

## Health Impact Assessment Screening Record Sheet

### Conducted by:

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### 1. Title of programme, policy or project:

Provision of an all-Wales demand-led energy efficiency and fuel poverty scheme to succeed *Warm Homes Nest*.

### 2. Description (including key aims and objectives):

The Welsh Government has a statutory obligation to eradicate fuel poverty, as far as is reasonably practicable, in all households in Wales by 2018. We have limited powers to tackle low income and energy prices, making the eradication of fuel poverty a real challenge, but we can make a significant difference by improving the energy efficiency of homes in Wales.

Wales has some of the oldest and least thermally-efficient building stock in Europe. The prevalence of older buildings in Wales' stock leaves a considerable legacy of non-energy efficient features. Therefore, it simply takes more energy to keep our homes warm than elsewhere in Europe, and this drives up energy bills. Improving the energy efficiency of homes is the most sustainable way to reduce energy bills in the long term, allowing households to keep warm at a more affordable cost.

Our Fuel Poverty Strategy sets out the actions we will take to reduce the number of households in Wales living in fuel poverty. Key actions include:

- Provision of a demand-led all-Wales fuel poverty scheme targeted at those householders most in need and living in the most energy inefficient homes, complemented by area-based investment.
- Provision of well-coordinated advice and support services to ensure that all householders in Wales can access help to reduce their fuel bills, maximise their income, improve the energy performance of their homes and reduce their risk of becoming fuel poor.

We are currently doing this effectively through our energy efficiency and fuel poverty programme, *Welsh Government Warm Homes*, which includes the demand-led *Nest* and area-based *Arbed* schemes.

As the current *Nest* scheme contract expires in March 2018, we are undertaking a Health Impact Assessment on a new demand-led energy efficiency and fuel poverty scheme to succeed *Nest* from April 2018. The scheme is designed to provide households in Wales with access to a range of free, impartial advice and support to help them reduce their energy bills and keep warm at a more affordable cost.

Support includes a referral for a package of free home energy improvement measures for certain low income, energy inefficient households, subject to eligibility criteria.

Evidence from a number of social research reports<sup>1</sup>, along with lessons learnt from the existing scheme, were used to develop proposals for the new scheme which include revised eligibility criteria to improve targeting and the provision of in-home advice to eligible households. Support will be prioritised to those households most in need (i.e. low income, vulnerable, energy inefficient households).

A consultation on the draft proposals was held between 27 July 2016 and 19 October 2016. Welsh Government's response to the consultation was published on 23 December 2016.

### Key aims and objectives for new scheme

The new scheme will succeed and build upon the existing *Warm Homes Nest* scheme with key objectives to:

- reduce the impact of fuel poverty on households in Wales and, as far as reasonably practicable, eradicate fuel poverty;
- create green jobs and business opportunities for the people of Wales; and
- reduce the greenhouse gas emissions in the domestic sector.

In line with the Fuel Poverty Strategy 2010, support is targeted at those households most in need and living in the most energy inefficient homes.

### **3. Nature of Evidence considered/to be used (including baseline data, technical and qualitative research, expert and community knowledge):**

Our proposals regarding the provision and design of the new scheme have been developed taking into account a range of evidence, which is summarised below.

#### **[Estimated Fuel Poverty Levels 2012-2016, Building Research Establishment \(BRE\)](#)**

The most recent Welsh Government statistics on fuel poverty in Wales are modelled estimates for 2012 to 2016 produced by the Building Research Establishment (BRE). BRE's report, "*The Production of Estimated Levels of Fuel Poverty in Wales: 2012-2016*", was published on 11 July 2016. The report provides estimates of fuel poverty and severe fuel poverty in all households, fuel poverty in vulnerable households and fuel poverty in social

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<sup>1</sup> <http://gov.wales/statistics-and-research/understanding-characteristics-low-income-households-risk-living-cold-homes/?lang=en>, <http://gov.wales/statistics-and-research/production-estimated-levels-fuel-poverty/?lang=en>, <http://gov.wales/statistics-and-research/evaluation-nest-energy-efficiency-scheme/?lang=en>.

housing from 2012 to 2016. It also estimates the impact of energy efficiency improvements on levels of fuel poverty.

The findings have been considered in deciding whether the Welsh Government should continue to offer a demand-led fuel poverty scheme. Whilst the research shows that the estimated number of households in fuel poverty has reduced since 2012, around 23 per cent of all households and 24 per cent of vulnerable households<sup>2</sup> in Wales are estimated to be in fuel poverty in 2016. This supports the case for continued action on fuel poverty, with support prioritised to low income households who are most at risk from living in cold homes.

The BRE research also highlights the positive impact of home energy efficiency improvements on levels of fuel poverty. This indicates that an all-Wales scheme supporting low income households with such provisions, alongside a comprehensive package of advice and other support, continues to be a highly effective way to further reduce levels of fuel poverty.

### **[Making a Difference: Investing in Sustainable Health and Well-being for the People of Wales, Public Health Wales](#)**

This report offers research, evidence and expert opinion in support of preventing ill health and reducing inequalities to achieve a sustainable economy, thriving society and optimum health and well-being for the present and future generations in Wales.

The report makes the case that investing in the prevention of poor health would result in healthy outcomes for our population and far-reaching benefits across all aspects of our society and our lives. It includes a number of noteworthy findings and statements relating to insulation, energy efficiency, heating and housing conditions:

- Investing in insulation and heating to address cold and damp housing could return savings of nearly £35 million for the NHS in Wales;
- Babies living in fuel poor homes (cold and damp) are more likely (by 30%) to be admitted to hospital or attend primary care;
- Poor quality housing, including issues such as mould, poor warmth and energy efficiency, is linked to physical and mental ill health. It impacts the individual, as well as costs to the individual, society and the NHS in terms of associated higher crime, unemployment and treatment costs.
- Investing in housing improvements provides a cost-effective way of preventing ill-health and reducing health inequalities. It could lead to less time off school or work, increased use of the home for study and leisure, and improved relationships between household members.

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<sup>2</sup> A vulnerable household is defined as one with any member aged 60 years or over, with a child/young person under the age of 25 years or with any long-term limiting condition or disabled member.

### **Understanding the Characteristics of Low Income Households Most at Risk from Living in Cold Homes, Centre for Sustainable Energy (CSE)**

In 2015, the Welsh Government commissioned independent research to help inform the targeting of any future demand-led energy efficiency and fuel poverty scheme.

The research looked at which low income households are the most vulnerable from living in cold homes and therefore are likely to be in the greatest need of a home energy efficiency intervention.

This informed recommendations that the scheme should target households with a relative low income and at least one of the following additional markers of vulnerability:

- Older adults
- Children (particularly children under 5 years old)
- Disabled people
- People with limiting long term health conditions (people with respiratory or circulatory diseases and people with mental health conditions).

All recommendations in the report have been fully considered in determining which households should be prioritised and in developing the associated eligibility criteria to achieve this.

### **Evaluation of the Nest Energy Efficiency Scheme - Miller Research (UK) Ltd**

In 2014, the Welsh Government commissioned an independent evaluation of the Nest scheme to assess whether or not it had met its objectives. The evaluation looked at the extent to which the scheme had reached households most in need, had resulted in energy savings for householders and had provided value for money. The full report was published in March 2015.

The findings have been used in development of the new scheme, building on successes and improving on any weaknesses.

### **Consultation (27 July – 19 October 2016)**

Internal and external consultations were undertaken from 27 July – 19 October 2016. A number of stakeholder workshop events were also carried out during the consultation period. All responses have been considered in developing final proposals. A full summary of responses can be found at <http://gov.wales/consultations/environmentandcountryside/a-future-demand-led-fuel-poverty-scheme-to-succeed-warm-homes-nest/?lang=en>.

## Fuel Poverty Data Linking Project

We are jointly funding SAIL (Secure Anonymised Information Linkage) Research looking at using linked administrative data to evaluate the impacts of our energy efficiency and fuel poverty schemes on health outcomes. The project uses the SAIL databank, which securely brings together the widest possible array of anonymised routinely-collected data for research and evaluation purposes.

We published an Emerging Findings report focused on the health outcomes of *Nest* recipients in October 2016 and published the latest findings in April 2017.

Key findings of the latest report are:

- A significant positive effect on respiratory health for recipients of Warm Homes *Nest* measures, with the same significant pattern found when looking specifically at asthma.
- The data suggests a 'protective effect' for infection (with a smaller increase in the average number of prescriptions for infection for those receiving measures compared to the comparison group).
- The data suggests a positive impact on emergency hospital admissions for both cardiovascular and respiratory conditions.

These findings support our decision to extend the eligibility criteria for our new *Nest* scheme to include households on low incomes where an occupant suffers with a respiratory or circulatory condition.

### **4. Key population groups affected by the programme, policy or project.**

(Using the list of **vulnerable and disadvantaged groups** included assess which groups amongst the general population will potentially be affected by the proposal)

#### **Vulnerable Groups**

Our demand-led fuel poverty scheme is designed to provide consistent levels of support targeted at those householders most in need and living in the most energy inefficient homes. This includes the provision of energy and money saving advice to all households and a free package of home energy improvement measures for those households most in need of support (i.e. low income, vulnerable households).

Proposals for the new scheme are similar to the existing *Warm Homes - Nest* scheme; however, the proposed eligibility criteria for home improvement measures has been revised to better target support at low income vulnerable households.

This eligibility criteria is primarily based on a social research commissioned from the Centre for Sustainable Energy (link at section 2). This looked to identify which low income households are the most vulnerable from living in cold homes and therefore are likely to be in the greatest need of a home

energy efficiency intervention. The characteristics of households or household members identified as vulnerable were:

- older people (aged 65 and over)
- children (particularly children aged less than 5 years)
- disabled people and
- people with long term limiting health conditions, most notably those with respiratory or circulatory diseases, and mental health conditions.

The evidence supports the use of low income plus one or more of these additional markers of vulnerability as eligibility criteria. This has been used to establish the target group for the new scheme.

Based on the above, our initial proposals for eligibility included a requirement for households to contain an occupant over 65 years or under 5 years old. However, stakeholders felt strongly that introducing age requirements would heavily restrict the number of people the scheme could help, and would exclude many fuel poor working households.

It was subsequently decided to primarily maintain the current eligibility within the new scheme but with eligibility extended to low income households where an occupant suffers from a respiratory or circulatory health condition.

The following population groups are affected by the new Nest scheme:

#### Income related groups

- People on low income
- Economically inactive
- Unemployed/workless
- People who are unable to work due to ill health

#### Groups who suffer discrimination or other social disadvantage

- People with physical or learning disabilities / difficulties
- Travellers
- Single Parent families
- Black and minority ethnic groups (Children with a black or other ethnic minority parent are identified as being at particular risk of living in a fuel poor home).

#### Geographical groups

- People living in areas known to exhibit poor economic and/or health indicators
- People living in isolated/over-populated areas
- People unable to access services and facilities

## Screening

Using the Determinants of health and well-being checklist included consider:

- how (in what way either positively or negatively)
- to what extent (significant/moderate/minimal impact)

these groups within the population and the general population itself may be affected by the proposal or that the proposal may have implications for - and summarise it for each section on the screening sheet below.

Any missed opportunities for enhancing the proposal can be listed under the positive (+) column.

Any missed detrimental impacts on health and wellbeing can be listed under the negative (-) column.

If there are no likely impacts or they are very minimal then move to the next section.

Ask the question: How does this proposal impact upon these determinants, for example, physical activity or diet (within Lifestyles section) in a positive or negative way? Or not at all?

<b>Lifestyles</b> (eg. Diet, physical activity, alcohol use, sexual activity, other risk taking activity)		Vulnerable Groups / Distribution
(Positive) +	(Negative) -	
<p><b>Potential for moderate to significant Impact</b></p> <p>The provision of home energy improvement measures makes properties more energy efficient, decreasing the cost of energy bills and allowing households to keep warm at a more affordable cost.</p> <p>High fuel bills can leave householders with less money available for food, other day to day expenses and social activity.</p> <p>By decreasing energy bills of vulnerable households, this will allow for extra disposable income to spend in the above areas, such as better quality</p>		<p>General population</p> <p>As the impacts will apply equally to all recipient households, this will have a positive impact across all groups.</p>

<p>food. The type of diet may also change with households being able to use more gas/electricity for cooking.</p>		
<p><b>Social and Community influences on health</b> (eg. <i>Sense of belonging, neighbourhoodliness, social isolation, community identity etc.</i>)</p>		<p>Vulnerable Groups / Distribution</p>
<p>(Positive) +</p>	<p>(Negative) -</p>	
<p><b>Potential for moderate impact</b></p> <p>A cold home may impact on relationships outside of the home, as individuals may become more reluctant to invite friends round and may fear the cost of going out, leaving them socially excluded (Centre for Sustainable Energy, 2014)(Public Health England, 2015).</p> <p>Improving energy efficiency, through the installation of energy improvement measures or improving awareness through advice, could reduce social isolation by improving recipient households sense of well-being and reduced concerns / stress from worrying about paying energy bills.</p> <p>Some energy efficiency measures can also improve the look of properties, e.g. Installing external wall installation.</p>	<p><b>Potential for minor short term impact</b></p> <p>The installation of energy efficiency measures can be disruptive to residents and workers. However any negative effects experienced should be superseded by the long term health improvements brought about through the instalment of the measures.</p>	<p>General population</p> <p>As the impacts will apply equally to all recipient households, this will have a positive impact across all groups.</p>
<p><b>Living environmental conditions affecting health</b> (eg. <i>Built environment, housing, indoor environment, safety, waste disposal, injury hazards, etc</i>)</p>		<p>Vulnerable Groups / Distribution</p>
<p>(Positive) +</p>	<p>(Negative) +</p>	



<p><b>Potential for significant impact</b></p> <p>Energy efficiency in housing and other buildings can directly affect the health of people living or working in them—many diseases are caused or exacerbated by cold, mouldy and damp homes.</p> <p>The CSE report identified that those over 75 years account for 78% of excess winter deaths and that children, particularly infants aged under five years, spend an above-average amount of time at home, increasing their exposure to the harmful health effects of cold homes.</p> <p>Babies living in fuel poor homes (cold and damp) are more likely (by 30%) to be admitted to hospital or to attend primary care.</p> <p>Investing in energy efficiency improvements provides a cost-effective way of preventing ill health and reducing health inequalities. It could lead to less time off from school or work, increased use of the home for study and leisure, and improved relationships between household members.</p>	<p><b>Potential for minor short term impact</b></p> <p>The installation of energy efficiency measures can be disruptive to residents and workers. However any negative effects experienced should be superseded by the long term health improvements brought about through the instalment of the measures.</p>	<p>General Population</p> <p>All vulnerable groups</p>
<p><b>Economic conditions affecting health</b> (eg. <i>Unemployment, income, economic inactivity, type of employment, workplace conditions</i>)</p>		<p>Vulnerable Groups / Distribution</p>
<p>(Positive) +</p>	<p>(Negative) +</p>	

<p><b>Potential for moderate impact</b></p> <p>Energy improvement measures are installed by local SMEs, benefitting the local economy. The scheme will also support a number of jobs and apprenticeships.</p> <p>Investment in energy efficiency will create green jobs and business opportunities for the people of Wales.</p> <p>The scheme will operate on a similar basis to the existing Nest scheme which has enabled households to access new or additional benefits, therefore maximising income.</p> <p>The provision of home energy improvement measures makes properties more energy efficient, decreasing the cost of energy bills and therefore increasing the recipient household's disposable income which can be spent in the local economy.</p>		<p>General population</p> <p>People on low income</p> <p>Economically inactive</p> <p>Unemployed/workless</p>
<p><b>Access and quality of services</b> (eg. Medical services, Public Amenities, other caring services, Transport inc. parking, Education and Training, Information Technology)</p>		<p>Vulnerable Groups / Distribution</p>
<p>(Positive) +</p>	<p>(Negative) +</p>	
<p><b>Potential for significant Impact</b></p> <p>The evidence assessment found a strong consensus in the research literature that living in a cold home can have significant and lasting adverse impacts on the health, education and social aspects of peoples'</p>		

<p>lives.</p> <p>The primary impact in the section is an improvement in the health of all members of recipient households, thereby reducing the need for and usage of medical services.</p> <p>Latest findings of the Fuel Poverty Data Linking Project found a clear positive impact on the health of Nest recipients with a knock on reduction in the use of the NHS.</p> <p>Investing in energy efficiency improvements provides a cost-effective way of preventing ill health and reducing health inequalities. It could lead to less time off from school or work, increased use of the home for study and leisure, and improved relationships between household members.</p> <p>A recent report by Public Health Wales found that investing in insulation and heating to address cold and damp housing could return savings of nearly £35 million for the NHS in Wales.</p>		
<p><b>Macro-economic, environmental and sustainability factors</b> (eg. Government policies, Gross Domestic Product, Economic Development, Biological Diversity, Climate)</p>		<p>Vulnerable Groups / Distribution</p>
<p>(Positive) +</p>	<p>(Negative) +</p>	

<p><b>Potential for moderate Impact</b></p> <p>Investment in energy efficiency is the most cost-effective means of meeting our commitments to reduce carbon emissions.</p> <p>Improvement measures will be installed by local tradesmen with materials from local suppliers, with a consequential benefit to the economy and GDP.</p>		
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**Recommendations**

Are the impacts that have been identified above enough to warrant a more comprehensive health impact assessment?

**No**

**If No, what are the reasons for not conducting an assessment?**

The identified impacts are all positive with only potential minor negative impacts relating to short term disruption. There are no significant negative impacts that need to be considered further or mitigated against.

Do any additional actions need to be taken as a result of this HIA process?

**No**

Have there or will there be other impact assessments conducted? ie Equality Impact Assessment, Environmental Impact Assessment. Or will this form part of one?

**Yes**

**If yes, please outline:**

Equality Impact Assessment  
 Children’s Rights Impact Assessment  
 Welsh language Impact Assessment  
 Privacy Impact Assessment  
 Rural Screening