

PRESS RELEASE

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Report to the Flemish Parliament

Energy poverty

The Court of Audit has examined a series of policy instruments implemented by the Flemish authorities in order to fight against energy poverty. It has found that the Flemish policy is well supported, although it includes many optional targets that are difficult to monitor. The measures only partially reach vulnerable households and so far lead too rarely to energy saving works, in particular because landlords have to bear their cost to a large extent, while it is the tenants who benefit. The Court also notes shortcomings in the communication of measures aimed at target groups, which are generally difficult to reach.

Lack of data

The Court of Auditors examined whether a series of policy instruments implemented by the Flemish authorities to fight against energy poverty contribute sufficiently to guaranteeing the constitutional right to lead a life in accordance with human dignity. These instruments, which are mainly developed and evaluated by the Flemish Energy Agency, are anchored in the Energy Decrees 2009 and 2010. In the absence of a clear definition and accurate figures on the phenomenon (which would affect between 70,000 and more than 400,000 households depending on the information source), energy poverty is difficult to understand.

Decree and policy notes objectives

The Flemish Energy Decree does not define any explicit objective for the development of a social policy on energy, but it allows the Flemish government to impose social obligations on network operators, such as protection in the event of non-payment and against interruption of distribution. In recent years, the energy poverty issue has also been addressed in government agreements, policy notes and the Flemish report on energy vision. These texts all focus on a structural approach to the problem at the source, i.e. for energy have-nots, by providing for preventive and curative measures and targeted communication. However, it is unclear how these strategic texts relate to one another.

The Flemish programme to fight against energy poverty implemented some measures in 2016 with the support of a large number of stakeholders. The programme introduced a range of instruments against energy poverty that could rely on the strong involvement of stakeholders. Nevertheless, it suffers, among other things, from budgetary limitations and the difficulty of reaching the most vulnerable people. The sometimes insufficient exchange of data between distribution system operators, public social welfare agencies and policy makers as well as the lack of quantifiable objectives make it difficult to assess the outcomes.

This is one of the reasons why the Flemish Energy Agency has not been monitoring the implementation of the programme very closely yet.

Strategic instruments to fight against energy poverty

The Court of Audit has examined a number of important policy instruments in the fight against energy poverty. For example, there are free energy scans to analyse consumption in homes of people with an increased risk of energy poverty. While these scans successfully reach many disadvantaged groups, they cannot get to certain categories of people experiencing poverty. In addition, the transition to more drastic energy saving measures is limited. Other instruments are less successful, such as social grants for roof or cavity wall insulation or the installation of high-performance glazing, higher grants for energy-saving investments and discount vouchers for the purchase of an energy-efficient household appliance. Indeed, there is a tension arising from the fact that landlords must take the initiative and bear the major part of the costs, while it is mainly vulnerable tenants who benefit. Other available instruments include the budget meter (including the current limiter), which aims to encourage more rational energy consumption, but which can also hide cases of energy poverty when consumers do not have enough money to reload their meters. As regards the measure relating to the minimum supply of natural gas during the winter period, the implementation of which has been entrusted to the public social welfare services, the Flemish Government does not play a steering role in this respect and therefore has no guarantee that this measure actually benefits the right target group. Finally, with regard to interest-free loans to municipal energy houses, the extension of the target group in 2017 is a good thing, but communication around this measure is mainly directed towards owners, whereas the priority target group is largely composed of tenants.

Minister's reaction

The Flemish Minister for Energy agrees with the findings and recommendations of the Court of Audit. Although open funding is almost inevitable in his view, he does not dispute that the difficulty in identifying budgetary resources hinders the monitoring of actions. As regards the harmonisation of the groups targeted by the various measures, he referred to general harmonisation for all policy areas; initial discussions on this subject are under way.

Information for the press

The Court of Audit exerts an external control on the financial operations of the Federal State, the Communities, the Regions and the provinces. It contributes to improving public governance by transmitting to the parliamentary assemblies, to the managers and to the audited services any useful and reliable information resulting from a contradictory examination. As a collateral body of the Parliament, the Court performs its missions independently of the authorities it controls.

The audit report on Energy poverty has been sent to the Flemish Parliament. The full version (in Dutch only) and the press release can be found on the Court's website: www.courtofaudit.be.