

Fuel poverty and disabled people

Research Summary

Millions of people in the UK have a long-term illness or disability. Many disabled adults and families with disabled children face severe problems in affording essential energy use and are at high risk of fuel poverty. This has potentially serious implications for their health and well-being. The situation is likely to worsen because of rising energy prices and changes in the benefits system. It is vital that disabled people's energy needs are fully understood and tackled in public policy and industry practices.

Introduction

This summary brings together the key messages from two research reports that have explored the energy needs of disabled adults and families with disabled children:

- *'The energy penalty – disability and fuel poverty'* was carried out by Mike George, Professor Cosmo Graham and Linda Lennard, at the Centre for Consumers and Essential Services, University of Leicester. The study was based on a literature review of research and other material from the energy sector and elsewhere. The key findings from the review were explored in interviews with a selection of organisations which work with and advise disabled people and families with disabled children.
- *'Fuel poverty and disabled people: the impact of policy change'* was undertaken by Carolyn Snell, Mark Bevan and Harriet Thomson, in the Department of Social Policy and Social Work and Centre for Housing Policy at the University of York. A literature review; statistical analysis of the 2010-

2011 English Housing Survey (EHS), using the 10 per cent (where a household would need to spend more than 10 per cent of its net income to maintain a satisfactory heating regime) and Low Income High Cost (where a household falls below the poverty threshold and has above average energy costs) measures of fuel poverty; qualitative interviews with 16 stakeholders working in agencies that address fuel poverty, and 19 interviews with disabled people and the parents of disabled children.

The summary presents combined results, conclusions and recommendations from both studies. Information on how to obtain details of the individual reports can be found at the end of this summary.

Essential energy needs

There are a number of ways in which disability is associated with additional energy use. Where disabled people have to spend considerable periods of time at home, they are likely to have increased costs and potentially higher heating and lighting requirements. Moreover, they – and many other disabled

people – may well need a relatively high constant ambient temperature for the sake of their health.

A number of conditions, such as Multiple Sclerosis, are frequently unpredictable and the effects often fluctuate. At times people may need to use significant amounts of energy, especially during periods when they may be housebound. This often makes it very difficult to manage energy consumption and budget well.

The effects of medical treatment can also contribute to people feeling colder, and needing to have heating on at night and/or during the summer. For instance, people with cancer often find that the condition and/or medical treatments can make them less active and cause them to feel the cold more. Night sweats can result from treatment and cause people to feel especially cold.

The use of essential equipment and aids frequently adds to people's energy costs. For example, people with mobility problems may need to use electric fans to maintain the right body temperature. The need to charge electric wheelchair and scooter batteries, or to power electric hoists can also boost electricity consumption. Cooking can also lead to higher energy costs because of dietary requirements.

Some conditions, such as incontinence and skin conditions, affect many people but are often overlooked. Those experiencing incontinence are likely to have additional bathing and clothes washing requirements, which increase energy consumption. People with chronic skin conditions may need frequent baths or showers to avoid infection, and may also have to wash clothes and bedding frequently.

Families with disabled children

Many families with disabled children face a range of additional energy needs. As well as the need for a warm home in cold weather, additional heating may be essential at night and during the summer because of the child's condition and to protect their immune system.

Extra energy costs often arise here too because of the need to wash and dry clothes and bedding frequently, for example, because of eating difficulties, skin disorders, and allergies. Separate washes may be needed if children require specialist clothing and/or bedding.

Poverty and the extra costs of disability

Households with one or more disabled members are more likely to be in poverty or on low incomes than others. As a result many disabled people, and families with disabled children, face severe difficulties in affording sufficient heating and other essential energy consumption to meet their needs.

The analysis of the EHS found higher rates of fuel poverty amongst households containing disabled people compared with other households, although rates of fuel poverty vary according to the measure used. Furthermore, when disability benefits such as Disability Living Allowance and Attendance Allowance are removed from the calculation of income (as recommended by the Fuel Poverty Review), fuel poverty rates increase amongst households containing disabled people.

Evidence from the wider literature shows that there is a clear relationship between ill health and fuel poverty. Pressures on household finances – especially the invidious 'choice' of heat or eat – pose significant risks for the health of many disabled children and disabled adults.

As well as additional energy costs, many disabled people face a wide range of extra costs to safeguard their health and safety and to have a reasonable quality of life. These include extra travel costs, for instance because of having to use taxis. There are numerous other costs such as home adaptations, aids and equipment, and many disabled people are also now facing extra costs to meet their social care needs. Families with one or more disabled children are also more likely to experience extra costs than other families.

Official fuel poverty statistics fail to capture fully the essential energy needs of people with specific impairments or conditions as calculations are based on generalised assumptions about useage. As a result, they are likely to under-represent the extent to which many disabled people are struggling to pay for energy costs, or are risking their health by not using sufficient energy.

Fuel poverty, disability and housing

Poor energy efficiency of homes is another significant contributing factor to fuel poverty. Research evidence shows that disabled people and families with disabled children are particularly at risk of living in poor housing.

For households containing disabled people, fuel poverty rates are highest in the private rented sector. This occurs across all measures, with the highest rates found under the Low Income High Cost measure.

Prepayment meters

Households containing disabled people are more likely to be on prepayment meters for their gas (where connected) and electricity supply than other households. Fuel poverty rates tend to be highest amongst all households that use prepayment meters across all three measures of fuel poverty, and are generally higher amongst households

containing someone who is disabled. Fuel poverty rates amongst households with disabled members that are on standard credit tariffs are also comparatively high.

Whilst there is evidence within the qualitative interviews that prepayment meters can help with budgeting, there are concerns about risks of self disconnection and higher energy charges, and the practical difficulties of using them. Whilst it is illegal to disconnect 'vulnerable customers' in the winter, installing a prepayment meter is not. This could be considered as devolving disconnection decisions to the bill payer.

There is ample evidence of the risks to health posed by inadequate heating. Given the greater potential for self disconnection arising from prepayment meters their use could be highly dangerous for disabled people's health and well-being.

Welfare reform and wider changes to social security

Substantial changes to the welfare system have been implemented during the lifespan of these projects, including the following: Incapacity Benefit has been replaced by Employment Support Allowance; Disability Living Allowance has been replaced by Personal Independence Payments, and Universal Credit is being introduced.

The impact of cuts is already said to have had a negative impact on disabled people on low incomes, through changes to local authority budgets, benefit levels and the availability of charitable support. Changes in welfare have corresponded with changes in fuel poverty policy. Disabled people of working age miss out on the Warm Home Discount Scheme core group and the Winter Fuel Allowance. Depending on the criteria used, they may also be unable to access help with energy

efficiency through Energy Companies Obligation schemes, whilst subsidising those who are eligible through their bills.

Qualitative analysis of households containing disabled people demonstrated diverse experiences regarding the affordability of energy costs. For respondents who were reliant on benefits, managing the costs of energy as part of total outgoings is becoming increasingly problematic. The increasingly discretionary and localised nature of support for households containing disabled people was identified as a particular concern. This is because, in some areas, Disability Living Allowance was counted as general income to pay for rent when people applied for Discretionary Housing Payment, or were a low priority for this assistance.

In addition, the uses to which benefits such as Disability Living Allowance and Carers Allowance were being put meant that incomes were being stretched. The combination of changes to benefit entitlements, for example to council tax or housing benefit, had significant consequences for disabled people's ability to pay for fuel.

Tackling fuel poverty at local level

Stakeholders participating in this research highlighted the crucial role of working at the local level to identify and work with households who would benefit from energy efficiency measures. A number of respondents and agencies highlighted the difficulties of maintaining adequate levels of warmth for households containing disabled people in dwellings with poor levels of energy efficiency, or inadequate heating systems.

The health sector is viewed as having a potentially crucial role to play in alleviating fuel poverty amongst households containing disabled people. In the face of difficulties in

identifying and targeting disabled people through data matching exercises at the national level, initiatives and funding via the health sector was thought to provide an alternative way of identifying and supporting the energy requirements of disabled people.

Conclusions

Many disabled people and families with disabled children are at significant risk of fuel poverty. Difficulties in affording essential energy needs have potentially serious consequences for people's health and quality of life. Moreover, recent and proposed benefit changes are likely to affect many disabled people adversely, including their ability to afford essential energy needs.

Despite these factors, recent changes to the official definition of fuel poverty (especially the Low Income High Cost definition) have had the effect of reducing fuel poverty rates in the analysis of the EHS. However, the reality is that many disabled people, especially those on low incomes and with high energy needs experience cold, damp housing, and/or energy debt, regardless of whether or not they are officially defined as fuel poor.

Whilst official measures continue to neglect the actual energy needs of some disabled people, it is essential that policymakers and practitioners recognise the diverse, nuanced, fluctuating needs that some disabled people have, and work to provide adequate support.

At the same time, the assumption that disability related benefits such as Disability Living Allowance and Attendance Allowance (and new benefits such as Personal Independence Payments) can be used for energy payments is highly flawed, given the many other claims being made on these benefits.

Together with rising energy prices, this combination of factors is likely to lead to a rise in fuel poverty among disabled people and families with disabled children. It is vital that the extent and nature of disabled people's energy needs are afforded proper understanding and recognition in policy-making as a matter of urgency.

Recommendations

- Disability benefits should not be counted as income in the official measurement of fuel poverty, as recommended in the Fuel Poverty Review. Similarly disability benefits should be excluded as income in official income and poverty statistics.
 - The needs of disabled people should be fully acknowledged within relevant fuel poverty policy. Responsibility for addressing the problem should not be limited to those involved in energy policy but also include other relevant areas such as health and social care. A taskforce should be set up – including DECC, the Department of Health, the DWP and Ofgem together with disability organisations – to audit the ways in which current and projected policies are likely to impact on disabled people's ability to afford essential energy use. The results should be published together with a comprehensive and coherent action plan.
 - Ofgem should publish guidance for energy companies to inform their understanding of the varied energy needs of disabled people and households with disabled children, and to help improve company policies and practices. Ofgem should monitor companies' adherence to the guidance and be prepared to take appropriate regulatory action to ensure compliance.
- Government should ensure that disability is included as a qualifying factor for the core group of the Warm Home Discount Scheme. In addition, disabled people who even then might not meet the core group criteria should be included in the broader group category by energy suppliers.
- The DWP should lead an examination of the adequacy or otherwise of the nature and levels of financial support for disabled people and families with disabled children which takes proper account of the various additional or extra costs arising from disability, including additional energy needs and fuel costs.
 - Energy suppliers should review their policies and practices to ensure that disabled people do not face unnecessary barriers in being able to access assistance and advice about energy bills and help with energy efficiency. This should be done in a co-ordinated way which involves the trade association, Energy UK.
 - Housing conditions in the private rented sector need to be addressed as a matter of urgency. The links between poor health and role of the health and social care sector may be crucial here, for example, through energy on prescription.
 - Urgent attention should be paid to the suitability of prepayment meters for disabled people, in terms of their usability, and the elevated risks of self

disconnection. Again, a broader understanding of this issue amongst other practitioners in direct contact with disabled people (such as health and social care) may help address self disconnection more urgently.

Further details

Full project outputs can be found on the Eaga Charitable Trust website:
<http://www.eagacharitabletrust.org/projects>

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