

Turning up the heat before 2160: time to pick up the pace on tackling fuel poverty

April 2025

1. Introduction

Rapid and unprecedented increases in the price of energy provided the backdrop to our follow-up work on fuel poverty. Since 2021 gas and electricity prices have reached record-breaking highs and continue to climb. Household bills are on average 43% higher than in winter 2021-22 and the impact on household finances and on rates of fuel poverty is devastating for those who can least afford it.¹

1. This report sets out the views and recommendations of the Equality and Social Justice Committee on this topic. It considers the effectiveness of the government's response to this crisis and follows up on our previous report on the Warm Homes Programme.² For background information regarding the inquiry, please visit the [inquiry homepage](#).

¹ House of Commons Library, [Domestic Energy Prices](#), 10 December 2024

² Equality and Social Justice Committee, [Fuel Poverty and the Warm Homes Programme](#), May 2022



Evidence gathering

2. Our approach to evidence gathering is provided in the annexes. Our sincere thanks goes to all those who contributed to this important work.

2. Fuel poverty in Wales

3. The latest Welsh Government fuel poverty statistics are for 2021 at the start of a period of significant cost-of-living price increases. These figures suggest that 14% of households in Wales were living in fuel poverty, 3% in severe fuel poverty, and 11% at risk of fuel poverty. Stakeholders including National Energy Action (NEA) Cymru, the Older People's Commissioner (OPC), Age Cymru, Citizens Advice Cymru, and Public Health Wales emphasised the importance of up-to-date statistics.³

4. NEA Cymru shared concerns that fuel poverty estimates are based on data that is too old to provide an accurate picture of the current situation, particularly the Welsh Housing Conditions Survey 2017-18, the 2008 Living in Wales Survey, and the Welsh Housing Conditions Survey 2017-18.⁴

Tackling fuel poverty plan

5. Under the Warm Homes and Energy Conservation Act 2000, the Welsh Government has a duty to “specify interim objectives to be achieved and target dates for achieving them”.⁵

6. Stakeholders including NEA Cymru, the OPC and the Bevan Foundation called on the Welsh Government to introduce interim energy efficiency targets.⁶ The Bevan Foundation expressed concerns that longer term targets allow things to “drift for a period of time” whereas interim targets give an opportunity to reflect on whether the investment is “delivering the change we want to see.”⁷

³ Written evidence, NEA Cymru, Older People's Commissioner, Age Cymru, Public Health Wales Citizens Advice Cymru, Citizen's Advice Denbighshire

⁴ [Living in Wales Survey, Welsh Housing Conditions Survey 2017-18](#)

⁵ [Warm Homes and Energy Conservation Act 2000](#)

⁶ Written evidence, NEA Cymru, Older people's Commissioner, Marie Curie, [Record of Proceedings](#), 9 December, paragraph 54

⁷ [Record of Proceedings](#), 2 December 2024, paragraph 19

What the Welsh Government said

7. The Welsh Government said it is developing updated fuel poverty estimates which are anticipated for summer 2025. Once this is done, it says it will work with its Fuel Poverty Advisory Panel to agree meaningful interim targets for the tackling fuel poverty action plan, based on Energy Performance Certificate (EPC) ratings.⁸

Our view

The crisis in world energy markets has heightened concerns with regards to fuel poverty and energy security. It is a situation which demands an urgent and robust response. We are therefore disappointed by the pattern of delays and missed deadlines that have become a feature of aspects of the Welsh Government's efforts to tackle fuel poverty. One of our previous recommendations was for the Welsh Government to review the priorities of its Tackling Fuel Poverty Plan and set interim targets. When it published its plan on 2 March 2021 the Welsh Government said it would review the plan in 2023 and publish revisions afterwards. Neither the interim targets nor a revised Tackling Fuel Poverty Plan have materialised, over two years hence.

Frustratingly, despite continuing price volatility, we do not know the true scale of fuel poverty in Wales today. Official estimates on the number of households living in fuel poverty were last calculated in 2021 and are now several years out of date. Crucially they pre-date the significant price increases that coincided with the end of the COVID-19 pandemic and are modelled using even older data in the form of the 2017-18 Welsh Housing Conditions Survey.

Recommendation 1. The Welsh Government must ensure that its approach to tackling fuel poverty is up-to-date and fit for purpose. The Welsh Government should do this by:

- updating the data that informs estimates of fuel poverty and publishing up-to-date fuel poverty estimates by September 2025;
- setting interim fuel poverty targets at the earliest opportunity and no later than by September 2025; and

⁸ Welsh Government, [Tackling fuel poverty 2021 to 2035](#), updated 2 March 2021

- publishing a revised Tackling Fuel Poverty Plan by the end of June 2025 which includes priority actions for the next two years.

Foundation Data for Robust Energy Strategies for Housing (FRESH) Vulnerability mapping

8. Cardiff University academics and Warm Wales have developed ‘FRESH vulnerability mapping,’ a tool which identifies households most in need of support to heat their homes.⁹ The tool can be used to target measures where they are most needed. Accessing the tool costs £5,000 for local authorities, and five in Wales currently use it.

9. Most local authorities have not engaged with FRESH, either because of cost or lack of dedicated resource. Warm Wales told us that the vast majority of local authorities are “underutilising the opportunity to get the data mapping that would really pinpoint and highlight deprivation, poor housing stock and ill health.”¹⁰ There had also been no take-up from Welsh Government officials either.

10. Rhondda Cynon Taf (RCT) Council attributed the variation in approach between local authorities to tackling fuel poverty not being a statutory function.¹¹ RCT Council has purchased FRESH mapping but other local authorities have taken their own approach, for example Gwynedd Council has developed its own system using Power BI.¹²

What the Welsh Government said

11. The Cabinet Secretary for Social Justice, Jane Hutt MS, was not familiar with FRESH vulnerability mapping. She said the Welsh Government had “established relations” with the British Research Establishment (BRE) who were undertaking the current fuel poverty assessment. She also said the Welsh Government would ask local authorities to provide local estimates, where possible.

12. Finally, the Cabinet Secretary said commercial mapping tools were interesting, but highlighted that the Welsh Index of Multiple Deprivation is a free resource.¹³

⁹ See: Warm Wales, [FRESH vulnerability mapping](#) and Cardiff University, [Pinpointing fuel poverty](#)

¹⁰ [Record of Proceedings](#), 2 December 2024

¹¹ [Record of Proceedings](#), 9 December 2024

¹² [Record of Proceedings](#), 9 December 2024

¹³ [Record of Proceedings](#), 27 January 2025

Our view

We note the potential benefits of the FRESH vulnerability mapping tool and that five local authorities are currently using it. We would encourage the Welsh Government to meet Warm Wales to increase understanding of FRESH, and to consider the benefits of supporting local authorities in Wales to utilise the tool.

If this is not possible, the Welsh Government should provide all local authorities in Wales with adequate funding to procure or develop fuel poverty mapping tools appropriate to their areas to aid with identifying the places in most severe fuel poverty. This will ensure greater consistency across Wales and must be done in a way that complements other related work strands such as ECO4 Flex.

Recommendation 2. We recommend that the Welsh Government gives further consideration to the benefits of FRESH and other mapping tools and how these can be deployed by partners in government to tackle fuel poverty. To achieve this, the Welsh Government should seek a meeting with Warm Wales (at officials level) to gain a better understanding of the FRESH mapping tool and subsequently provide resources for the deployment of FRESH or similar mapping tools for use by relevant bodies including all local authorities. We would welcome an update on progress no later than by the end of July 2025.

3. The latest Warm Homes Programme

Is the funding sufficient?

13. The Final Budget for 2025-26 allocated £37.5 million capital funding to the Warm Homes Programme(WHP).¹⁴ This is an increase of 7% from the baseline budget for 2024-25. Stakeholders said this level of funding is inadequate given the scale of fuel poverty in Wales.

14. Figures provided by NEA Cymru (see table 1 below) showed that funding for WHP was flat in the 2023/24 and 2024/25 financial years.

¹⁴ Welsh Government, [Final Budget 2025 to 2026. Main Expenditure Group allocations](#)

Table 1 investment in the Warm Homes Programme

Budget year	Investment into Warm Homes Programme ¹⁵
2021-2022	£27m
2022-2023	£30m
2023-2024	£35m
2024-2025	£35m
2025-2026	£37.5m (incl. £2.5m slippage)

15. The Bevan Foundation highlighted the Welsh Government’s expectation that roughly 11,500 homes would receive adaptations over a 7-year period. At this pace work to reach all fuel poor households in Wales would not be completed until the year 2160.¹⁶

16. The Welsh Government said it had increased the budget cap to enable greener measures and retrofitting in response to feedback on the previous iteration of Nest. However, undertaking deeper, more expensive retrofitting would impact the number of households that they are able to support: it anticipated supporting 1,500 households a year through the new Nest compared with an average of 4,000 a year previously.¹⁷

17. NEA Cymru argued that a potential £170m consequential as a result of additional funding for the UK Government’s Warm Homes Plan could be used to significantly boost the Welsh programme.¹⁸

What the Welsh Government said

18. When asked whether more funding could have been secured for the Warm Homes Programme in the Draft Budget 2025-26, the Cabinet Secretary for Housing, Jayne Bryant MS, said it was important the budget reflects what is deliverable. She said contractor capacity was an issue and, while upskilling was taking place, “it’s not going to happen overnight”.¹⁹

¹⁵ Equality and Social Justice Committee, Item 2, Paper to Note 1: correspondence from NEA Cymru, 24 March 2025

¹⁶ Written evidence, Bevan Foundation, based on circa 1,600 homes a year for 7 years and an estimated 217,700 fuel poor households

¹⁷ [Welsh Government evidence paper, item 2](#), 27 January 2025

¹⁸ [Record of Proceedings](#), 2 December 2024

¹⁹ Figures provided by NEA Cymru – additional information

19. The Cabinet Secretary also said if the programme can exceed the expected numbers in-year, the Welsh Government will “utilise any unspent funding from other areas”.²⁰

20. The Cabinet Secretary for Housing did not commit to allocating any potential Barnett consequential, stating the matter would need to be discussed at Cabinet who would ultimately decide priorities.²¹

Our view

It is hard to disagree with the view of stakeholders that the level of investment in the Warm Homes Programme is nowhere near what is required to match the scale of the challenge of ending fuel poverty. When taking into account recent energy price shocks it is sobering to consider that spending on the Warm Homes Programme has remained broadly flat since 2021-22 when accounting for inflation.²² Coupled with higher costs associated with some newer technologies this is likely to have had the effect of eroding the purchasing power of this funding overall.

Conclusion 1. We note that direct investment in the Warm Homes Programme has not substantially increased since 2021-22 when accounting for inflation and that this, along with higher costs associated with newer technologies will have eroded the purchasing power of this funding over time.

We are clear that the priority must be increasing the scale of the Nest scheme so that as many as possible are supported. Contractor capacity should be the constraining factor in supporting more homes, not inadequate funding.

Recommendation 3. The Welsh Government should increase the scale of the Nest programme so that as many homes as possible are supported. It should do this by:

- continuing to work with constructors and installers to increase capacity and skills in the sector; and
- commit to ensuring that any additional funding including any underspends, or Barnett consequential arising from increases in

²⁰ [Record of Proceedings](#), 27 January 2025

²¹ [Record of Proceedings](#), 27 January 2025

²² £27m in 2021-22 is thought to be equivalent to £32.2m today according to [SPICE's real terms calculator](#)

funding for tackling fuel poverty in England, is invested in the Warm Homes Programme.

This recommendation relates to funding in the 2025-26 financial year initially and future financial years.

Balance between decarbonisation and tackling fuel poverty

21. Some stakeholders asked whether the balance was right between Nest's decarbonisation and tackling fuel poverty aims.²³ Care & Repair argued that Nest is overly focused on installing low-carbon technology at the expense of a more person-centred approach.²⁴ They cited the case of a visually impaired woman in her 80s who received an air-source heat pump but without insulation measures. As a result she could not heat her home above 18 degrees and had to resort to buying electric heaters to keep warm.²⁵ They also noted a marked decline in the number of clients referred to the scheme (6 in April to September 2024 compared with 60 for the same period in 2023).²⁶

22. The Bevan Foundation and NEA Cymru told us there had been reports of otherwise eligible households being turned away because a heat pump was not deemed suitable (either because it was not technically possible or running costs would push the household deeper into fuel poverty).²⁷

What the Welsh Government said

23. The Cabinet Secretary for Housing emphasised the twin objectives of the Warm Homes Programme went "hand in hand" and that decarbonisation would lead to improved energy efficiency and lower bills.²⁸ The Cabinet Secretary said it was not the intention to turn away households that are not suitable for air source heat pumps stressing that a variety of measures such as solar panels, double glazing, and insulation are also available.²⁹ Jayne Bryant MS also confirmed that a review of Nest was currently underway and likely to report in April/May 2025.³⁰

²³ See written evidence from Older People's Commissioner; Bevan Foundation

²⁴ [Record of Proceedings](#), 2 December 2025

²⁵ [Record of Proceedings](#), 2 December 2025

²⁶ [Record of Proceedings](#), 2 December 2025

²⁷ [Record of Proceedings](#), 2 December 2025

²⁸ [Record of Proceedings](#), 27 January 2025

²⁹ [Record of Proceedings](#), 27 January 2025

³⁰ [Record of Proceedings](#), 27 January 2025

Our view

We welcome the fact that the new iteration of Nest aims to prioritise green interventions over fossil fuels, in line with the findings of our previous report. However, we are concerned by reports that the scheme may not be looking at the needs of individuals in a sufficiently holistic way. The Welsh Government must ensure that newer technologies like heat pumps are appropriate for the property and its inhabitants and that householders are supported and confident in how to use them. The current review of Nest must address these issues in more detail.

Recommendation 4. The Welsh Government should ensure that the current review of Nest includes an evaluation of:

- the process by which assessors deem air source heat pumps appropriate for an individual's needs as well as being appropriate for the property; and
- how the scheme can improve awareness raising and training of householders to understand newer technologies, including air source heat pumps.

This should be completed by the end of June 2025.

Crisis boiler repair

24. There were concerns that eligibility criteria for the 'Crisis Boiler Repair/Replacement' route were too strict, leaving vulnerable people without heating.³¹ In response, the Welsh Government announced in November 2024 changes to eligibility criteria to ensure all Nest-eligible applicants can receive a boiler repair or replacement if they have no working heating or hot water.

25. Stakeholders welcomed the relaxation of the eligibility criteria with the OPC calling for the arrangements to continue beyond March 2025. Some were concerned however that the crisis boiler route would not be promoted widely enough.³²

³¹ Written evidence from NEA Cymru; Older People's Commissioner

³² [Record of Proceedings](#), 2 December 2024, paragraph 80

What the Welsh Government said

26. The Cabinet Secretary for Housing confirmed the intention to keep the crisis route beyond March 2025. However, she cautioned that there was a balance to be struck: “between it tipping back to a boiler replacement scheme, and then we won't be decarbonising people's homes.”³³ She said information had been shared widely through stakeholders and through social media. A review of the Nest scheme's social media accounts by Senedd Research however, did not find any instances of the crisis route being promoted, as of 17 February 2025.

Our view

We welcome the clarifications made by the Welsh Government in relation to the crisis boiler repair route and agree that arrangements to ensure that no vulnerable person is left without heating or hot water should be in place for the duration of the scheme. Clients also need to be aware of the options available to them and although the Cabinet Secretary claimed that the crisis route is being promoted, a review by Senedd Research found no evidence for this. It is vital that the Cabinet Secretary clarifies these contradictory accounts and ensures that a clear and consistent message is communicated to customers.

Accessing the new Nest scheme

27. Deficiencies in the training of Nest caseworkers and a lack of detailed knowledge of the eligibility criteria was a concern for some including Warm Wales and Care & Repair.³⁴ They reported that Nest caseworkers often lacked knowledge and reported instances where they have ended up having to advise the caseworkers.³⁵ In addition, Care & Repair highlighted examples of lost referrals and Warm Wales highlighted delays of up to six months to receive the outcome of applications.³⁶

28. Nest referral services are provided by the Energy Savings Trust and installation services by British Gas. A representative of the Energy Savings Trust told us in response that the concerns were noted and he would “take them to relevant people”.

³³ [Record of Proceedings](#), 27 January 2025.

³⁴ Written evidence, [Warm Wales, Care & Repair](#).

³⁵ [Record of Proceedings](#), 2 December 2024

³⁶ [Record of Proceedings](#), 2 December 2024

What the Welsh Government said

29. The Cabinet Secretary for Housing described a level of customer dissatisfaction with the service as “inevitable” and noted that complaints were well below the 3 per cent target and stood at below 1 per cent of the total number of people supported. She said that according to the Nest end-of-call survey, the customer service is “rated first class, and world class”.³⁷

Our view

We note the concerns expressed by stakeholders and the Cabinet Secretary’s counter argument regarding levels of customer satisfaction. Given that customers who drop off the referrals route or are incorrectly told that they are ineligible would not appear in the customer satisfaction data, we think more reassurance on this point would be helpful.

Recommendation 5. The Welsh Government should ensure that the current review of Nest includes an assessment of:

- the number of referrals that are declined and how these rates compare with previous iterations of the scheme; and
- the training and development provided to Nest caseworkers with a view to ensuring they have a full knowledge of the scheme.

The outcome of the review should be shared with the Committee and be completed no later than July 2025.

Contract and monitoring arrangements

30. Failures associated with contract management of the previous iteration of the Nest scheme were an important theme in the Auditor General’s report in 2021. In his Recommendation 5, the Auditor General recommended more effective contract management arrangements including:

- carrying out appropriate benchmarking between bidders;
- ensuring performance is more closely monitored; and

³⁷ [Record of Proceedings](#), 27 January 2025

- obtaining more timely and comprehensive support from independent external quality assurance arrangements.

31. NEA Cymru, and others, emphasised the need for robust monitoring and evaluation.³⁸ However, several agreed it is too early to tell how the new Nest is performing due to lack of hard data.

32. The Nest policy statement says the Welsh Government is “expecting” to include annual carbon reduction targets and reporting, on an individual and a cumulative programme basis.³⁹

What the Welsh Government said

33. An official stated that the Welsh Government had “probably implemented” all of the Auditor General’s recommendations regarding contract management.⁴⁰

34. To ensure sufficient funds to remediate any deficiencies in installation the Cabinet Secretary said a 10% retention payment had been introduced in the final year of the contract and that officials were developing a monitoring and evaluation framework.⁴¹

Our view

Given the emphasis placed on better contract management by the Auditor General and in our previous report, it is encouraging that on the face of it many of these have been addressed in the new Nest scheme. It is still early days however and regular and effective monitoring of performance will be key. The Welsh Government should ensure that there is maximum transparency in that regard and ensure that data is regularly gathered, analysed and published. This would ensure that arrangements are in line with our previous report’s recommendations 13, 14, 15.

Recommendation 6. The Welsh Government should ensure there is maximum transparency, with key performance monitoring data in relation to Nest published on at least an annual basis. This recommendation should be completed in line with the reporting cycles for the Nest annual reports.

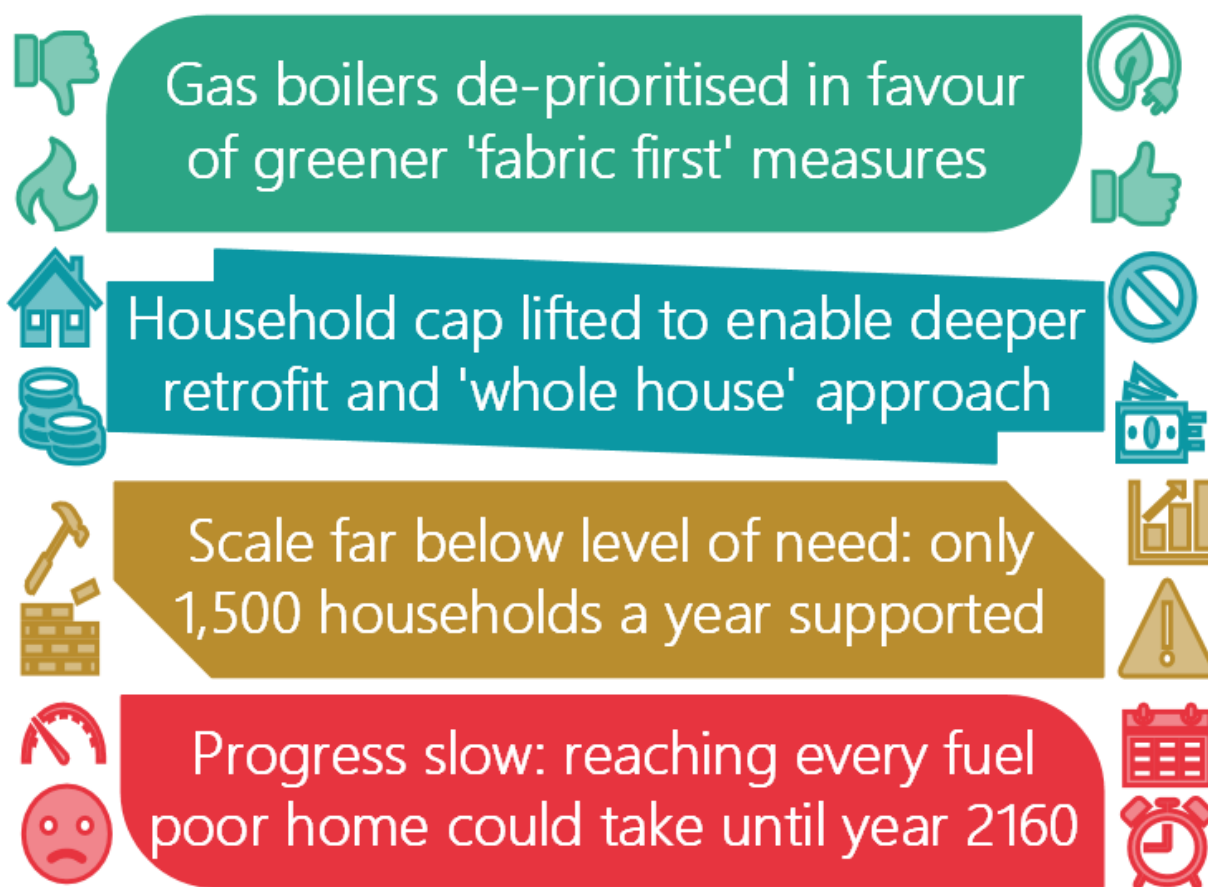
³⁸ [Record of Proceedings](#), 2 December 2024; written evidence, Care & Repair

³⁹ Welsh Government, [New Warm Homes Programme: policy statement](#)

⁴⁰ [Record of Proceedings](#), 27 January 2025

⁴¹ [Record of Proceedings](#), 27 January 2025

Figure 1 Comparison of key features of Nest scheme with previous iteration



Calls for an area-based scheme

35. Stakeholders called for an appropriately funded replacement area-based scheme.⁴² Warm Wales said:

"...an area-based scheme is vital. If we're doing a pepper-pot solution through a Nest type of approach, we're going to be here for 100 years. When you do an area-based approach, where we can get volume, (1) it's cheaper, (2) we do it quicker, and (3) we do more properties."⁴³

What the Welsh Government said

36. The Welsh Government said that officials would first be reviewing the demand-led Nest scheme before focusing on the area-based scheme:

⁴² Written evidence from NEA Cymru, Social Enterprise Stakeholder Group, Citizen's Advice Cymru

⁴³ [Record of Proceedings](#), 2 December 2024

“Once we're confident that the demand-led scheme's working well, we intend to discuss further with the contractor the potential to expand into small area-based activity, such as blocks of flats and terraced housing...”⁴⁴

37. The Cabinet Secretary's official added that the two elements were not being run concurrently because it would not be possible to apply lessons learnt from the new Nest scheme to an area-based scheme.

Our view

The previous area-based scheme, Arbed 3, ended in 2021. This was earlier than planned following issues with the scheme's performance. When we reported in 2022, we had assumed a replacement area-based scheme, Arbed 4, would be in development. It now appears that instead of developing the new area-based scheme alongside the demand-led scheme, the Welsh Government intends to structure its time sequentially, focusing on an area-based scheme after it has reviewed the demand-led scheme. As result of this sequencing decision, there will be a gap of at least four years between the end of Arbed 3 and its successor. Needless to say that we are extremely disappointed to learn of this. Given the thorough evaluation of Arbed 3 which took place back in 2021-22 we are struggling to understand why it is necessary to sequence the work in this way or how this gap is justified.⁴⁵

Recommendation 7. The Welsh Government must speed up its development and establish a new area-based scheme as a matter of urgency. To ensure accountability the Welsh Government should sketch out a route map of timescales and milestones between now and the target date for going live (in the form of the first energy efficiency measures being physically installed in properties) by the end of June 2025. Given the considerable gap since the end of the last scheme we would expect this route map to be ambitious but deliverable.

⁴⁴ [Record of Proceedings](#), 27 January 2025

⁴⁵ Welsh Government and Miller Research, [Evaluation of Arbed 3: final report](#)

4. Other matters

The Energy Company Obligation (ECO) Scheme

38. ECO4 Flex is a household referral mechanism within the ECO4 energy efficiency scheme run by the UK Government.⁴⁶ ECO4 Flex enables local authorities to widen the ECO eligibility criteria, allowing them to tailor the schemes to their area. Maximizing access to ECO4 is a stated policy aim of the Welsh Government.⁴⁷

39. NEA Cymru, Care & Repair, and Citizens Advice Cymru stated that ECO presented an opportunity to get additional support to Welsh households and more should be done to increase participation in ECO schemes.⁴⁸

40. However, concerns were raised by Warm Wales, Care & Repair and others around the quality of workmanship under ECO, and arrangements for customer redress under the scheme.⁴⁹

What the Welsh Government said

41. The Welsh Government confirmed every local authority in Wales now delivers the ECO4 Flex scheme. To support its aim of maximising access to the scheme, it has provided £350,000 to local authorities to leverage as much funding as possible into Wales.⁵⁰ The Cabinet Secretary for Housing was not able to say how much funding had been leveraged as a result despite attempts to obtain this information from scheme certifiers, TrustMark. The government would continue to press the issue with TrustMark.⁵¹

42. The Cabinet Secretary confirmed that a further £500,000 has been awarded to local authorities in this financial year “to redress the remaining barriers”.⁵²

Our view

ECO4, coupled with the current UK Government’s planned investment in the green economy more generally, provide new opportunities to leverage

⁴⁶ Ofgem, [Energy Company Obligation](#)

⁴⁷ Welsh Government, [New Warm Homes Programme: policy statement](#)

⁴⁸ Written evidence, NEA Cymru, Care & Repair, Citizen’s Advice Cymru

⁴⁹ [Record of Proceedings, paragraphs 105](#)

⁵⁰ [Welsh Government evidence paper, item 2](#), 27 January 2025

⁵¹ [Record of Proceedings](#), 27 January 2025

⁵² [Record of Proceedings](#), 27 January 2025

additional investment into Wales. We welcome the funding allocated to local authorities for this purpose but are clear that it must come with strings attached if it is to be spent wisely. Measuring the amount of ECO4 funding that has been secured will be a key metric and it is disappointing that TrustMark has been unwilling or unable to provide the Welsh Government with this information. We support the Welsh Government's efforts to press the issue with TrustMark.

Moreover, we note with concern continuing problems with regards to quality, standards and the lack of redress for customers under ECO4 and the potential this has to further undermine trust in the scheme and energy conservation generally. Assurances from the UK Government that offending installers will pay to correct deficiencies at their own expense and face being suspended are welcome.⁵³ However, the Welsh Government will need to monitor the situation carefully to ensure these assurances are kept.

Conclusion 2. It is disappointing that TrustMark has been unwilling or unable to provide disaggregated data as requested by the Welsh Government. To ensure accountability, we support the Welsh Government's efforts to press this issue and that of quality control with them and with counterparts in the UK Government.

Winter Fuel Payments (WFPs)

43. From winter 2024-25, households in England and Wales will no longer be entitled to the Winter Fuel Payment (WFP) unless they receive Pension Credit or certain other benefits. The UK Government estimates that around 400,000 Welsh households (estimated by Senedd Research to be around 528,000 pensioners) will no longer receive the WFP.

44. Age Cymru said that enquiries to its advice line related to WFPs had increased by more than 1000% in 2024 compared to 2023, and by 99% in relation to Pension Credit.⁵⁴

45. The OPC and NEA Cymru said around 50,000 Welsh households are eligible for Pension Credit but do not currently receive it, meaning they would miss out on the WFP.⁵⁵

⁵³ Welsh Government Written Statement, [Housing Cabinet Secretary responds to UK Government action on GBIS & ECO4](#) 23 January 2025

⁵⁴ Written evidence, Age Cymru

⁵⁵ Written evidence, Older People's Commissioner; NEA Cymru

46. The OPC called for the Welsh Government to establish a specific fund to support older people who would lose their WFPs and pointed to comparable funds in Northern Ireland and Scotland.⁵⁶ She and the Motor Neurone Disease Association highlighted difficulties with how Welsh Government support is currently targeted stating that some people would struggle to qualify for support. Both also highlighted issues with the Discretionary Assistance Fund (DAF) noting low rates of take-up among older people.⁵⁷

What the Welsh Government said

47. The Welsh Government stated it was working with partners, including the OPC and local authorities to encourage older people to claim Pension Credit. Starting in January 2025, the Welsh Government would also fund a pilot to enable Policy in Practice to work with 12 local authorities to identify residents eligible for benefits including Pension Credit.

48. On the creation of a separate fund, the Cabinet Secretary for Social Justice told us this was not possible because unlike in Scotland and Northern Ireland, the necessary legislative powers were not devolved to Wales.

49. In response to concerns about the DAF the Cabinet Secretary noted that 17% of payments during the latest reporting period had gone to over 50s and that the “big concentration on younger individuals reflects the needs of children and families”.⁵⁸

Our view

We recognise that for some, the decision to end universal Winter Fuel Payments will cause anxiety and potential hardship, particularly for pensioners on the cusp of eligibility for Pension Credit. We heard calls for the creation of a specific fund to support older people who may be affected by new restrictions on eligibility. As a non-devolved matter, the Welsh Government in response has told us that they lack the necessary powers to establish such a fund.

In future, whether you receive the WFP will depend on whether you claim Pension Credit but we are aware that not everyone who is eligible currently claims this. The work by local authorities to identify residents who are eligible for benefits proactively is even more important in this context and it is welcome that

⁵⁶ [Record of Proceedings](#), 9 December 2024

⁵⁷ Written evidence, Older People’s Commissioner, MND Association

⁵⁸ [Record of Proceedings](#), 27 January 2024

the Welsh Government is funding pilots involving Policy in Practice in 12 local authorities.

Conclusion 3. We reiterate our previous calls (made most recently in our Draft Budget 2025-26 report) for the Welsh Government to redouble its efforts to ensure that all local authorities apply the Policy in Practice methodology across the board.⁵⁹

⁵⁹ Equality and Social Justice Committee, [Scrutiny of the Welsh Government Draft Budget 2025-26](#).

Annex 1: List of oral evidence sessions.

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the Committee's website.

Date	Name and Organisation
<p>25 November 2024</p>	<p>Dr Simon Lannon, Cardiff University</p> <p>Professor Phil Jones, Cardiff University</p>
<p>2 December 2024</p>	<p>Keryl Lanfear, Rhondda Cynon Taf County Borough Council</p> <p>David Mark Lewis, Gwynedd Council</p> <p>Meilyr Tomos, Gwynedd Council</p> <p>Jonathan Cosson, Warm Wales</p> <p>Ben Saltmarsh, National Energy Action Cymru</p> <p>Steffan Evans, The Bevan Foundation</p> <p>Hannah Peeler, Care & Repair</p>

Date	Name and Organisation
	<p>Mason Steed, Energy Savings Trust</p> <p>Ross Kirwan, Centrica</p> <p>Fiona Cameron, Centrica</p>
<p>9 December 2024</p>	<p>Rhian Bowen-Davies, Older People’s Commissioner for Wales</p> <p>Dr Sumina Azam, Public Health Wales</p> <p>Dr Rebecca Hill, Public Health Wales</p> <p>Ceri Cryer, Age Cymru</p>
<p>27 January 2025</p>	<p>Jane Hutt MS, Cabinet Secretary for Social Justice, Trefnydd and Chief Whip, Welsh Government</p> <p>Jayne Bryant MS, Cabinet Secretary for Housing and Local Government, Welsh Government</p> <p>Christine Grimshaw, Welsh Government</p> <p>Carol Driver, Welsh Government</p>

Annex 2: List of written evidence

The following people and organisations provided written evidence to the Committee. All Consultation responses and additional written information can be viewed on the [Committee's website](#).

Reference	Organisation
FP01	National Energy Action (NEA) Cymru
FP02	Older People's Commissioner for Wales
FP03	Social Enterprise Stakeholder Group
FP04	Age Cymru
FP05	Motor Neurone Disease (MND) Association
FP06	Public Health Wales
FP07	Citizens Advice Cymru
FP08	Powys County Council
FP09	Care & Repair Cymru
FP10	Tai Pawb, CIH Cymru and Shelter Cymru
FP11	Citizens Advice Denbighshire
FP12	Marie Curie
FP13	Bevan Foundation

Additional Information

Title	Date
Item 5 Paper to note 5.2: correspondence from Audit Wales	11 November 2024
Item 4, Paper to note 4.6, Additional evidence from Dr Simon Lannon regarding FRESH (Foundation data for Robust Energy Strategies for Housing)	9 December 2024
Item 3, Paper to note 3.4, correspondence from British Gas	13 January 2025
Title 3 Item 2, Paper to Note 1: correspondence from NEA Cymru	24 March 2025