3.3 The Fuel Poverty & Affordable Warmth Strategy Equalities Impact Assessment was conducted in 2015. A refreshed Equalities Impact Assessment to inform the refreshed strategy is being planned.
- 3.4 The National Fuel Poverty Statistics Report 2022 shows specific household characteristics where the proportion of fuel poor households is higher. For the city, the following households are of particular relevance and will continue to be the focus of support; Private Renters, Single Parent households, 'ethnic minority households' and households including children and young people. The 'fuel poverty gap' estimates the depth of fuel poverty for households and groups; households with a higher average fuel poverty gap do not always align with the statistics based on the highest proportion of households in fuel poverty. More data can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1056777/annual-fuel-poverty-statistics-lilee-report-2022-2020-data.pdf

Sustainability:

- 3.5 The opportunity to provide residents with energy saving advice and measures that reduce their own energy use has a clear benefit in terms of the potential subsequent reduction in CO2 emissions. Historically the cost of natural gas has been significantly cheaper than electricity and running a modern efficient gas boiler has been significantly cheaper than modern electric heating.
- 3.6 As residents switch away from gas boilers over the next 10-15 years we will see a significant reduction in CO2 emissions, as they move to electric heating. The 'decarbonisation' of the national electricity grid will drive further reductions in emissions.
- 3.7 The increased use of more efficient forms of electric heating such as Air Source Heat Pumps will narrow the gap between the costs of gas and electric. It is vital however that homes are insulated and made more energy efficient to not inadvertently push more households into fuel poverty as a result of the drive to decarbonise.

Health, social care, children's services and public health:

- 3.8 Covered within the paper and appendices. Additional information on the health risks of cold homes, Excess Winter Deaths and vulnerable groups can be found in Appendix 2.

Supporting documents and information

Appendix 1:

Local and National Support

Warmth for Wellbeing Programme

BHCC Public Health commission the city's Warmth for Wellbeing programme each winter, providing money advice and small grants, and home energy checks and advice (currently delivered by Moneyworks and BHESCo respectively). During winter 2021-22, Moneyworks partners CABH and MAP delivered debt & benefits advice and casework for 314 households and small grants for fuel payments to approx. 400 households, funded by Public Health and the Household Support Fund.

In May 2022, in response to increasing demand and the cost of living crisis, Public Health allocated an additional grant fund to continue Moneyworks provision of money advice and small grants from June 2022 to March 2023. This is a one-off investment for 2022/23. This funding enables the Moneyworks partnership to provide 1:1 money advice and casework, distribute small grants of around £150 per household, and provide capacity for a dedicated helpline and triage of clients to the most appropriate support. This support is targeted and delivered to marginalised and vulnerable groups whose health is at greatest risk from fuel poverty and living in a cold home.

Brighton & Hove Cost of Living Crisis Campaign

A local, public appeal to help people in poverty in Brighton & Hove with food and fuel costs, managed by Citizens Advice Brighton & Hove and Brighton & Hove Food Partnership, in partnership with BHCC. Initially, 60% of donations to the appeal will be allocated to provide help with fuel poverty and 40% to pay for emergency food. The fund will pay for prepayment vouchers for utilities or payments into utility accounts, and food parcels or vouchers. It will also be used to purchase equipment that helps with food and fuel poverty such as slow cookers, microwaves or electric blankets.

Brighton & Hove Energy Services Cooperative (BHESCo)

BHESCo offer advice on switching and energy consumption to residents who are struggling to pay their energy bills. They can also carry out free home visits to qualifying households to install energy-saving measures, help in dealings with energy suppliers and give guidance on efficient energy usage in the home.

National Energy Action (NEA) - Warm and Safe Homes Advice Service (WASH)

Free impartial support and advice for vulnerable and low-income customers on energy bills and keeping warm and safe in your home. NEA have a local advisor, and the service can help with:

- Support with gas and electricity accounts including fuel debt
- Warm Home Discount and Priority Service Register



- Switching suppliers & tariffs
- Energy efficiency and water rates
- Trust fund applications
- Benefits advice and income maximisation

Brighton & Hove Moneyworks

A partnership of local advice agencies and community centres led by Citizens Advice Brighton & Hove. Moneyworks provides online, telephone, group and 1:1 support with all money issues, including:

- fuel bill payments and vouchers
- debt and benefits help
- foodbank referrals
- getting a bank account
- getting online

Local Energy Advice Partnership (LEAP)

LEAP is a free, national advice service helping people keep warm and reduce their energy bills. LEAP works in partnership with Brighton & Hove City Council and has helped many people in the city reduce their energy bills.

Advisors can:

- fit free energy saving kit in your home (such as lightbulbs and draught-proofing)
- check if you are eligible for insulation or a new boiler
- give practical advice on heating systems and saving energy
- help with switching
- arrange a free money advice consultation to help with benefits, debt and other money problems

Between June 2020 and June 2022, LEAP delivered to Brighton & Hove residents:

- 245 advice calls and 64 home visits (reduced home visits due to pandemic)
- 1,725 small energy efficiency measures (e.g. energy saving lightbulbs)
- replacement appliances in 15 households
- an estimated total of £333,569 in energy bill savings (estimated over ten years) and new income (estimated over one year)

Disabled Facilities Grant – Warm Safe Homes Grant

A wide range of help for older and disabled people, including a Warm Safe Homes Grant, as well as grants to help prevent falls and injury in the home and assist hospital discharge. These are all non-repayable grants with a simple application process via the Council and Possability People.



In November 2021, Housing Committee agreed additional funding for these grants and an increase of the maximum grant to households to up to £20,000 to enable funding of multiple measures and higher cost measures such as air source heat pumps.

Household Support Fund

The government provided £2.140m new funding to Brighton & Hove City Council in the form of the Household Support Fund (HSF) for 2021/22. The fund was part of the government's Covid response and was intended to provide support for food, fuel and other essential costs over the winter and up to the end of March 2022.

The government has announced an extension of the Household Support Fund for a further 6 months until September 2022. The new fund is now positioned as supporting people with the cost of living increase. The allocation for BHCC will be the same at £2.140m.

A further extension of the Household Support Fund has also been confirmed from October 2022 until March 2023. Local details are still to be confirmed.

Cost of Living Support 2022

Almost all of the eight million most vulnerable households across the UK will receive support of at least £1,200 during 2022. This includes a one-off £650 payment to more than 8 million low-income households on Universal Credit, Tax Credits, Pension Credit and legacy benefits, with separate one-off payments of £300 to pensioner households and £150 to individuals receiving disability benefits. All households will also receive a £400 discount on their energy bills from October.

New temporary Energy Profits Levy on oil and gas firms will raise around £5 billion over the next year to help with cost of living, with a new investment allowance to encourage firms to invest in oil and gas extraction in the UK.

To help pay for the extra support, a new temporary 25% Energy Profits Levy will be introduced for oil and gas companies. At the same time, in order to increase the incentive to invest, the new levy will include a generous new 80% investment allowance.

Council Tax Rebate

As part of its targeted response to rising energy bills, the government introduced a £150 council tax rebate during 2022. The council tax rebate provided a payment of £150 to households living in council tax bands A – D; payments began in April 2022 and will not need to be paid back.

Sustainable Warmth Programme (LAD2/3 & HUG)

Support to vulnerable households, those on low incomes in energy efficient homes, to fund up to £10,000 or £25,000 of measures to improve the energy efficiency of homes. Available to home owners and private renters from June 2022 until March 2023. The Council is a part of a consortium of local authorities, led by Portsmouth City Council.

Appendix 2:

Health Impacts of Cold Housing

- 3.9 Living in a cold home as a result of fuel poverty has a disproportionate impact on the health of certain groups. Exposure to cold temperatures increases blood pressure and risk of blood clotting, heart failure/attack and stroke. It also suppresses the immune system, diminishes the lungs' capacity to fight off infection and increases constriction of the airways, increasing the risk of bronchitis and pneumonia. When a house is damp as well as cold, mould is likely to occur. This increases the risk of respiratory illness, particularly asthma.
- 3.10 Therefore, people living in cold homes during the winter months are at increased risk of negative health outcomes, including winter deaths. Excess Winter Deaths (EWDs) are defined as the difference between the number of deaths from December to March and the average number during non-winter months. During the five winters 2014/15 to 2018/19 (most current data available), there were an average of 144 EWDs in Brighton & Hove each winter. The EWD Index is excess winter deaths as a percentage increase of the expected deaths, based on non-winter deaths. For winters 2014/15 to 2018/19 the EWD Index in Brighton & Hove was 21.4%. This is the same as England (21.4%) and similar to the South East (21.3%).
- 3.11 Nationally, most EWDs are due to respiratory and circulatory deaths, such as stroke and coronary heart disease. Other health conditions associated with, or exacerbated by, cold housing include mental ill-health, arthritis and rheumatism. Indirect health impacts of cold housing and fuel poverty include a negative affect on: children's educational attainment, emotional wellbeing and resilience; adult and children's dietary choices; and the risk of accidents and injuries in the home.
- 3.12 Groups at elevated health risk from living in a cold home are:
- people with cardiovascular conditions (in particular, heart disease, stroke, TIA, diabetes)
 - people with respiratory conditions (in particular, COPD and asthma)
 - people with mental health conditions
 - people with learning disabilities or dementia
 - people assessed as being at risk of, or having had, recurrent falls
 - people with disabilities
 - older people (65 and older)

- children under the age of five
- pregnant women.