

Fuel Poverty Factsheet England, 2020



This factsheet summarises the headline figures of fuel poverty in England in 2020 using the Low Income Low Energy Efficiency (LILEE) metric.

For a more comprehensive view, please see the Annual Fuel Poverty Report.

A HOUSEHOLD IS CLASSED AS BEING IN FUEL POVERTY IF:



The household's fuel poverty energy efficiency rating* is Band D or below and



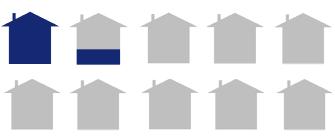
their disposable income (after housing and fuel costs) is below the poverty line.

AVERAGE GAP is the reduction in required fuel bill that the average fuel poor household needs in order to not be classed as fuel poor.

AGGREGATE GAP is the sum of all fuel poor households' fuel poverty gaps.

The proportion of fuel poor

FUEL POVERTY IN 2020



13.2% of households in England were fuel poor in 2020

The **average gap** was down from £229 in 2019

The **aggregate gap** was down from £728m in 2019

£223

£705m

households has decreased by 0.2 Proportion of fuel poor households 25% percentage points from 2019 20% 15% 3.16 million households 10% 2010 2012 2014 2016 2018 2020 Year

2020 saw the **lowest proportion** of households in fuel poverty since 2010.

A HOUSEHOLD'S FUEL POVERTY STATUS DEPENDS ON THE INTERACTION OF THREE KEY DRIVERS...

Improvement was seen in **ENERGY EFFICIENCY** between 2019 and 2020.



Real term **ENERGY PRICES** fell in 2020 for most households but there was a slight increase for households with prepayment meters.



INCOMES increased less for low income households than the median income between 2019 and 2020. This distribution change offset much of the change from energy efficiency.



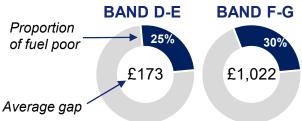


ENERGY EFFICIENCY*

Median required fuel costs for the least efficient properties are over 2 times higher than costs for the most efficient properties.

Ε A-C D F-G £1,312 £1,716 £2,397 1.061

Band D-E properties were slightly less likely to be fuel poor and had an average fuel poverty gap about 6 times smaller than band F-G.



В



FUEL POVERTY TARGET

The fuel poverty target is to move as many fuel poor homes as is reasonably practicable to a minimum of...

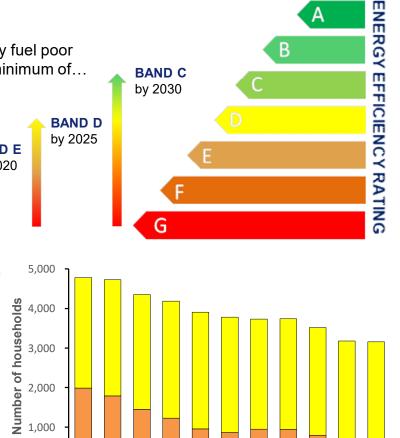
Share of low income homes

Band C or above: 52.1%

Band D or above: 90.1% Band E or above: 97.2%

There has been a decrease in the total number of low income households living in Band D-G (Low Energy Efficiency) from 2010 to 2020 as more households have moved up to **Band A-C** (High energy efficiency).

There was a higher net change in bands **F and G** in earlier years, followed by band E in the middle years and most recently in band D. Band D has remained relatively stagnant as households in the lower bands improve to band D while others transition to band C.



2014

■ F/G ■ E □ D

2016

2018

2020

BAND C by 2030

BAND D by 2025

BAND E by 2020

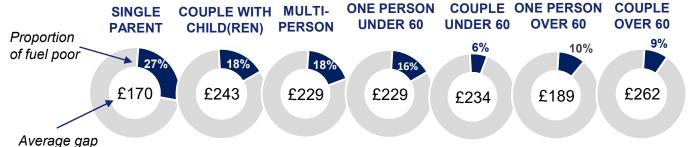


HOUSEHOLD COMPOSITION

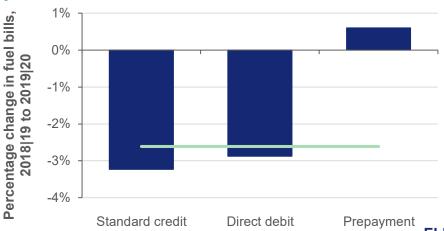
Single parent households are most likely to be fuel poor (27%) and couples over 60 have the largest average gap (£262).

2010

2012



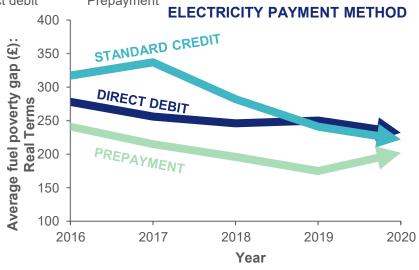
METHOD OF PAYMENT



The average annual domestic energy bills for Standard credit and Direct debit payment types decreased between 2018|19 and 2019|20, whilst Prepayment consumers saw a slight increase.

The average fuel poverty gap for Standard credit and Direct debit payment customers fell between 2019 and 2020, whilst it increased for Prepayment payment customers.

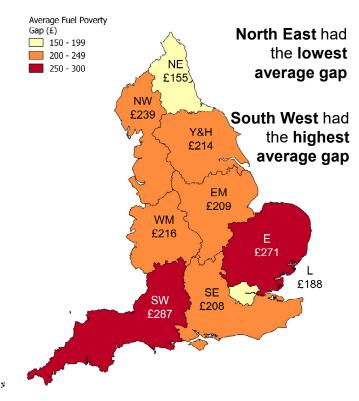
Households that pay for their energy bills by prepayment have the highest rate of fuel poverty (30.6%) but the lowest average fuel poverty gap (£202).



PROPORTION OF FUEL POOR HOUSEHOLDS (%)

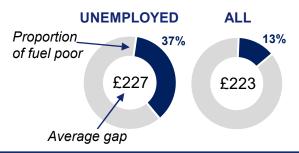
Proportion of fuel poor households (%) < 10 10 - 11.99 ΝE 12 - 13.99 14 - 15.99 NW 16 - 18 14 4% **West Midlands** had the highest Y&H 17.5% proportion of fuel poor households EM WM South East had 17.8% the lowest proportion of fuel poor SE households. 8.6%

AVERAGE FUEL POVERTY GAP (£)





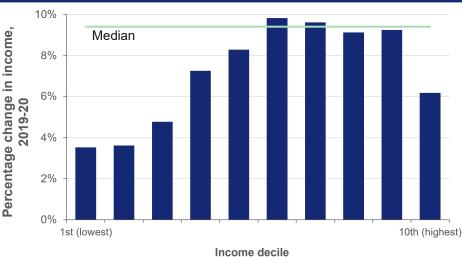
Households where the household reference person is **unemployed** are **almost three times more likely** to be in fuel poverty than the national average





INCOME

There was a significant change to the proportion of low income households (25.7% in 2019 and 27.6% in 2020) because the growth in median income was larger than in the lower income deciles.





TENURE

OWNER OCCUPIED	PRIVATE RENTED	SOCIAL HOUSING
	Not fuel poor (75.0%) Fuel poor (25.0%)	Not fuel poor (81.3%)
Not fuel poor (91.6%) Fuel poor (8.4%)		Fuel poor (18.7%)

Owner occupied (64% of households) Private rented (19%) Social housing (17%)

Households who live in a property they own have the least likelihood of being fuel poor (8.4%), however have the largest average fuel poverty gap (£252).

Households living in **privately rented** accommodation are most likely to be fuel poor (25.0%). Despite only 18.7% of all households privately renting their homes, 35.4% of all fuel poor households live in this type of accommodation.

Those living in social housing have the lowest average fuel poverty gap (£152).









