

**Can we make a decisive step towards fighting energy
poverty?
The social housing perspective**



Julien Dijol, Policy Coordinator

Defining the problem

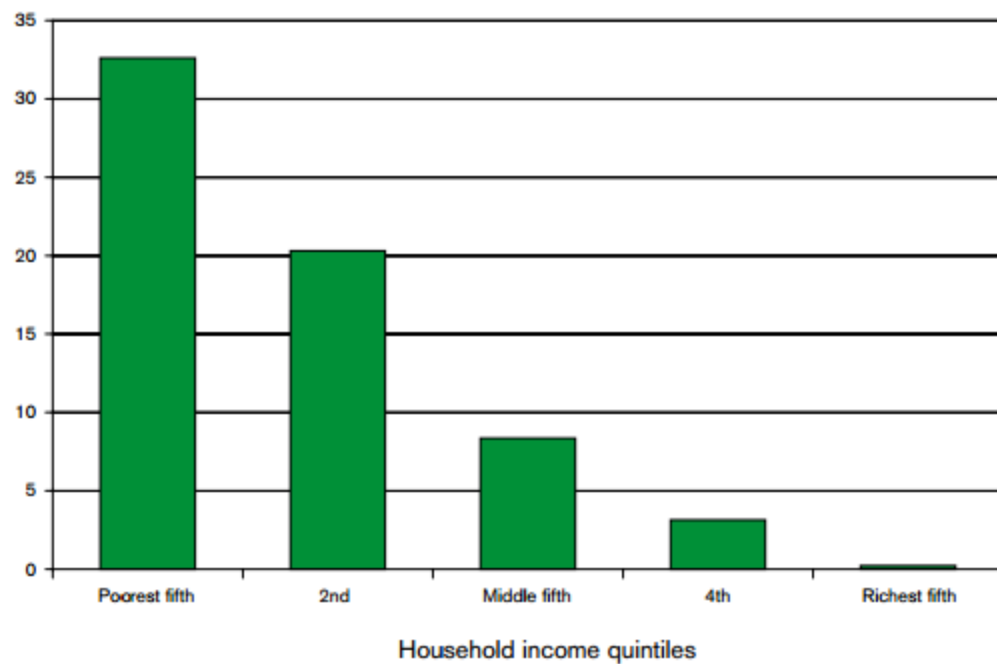
- The indicators used to measure fuel poverty are referring to the inability of people to keep their home adequately warm, to pay their utility bills and to live in a dwelling without defects (leakages, damp walls, etc.).
- In 2012, 10.8% of the total European population was unable to keep their home adequately warm, increasing to 24.4% when referring to low-income people
- See 2014 study of the building performance institute in Europe (BPIE)

A social policy challenge?

| Country | Arrears on utility bills (%) | Inability to keep home adequately warm (%) | Dwellings with leakages & damp walls (%) | Country | Arrears on utility bills (%) | Inability to keep home adequately warm (%) | Dwellings with leakages & damp walls (%) |
|-----------|------------------------------|--|--|-------------|------------------------------|--|--|
| Bulgaria | 50.7 | 70 | 29.5 | Estonia | 20 | 9.6 | 30.3 |
| Hungary | 58.8 | 33.9 | 53 | Belgium | 14 | 18.8 | 26.2 |
| Greece | 54.4 | 47.6 | 21 | Ireland* | 27.5 | 12.5 | 16.2 |
| Latvia | 39.5 | 35.1 | 43.3 | France | 17.8 | 15.2 | 22.1 |
| Cyprus | 25.9 | 50.6 | 34.6 | Czech Rep. | 19.4 | 15.3 | 20 |
| Slovenia | 37.5 | 17.3 | 46.1 | Spain | 17.9 | 18.2 | 17.9 |
| Italy | 24.5 | 44.1 | 30.1 | Slovakia | 18.3 | 13.6 | 19.7 |
| Romania | 41.5 | 25.4 | 30 | Netherlands | 8.6 | 8.7 | 27.4 |
| Lithuania | 22.8 | 38.2 | 28.6 | Germany | 8.6 | 14.8 | 21 |
| Portugal | 14.5 | 43 | 28.4 | Denmark | 5.5 | 7.1 | 25.3 |
| Croatia | 40.9 | 21.8 | 19.9 | Luxembourg | 6.6 | 2.2 | 28.9 |
| Poland | 30.1 | 27.6 | 20 | Austria | 11.3 | 7.7 | 15.2 |
| Malta | 19.4 | 32.1 | 12.4 | Finland | 13.7 | 3.8 | 8.6 |
| UK | 20.3 | 19.4 | 21.4 | Sweden | 10.3 | 3.5 | 11 |

Table: Percentage of people at risk of poverty affected by fuel poverty as reflected by three related indicators (Based on Eurostat data 2012). * Data from 2011.

Percent of households in fuel poverty

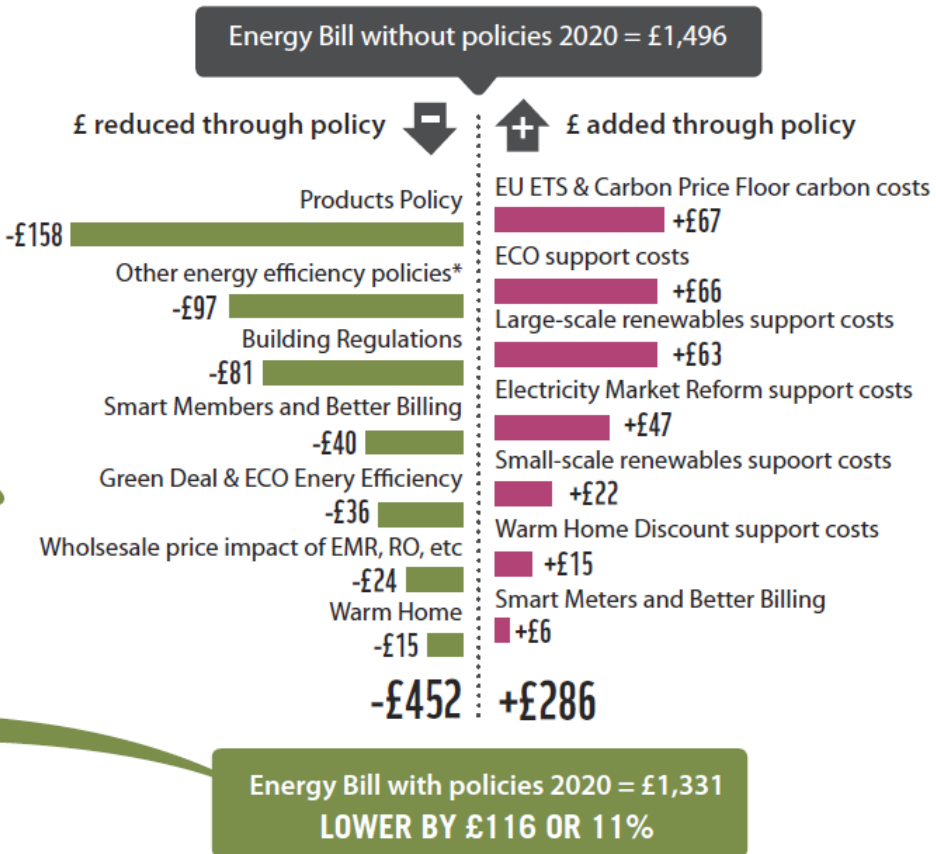
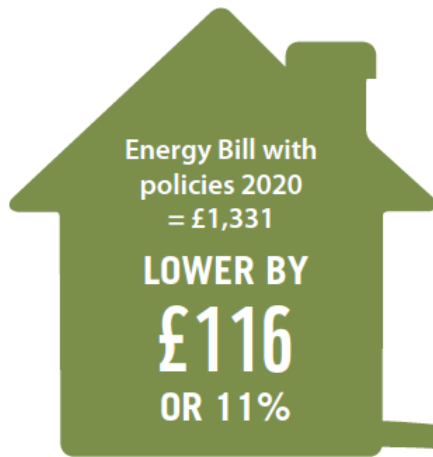


Note: Percent in fuel poverty relates to households in fuel poverty after deducting housing costs
Source: ONS (18)

- But...
 - Not all who are income poor are also fuel poor
 - Factors other than income poverty can be tackled to reduce fuel poverty
 - Fuel poverty is more amenable to change than income poverty

An energy policy challenge?

Estimated average impact of energy and climate change policies on household energy bills in 2020

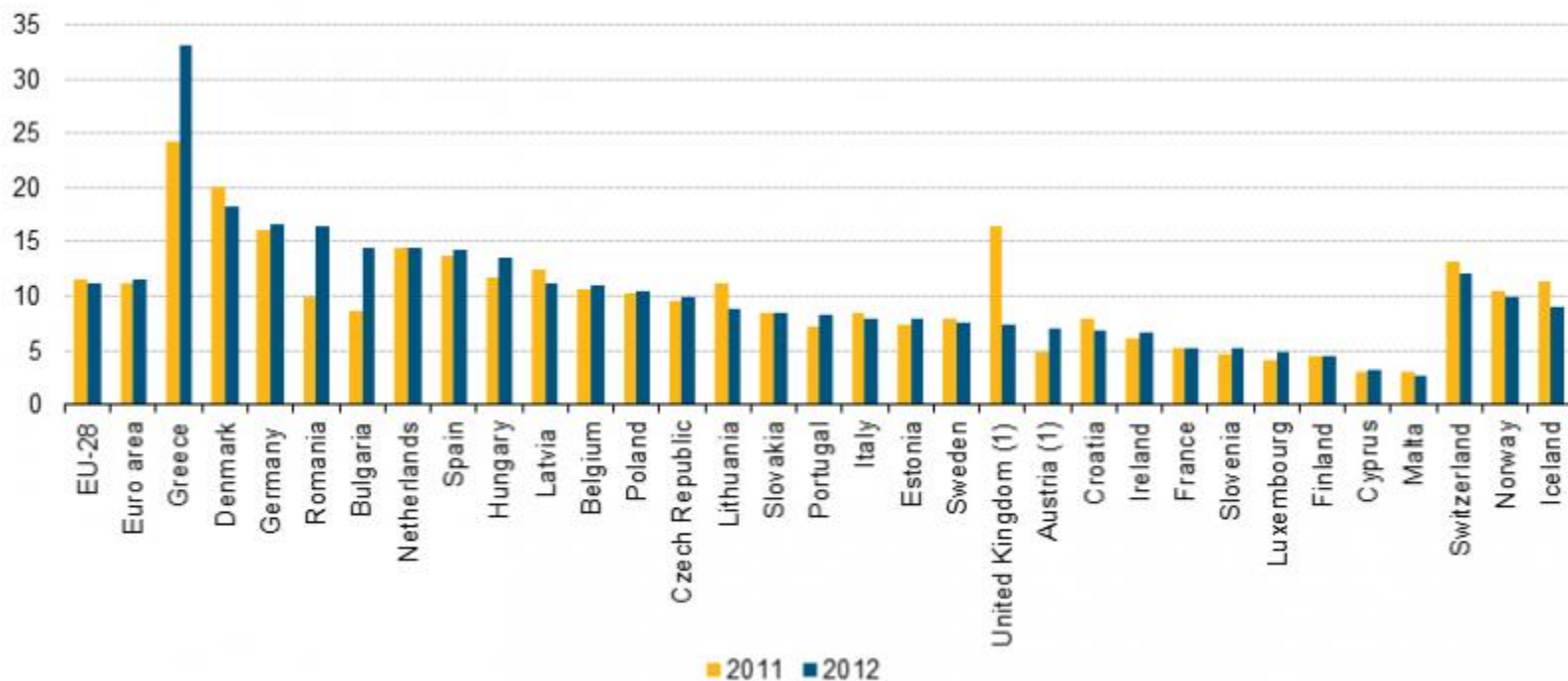


* CART, CART Extension, CESP and EEC 1&2

Source: The Guardian, edition of 27th March: <http://m.guardian.co.uk/environment/2013/mar/27/rising-energy-bills-reduced-climate-policies>

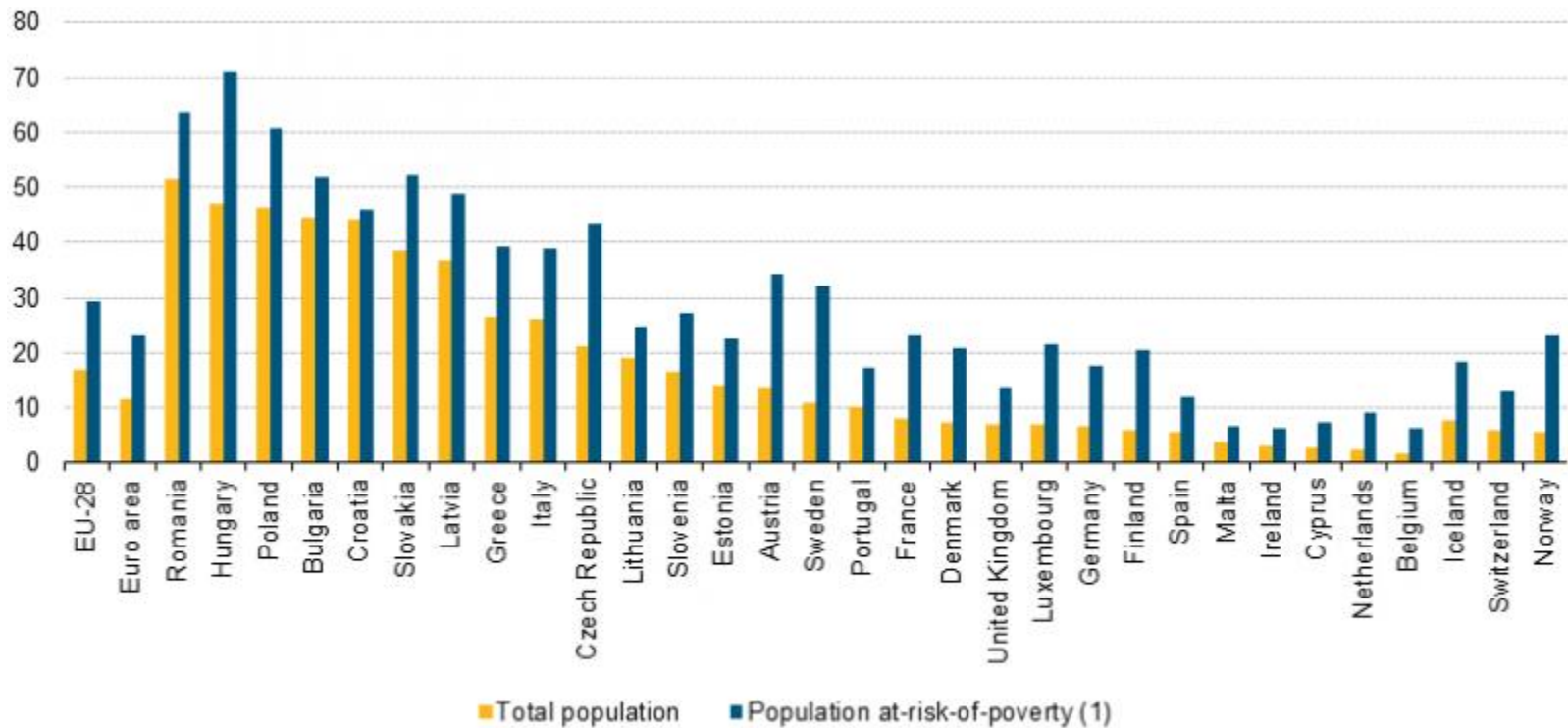
- But ...
 - The idea that « energy subsidies and direct financial support for household heating cannot provide a long-term solution to the fuel poverty problem” is misleading
 - Energy efficiency investment in social housing cannot pay for itself in most cases and in the current context
 - Need for public intervention or increase of rents

A housing policy challenge?



(¹) Break in series, 2012

Housing cost overburden rate



(¹) Population below 60 % of median equivalised income

Overcrowding rate by poverty status

The EU can help meet those challenges

- **An comprehensive energy efficiency strategy (cf. future initiatives on 2030 energy and climate framework)**
- **A support to welfare state and strong social protection systems**
- **A long term investment in key social and economic infrastructure such as social housing (cf. the Growth and Jobs Investment Plan of 300 bio €)**