
Detailed report on the different actors involved in Fuel Poverty issue

**EPEE project
WP3 - Deliverable 9**

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The role and involvement of stakeholders in Fuel Poverty in Belgium

Consumer Protection

Organization of energy regulation

Each Region has a regulatory body for electricity and natural gas (see above 3.1.1, 3.1.2, 3.1.3 and 3.1.4). These organizations are responsible for monitoring and controlling the operations of natural gas and electricity markets. They also control the application of public service obligations (O.P.S.) with social aspects. They aim to limit the debt of residential customers with payment difficulties but also seek to develop consumer awareness of their responsibilities for the management of their debt and energy consumption. The Federal organization controls the production, transportation and distribution of natural gas and electricity in Belgium. Within this federal organization, there is a mediation service with powers to resolve any disagreement between a consumer and a producer, distributor, supplier or intermediary.

Social Tariffs

Federal

On the advice of CREG and following discussion with the Regions, the Federal minister responsible for the economy can establish, after deliberation with the Councils of ministers, the maximum prices per kWh for natural gas and electricity supplies to vulnerable households with low incomes or in a precarious situation. These social tariffs apply across the whole of Belgium. Social tariffs do not reflect the liberalization of the market. These tariffs must be lower than the suppliers' market prices.

For electricity, the specific social tariff also includes:

- Suppression of Contribution towards Electricity network's connection¹;
- Exemption of the contribution for energy²;
- 500 kWh free.

1 Regional Contribution to 'energy fund': financing of Gas and Energy's Regional Regulator, allowance for Rational Use of Energy, allowance for production of "clean energy", Social Guidance for Energy Use

2 Contribution to fund for financial balance of social security

For natural gas, the social tariff depends on the type of uses made by the consumer:

- cooking and/or hot water
- heating via an individual installation
- heating via a collective installation.

For the use of natural gas for cooking and/or hot water there is an entitlement to 556 kWh free of charge.

Moreover, the social tariff for natural gas includes:

- suppression of Contribution of gas network's connection;
- exemption from the contribution for energy.

Flemish Region

Customers benefiting from the social tariff only receive the free 500 kWh if their entitlement is greater than 500kWh (see above 2.1.2.4.).

Definition Of Residential Protected Customers on Low Incomes or in Precarious Situations

Federal

Any domestic customer who can prove that he/she or any person living under the same roof benefit from grants such as:

- Integration income
- Guaranteed income to elderly people
 - 1) an allowance to disabled people after a permanent disability from work or a disability of at least 65%
 - 2) a replacement income allowance for a disability
 - 3) an integration allowance for a disability
- an assistance allowance for elderly people
- an allowance for the assistance of a third person
- financial and social help given by a Public Social Welfare Centre (CPAS) to a person on the Foreign Register with an authorization of unlimited stay and who, because of his/her nationality, cannot qualify for a social integration allowance

Beneficiaries of a waiting allowance young persons post-study who have not yet found employment), or of the guaranteed income to old people or for an allowance to handicapped people or for an assistance allowance granted by the CPAS.

Walloon Region

Federal definition

Candidates for refugee status

People in receipt of money and budgeting advice

People being assisted by an accredited debt advice agency or who are subject to a formal debt recovery programme

Brussels Region

Federal definition

People being assisted by an accredited debt advice agency or who are subject to a formal debt recovery programme

Special temporary provision is made for households who are economically insecure:

- households undergoing debt mediation
- households helped by the CPAS
- households below a certain level of income

Flemish Region

Federal definition

People benefiting from money advice from the C.P.A.S.

People with a multiple debt payment plan

People benefiting from a raised intervention from mutual insurance.

Social Actors

Federal

In each commune of Belgium, there is a Public Social Welfare Centre (CPAS) with a number of duties and responsibilities to assist people in poverty. In relation to “Energy”, this 09/04/2002 law makes the C.P.A.S. responsible for advice, guidance and financial for energy supply for the most disadvantaged.

The CPAS is charged with:

- providing support, advice and guidance to households who are facing particular payment difficulties with fuel bills;
- providing financial assistance to consumers who are unable to meet their fuel bill costs without external assistance;
- granting a heating allowance to low-income consumers, via the Heating Fuel Social Fund (see above 2.1.2.1).

Walloon Region

The O.W.G. of 12/4/2003 charges the CPAS with providing advice and guidance on energy use although CPAS can act autonomously.

Intervention can take several forms:

- Remedial: Individual support for households at risk of disconnection in order to achieve energy savings and reduce energy bills.
- Preventative: to assist households in difficulty to better make better use of energy and control consumption, but also to identify the source of any problems and offer individual or general solutions.
- Informative: to facilitate access to existing financial assistance, in particular allowing investment in energy efficiency improvements.

The priority is to assist beneficiaries of a social integration income but all vulnerable households can benefit from the preventative intervention.

This guidance primarily aims at supporting households in adopting basic energy-saving measures that reduce consumption but without affecting quality of life.

The Walloon Region grants a subsidy to households with modest incomes for the implementation of energy efficiency improvements (MEBAR Project). Those wishing to benefit from the grant submit an application before any work is carried out. The initial application is made to the CPAS which then forwards the case to the energy administration of the Walloon Region which checks that the criteria have been met. Before approving the subsidy, an ‘energy assessor’ carries out a preliminary visit and reports on energy efficiency improvement works required. (The ‘energy assessor’ is an information service on energy use for private individuals. There are currently 12 ‘energy assessors’ operating within the Walloon territory). On the basis of the assessor’s report, the administration places an order for the work to be carried out.

The administration pays the costs to a maximum of €1365 (any additional costs are met by the applicant. The 'energy assessor' subsequently checks that the work has been properly completed.

Energy Suppliers

Procedure in the event of non-payment of electricity or natural gas invoices

Walloon Region

For electricity:

- The customer receives a reminder letter setting an expiry date for bill payment. If the customer does not propose a solution in the 15 days following this expiry date, a meter with an electronic key is installed by the MDN at the request of the supplier. The MDN is liable for the cost of the prepayment meter, but the customer is liable for the cost of its installation. It is not coupled with a 'limited device of power'³.
- If the customer refuses to agree on an appointment with the MDN for the placement of the prepayment meter or if the MDN is refused access to the dwelling at the agreed time, the supply is suspended until the prepayment meter has been installed. Except where the customer refuses, the supplier transmits the case details to the C.P.A.S. The customer remains contracted to his supplier with the 1 month's advance notice.

At this stage, the procedure for the protected customers and the others is very different.

- If the non-protected customers do not ask for the help of a debt mediation service or enter a debt recovery plan or, having taken one of these actions, they do not communicate these actions to the supplier, then they cannot benefit from any social tariff. If they do not recharge the card of their prepayment meter, the supply is cut off.
- For the protected customer, the procedure continues. A prepayment meter linked to a 'limited device of power' is placed at the expense of the MDN; if the customer persists in non-payment and does not recharge the card, he benefits, for a period of 6 months, from a minimal supply of 1300 Watts.
- If the protected customer benefits from the minimal supply for 6 months without recharging the prepayment card he/she is classed as being in default of payment. At this point, the MDN assumes responsibility for the customer supply. It writes to the customer detailing the various possibilities of assistance and the continuation of the procedure. The supplier is held responsible for informing the CPAS of this change.
- If the protected customer still fails to suggest an agreement for payment of arrears relating to the minimal supply, the MDN notifies the customer that a further 15 days will be allowed to find a solution.

³ The working principle of the 'limited device of power' is to supply a minimum of electricity if the customer hasn't reloaded the card of his prepayment meter.

- If the protected customer does not propose a solution or does not respect the arrangement, the MDN can make a request to the local commission of supply cut-off (CLAC) to halt the minimal supply on the grounds that the customer is unwilling to negotiate.
- The CLAC can decide:
 - to maintain the minimal supply, while imposing on the protected customer a plan of payment for the minimal supply already used. The commission asks the CPAS to provide social energy-use guidance;
 - to maintain the minimal supply and to cancel a part or the whole of the debt accrued from minimal supply consumption where the situation of the protected customer appears particularly difficult. The CPAS is requested to provide energy-use guidance;
 - to stop the minimal supply for a time determined by the CLAC. The protected customer can continue to recharge the prepayment meter card.

No disconnection from supply is permitted in the case of a protected customer between November 15th and March 15th.

In the case of natural gas, because there is no prepayment meter option, referral is made to the supply cut-off commission indicating that a customer (protected or not) is in a state of non-payment. It decides whether or not to cut off the supply. It has 30 days to make a ruling. Supplies cannot be cut off between November 15th and February 15th.

Brussels Region

- An unpaid bill results in a reminder, followed by a summons if necessary and then installation of a 'limited device of power' to 1380 Watts (currently 6 Amps).
- A proposal for debt reduction is made to the consumer. If he/she does not pay, the gas and electricity supply can be cut off by a decision of a Justice of the Peace. The Justice of the Peace assesses the good faith of the consumer and pronounces the cancellation of the contract with the supplier.
- Throughout this process, the CPAS will be kept informed by the supplier, except where the consumer disagrees. The CPAS can thus begin guidance and assistance to consumers in the management of their energy budget.
- If the contract is terminated by a Justice of the Peace, the JP or the CPAS can impose, during the winter period (10.01 to 03.31), a temporary supply by a supplier of last resort.
- Consumers in a precarious situation benefit from a temporary special protection.
 - A suspension of the contract with the supplier.
 - The transfer to a supplier of last resort. The latter is obliged to temporarily provide the customer with gas and/or electricity on a social tariff basis.
 - It should be noted that the supply of last resort acts as an emergency service and not as a permanent solution.

- If the customer does not reduce his/her debts with respect to the original supplier, and/or does not pay the supplier of last resort, the supply can be disconnected on the basis of a decision by a Justice of the Peace.
- If the customer honours his debts towards the original supplier the original contract is reinstated.

Flemish Region

The same procedure applies in the event of non-payment of natural gas and electricity bills. But for natural gas, the decree is not yet in force because the prepayment meter technology is not available.

The procedure is:

- in the event of non-payment of the bill, and after several reminders, the supplier can decide to suspend the supply agreement, with a one month delay.
- if the supplier terminates the contract, the customer can seek a new supplier. If it does not find any before the expiry of notice, the MDN becomes his supplier by default and installs a prepayment meter. The 'electricity' meter is always provided with a 'limiting device of power'. For reasons of safety, the 'natural gas' meter will not be provided with a 'limiting device of power'.
 - There are three cases where an interruption of electricity or natural gas supply is possible:
 - in case of immediate danger to safety and for as long as the situation continues;
 - in case of domestic customer fraud, after an assessment by the Supply cut-off local commission (LAC);
 - where the consumer is clearly unwilling to pay, or if the MDN does not have normal access to the dwelling or to the meter with an electronic key, and after the supply cut-off local commission's decision.

The customer can continue to recharge the prepayment meter card. In these last few cases, the electricity cannot be disconnected between December 15th and February 15th and, for natural gas, between December 1st and March 1st.

- Protected customers have certain additional advantages:
 - The prepayment meter is installed and disconnected at the MDN's expense.
 - The supplier cannot charge for the expense of sending reminders or summonses.
 - Normally, the official meter reading is made every two years. The protected customer can ask that this reading be done annually in order to ensure an accurate bill.

The Voluntary and Non-statutory Sectors

The King Baudouin Foundation is a public benefit foundation, established in 1976, working to improve living conditions for the disadvantaged persons. The foundation, independent and pluralistic, is concerned with vulnerable groups such as persons with a disability, low-income families and individuals and refugees.

The foundation published a report on the issue of poverty in 1995 and drew up an inventory per province in 2005 for the 10-yearly report on the issue of poverty.

The Service for the Fight Against Poverty, Precariousness and Social Exclusion is an agency established by regions, communities and the federal authority for joint action on poverty, precariousness and social exclusion. The agency is also involved in work to promote equal opportunities and anti-racism.

A key task is to make policy makers aware of findings, reports and policy recommendations relating to all aspects of poverty which emanate from the various parties involved e.g. CPAS, trade unions and other associations. One output has been a report⁴ on the various social legislation relating to energy in Belgium.

The Popular Teams are a movement of volunteers and activists in the French community who work towards an equal society and social justice. There are around 120 local teams in the French community and they have the status of a formal educational organisation. They organize local action groups or discussion groups aimed at raising and increasing awareness of social issues in order to promote greater social cohesion and harmony. Currently, two key themes are the equitable distribution of resources and sustainable development; the need for increased public awareness of energy issues forms part of these themes.

Brussels Association for the Right to Housing (RBDH) is an association established to promote and defend the right to decent housing.

Its activities include:

- Support for people in need of decent and affordable housing
- Training activities for disadvantaged persons
- Publications on housing issues

Flemish Council of Associations for 'inhabitants interests' (Vlaams Overleg Bewonersbrlongen) is the central body for new initiatives on housing's policy.

Its mains aims and objectives are:

- The right to decent housing for vulnerable households
- Provision of information distribution on housing issues
- Training and support for association members.

⁴ Inventory of Belgian Legislation on Social Measures in the Field of Energy, Service for the Fight against Poverty, Insecurity and Social Exclusion

The “Housing Shops” (Woonwinkels) are local associations to help vulnerable people find affordable housing in Flanders.

Its main preoccupations are:

- Providing accessible information on the operation of the housing market
- Social, technical, financial and legal assistance to enable vulnerable persons to participate in the housing market
- Active participation in Flemish housing policy.

The role and involvement of stakeholders in fuel poverty in France

France currently lacks any effective and co-ordinated infrastructure to tackle fuel poverty in the most sustainable manner. However, in 2005, a number of representatives from energy, housing and social agencies combined to prepare and agree a manifesto designed to ensure that fuel poverty issues would have a higher profile in development of public policy. The manifesto was published in 2005 entitled ***“Housing, social disadvantage and energy – plan for action”***.

This manifesto proposed an action plan to tackle fuel poverty:

- 1) Increase knowledge of the causes and effects of fuel poverty
- 2) Devise a tariff policy that would encourage reduced energy consumption whilst simultaneously bringing social welfare benefits
- 3) Define codes of practice for fuel poverty prevention and alleviation to be adopted by energy suppliers and public and private agencies
- 4) Provide information and raise household awareness of how to make the most efficient use of energy and water supply
- 5) Improve the effectiveness and increase funding of the FSL
- 6) Give priority to practical measures aimed at achieving affordable warmth and reducing energy and water bills

The manifesto was widely disseminated through networks of energy, housing and social action agencies. The signatories were: CLER, the National Organisation of

Companion Builders, the Abbe Pierre Foundation, the National Federation of Housing and Development (FNHD), the National Movement of Pact Arim, Secours Catholique, French Society of Urbanists, UNAF and UNIOPSS. The involvement of these organisations will be described later.

As a follow-up to the manifesto, a network comprising professionals involved in energy, housing and social action was instigated in January 2007. This network, called **RAPPEL**, is co-financed by ADEME and the Abbe Pierre Foundation. It brings together both the organisational directors and practitioners involved in day-to-day experience of fuel poverty issues. The main objectives of this network are:

- Internal objectives: developing partnerships, sharing experiences and discussing problems and developing a strategic consensus.
- External objectives: Developing the profile of RAPPEL, explaining its rationale and promoting the network as a source of information and expertise in initiating new actions, improving public awareness and knowledge of fuel poverty and involvement in lobbying and campaigning on the need for appropriate legislation.

Social workers

Identification of fuel-poor households is often undertaken by social workers through their involvement in assisting households to obtain financial help through the FSL.

But this approach serves only to ameliorate the effects of fuel poverty rather than address the deeper causes. This policy of treating the symptoms rather than trying to effect a cure is evident in the fact that the FSL budget has been increasing since its inception; it also seems likely that the opening of energy

markets in July 2007 will result in more vulnerable households being unable to pay fuel bills and, consequently, the need for greater levels of financial support. Social action professionals recognise the short-term nature of this form of assistance and advocate working towards a more sustainable solution to fuel poverty

To partially respond to this situation, ADEME has implemented training sessions for social workers. The purpose of this training is to advise and inform social workers of different possible actions they can take to promote energy efficiency work as an integral part of their work with vulnerable households and to encourage their partnership with local organisations involved in the energy and housing fields.

The following social organisations are major participants in analysis, debate and action (information, ongoing support and advice) aimed at fighting fuel poverty on a local level.

Emmaüs

Active since 1901 in addressing all forms of social exclusion, Emmaüs is part of the Abbe Pierre Foundation.

UNAF (National Union of Family Associations)

is a national institution for promoting, defending and representing the interest of all families living in French territories. The UNAF is the umbrella body of regional (URAF) and county (UDAF) organisations.

Secours Catholique

It has a remit to tackle all forms of poverty and exclusion and to promote social justice.

Energy and housing organisations

A number of energy and housing networks are involved in tackling fuel poverty through practical and sustainable work including information, advice, energy audits and sourcing of funds for practical energy efficiency improvements.

Housing organisations include:

- The French Network of Building and Development (**FNHD** in French) is primarily concerned with action and policies to improve housing conditions and is the lead body for 117 local organisations (H&Ds).
- **PactArim** is a national network comprising 145 local organisations which seeks to improve poor quality housing.

FNHD and PactArim are particularly active in issues relating to controlled rent housing (supported by ANAH) and in campaigning against non-decent housing.

National Agency for Housing Information (ANIL) is the lead body of the county organisations (**ADIL**). The primary purpose of these organisations is to disseminate free information to individuals and local authorities on all aspects of housing.

Energy agencies

Network of the Energy Information Centre (EIE)

EIE is managed by ADEME. The EIE services include free information and advice about energy efficiency, the rational use of energy and renewable energies. The EIE can provide services for different types of organisations: H&D, Pact Arim, CAUE, ADIL, and local organisations involved in promotion of the rational use of energy and renewable energies (represented by CLER).

CLER network

CLER network operates as an umbrella body for local organisations involved in promoting energy efficiency and the development of renewable energies.

National Federation of CAUE

The CAUE is a county-level organisation that provides a number of services (information, advice, awareness-raising, training, etc) to promote high standards in architecture, town planning and the environment.

Not all of these organisations are involved in fuel poverty to the same extent or in the same manner. There is an important diversity of actions across the various agencies. A guidance note, funded by ADEME, lists and explains their different roles and areas of involvement. The aim of the guide is to increase awareness of existing projects and services to encourage their replication. For instance, there are energy efficiency information initiatives (guides, leaflets, exhibitions); advice services (behavioural change and basic measures to reduce fuel bills); energy audits (to identify areas of wasted energy and recommend remedial works); and county funds for practical energy efficiency improvements. These county funds (12 in France) are provided by the county council, ADEME, CAF (Family Allocation Funds), FAP (Abbe Pierre Foundation) and communes, all of whom are represented on the steering committee. They encourage preventative actions (from the purchase of low energy lightbulbs to the insulation of walls - which is rarer) targeted on households in fuel debt.

Self-help energy efficiency works

Low-income and other vulnerable households are often excluded from access to energy efficiency improvements as a result of lack of capital to invest in measures, often compounded by a lack of information and social isolation.

In order to overcome these barriers to energy efficiency improvements, several organisations, working with social services, have undertaken pilot projects to carry out energy retrofitting works in dwellings occupied by vulnerable households. Works are proposed and undertaken following consultation with the occupants.

The retrofitting works are agreed between the household and the organisation.

These organisations encourage householders to undertake some or all of the work themselves in properties that they already occupy or that they will occupy in the future. Householders receive technical support and guidance in carrying out the agreed works, which includes:

- help in identifying the most appropriate measures
- choice of materials
- costing the works
- organisation of the construction site
- involvement of skilled tradesmen who carry out preliminary works or supplementary works

ANAH can provide financial subsidies in support of these works. Depending on the condition of the dwelling and the resources of the households plus the subsidies, the work can involve energy retrofitting works such as thermal insulation of the walls or roof, or other minor repair works.

These programmes are not well known, however for a relatively modest investment they can deliver extremely positive effects in terms of health, well-being and energy savings.

Different organisations are involved:

- The **Organisation of Companion Builders** is a national organisation that aims to improve dwellings occupied by disadvantaged families. This organisation is primarily motivated by social justice concerns.
- **PADES**, which is the programme for self-retrofitting works and social development, is a 1901-law organisation, which means a non-profit organisation. Its main aim is to facilitate access to resources for self-retrofitting works and to make it better recognised as a tool of social development.

Charitable foundations

In France, the main foundation acting on fuel poverty is the Abbe Pierre Foundation (provider of housing for low-income households). The Abbé Pierre Foundation's key priority is to ensure that the most disadvantaged households have access to permanent housing of an acceptable standard. The Foundation also provides funding for a number of related projects including the EPEE project and RAPPEL.

The Foundation's partnerships with a range of other housing agencies have resulted in major programmes of housing rehabilitation, the provision of housing for many disadvantaged households and crucial interventions on behalf of people in the most desperate circumstances including squatters, occupants of shantytowns and other homeless individuals.

Consumer Protection

This section considers consumer protection organisations in France and, in particular, provision to protect the interests of energy consumers. In France there are three main consumer organisations:

- CNL, which is the National Consumer Institute
- CLCV and UFC 'Que Choisir', which are consumer bodies.

CNL is a centre of expertise and information for consumers and their representative bodies. The institute carries out product comparison tests as well as economic and juridical studies. The results are disseminated to consumers and consumer bodies.

The consumer bodies are 1901-law organisations, which means that they are non-profit organisations. These organisations have an agreement with the Ministry of Industry conferring on them a specific formal status as a consumer body, allowing them to protect and defend consumer rights and to go to law on behalf of consumers. Their main role is to check the validity of contractual terms offered to their members.

With regard to fuel poverty, these contracts can be: energy supply contracts, tenancy agreements etc. The agencies provide advice and legal assistance to the public and can act as mediators in case of conflict, for example where landlord and tenant are in dispute over the need for energy efficiency works. The consumer agencies also offer advice and information on energy saving measures and on housing rights.

Energy Suppliers

This section considers the roles and actions of energy suppliers in assisting their vulnerable customers. As a consequence of some of the laws described in the first sections the electricity supplier is obliged to assist customers in particularly vulnerable circumstances.

EDF participates in the financing of the FSL through the CSPE (contribution for electricity public service) funded through a levy on the bills of EDF customers. In addition to this financial support, EDF is obliged to advise indebted customers about the possible intervention of a social worker who can arrange to pay at least a portion of the unpaid bill through the FSL.

EDF then offers a "preservation of energy service", which allows a restricted electricity supply of 3000 watts for a period of one month during which the case will be assessed by a social worker (e.g. from the CCAS).

If the customer fails to take action, EDF will further reduce the electricity supply to 1000 watts. After a period of a further two weeks, the customer is deemed to be in breach of contract, the case is transferred to an office of debt recovery and the final stage is disconnection from supply. EDF restores power when the consumer has either made arrangements to repay the debt or on production of documentary evidence that the case is being dealt with by social services.

In conjunction with this emergency procedure, energy suppliers can suggest tariff adaptations and payment facilities. These proposals are still palliative rather than curative but they can sometimes result in reduced fuel bills. An alternative measure involves the installation of a prepayment meter to assist households in budgeting for their energy costs. The basic principle of prepayment metering is to allow the customer to remain on supply whilst recovering any debt (through calibration of the meter).

These approaches do not consider the fundamental problem which is frequently the condition of the dwelling and poor energy efficiency standards. Energy suppliers could use the White Certificate system to deliver significant energy efficiency improvements but energy reduction targets for the first phase of the programme (2006-2009) are not ambitious and affordable warmth for disadvantaged households is not one of the programme's priorities at this time.

Local authorities

Local government is at the heart of fuel poverty problems and solutions:

- they take part in the county-level commissions that manage the FSL
- they can contribute financially to the FSL
- EDF provides them with details of households in fuel debt living in their commune
- they can provide support for these households, through the Communal Centre for Social Action (CCAS) if available, by helping complete documentation applying for FSL assistance. Social workers can refer households to organisations able to offer preventive solutions through energy efficiency improvements to the dwelling
- they are involved with both public and private sources of funding for programmes to improve domestic energy efficiency as part of their local responsibilities.

Local authorities are familiar with their areas and can quantify the scale of fuel poverty (unpaid bills are one manifestation), they are local decision makers and can thus implement preventive actions to tackle fuel poverty, they can also involve other local actors (social and private landlords, sustainable development agencies etc) in co-operative working towards improved energy efficiency and affordable warmth within their community.

Financial Institutions

Banks can be a factor in tackling fuel poverty; their involvement can, for example, take the form of micro-credits and soft loans for energy efficiency improvements. Some financial institutions are looking for innovative and ethical areas of investment. However, for this approach to work it is necessary that some external agency should act as guarantor for any loan to ensure repayment.

Foundation Abbe Pierre and the Credit Cooperatif are both currently working on this subject.

The role and involvement of stakeholders in Fuel Poverty in Italy

Association of Consumers

As indicated earlier, all the Associations of Consumers are under the authority of the National Council for Consumers.

The Associations are very active in urging central Government to consider the full range of problems associated with energy prices and tariffs.

ADICONSUM (the largest Association of Consumers in Italy) regularly lobbies Government to adopt new approaches to the problem and, in particular, it seeks consistent policies to address fuel poverty for gas and electricity consumers and to reduce the energy tax burden for the most vulnerable consumers. ADICONSUM has long been concerned about the issue of energy efficiency in buildings and has participated in several national and European projects relating to energy efficiency, energy prices and consumer protection.

FEDERCONSUMATORI, another major Association of Consumers, manages a National Observatory on Tariffs and Public Services and Utilities. The Observatory analyses trends in tariffs and the quality of public services.

Local Authorities

Regions may perform a key role in this matter, because they have important powers relating to energy planning and in defining policies for the efficient use of energy across all sectors. Regions are also often important actors in defining and regulating social policies at a local level and specific policies for providing assistance to disadvantaged families and individuals.

Provinces also have a key role through provision of guidance to municipalities on revisions to energy efficiency standards within Building Regulations.

Municipalities are the most important institutions in implementing policies and good practice to address fuel poverty. They have to maintain close relations with energy supply companies in monitoring individuals and families in particular difficulty with their energy bills; consequently, they are the main agencies involved in the application of national laws and regulations relating to social tariffs.

The Regional Agency for Residential Building and Social Housing (for example in Lombardy ALER is the agency that regulates and manages this area) is another important organisation with responsibility for all aspects of residential building and social housing (building quality, energy efficiency of new buildings, energy efficient refurbishment of existing buildings, etc.).

Energy Suppliers

A very limited number of Italian energy supply companies have adopted policies and programmes to help disadvantaged consumers. HERA SpA, for example, is the energy supply company for the area of Emilia-Romagna and it concluded specific arrangements with 50 Municipalities to apply the mechanism fixed by the National Energy Authority which allowed for an increase of 1% on all gas tariffs to create a fund to assist those customers unable to pay their bills.

Local energy Agencies

The Italian energy agencies promote the efficient and environmentally friendly use of energy. Improved energy efficiency across all areas and the increased use of renewable energy sources are recognised as priorities in attaining sustainable energy use.

In particular, the agencies are involved in:

- coordinating surveys to identify the opportunities for the development of projects in the energy field and their implementation both technical and administrative;
- drawing up, coordinating or undertaking operational projects in the energy field within programmes promoted by the European Union, the Italian Government or the Regions, involving as possible international partners, agency members and other Energy Agencies.
the organisation of information campaigns, workshops and conventions on themes connected to energy to update both practitioners and the general public about renewable and conventional energy sources and about energy efficiency and conservation;
- supply technical and consultancy services to local authorities and to the Provinces governing the application of national regulations in the energy field, such as Law 10/91 and DPR 412/92 supplemented by DPR 551/99;
- informing, raising awareness and collaborating with public and private operators, commercial organisations and members of the public to increase take-up of renewable energies and energy efficiency and conservation measures within Provinces and municipalities;
- revising and implementing procedures for regional and provincial energy and environmental planning and for planning applications;
- conducting energy audits of buildings;
- assistance with the achievement of plans of action for energy and for sustainable development.

The agencies' geographic range is limited and specific: there are eight agencies in Northern Italy, nine in Central Italy, five in Southern Italy and three in the islands (Sardinia and Sicily).

Fuel Poverty Programmes

There are no specific programmes for fuel-poor households.

The role and involvement of stakeholders in Fuel Poverty in Spain

Local Authorities

In Spain each town council has their own social services (social workers) and each municipality devises its own guidelines for dealing with individuals who encounter difficulty in paying energy bills. There are programmes that provide grant assistance in cases of urgent financial difficulty. A low-income householder can request a “social emergency subsidy” from the municipality and, after the situation has been investigated, the householder can receive a grant to pay housing expenses in general. It is important to emphasize that there are also some grants to improve housing conditions but normally, not related to energy but to adapt housing to disabled people for example.

Energy Suppliers

Spanish energy suppliers have developed special payment methods to avoid substantial variations in seasonal energy bills. This system involves payment at a fixed monthly rate throughout the year. The consumer pays the same amount each month and avoids, for example, high winter bills. In case of default of payment, Spanish energy suppliers have standard procedures: 3 notices delivered by registered letter over a period of 2-3 months. Following this, if payment has still not been received, procedures for the disconnection of the energy supply will commence.

Spanish energy legislation, specifically Ley 54/1997, covers disconnection procedures. Disconnection will occur if the consumer has still not paid after two months have elapsed. Some specific essential services are exempt from disconnection. In the case of RD 1955/2000 the following services are protected from disconnection from electricity supply:

- 1) Street lighting (Public Administrations)
- 2) Water supply for human consumption (grid system)
- 3) Security forces dwellings
- 4) Prisons
- 5) Public transport and facilities related to traffic security.
- 6) Health centres
- 7) Funeral parlours

In case of gas, RD 1434/2002 protects the following residential accommodation and other services from disconnection:

- 1) Health Centres
- 2) Centres of compulsory education
- 3) Old people's homes
- 4) Dwellings occupied by members of the security forces
- 5) Public transport services that use gas.
- 6) Other services considered as essentials

Social tariffs: The concept of social tariffs for energy relates only to low-consumption households. There is a cheaper tariff (1.0) for those with maximum consumption levels of less than 1kW in case of electricity, with 150,000 users in Spain; and, in the case of gas, there is a special tariff (3.1) for those who consume less than 5000kWh/year. There are no special discounts or subsidies for vulnerable domestic energy consumers.

The Voluntary and Non-statutory Sectors

This sector has some degree of involvement with fuel poverty in Spain. The priority for this sector is in solving situations of individual financial difficulties. One example is Caritas which is the central body for charitable and social action undertaken by the Catholic Church in Spain. Caritas will only intervene to pay energy bills in reaction to the problem and never as a means of preventing the situation arising in the first place. A social worker becomes aware of the individual financial difficulty and forwards details to the central regional office which then pays the bill. As an illustration, in Barcelona in 2006 Caritas paid out €11,000 to cover gas and electricity expenses.

There are several organizations that provide energy advice (regional and local energy agencies) but for the general population rather than for disadvantaged households.

There are no specialist fuel poverty organisations in Spain because, despite some evidence that there is a problem, the failure to establish fuel poverty as a widespread social problem means that it has no real profile in society and, consequently, no agency or network of agencies to press for solutions to the problems.

Fuel Poverty Programmes

Since fuel poverty has no legal status and is not an issue of wide social concern there are no specific fuel poverty programmes in Spain. There are special programs related to families and their welfare but these are mainly focused on food, rent or housing conditions for disabled people.

The role and involvement of stakeholders in Fuel Poverty in United Kingdom

Energy Suppliers

Social tariffs

The concept of social tariffs for fuel is becoming increasingly high profile in the United Kingdom. Social tariffs generally take the form of a charging structure that offers some form of preferential pricing, in the form of discount or subsidy or rebate, for a specific category of vulnerable domestic energy consumer. All of the major energy suppliers have developed an arrangement that can be described as a social tariff. The table below illustrates the type of offer developed by companies and the categories of household to whom it is available.

Social tariff offer	Eligibility criteria
£30 per fuel (£60 for dual fuel) paid in two stages as a credit on bills	All consumers on means-tested benefits living in deprived areas, identified through Mosaic profiling. Consumers asked to confirm eligibility
Price freeze: worth, on average, £40 for dual fuel consumer	All people living in fuel-poor areas, as identified by through small area fuel poverty model
£25 for electricity and £10 credit for gas (£35 for dual fuel) paid as credit on bills	All people on Priority Service Register
Transfer to cheapest tariff currently provided (currently dual fuel internet Direct Debit tariff)	People in arrears or 'struggling to pay their bills'
Price freeze: worth, on average, £40, plus cold weather payment, worth £20 (2004/5 value)	Older people signing up to Age Concern Energy Services package
Fixed price bill based on size of property and number of residents.	All older people, providing current consumption is below certain level
£30 credit paid on bills	All prepayment meter users on PSR
Up to 20% discount	Severe fuel-poor households on benefits

Energy Retail Association

The Energy Retail Association is a consortium comprising the six main domestic energy suppliers in Great Britain. Under the umbrella of the Energy Retail Association, the suppliers fund an arms-length advice service, the Home Heat Helpline, which can offer help and guidance on a range of issues relating to difficulties in paying fuel bills including financial assistance to help reduce energy consumption. The Home Heat Helpline seeks to develop partnerships with external agencies, including charities and other voluntary organisations, to promote the availability and benefits of the service.

Energy Trusts

A number of energy supply companies operate trust funds which are intended to assist customers in particular financial need. In general, the trusts prioritise assistance to their own domestic customers who are struggling with gas and/or electricity debt although applications for grant assistance for certain types of non-fuel debt will also be considered.

Of the three trusts currently in operation, two receive direct requests for financial assistance whilst the third only accepts applications made through third parties. However, this last programme can also fund projects designed to reduce indebtedness in the community.

Environmental Non-Government Organisations (NGOs)

Historically there have been tensions between agencies whose primary interest in energy issues was to minimise consumption for environmental reasons and those fuel poverty agencies that were resistant to measures such as taxes and levies on domestic fuel. These differences have been resolved as both parties identified mutual benefit in promoting energy efficiency improvements as the only rational and sustainable method of addressing both social and environmental issues.

Friends of the Earth (FoE)

Friends of the Earth recognise the social implications of policies to mitigate climate change. FoE are supportive of fuel poverty strategies that acknowledge the role of improved domestic energy efficiency in delivering sustainable development and affordable warmth.

The Centre for Sustainable Energy (CSE)

Despite the agency's name, CSE is effectively a hybrid organisation working simultaneously on both fuel poverty and sustainable energy issues through policy work and through development of practical projects. The Centre for Sustainable Energy demonstrates the symbiosis between environmental and social concerns.

The Voluntary Sector and Other Non-Statutory Bodies

Fuel poverty was first recognised as a significant social problem by concerned individuals and organisations many of whom came into contact with the adverse consequences of unaffordable energy costs. In some cases the solution proposed was to improve energy efficiency, in others to advocate heating subsidies and discounts whilst others saw the need to prevent disconnection from supply as the major priority.

Over the past three decades the voluntary sector has continued to act as a strong supporter of the need to develop improved fuel poverty programmes. As might be expected the key agencies involved have been those whose client groups are in some respects most vulnerable and, consequently, most adversely affected by fuel poverty.

Elderly Households

The two main charities working with older households are Age Concern and Help the Aged. Both of these agencies have been active in identifying the threat of fuel poverty to elderly people and both have produced a number of reports on the scale of the problem. This concern is understandable given that all research highlights the disproportionate number of pensioner households (particularly single pensioners) in the fuel-poor population. Age Concern and Help the Aged are also able to highlight the disadvantaged circumstances of many older households. Low and fixed household incomes, poor housing conditions and health, longer periods of time spent in the home, lack of capital to invest in housing repairs – far less improvements, and accommodation that is too big for their needs and cannot be heated adequately and economically. All of these circumstances predispose older households to some degree of fuel poverty.

Persons Living with a Disability

A number of organisations within England represent and promote the interests of disabled people. Amongst these are the Disability Alliance which is a national charity working to break the link between poverty and disability. The Disability Alliance recognises the links between fuel poverty and the high energy costs incurred by households who suffer from particular disabilities that can be exacerbated by cold conditions or who simply need more warmth because they occupy the dwelling for lengthy periods.

Families with Children

Several charities and other voluntary organisations have the welfare of children as their primary objective. These include Child Poverty Action Group, the Family Welfare Association and Save the Children. Fuel poverty is seen as a cause of social exclusion and disadvantage for children for a number of reasons:

- physical ill health (proven links to respiratory disease such as severe asthma and increased accident risk)
- psychological health (cold damp homes are linked with depression, fatigue and nervousness)
- educational attainment (cold damp housing is not conducive to study and resulting ailments lead to missed school attendance)
- social exclusion (the home does not provide a welcoming environment for friends to visit)

Citizens Advice Bureaux

Most urban areas across the United Kingdom are served by generalist advice agencies called Citizens Advice Bureaux. These agencies offer free advice and guidance to individuals and families on all issues including fuel debt, disconnection and intercession with energy suppliers on behalf of consumers.

Fuel Poverty Agencies

National Energy Action (NEA) is the major fuel poverty charity in England. NEA's work also covers Wales and Northern Ireland through offices in Cardiff and Belfast. Whilst NEA is active across all of the policy issues relating to fuel poverty – low household incomes, unaffordable energy prices and poor housing conditions – the charity sees improved heating and insulation standards as the only sustainable solution to fuel poverty.

A number of other agencies, including the Centre for Sustainable Energy and the National Right to Fuel Campaign, are also involved in research and campaigning on fuel poverty issues. Energy Action Scotland replicates NEA's work across Scotland.

Fuel Poverty Programmes

The UK Fuel Poverty Strategy recognised that a combination of approaches would be required to eliminate fuel poverty. Consequently, the strategy considered three significant areas:

- energy efficiency measures
- energy market measures
- social inclusion measures

Energy Efficiency Programmes – Warm Front

Warm Front is the key Government policy to address fuel poverty in England through heating and insulation improvements. Grant assistance is available to owner-occupiers and private sector tenants to fund a wide range of energy efficiency measures. These include:

- Loft insulation
- Cavity wall insulation
- Draughtproofing
- Gas, electric or oil central heating
- Repairs to existing heating systems

The maximum grant under Warm Front is £2,700 (£4,000 where oil-fired central heating is being installed). In addition to the practical measures, Warm Front provides a 'Benefits Health Check' which seeks to ensure that households are receiving all of the welfare benefits to which they are entitled.

Eligibility for Warm Front requires the householder (or partner) to be in receipt of a means-tested or disability-related benefit. Where eligibility results from receipt of a means-tested benefit the household must meet an additional vulnerability criterion of age (pensionable age or child aged under 16 in the household) or disability.

Warm Front is funded through the Department for Environment, Food and Rural Affairs and is administered by a private sector agency – Eaga plc. The Warm Front programme will receive Government funding of £800 million between 2005-2008.

Energy Efficiency Programmes – the Energy Efficiency Commitment

The Energy Efficiency Commitment (EEC) imposes a statutory obligation on electricity and gas suppliers to meet specific targets for energy savings in the domestic sector. The cost of these energy efficiency programmes is passed on to domestic customers and in the latest phase of EEC this represents some £9 per customer per fuel (gas and electricity). In total the 25 million electricity consumers and 20 million gas customers will contribute annually £405 million in the period 2005-2008. It appears likely that the next round of EEC (2008-2011) will see funding increase by between 50% and 100%.

EEC is primarily a carbon emissions reduction programme and the Climate Change and Sustainable Energy Act permits the Secretary of State to set targets in terms of emissions reductions rather than energy savings.

Despite the environmental emphasis of the Energy Efficiency Commitment there has always been an awareness of the need for equitable distribution of EEC resources as demonstrated in the requirement that 50% of energy savings should be achieved through measures for a 'priority' group of customers. This 'priority' group is similar to the Warm Front client group in that means-tested benefits and disability-related benefits confer eligibility. However the EEC priority group is more inclusive since it includes households of all tenures) including social sector tenants) and, unlike Warm Front, it does not incorporate any additional vulnerability criteria.

There are also similarities between insulation works carried out under the Energy Efficiency Commitment and Warm Front. These primarily comprise the most basic thermal insulation measures – loft insulation and cavity wall insulation. This has led to criticism that the two programmes are competitive rather than complementary.

The Decent Homes Standard

The UK Fuel Poverty Strategy stressed the role of the Decent Homes Standard in addressing fuel poverty in social rented housing. The Thermal Comfort element of the standard is intended to raise heating and insulation standards to an acceptable level. There was considerable criticism of the Thermal Comfort element on the basis of its lack of rigour, however recent research indicates that social landlords have voluntarily adopted higher standards greatly superior to the Government's minimal requirements. The Government concedes that the target of raising all social sector dwellings to an acceptable standard by 2010 will not be met but insists that social landlords will achieve 95% of their targets.

Warm Zones

Warm Zones represent a comparatively new fuel poverty initiative. The Warm Zones concept involves identifying a specific geo-political area with high levels of fuel poverty and other manifestations of social and economic deprivation. The Warm Zone seeks to provide a range of support services for the whole community dependent on need and ranging from practical energy efficiency improvements to debt counselling and advice on welfare benefits entitlement.

The success of Warm Zones requires the commitment of a wide range of organisations and institutions including:

- Local authorities
- Housing providers
- Energy suppliers (for financial support for energy efficiency)
- Local offices of relevant Government departments such as the Pension Service
- Voluntary sector agencies providing services to vulnerable households

The Energy Saving Trust

The Energy Saving Trust (EST) was established after the 1992 Rio Earth Summit. Funded by Government and the private sector the EST has two main goals:

- To achieve the sustainable use of energy
- To cut carbon dioxide emissions, one of the key contributors to climate change

To achieve these goals, the EST works with households, business and the public sector:

- Encouraging more efficient use of energy
- Promoting the use of small-scale renewable energy sources, such as solar and wind

The Energy Saving Trust funds a network of Energy Efficiency Advice Centres across the United Kingdom providing free objective and expert advice to householders on all aspects of energy use. The EST also co-ordinates the work of a number of stakeholder groups from across the energy industry working to improve domestic energy efficiency and alleviate fuel poverty.

Energy Market Measures

The Government sees an important role for energy suppliers in the UK Fuel Poverty Strategy, particularly since the domestic gas and electricity price rises of 2004-2007. The competitive energy market did make a significant contribution to fuel poverty reduction in Great Britain up to 2004 but scope for significant financial benefits as a result of switching supplier have diminished. Almost 50% of domestic customers have switched from their incumbent supplier (British Gas and regional electricity companies). In any case, low-income and other vulnerable households are less likely to participate in the competitive market due to lack of information or confidence in the process.

The Government has now begun to take a greater interest in the potential benefits of suppliers offering a social tariff to their more disadvantaged customers. The Department for Trade and Industry and the consumer body, energywatch, have both issued consultation documents to try to determine the optimum form of a social tariff. The debate will focus on whether beneficiaries should be offered universal terms and conditions across the industry or whether a competitive element should be retained as suppliers develop their own criteria for a social tariff.

The Government has recognised that essential services such as domestic gas and electricity should not be subject to punitive tax regimes. In 1997 the VAT rate on domestic fuel was reduced from 8% to 5% - the lowest rate permitted by EU agreements.

Social Inclusion Measures

The household income element of the fuel poverty equation has been addressed through a number of improvements to the benefits system, most directed at vulnerable households such as pensioners and families with children. Targets on child and pensioner poverty have prioritised assistance for these households but have been supplemented by a range of measures intended to get more adults of working age back into employment.

In addition to general welfare programmes the Government has introduced the Winter Fuel Payment for all persons aged 60 or over. The Winter Fuel Payment is made each year at the rate of £200 for an eligible person (£100 per person where the household comprises two eligible persons); where a member of the household is aged 80 or over the annual payment is £300 per person or £150 x 2 where both of the partners are eligible.

The Winter Fuel Payment is not subject to any means test. It is referred to as a universal benefit with the sole criterion being the age of the recipient. The Government explains this policy on the grounds of ease of administration; not wishing to stigmatise the benefit in any way; and recognition that a means test punishes those who are marginally outside the qualifying threshold.

The Winter Fuel Payment is made to around 8 million pensioner households at an annual cost of some £2 billion.

Cold Weather Payments

There is one further element of the benefits system that is designed to provide some financial assistance during periods of particularly severe weather. Cold Weather Payments are made to households on the lowest rates of welfare benefits and who meet some additional vulnerability criterion. The household must contain an older person or someone with a disability or a child under the age of 5.

Where a period of cold weather has occurred, or been forecast, an eligible household will receive the sum of £8.50. A period of cold weather is defined as seven consecutive days during which the average of the mean daily temperature is equal to or below 0° C. Such periods of intense and protracted cold are rare in the United Kingdom and Cold Weather Payments are rarely made.