

Statistical Digest of Rural England

Fuel Poverty

This document is part of the larger compendium publication the <u>Statistical Digest of Rural England</u>, a collection of rural statistics on a wide range of social and economic government policy areas.

The Statistical Digest of Rural England is an official statistics publication meaning these statistics have been produced to the high professional standards set out in the Code of Practice for Official Statistics.

More information on the Official Statistics Code of Practice can be found on the <u>Code of Practice</u> <u>web pages</u>.

These statistics allow comparisons between the different rural and urban area classifications. The Rural-Urban Classification is used to distinguish rural and urban areas. The Classification defines areas as rural if they fall outside of settlements with more than 10,000 resident population.

More information on the Rural-Urban Classification can be found on the <u>Rural-Urban Classification</u> web pages.

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Fuel Poverty

Fuel poverty or being fuel poor is where a household is living in a property with a fuel poverty energy efficiency rating of band D or below in a home that cannot be kept warm at reasonable cost without bringing their residual income below the poverty threshold.

Fuel poverty in England is now measured using the Low Income Low Energy Efficiency (LILEE) indicator rather than the previous Low Income High Costs (LIHC) indicator. Data for both indicators were available for 2019. Data from 2020 onwards will use the LILEE indicator. Further information on these indicators and the change can be found on the <u>Fuel Poverty Statistics page on GOV.UK.</u>

12 per cent of households in rural areas are in fuel poverty.

- There were 3.2 million fuel poor households in England in 2020. Historically fuel poverty was proportionately more prevalent in rural areas. However since 2017 urban areas have had the greater proportion of fuel poor households.
- In 2020, 13.5 per cent of households in urban areas (2.7 million) were fuel poor. In rural areas 11.7 per cent of households (495,000) were fuel poor.
- Homes in rural areas are typically less energy efficient and can be more reliant on potentially more expensive heating fuels.
- The fuel poverty gap is the additional income which would be needed to bring a household to the point of not being fuel poor.
- Overall, the average fuel poverty gap for households that were fuel poor in 2020 was £223. Households in urban areas had a average fuel poverty gap of £193 compared with a gap of £388 in rural areas. This rises to a fuel poverty gap of £501 for fuel poor households in Rural Villages, Hamlets and Isolated Dwellings.
- Using the previous LIHC metric the average fuel poverty gap for urban households decreased between 2011 and 2019, while for rural households the gap had widened between 2017 and 2019. The new LILEE metric shows a drop in the fuel poverty gap between 2019 and 2020 for rural areas while urban areas have seen an increase (6 per cent drop and 7 per cent increase respectively).
- The Fuel Poverty Energy Efficiency Rating (FPEER) is a measure of the energy efficiency of a property. In 2020 rural households with the poorest FPEER rating of F or G had an average fuel poverty gap of £1,095 compared with an average fuel poverty gap of £971 for urban households of the same energy rating.



- Tables showing the proportion of households which are fuel poor and the average fuel poverty gap for those households, broken down by rural-urban classification for 2011 to 2020 are available in the <u>rural living supplementary data tables</u>.
- A further set of tables is available in the supplementary data tables breaking down fuel poverty in rural and urban areas in 2020 by FPEER band.



Proportion of fuel poor households (%), by settlement type, Low Income High Costs (LIHC) 2011 to 2019, Low Income Low Energy Efficiency (LILEE) 2019 to 2020

Average fuel poverty gap (£), by settlement type, Low Income High Costs (LIHC) 2011 to 2019, Low Income Low Energy Efficiency (LILEE) 2019 to 2020



Notes:

A household is said to be in fuel poverty if they have required fuel costs that are above average (national median level), and were they to spend that amount, they would be left with a residual income below the official poverty line. The low-income low energy efficiency indicator consists of two parts; firstly, the number of households that live in a property with a fuel poverty energy efficiency rating of band D or below and have high fuel costs; and secondly the depth of fuel poverty amongst these households. The depth of fuel poverty is measured by the 'fuel poverty gap' which is the difference (£) between required energy costs for each fuel poor household and the nearest fuel poverty threshold.

There are three key elements in determining whether a household is fuel poor, which are household income, household energy requirements and fuel prices

Fuel Poverty Energy Efficiency Rating (FPEER) is a measure of the energy efficiency of a property based on the Standard Assessment Procedure (SAP) but accounts for policies that directly affect the cost of energy. The FPEER methodology generates a rating between 1 and 100, which is then translated into an energy efficiency Band from G (lowest) to A (highest). Source: BEIS fuel poverty statistics www.gov.uk/government/collections/fuel-poverty-statistics