



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government



The Home Energy Efficiency Scheme  
making a difference  
across Wales



13,739 homes in Wales  
received energy efficiency  
improvements during  
2006/07

making a difference



# Welcome

## Ministerial Foreword from Jane Davidson AM



“In another big step forward all those aged 80 and over are now able to receive assistance from the Scheme regardless of their circumstances.”

I am especially pleased to introduce the 6th Annual Report of the Home Energy Efficiency Scheme in Wales because it deals with a year in which the Scheme performed above expectations. Greater levels of assistance than ever are now available under the Scheme with individual grant levels being increased by some 33%, this is on top of an extra £10m being allocated to the Scheme over this year and the next. This major investment in the Scheme will be used to specifically assist pensioner households stay warm in more energy efficient homes. In another big step forward all those aged 80 and over are now able to receive assistance from the Scheme regardless of their circumstances. The challenge now is to reach those households, and to encourage them to apply to the Scheme for the assistance to which they are entitled.

As the Scheme continues to go from strength to strength, with over 75,000 households now assisted, at a total cost of some £74 million, so the remaining households contain a greater concentration of those who will be harder to reach or more expensive to treat. In recognition of this a number of renewable energy pilot schemes have been supported across Wales with funding from HEES. The pilot schemes will provide feedback on the installation and running costs of the technology, along with information on any practical issues they encountered when installing the technology. Perhaps most importantly we will also receive information from the householders themselves as to how they have adapted to the new technology and what their perceptions have been on ease of use, cost effectiveness etc. This practical information will allow us to give further consideration to renewable technologies, not only on VFM grounds but also from a users perspective, prior to any possible inclusion to the Scheme.

Although HEES is primarily a fuel poverty rather than carbon saving programme, energy efficiency improvements will often result in the household having a lower carbon footprint as well as lowering fuel bills. The investments funded by HEES make long lasting improvements to the energy efficiency of the properties of eligible households. If the recipient of the grant moves from the property, these improvements continue to benefit future occupants and improve the overall condition, and energy performance, of Welsh housing stock.

Over the period 2000 to 2006 we have assessed that the carbon savings from HEES is in the region of 21,307 tonnes of carbon per year.

This report continues to highlight the success of the Scheme and the impact that it is having across all areas of Wales. The challenge is to build upon this success by continuing to develop assistance that meets the needs of the households that we are committed to help. The extra investment, higher grant levels and improvements in the coverage of the Scheme continue to demonstrate our commitment to assisting some of the most vulnerable members of our communities.

A handwritten signature in black ink that reads "Jane Davidson". The signature is written in a cursive, flowing style.

Jane Davidson AM

Minister for Social Justice and Regeneration

# The Home Energy Efficiency Scheme

Introduction from Hayley Wildmore, Director, eaga Wales



“This represents a record year for the Scheme, which is now delivering to more homes, with a more diverse range of needs and circumstances, than ever before.”

‘Making a Difference’ is an appropriate headline for the 2007 Home Energy Efficiency Scheme (HEES) Annual Report. Working with the Welsh Assembly Government and stakeholders across the country, we are proud to have this year delivered energy efficiency improvements to **13,739** vulnerable householders.

This represents a record year for the Scheme, which is now delivering to more homes, with a more diverse range of needs and circumstances, than ever before. To change the lives of more than 13,000 homes in Wales whilst continuing to tackle the growing problem of affordable warmth, is a remarkable achievement – however, there is more to be done.

**To put these numbers into perspective, during 2006/07, HEES achieved the following:**

- More than £19.6m spent on home energy efficiency improvements
- An extra £5m spent on delivering improvements to the over 60's in Wales
- Installed cavity wall insulation in 3,418 homes
- Insulated 4,919 lofts
- Replaced 4,309 boilers
- Carried out 261 heating repairs

Making a real difference to local communities across Wales by innovating and adapting to meet the needs of vulnerable customers has always been a central aim of the Scheme. The last twelve months have been no different, as HEES has continued to evolve to provide householders with an increased number of opportunities to further benefit from grant assistance.

**Over the last scheme year this evolution has meant:**

- Changes to the qualifying criteria allowed over 80's to qualify for HEES Plus regardless of benefit circumstances
- HEES has put forward funding for pioneering renewable energy pilots in traditional hard to treat areas
- Over 60's in Wales have benefited from an increase in the partial grant maxima to £500
- Introduction of a grant to fund oil central heating



# Cavity wall insulation in 3,418 homes during 2006/07

making a difference

It is particularly pleasing that all three renewable energy pilots were shortlisted for this year's British Renewable Energy Awards, clear recognition that working in partnership and demonstrating adaptability can prove effective in delivering low-carbon solutions to tackle fuel poverty in areas with greater prevalence of hard to treat homes.

The gradual development of HEES to incorporate new measures, coupled with the expansion of the qualifying criteria, has allowed many more households to be taken out of fuel poverty, when previously they may have been outside the remit of the programme. The extra assistance available to over 60's and over 80's for instance, has led to a significant upsurge in both awareness and demand for energy efficiency improvements.

Of course, HEES would have achieved none of this year's remarkable results without the continued help and support of our partners. eaga plc has been delighted to continue working with trusted intermediaries and community representatives to help build awareness and encourage take-up amongst the elderly, young families, black and minority ethnic groups and rural communities. We are grateful to you all for your ongoing expertise and support.

To end on a cautionary note, the tremendous success of HEES over 2006/07 and the record results that were achieved does present an issue for us going forward. Demand for the Scheme is also running at a record level, as the positive story of a successful Scheme spreads throughout – and indeed beyond – Wales. If we are to continue our good work to date and maintain a strong arsenal in the battle against fuel poverty, then we must ensure that this demand can be met and our progress to date can be not only sustained, but prolonged into the future.

## **A future without fuel poverty.**

**Hayley Wildmore**  
Director, eaga Wales

# HEES working in partnership

we will continue to work at a national and local level across Wales to get the HEES message out there

Critical to the success of HEES in delivering improvements to more than 75,000 householders in Wales to date has been the continuous efforts of our national network of referral partners.

We firmly believe that forming alliances and working closely with organisations 'on the ground' remains the most effective method of reaching some of the most vulnerable communities affected by fuel poverty.

The partners we have worked with over the last twelve months have been a key part of the success of the scheme and over the coming year we will continue to develop and grow these relationships.





## Care and Repair

Care & Repair Cymru is the national body that works to ensure that all older people are able to live in safe, secure and warm homes. The organisation is able to access the needs of older people through their all Wales coverage of local Care & Repair Agencies.

Thanks to the work of these local care and repair agencies and the tireless commitment of their staff, their clients received over **£300,000** worth of energy efficiency improvements such as heating, insulation and draught proofing through referrals to HEES.

## Motability

Motability – the leading car scheme for the disabled - supported the Home Energy Efficiency Scheme during the year by assisting in the promotion of HEES to their members. As a result of a successful winter campaign, more than 3,000 of their members in Wales applied for grant assistance and to date they have benefited from over **£2,000,000** worth of energy efficiency improvements.

## Health Through Warmth

As a result of a successful partnership with the Vale of Glamorgan's npower Health Through Warmth scheme (run by Vale of Glamorgan Council), eligible applicants are referred to HEES. A case study is detailed below.

The Health Through Warmth Co-ordinator identified that Mr Macarthur (pictured above) qualified for assistance under HEES and made the application on his behalf. After an initial visit by one of our assessors, Mr Macarthur had his central heating system repaired and received loft insulation, draughtproofing, and smoke alarms.

## Keep Well This Winter

Once again KWTW proved a success in promoting HEES to over 30,000 householders. Working with partners across Wales, Age Concern distributed information packs containing practical advice on staying healthy and warm through the winter months.

A series of events were held across the country, which resulted in strong awareness raising on HEES and issues relating to affordable warmth. Client feedback initiated by Age Concern Cymru indicated that the inclusion of a HEES brochure in the information pack was extremely well received.

# Customer satisfaction

A total commitment to customer satisfaction emanates from all of our staff and influences every aspect of our operations in Wales. Through continuous learning, we have developed a comprehensive satisfaction programme that focuses on the areas that matter to our customers. Our adoption of a service excellence culture ensures all our people help create a customer centric approach to everything we do.

Every year we commission a leading customer opinion measurement company to survey over 3,000 customers across Wales, using the results to drive management priorities at our weekly meetings.

During 06/07 we received over 1,000 responses at a response rate of 40%. This response rate is very encouraging, particularly given the scale of overall activity, as a high response rate usually indicates a high level of customer satisfaction.

**Based on their experiences of HEES a sample of our clients were asked, 'on a scale of 1 to 10, where 1 is highly unlikely and 10 is highly likely, how likely are you to recommend HEES to a family member or close friend?'**

<b>Sept 06</b>	average of <b>9.6</b>
<b>Jan 07</b>	average of <b>9.51</b>
<b>Mar 07</b>	average of <b>9.71</b>

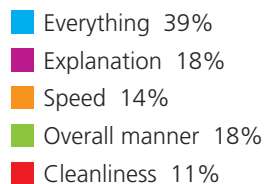
The percentage of less than satisfactory customer experience also decreased from 2% to 1%.

As part of our commitment to delivering lasting service excellence, any complaints are subject to a root cause analysis to determine the trigger point along the customer's journey that led to dissatisfaction.

Once the cause is identified all our staff are empowered to take ownership to both develop and implement a suitable resolution. Ongoing feedback ensures we understand whether the action taken has led to a positive customer experience.

## What was the best thing we did during your HEES application?

- It is good to see that 11% of customers found the installation process clean and tidy, and the explanations were also good.
- The previous measurements on HEES Wales have found a majority of customers tell us the best thing was 'everything' and so to see this again in this measurement is great.



# A greener future for Wales

Following a Welsh Assembly Government initiative to consider how renewable technology might be used in the fight to tackle fuel poverty, the HEES programme was expanded to cover the funding of three unique schemes in hard to heat rural areas, where there is a greater propensity to encounter hard to treat housing.

As a result, customers in Flintshire, Monmouthshire and Powys all benefited from warmer homes thanks to the additional funding. It is especially encouraging that all three initiatives went on to be short-listed for the prestigious British Renewable Energy Awards.

Flintshire County Council identified a number of homes in the village of Cilcain as eligible to receive grants of up to £3,600 under HEES to have renewable energy sources.

Up to eight households in Cilcain now have their heating provided by ground source heat pumps, which converts heat stored in the ground to radiators or a hot water supply.

Using proven installation methods, ground source heat pumps are a proven way to provide affordable, clean and easy-to-use energy that help drive down carbon emissions.



Householders in the village of Glasebury-on-Wye in Powys also benefited, as eight council owned bungalows and seven private homes had solar hot water systems installed. Solar thermal panel installations convert heat from the sun and can typically provide up to 60% of a household's hot water needs.

With no access to mains gas, traditional heat sources are not always an option for many rural communities but through working in partnership with the local authorities, solar thermal and ground source heat pump technology is now a cost effective and viable alternative.

These latest pilot schemes will provide valuable feedback on the installation and running costs of alternative, renewable technology, along with information on any practical issues encountered when installing.



# Benefit Entitlement Check

A telephone-based service that provides a comprehensive assessment of an individual's entitlement to the full range of UK welfare benefits.

Benefit checks form an important instrument in HEES' efforts to reduce the level of fuel poverty in Wales. Low incomes are an obvious cause of fuel poverty and it is vital that households claim all the benefits to which they are entitled.

Over the last 12 months we have successfully completed **2,752 Benefit Entitlement Checks** identifying a total of **£1.6m** of unclaimed benefits and providing an average weekly increase in income of **£18.69**.

The most common benefits identified were Pension Credit (39%) and Council Tax Benefit (36%).

## Client Case Study

Mrs S of Swansea, a single lady, 71 applied to HEES in December 2006 and received security measures and a replacement boiler.

Mrs S had been so pleased with the scheme that she decided to attend an event hosted by her Assembly Member where the scheme was to be discussed. Benefit Entitlement Check advisors were at the event and Mrs S was offered and accepted a check. The advisor identified that the lady should be receiving almost £7.00 per week [more than £350 per year] in Council Tax Benefit and recommended that she apply.

Mrs S called us back to say that she had been successful in her application and that she also received a backdated payment of over £350.00. Mrs S said "I wish everyone I spoke to could be like the advisor I spoke to. She explained things so well to me."





2,752 Benefit Entitlement Checks successfully completed identifying a total of £1.6m of unclaimed benefits making a difference

#### Top five most commonly recommended benefits

Benefits	Number of people recommended
1 Pension Credit	643
2 Council Tax Benefit	590
3 DLA/AA Care	95
4 Childrens Tax Credit	73
5 Working Tax Credit	63

#### Highest weekly increases in recommended benefits

Benefits	Amount per week
1 Pension Credit	£12,192.49
2 Council Tax Benefit	£5,192.78
3 DLA/AA Care	£3,511.50
4 Childrens Tax Credit	£1,950.59
5 Income Support/IBJSA	£1,720.77

#### Average weekly increase identified

Benefits	Amount per week
1 DLA/AA Care	£36.95
2 Carer's Allowance	£41.68
3 Childrens Tax Credit	£28.66
4 Housing Benefit	£24.26
5 Working Tax Credit	£23.37

# Getting the message out

## Enlisting political support to promote HEES

Building relationships - with local organisations, community interest groups, charities and local prominent public figures such as Councillors and Assembly Members – is at the heart of the work to raise awareness and encourage take-up of HEES.

We employ many modes of interaction with our stakeholders to achieve this common goal. One of the most effective is the implementation of bilingual 'Parliamentary Pages' for Welsh AMs and MPs, specifically tailored to their constituency and giving all the information they need on HEES including a suggested press release to sell the success, to encourage more constituents to apply. Due to the use of a unique phone number, we know from analysis that constituents will apply when their AM endorses the benefits of the scheme.

Proactive work with Assembly Members to further promote HEES in Wales is also important. This can take the form of Assembly briefings to advise on any scheme changes or updates, all the way through to exhibiting at Conferences and meeting politicians. We are also on hand to meet with Members to discuss any issues that constituents may have with the scheme. We are pleased to advise that feedback is generally positive and supportive of the huge difference that the scheme is making.

By far the most regular activity we engage with AMs are 'Energy Awareness' or 'Benefit Entitlement Check' events, hosted by Assembly Members. These events are held in community centres or other accessible venues and supported by other local interest groups, such as Care and Repair, Age Concern and the Fire Service. These events offer a real 'one-stop shop' for constituents and the AM's attendance ensures that the message regarding HEES is very effectively promoted to the wider community.

"The Home Energy Efficiency Scheme is key to making homes warmer, more energy efficient and more secure. Aimed at families with young children, people over the age of 60 and those who are disabled or chronically sick, this affordable scheme makes a real difference in local communities across Wales. Not only does it improve energy efficiency, HEES also allows for individuals to make a real difference to Welsh carbon emission levels. The change can be large or small, from cavity wall insulation to the installation of low-energy light."

**Helen Northmore EST**

"The HEES Programme continues to be the leading mechanism by which Fuel Poverty can be alleviated in Wales. Last year's widening of eligibility criteria and the consideration HEES now gives to the elderly has made essential measures accessible to those most in need. eaga have also demonstrated forward thinking in the challenge to deliver affordable warmth by supporting the three renewable energy pilots across Wales. A successful year indeed."

**Nia Prys-Williams Flintshire County Council**

"Energywatch are proud to continue its longstanding partnership with the Home Energy Efficiency Scheme, and look forward to another year in which thousands of Welsh households can benefit from life improving heating and insulation measures."

**Wendy Davies Energywatch**



# What our customers say...

"I wish to convey my thanks to you and your team for the wonderful work that has been done in my home. Words are not enough to tell you how grateful I am, once again a very big thank you."

**Mrs Davies of Rhondda Cynon Taff**

"My wife and I would like to record our thanks to you and your team for the excellent work carried out under the HEES Wales scheme. The contractors were excellent in every respect and carried out the work with a minimum of inconvenience."

**Mr Chapman of Dinas Powys**

"I feel I must let you know how very pleased I am with the energy efficiency measures that have been put in place at my home; the difference in temperature is amazing."

**Mrs Lloyd of Gwynedd**

"Thank you so much, we are delighted, we are so warm and cosy now, my husband and I can't believe the difference, so thank you, thank you again."

**Mrs L of Wrexham**

"I am writing to thank you and to show my appreciation of the grant that was awarded to me for central heating in my home. The gentlemen that did the work were clean and tidy and very polite. So once again thank you very much."

**Mrs Davies of Haverfordwest**



# Scheme achievements 2006/07

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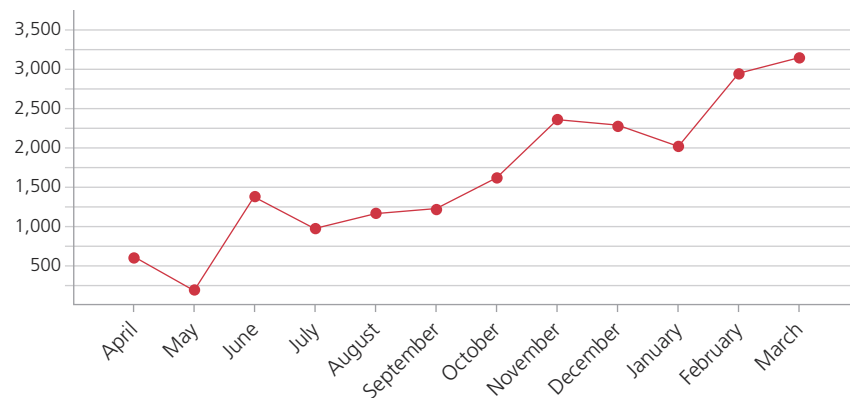
**Table 8** Measure and spend - splits

## Table 1 - Scheme highlights

Applications	<b>27,796</b>
Eligible referrals processed within the year	<b>19,834</b>
Eligible referrals receiving HEES	<b>1,033</b>
Eligible referrals receiving HEES Plus	<b>13,533</b>
Eligible referrals receiving partial grant	<b>5,268</b>
Completed properties	<b>13,739</b>

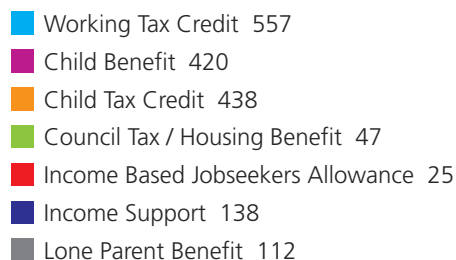
## Table 2 - Qualifying applications

Table 2 shows that of the 27,796 applications received between April 2006 and March 2007, 19,834 qualified for assistance.



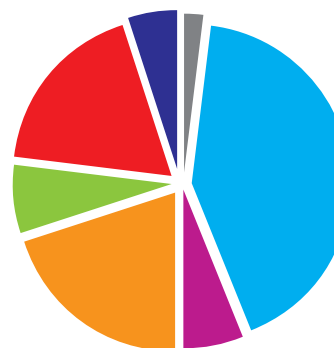
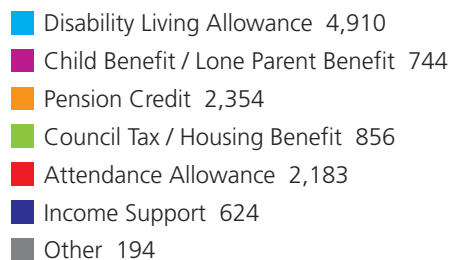
### Table 3 - Benefit profile for HEES customers

Table 3 shows that of the total 13,739 completed properties, 1,033 satisfied the HEES criteria. Working Tax Credit remains the main qualifying benefit for HEES accounting for 54% of households claimed during 2006-2007.



### Table 4 - Benefit profile for HEES Plus customers

Table 4 shows that of the 19,834 referrals, 13,533 were eligible for HEES Plus. Disability Living Allowance remains the main qualifying benefit for HEES Plus accounting for 36% of households claimed during 2006 – 2007.



## Table 5 - Measures by tenure/property type

Table 5 shows the number of measures invoiced during 2006-07, relating to the different measures installed, broken down further by tenure type.

Owner occupied	Completed measures	Cost of measures
Insulation	7,402	£2,966,245.97
Heating	4,894	£8,940,870.86
Security Measures	2,003	£198,209.22
Smoke Alarms	4,298	£193,049.99
CFLs	11,407	£104,691.82
Local Authority	Completed measures	Cost of measures
Insulation	494	£134,040.29
Heating	367	£611,664.40
Security Measures	132	£14,138.01
Smoke Alarms	38	£1,676.85
CFLs	887	£8,238.82
Private rented	Completed measures	Cost of measures
Insulation	301	£115,439.60
Heating	297	£502,291.88
Security Measures	110	£12,078.62
Smoke Alarms	207	£9,778.20
CFLs	566	£5,175.45
Housing Association	Completed measures	Cost of measures
Insulation	134	£39,822.32
Heating	86	£126,627.16
Security Measures	31	£3,354.18
Smoke Alarms	8	£332.20
CFLs	210	£1,949.85

## Table 6 - SAP improvements under HEES Wales

Table 6 demonstrates the improvements made to properties by the introduction of HEES measures. In line with the Welsh Housing Quality Standard, the results are shown by floor area of properties treated.

SAP (Standard Assessment Procedure) is the Government standard for assessing the energy rating of dwellings on a scale of 0 - 120. The higher rating, the more energy-efficient the dwelling is. New properties are required to comply with Part L of the Building Regulations, which typically produce SAP ratings of 80+.

Average SAP improvements have increased from 60 in 2005-2006, to 65 in 2006-2007.

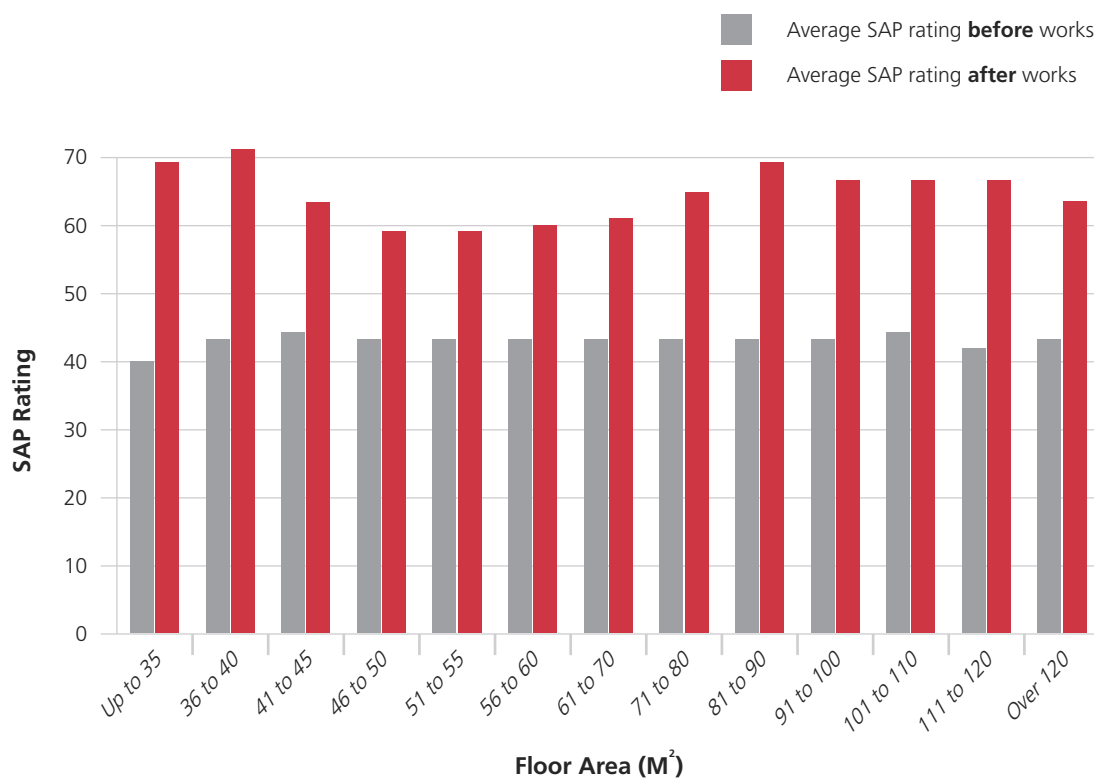


Table 7 - Measure and spend by Local Authority area

Table 7 shows the number of measures invoiced during 2006-2007, detailing the number of measures installed together with value and further broken down Local Authority Area. Total spend on page 18 and 19 are inclusive of insurance and guarantee measure costs.

	Insulation	Heating	Security Measures	Smoke Alarms	CFLs	Total
Isle of Anglesey	118	133	45	108	270	£289,499.16
Blaenau Gwent	111	213	36	70	263	£460,239.21
Bridgend	508	241	106	229	633	£744,391.46
Caerphilly	807	483	255	335	1,136	£1,323,114.68
Cardiff	478	351	118	201	796	£900,554.58
Carmarthenshire	481	196	111	375	783	£697,105.22
Ceredigion	204	89	54	141	332	£304,894.95
Conwy	487	253	107	126	545	£711,148.55
Denbighshire	302	298	74	120	567	£704,504.99
Flintshire	583	285	64	154	671	£785,921.23
Gwynedd	332	377	119	210	644	£777,852.54
Merthyr Tydfil	151	92	56	165	261	£269,332.07
Monmouthshire	226	95	39	61	321	£299,431.45
Neath Port Talbot	229	321	86	172	574	£761,619.23
Newport	383	291	70	118	510	£720,185.00
Pembrokeshire	568	297	100	371	728	£819,369.71
Powys	265	117	84	146	474	£353,999.17
Rhondda Cynon Taff	741	516	294	599	1,212	£1,414,589.40
Swansea	618	389	236	430	986	£1,080,157.01
The Vale of Glamorgan	382	176	140	246	577	£492,687.29
Torfaen	254	219	65	107	441	£528,061.72
Wrexham	110	215	19	69	353	£446,004.00
						£14,884,662.93

## Table 8 - Measure and spend - splits

Table 8 shows the measure types installed and total spend, further broken down by Scheme, Age and Area.

Measure and Spend by Scheme	Insulation	Heating	Security Measures	Smoke Alarms	CFLs	Total
HEES	516	426	43	306	1,086	£794,399.60
HEES Plus	5,516	5,183	2,197	4,147	11,815	£13,062,750.76
Partial	2,306	38	38	100	176	£1,027,239.57
						£14,884,662.93

Measure and Spend by Age	Insulation	Heating	Security Measures	Smoke Alarms	CFLs	Total
60-79	5,192	2,747	1,546	2,537	6,704	£7,962,037.94
Over 80	1,403	828	544	770	2,217	£2,350,383.29
Under 60	1,743	2,072	188	1,246	4,156	£4,572,241.70
						£14,884,662.93

Measure and Spend by Area	Insulation	Heating	Security Measures	Smoke Alarms	CFLs	Total
Mid Wales	1,518	699	349	1,033	2,317	£2,175,369.05
North Wales	1,932	1,561	428	787	3,050	£3,714,930.47
South Wales	4,888	3,387	1,501	2,733	7,710	£8,994,363.41
						£14,884,662.93



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