

## Home Energy Efficiency Scheme

### Introduction

The Home Energy Efficiency Scheme (HEES) for Wales is a Welsh Assembly Government funding scheme aimed at making homes in Wales warmer, healthier and more energy efficient. The Assembly Government has assumed responsibility, since November 2000 and funded an estimated £74 million for alleviating fuel poverty in Wales, with the scheme benefiting over 75,000 households. The Eaga Group have been the managers and principle contractors since 2000.

Since its establishment in 2000, the number of households benefiting from the scheme has increased annually, during 2006-07:

- 13,739 homes in Wales received energy efficiency improvements
- Over £19.6 million was spent on energy efficiency measures<sup>i</sup>

From 2000, the qualifying criteria have been expanded into 2 levels, HEES and HEES Plus. These levels cover households in receipt of specific benefits **and** either with children under 16, are lone parents, or over 60. In 2007 the scheme was extended to those over 80 without the need for any qualifying benefit. The grants are available to those in both private and public housing, with varying grants according to the measure and qualifying criteria.

- Grants are available to the value of £2,000 for insulation measures and room heaters to households on low income.
- Grants are available to the value of £3,600 for an extended package of measures to pensioners households, lone parents, sick and disabled households.

Further detail of the qualifying criteria can be found on the scheme's website.

The HEES is the Welsh Assembly Government's primary initiative to meet its Fuel Poverty Strategy commitments:

- To eradicate fuel poverty among vulnerable, low-income households by 2010, as far as reasonably practicable
- To eradicate fuel poverty among vulnerable households in social housing by 2012
- To eradicate fuel poverty among all households by 2018, as far as reasonably practicable

From the 1997/98 Welsh House Condition Survey (WHCS) it was estimated that 222,000 households are eligible for assistance under HEES and lack at least one of the measures available through the scheme. Approximately half of these households (117,000) contained at least one person over the age of 60. About 18% (40,000) were lone parent households and a further 14% (32,000) were eligible due to the receipt of benefits related to long-term sickness or disability. The remainder (33,000) were other 'poor' households with children (DEFRA & DTI, 2001)<sup>ii</sup>.

### Current and proposed legislative competence of the Assembly

There is no Field under Schedule 5 of the *Government of Wales Act 2005* that relates specifically to the Home Energy Efficiency Scheme, however Measure-making powers concerning fuel poverty and energy efficiency in the home initiatives could be sought through Legislative Competence Orders under other Fields, such as Field 11 – Housing and Field 15 – Social Welfare. The scheme falls within the Minister for Social Justice and Regeneration portfolio

## Legislative Framework

Section 15(1) of the Social Security Act 1990 (as amended by section 142 of the Housing Grants and Regeneration Act 1996) enables the Welsh Assembly Government to make grants for the provision of energy efficiency. The *Home Energy Efficiency Schemes (Wales) Regulations 2000* originally set out the scheme for providing grants, this has since been revoked and now *Home Energy Efficiency Schemes (Wales) Regulations 2007*<sup>iii</sup> set out the scheme, as the qualifying criteria has been extended.

For 2008/09 there has been a proposed amendment to the 2007 Regulations, to allocate an incentive budget of £750,000 for applications from social tenants. It is also proposed that from 2009/10 the HEES will no longer assist social housing tenants in order to reflect to level of improvement that has occurred in the social housing sector<sup>iv</sup>.

## Other UK Related Schemes

The scheme is similar to other UK initiatives which have used the same legislation to provide grants for energy efficiency, for example:

- Warm Front in England, which is funded by the Department of Environment, Food and Rural Affairs since its launch in 2000 (also managed by Eaga).
- Warm Homes in Northern Ireland, which is funded by the Department of Social Development in Northern Ireland (also managed by Eaga).
- Warm Deal in Scotland, which is funded by the Scottish Government and managed by Scottish Gas<sup>v</sup>.
- A number of energy providers also provide energy efficiency schemes to some households, for example, free roof insulation to those over 70. For further information see their websites.

## Key Assembly Government strategy documents, action plans and reviews

- *Warm Home and Energy Conservation Act 2000 – A Fuel Poverty Commitment for Wales*<sup>vi</sup> is the Welsh Assembly Government's strategic plan to eradicate fuel poverty with the use of the HEES.
- *Interim Evaluation of the New Home Energy Efficiency Scheme for Wales (March 2005)*<sup>ii</sup> is the Welsh Assembly Government's commissioned study on the appropriateness, adequacy and success of the scheme and examining ways in which to make it more accessible to those who are fuel-poor.

## Useful links

1. The Housing, Energy and Fuel section of the Welsh Assembly Government website: <http://new.wales.gov.uk/topics/housingandcommunity/housing/energyandfuel/?lang=en>
2. Home Energy Efficiency Scheme website: <http://www.heeswales.co.uk/index.htm>  
For further information on how to apply for the scheme, freephone: 0800 316 2815
3. Eaga Group, government contracts website: [http://www.eaga.com/government\\_contracts/government\\_contracts.htm](http://www.eaga.com/government_contracts/government_contracts.htm)
4. Interim Evaluation of the New Home Energy Efficiency Scheme for Wales, published in March 2005. <http://new.wales.gov.uk/ds/jlg/research/0305hees/repote?lang=en>

## Further information

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<sup>i</sup> Eaga, *Home Energy Efficiency Scheme Annual Report 2005/07* [http://www.eaga.com/downloads/pdf/welsh\\_annual\\_report%20\\_english.pdf](http://www.eaga.com/downloads/pdf/welsh_annual_report%20_english.pdf)

<sup>ii</sup> Welsh Assembly Government Document: *Interim Evaluation of the New Home Energy Efficiency Scheme for Wales (March 2005)* <http://new.wales.gov.uk/topics/housingandcommunity/research/hrr0305hees?lang=en>

<sup>iii</sup> *The Home Energy Efficiency Scheme (Wales) Regulations 2007* [http://www.opsi.gov.uk/legislation/wales/wsi2007/wsi\\_20070375\\_en\\_1](http://www.opsi.gov.uk/legislation/wales/wsi2007/wsi_20070375_en_1)

<sup>iv</sup> Decision Report: *The Home Energy Efficiency Scheme access to funding by social tenants (March 2008)*

<http://new.wales.gov.uk/publications/accessinfo/decisionreport/Housingdrs/Housingdrs2008/heesacesstosocialtenants/?lang=en>

<sup>v</sup> Scottish Gas, Warm Deal Program website: <http://www.chwdp-scottishexecutive.co.uk/warmdeal/warmdeal.php>

<sup>vi</sup> Welsh Assembly Government Strategy, *Warm Home and Energy Conservation Act 2000 – A Fuel Poverty Commitment for Wales (March 2003)* <http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/fuelpovcommit?lang=en>