

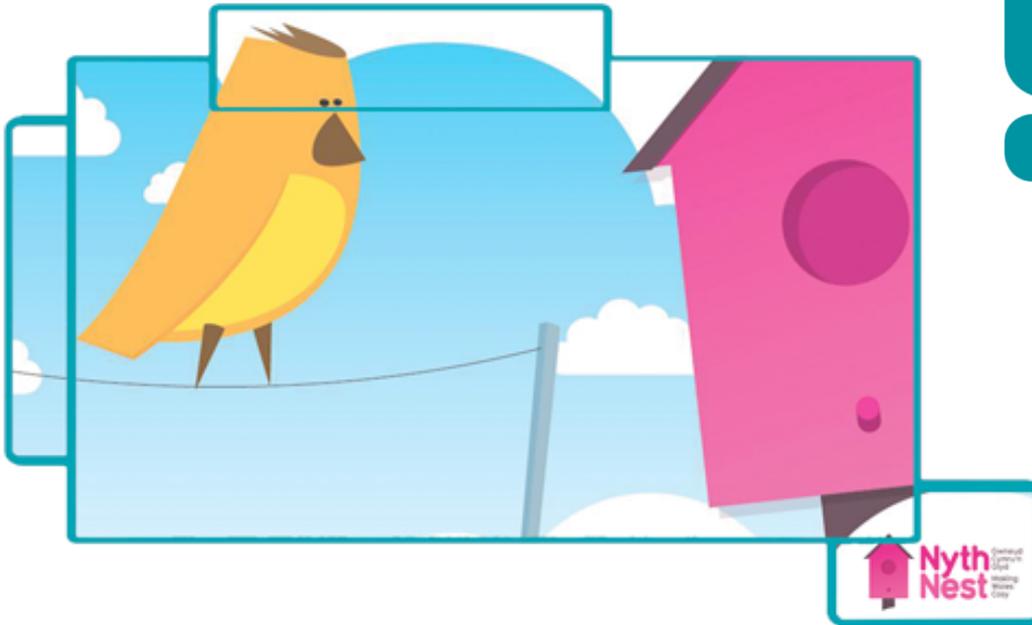
Making Wales Cosy



Llywodraeth Cymru
Welsh Government

Nest is tackling fuel poverty to bring multiple benefits for people and housing in Wales.

www.cymru.gov.uk



Overview

Since April 2011 Nest, the Welsh Government's fuel poverty scheme, has been installing free home energy improvement measures to eligible householders and properties that are most in need, to reduce their energy costs and improve their well-being. In two years Nest has installed measures in 8,500 homes, and provided advice and support to over 36,000 households.

Background

Nest aims to help reduce the number of households in fuel poverty and make Welsh homes warmer and more fuel-efficient places to live. A household is in fuel poverty if they spend 10% or more of their net income on energy costs, and in severe fuel poverty if they spend 20% of their net income on energy costs. The Nest scheme is running between 2011 and March 2016, and is managed by British Gas, who were awarded the contract after a competitive tendering exercise.

Results

Identify outcomes that increase the wellbeing of Wales

Evidence

Make decisions using better information

Collaboration

Work with others across boundaries

Long term

Fix the causes rather than the symptoms

Connect

Focus on the economic, social and environmental benefits

Transparency

Measure and report on the difference you make

This is one of a series of SD stories that can be found on the Welsh Government website at <http://wales.gov.uk/topics/sustainabledevelopment/>



CHANGE FOR GOOD



Why

Nest was created to reduce fuel poverty. In the Fuel Poverty Strategy published in July 2010, the Welsh Government committed to developing Nest to take the place of the previous Home Energy Efficiency Scheme (HEES). Compared with HEES, Nest targets fuel poor households who are on low incomes more effectively, by offering a wider range of free measures to help households living in off-gas, hard to treat homes. Homes that are hard to heat waste energy, and this wasted energy means householders paying higher fuel bills. A less energy efficient house also means an increased carbon footprint.

The Nest scheme has been developed recognising the challenging nature of solving fuel poverty. The housing stock in many areas, and the rural nature of much of Wales means that rural householders have to rely on heating solutions that are more expensive than gas. Houses built before 1918 usually have solid walls, which have poor thermal (heat) properties, so they can be harder to heat and more costly to improve. These issues have driven the need for solutions.

What they did

In its first year Nest marketed its scheme to all 22 local authorities in Wales but also tried to encourage take up of Nest within eight specific areas which had not previously benefited from the Home Energy Efficiency Scheme (HEES, the predecessor to Nest) or previous UK Government schemes CERT and CESP.

The Nest scheme offers a Whole House Approach to energy efficiency measures rather than only installing certain measures. Under Nest each eligible household has individual tailored measures installed, so there is no standard package of measures. This did not happen with earlier energy efficiency schemes. Additionally, the funding available per property is higher under the Nest scheme than earlier schemes.

To help identify and support the hardest to reach households, Nest employs Partner Development Managers (PDMs) to work in communities in partnership with local organisations, to help identify fuel poor households. PDM's provide training on fuel poverty to partner organisations and community groups, and help to spread knowledge of the impact of fuel poverty and the Nest support available to households.

Nest has developed a portal and referral network that enables partner organisations to refer clients directly into Nest and track the progress of applications. A Nest Stakeholder Board has been created to further assist and identify those living in Wales who are most in need of help from Nest, in terms of free measures and also advice and support.

“I am so pleased with my new central heating system. It’s working perfectly and I was really impressed with the efficiency of the workmen who fitted it in my home. I’m delighted to have had this installed as part of the Nest scheme and would recommend others to look into the scheme.”

Ms Gotami
Nest Customer in Waunfawr

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Using lessons learned from this captured information Nest aims to refine its service delivery to Nest customers.

The support Nest gives to any householder ranges from advice on insulation, how to reduce energy consumption, and how to use heating controls effectively, to getting the best energy tariff to the installation of free energy improvement measures.

What changed

Nest has brought benefits for people in fuel poverty, the Welsh economy and Wales' ecological footprint.

In its first two years Nest installed measures in 8,500 homes and provided advice and support to over 36,000 households. In 2012-13 the number of enquiries Nest received increased from 14,700 to 21,500, providing over 4,900 of these households with a package of free home energy improvements, and demonstrating the effectiveness of the multi-channel approach used by Nest.

In the same time period almost 93 per cent of properties had been improved to Standard Assessment Procedure band E or above after receiving their package of energy improvement measures. This has improved the energy efficiency of the housing stock in Wales and is sheltering householders from future energy price rises.

The energy improvements installed by Nest are estimated to deliver benefits averaging around £500 per household per year, which will make a real difference to the householders in managing their energy bills.

Alun Davies,
Minister For Natural Resources and Food

Investment in energy efficiency improvements through Nest is also delivering economic benefits that will help tackle poverty. Over 300 operatives are employed by Welsh SMEs that deliver all Nest's heating installations, and the scheme has delivered 26 new job-, apprenticeship- and training opportunities since 2011. The energy improvement packages are also estimated to deliver benefits averaging around £500 per household per year, making a real difference to low income households in being able to manage their fuel bills and heat their homes at a more affordable cost.

Over 5,000 of the households who were assisted by Nest in 2012/13 were referred to third party services, such as Benefit Entitlement Checks and Warm Homes Discount payments. Ensuring householders receive all the benefits they are entitled to helps low income households to stay warm and have more money for other essentials, such as food. It also delivers wider benefits as any additional income may be spent in the local economy.

The Poverty Projection Tool, published in April 2013, indicates that the impact of installing home energy efficiency improvements in Welsh homes in Wales between 2008 and 2012 has reduced the number of households estimated to be in fuel poverty in 2012 by 36,000 households.

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What obstacles existed

Identifying all those who live in Wales who could benefit from receiving the free energy efficiency improvement measures that Nest provides is a challenge. Working in partnership, with more local authorities for instance, enabling the scheme to spread wider is helping Nest identify these individuals across Wales. Partnership working is also helping Nest to deliver services and increase the number of installations for householders living in rural areas. A biomass pilot conducted in 2013 will help Nest determine if biomass can be offered more widely, exploring its potential as a solution for off-gas households.

Nest is also constantly balancing the potential for investing large sums of government funding in one property that requires high cost energy improvements against the benefits of improving a number of homes with low cost measures for the same amount.

What they learned

Effective partnership working has been a key focus for Nest's approach, and the development of the referral network has been strengthened through increasing the number of Partner Development Managers, and creating new and different referral routes. This has helped Nest be more effective at reaching those most vulnerable in our society affected by low incomes, and those in fuel poverty or severe fuel poverty. Nest is improving engagement with socially excluded groups by the development of a fuel poverty-training programme for partner organisations.

The alignment of the funding available from the Energy Companies Obligation (ECO) from January 2013 until March 2015 is already enabling more fuel poor homes in Wales to benefit from receiving energy efficiency improvement work to their properties.

The Nest scheme will operate until 2016. The outcome of an interim evaluation planned for 2014 will help improve the delivery of Nest and inform the development of any new scheme from 2016 onwards.

Contact and Links

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[Nest Website](#)
[Nest Resources and Annual Report](#)

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