



HM Government

# Cutting the cost of keeping warm

A new fuel poverty strategy for England

Consultation response document

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## General information

### **Purpose of this document:**

This document sets out the Government's response to the consultation - Cutting the Cost of Keeping Warm. This consultation was to help Government prepare a new fuel poverty strategy for England and sought views on how Government can improve the design and delivery of policy in order to try and meet the new fuel poverty target.

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**Territorial extent:** England only

### **Additional copies:**

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Other versions of the document in Braille, large print or audio-cassette are available on request. This includes a Welsh version. Please contact us at the above details to request alternative versions.

### **Quality assurance:**

This consultation has been carried out in accordance with the Government's Code of Practice on consultation, which can be found here:

[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/255180/Consultation-Principles-Oct-2013.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255180/Consultation-Principles-Oct-2013.pdf)

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

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## Catalogue of consultation questions

1	What are your views on the interim milestones we propose to include in the fuel poverty strategy?
2	Do you agree that we should develop indicators for energy efficiency, renewables, distribution, non-gas homes, health and children? Are there other indicators that we should monitor?
3	Do you have evidence or views that will be of use in shaping our proposed research into park homes in 2014? You may prefer to respond to this question through the broader call for evidence published separately.
4	How can the fuel poverty strategy best support non-gas fuel poor households, particularly as we move to decarbonise heating? Please consider both short and long term action, and include evidence where possible.
5	Do you have views or evidence that will be of use in shaping our research on the potential for improved controls to help fuel poor groups manage their heating?
6	What existing evidence should we consider in analysing the impacts of energy efficiency measures on health and/or social care service costs?
7	How can we best support interventions to enable fuel poor people with existing health problems, or at risk of health problems, to benefit from energy efficiency measures? We would particularly welcome evidence on barriers you have encountered or examples of best practice.
8	Do you think development of a system of 'mandated' health referrals – linked to eligibility for fuel poverty interventions – is feasible? Considering issues such as scope, verification or benefit to recipients, how might it work?
9	Do you have views on how best to align the Warm Home Discount with the Low Income High Cost indicator?
10	In considering the reduction in means-testing for pensioners brought about by the Government's pension reforms, do you have views on additional ways to target direct payments and bill support to the fuel poor?
11	Do you have views on where we should focus future fuel poverty related behavioural research and do you know of any additional on-going work in this field?
12	To help inform development of the Community Energy one stop shop, what types of capacity support would help community groups increase their impact on fuel poverty (for example, information, training, mentoring, or local networking)?
13	What support would help to increase partnership working between community groups and other local level actors (ranging from Local Authorities to Health and Well-Being Boards and energy efficiency installers) in order to tackle fuel poverty?
14	How can Government support a collaborative approach to developing the fuel poverty evidence base? What are the best ways to communicate priorities? What tools would be useful to ensure a quality approach consistent with the Low Income High Cost indicator?

# 1. Introduction

## Purpose of this document

In July 2014, the Government published Cutting the Cost of Keeping Warm - a consultation to help us prepare a new fuel poverty strategy for England. The consultation sought views on key elements of the strategic approach required to meet the new fuel poverty target set out in the Fuel Poverty (England) Regulations 2014<sup>1</sup>, building on the broad principles we set out in 2013 in the Framework for Future Action on Fuel Poverty<sup>2</sup>.

The consultation was made up of the following parts:

- **Section one** set out how we now understand the problem of fuel poverty and who we are trying to help.
- **Section two** described the new fuel poverty target and our ambition to improve the energy efficiency standards of fuel poor homes.
- **Section three** considered what we will do to meet the target and how we will align our policies, focused around four key themes of warmer homes, supporting people, fairer markets and improving delivery.
- **Section four** set out our approach to assessing progress towards the target and how we will review the strategy over time.

This document provides a summary of responses to the consultation. It has been published alongside the new Fuel Poverty Strategy which has been produced in accordance with requirements of the Warm Homes and Energy Conservation Act 2000<sup>3</sup>.

## Consultation Responses

The Department of Energy and Climate Change (DECC) carried out a public consultation for 11 weeks from July to October 2014. We also undertook six consultation events across England facilitated by National Energy Action (NEA) and supported by SSE. These events were attended by representatives from 311 organisations and provided further opportunities for discussion of the issues raised in the consultation and for stakeholders to communicate views.

The consultation closed on 7 October 2014 and in total we received we received 155 responses from a variety of organisations and individuals, including energy suppliers, Local Authorities (LA), campaign groups, housing associations and community groups. A list of respondents is included in Annex A - please note that any responses marked as confidential are not included in this list. Further details of the main supporting comments made by respondents are recorded in Chapter 2.

Of the 155 responses received, the breakdown by stakeholder sector is as follows:

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<sup>1</sup> [www.legislation.gov.uk/ukdsi/2014/9780111118900/contents](http://www.legislation.gov.uk/ukdsi/2014/9780111118900/contents)

<sup>2</sup> [www.gov.uk/government/publications/fuel-poverty-a-framework-for-future-action](http://www.gov.uk/government/publications/fuel-poverty-a-framework-for-future-action)

<sup>3</sup> [www.legislation.gov.uk/ukpga/2000/31/contents](http://www.legislation.gov.uk/ukpga/2000/31/contents)

<b>Category</b>	<b>Total number of responses in each category</b>
<b>Energy Companies</b>	6
<b>Local Authorities (including bodies representing multiple authorities)</b>	46
<b>NGOs/not for profit organisations</b>	22
<b>Others (including Ofgem)</b>	31
<b>Supply chain bodies and trade associations</b>	29
<b>Housing providers</b>	21
<b>TOTAL</b>	<b>155</b>

We have now carefully considered all the views expressed. Please note that this document does not attempt to respond individually to every comment received during the consultation period but provides a summary of comments received and responds to significant issues that respondents raised.

Whilst most written responses we received provided views on the specific questions posed in the consultation document, some chose to provide general comments only. We have summarised the key themes identified in section 1.15 of this document and where relevant within the Strategy.

We would like to thank all respondents who submitted a formal response.

## **Next steps**

The Fuel Poverty Strategy has been published alongside this document. It sets out a strategic approach to meeting the fuel poverty target.



## 2. Response to consultation questions

### 2.1 Interim Milestones

Consultation Question		134 responses
Question 1	What are your views on the interim milestones we propose to include in the fuel poverty strategy?	

#### Summary of responses

The majority of respondents were supportive of setting interim milestones to measure progress towards the fuel poverty objective set in law by the Fuel Poverty (England) Regulations 2014.

However many respondents argued that the term “reasonably practicable” should either be removed or tightly defined. Stakeholders were concerned that if it remained undefined, it would be difficult to enforce the milestones, measure success or hold the Government to account. There was concern that, for example, a lack of resources or the difficulty of the task could be used as a reason for not meeting the milestones. Some respondents highlighted an example from the Children’s Act 1989 where ‘reasonably practicable’ is defined so that it is clear a lack of resources does not represent sufficient grounds for failing to meet the regulations.

Several respondents suggested that the milestones were not sufficiently challenging to deliver support to low-income, vulnerable households fast enough and to ensure there is a material impact on fuel poverty in the near term. Some suggested having “D” by 2020 and “C” by 2025.

There was also discussion of how the interim milestones might encourage incremental progress to meet the target as oppose to a whole house approach. Some stakeholders were concerned that multiple interventions could be ineffective, costly and result in sub-optimal delivery (particularly through hassle and inconvenience for households, increasing the risk that they will resist later interventions). Respondents therefore argued that the focus should be on moving homes all the way to C in the most cost-effective way for a particular property. This would also avoid a back-log and subsequent rush for action before 2030.

A few respondents also mentioned that, as the interim milestones do not have the same statutory basis the primary target has, they may have less value as a measure to hold Government accountable for action.

#### Government response

The Government has concluded that the interim milestones will be:

- i. as many fuel poor homes as is reasonably practicable to achieve a minimum energy efficiency standard of Band E by 2020; and
- ii. as many fuel poor homes as is reasonably practicable to achieve a minimum energy efficiency standard of Band D by 2025.<sup>4</sup>

<sup>4</sup> As defined under the Standard Assessment Procedure (SAP) [www.gov.uk/standard-assessment-procedure](http://www.gov.uk/standard-assessment-procedure)

The interim milestones are important given the long term nature of the target, and will help us to monitor progress towards the fuel poverty target. The interim milestones are set out in the Fuel Poverty Strategy.

We do not intend to define reasonably practicable - the proportion of fuel poor homes that it is reasonably practicable to help is inherently uncertain and delivery will need to be informed by a range of factors, such as wider progress towards decarbonisation, changes in delivery costs and affordability. In particular, there is more to be done to understand how the energy efficiency landscape may evolve between now and 2030. We also need to be mindful of the experience of previous household energy efficiency programmes, which has shown that some householders do not want to accept support, or face the upheaval that some major interventions require. Given these uncertainties, it is not possible to state the precise number of households that will be supported under the target.

In the Framework for Future Action on Fuel Poverty<sup>5</sup>, we identified three guiding principles to assess effectiveness of fuel poverty policies - one of these was prioritisation of households suffering from the most severe problem. We still believe this principle is important.

This is one reason why we have set the interim milestones as outlined in the Strategy. These milestones will assist us in making and assessing progress. Some respondents questioned why the interim milestones were not set out in the regulations. The Warm Homes and Energy Conservation Act (WHECA) 2000 requires the interim milestones to be set out in the strategy.

The interim milestones will be an important part of the broad framework that will support the overall 2030 target, alongside the wider indicators of progress set out in the strategy, and regular review of the strategy.

## 2.2 Indicators

Consultation Question		130 responses
Question 2	Do you agree that we should develop indicators for energy efficiency, renewables, distribution, non-gas homes, health and children? Are there other indicators that we should monitor?	

### Summary of responses

The majority of responses agreed with the proposed indicators. Most of the comments highlighted the need for a robust monitoring and reporting framework in order to ensure progress remains on track. Stakeholders asked for clear responsibility and accountability and an acceptance by Government that it should act where gaps in progress emerge.

Some respondents suggested that indicators and reporting should be tied to the Home Energy Conservation Act 2013, with Government providing Local Authorities with guidance on carrying out house condition surveys. This would provide reliable local level data on levels of fuel poverty which could be used to track progress.

<sup>5</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/211180/FuelPovFramework.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/211180/FuelPovFramework.pdf)

Respondents also proposed several other potential indicators including:

- the impact of policies on the fuel poverty gap;
- support given by geographic and local authority areas;
- support in rural and urban areas;
- support to different tenure types; and
- equity of support for older people and disabled.

## Government response

The Government has concluded that we should monitor the following indicators in order to understand progress towards meeting the target:

- **Energy efficiency:** As well as headline figures on SAP ratings and the Fuel Poverty Energy Efficiency Rating (FPEER)<sup>6</sup>, we also want to monitor what is happening in relation to specific measures which includes for example:
  - presence of a central heating system in fuel poor households
  - number of fuel poor households with non-condensing boilers
  - number of fuel poor households with loft and cavity wall insulation
- **Renewables:** We want to monitor the installation of renewable technologies, so that we can better understand the impact of these technologies on energy requirements. In the short run it may not be possible to measure this accurately, however we will seek to measure installations of renewables in fuel poor homes at the soonest opportunity.
- **Distribution:** We think it is important to understand the rate of improvement in energy efficiency in fuel poor households in relation to the national average. We therefore propose to publish the distribution of households across the different energy efficiency bands for both fuel poor households and all households.
- **Non-gas homes:** We know that living in a non-gas home is a significant factor in being fuel poor, and these households face some of the highest costs. Paying particular attention to the fuel poverty gap for non-gas households will help us to understand how their situation is changing.
- **Children in fuel poverty:** We know there is a link between educational attainment and living in cold homes, so we propose to monitor the number of children in fuel poverty and will publish the number of households with a child aged under 16 years.

We have given further consideration to the inclusion of a **health indicator**. We recognise the link between fuel poverty and health and well-being and are committed to developing a means of measuring this. There is no reliable indicator we can use at this stage. The oft-cited rate of Excess Winter Deaths is not a reliable measure of the success or otherwise of fuel poverty policy (including because of the influence of winter illness such as flu).

The Government agrees that there is a need for robust monitoring and reporting of the indicators and will provide updates on progress in the Annual Fuel Poverty National Statistics report and through the annual debate in Parliament on fuel poverty.

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<sup>6</sup> DECC, July 2014, Fuel Poverty Energy Efficiency Rating Methodology, [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/332236/fpeer\\_methodology.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332236/fpeer_methodology.pdf)

Stakeholders also suggested further indicators. In relation to the fuel poverty gap, we agree that understanding the impact of measures on the fuel poverty gap is important in understanding the impact and cost-effectiveness of policies and we will continue to estimate these impacts where appropriate in future.

With regard to certain other suggested indicators, support provided is specific to individual policies and not all policy reporting structures allow for breakdowns by particular geographic areas – for some it would be disproportionately burdensome to do so. In addition, we should be focused on *outcome* indicators – such as those we have proposed – and not *output* indicators like the number of measures installed in particular area.

## 2.3 Park Homes

Consultation Question		56 responses
Question 3	Do you have evidence or views that will be of use in shaping our proposed research into park homes in 2014? You may prefer to respond to this question through the broader call for evidence published separately.	

### Government response

All responses to question three have been fed into the process for analysing responses to the call for evidence<sup>7</sup>. The fuel poverty strategy identifies that it will be important to consider the needs of different household types, including the specific challenges faced by park home residents, in future policy design.

## 2.4 Non-gas homes

Consultation Question		125 responses
Question 4	How can the fuel poverty strategy best support non-gas fuel poor households, particularly as we move to decarbonise heating? Please consider both short and long term action, and include evidence where possible.	

<sup>7</sup> [www.gov.uk/government/consultations/call-for-evidence-on-energy-issues-affecting-park-homes](http://www.gov.uk/government/consultations/call-for-evidence-on-energy-issues-affecting-park-homes)

## Summary of responses

At the strategic level, respondents agreed that non-gas homes can be some of the worst (and/or most difficult to treat) in terms of energy efficiency and reflect some of the greatest need in terms of fuel poverty. Respondents generally stated that DECC policies were currently failing to support these households and so there was a danger that they would be left behind, despite the Government's stated determination to act. Respondents urged the Government to review all of its policies and ensure that non-gas homes are appropriately supported.

In terms of schemes, respondents tended to specifically focus on the design of the Energy Company Obligation (ECO) and the Renewable Heat Incentive (RHI), although the Green Deal Home Improvement Fund (GDHIF) (which, for example, does not include oil or LPG boilers) and the perceived gaps exposed by the closure of Warm Front were also referenced.

Many respondents stated that the energy companies were not sufficiently incentivised to deliver to non-gas homes under ECO as they were crowded out by more cost-effective targets. Recommendations for amending ECO to increase support to such households included:

- firm targets proportional to the scale of the issue with financial penalties where targets are not reached;
- uplifting the scoring requirements for specific measures, such as renewable heating, to reflect their true cost, in addition to uplifts that properly reflect the need to incentivise the installation of central heating systems and insulation in non-gas homes;
- recovering the cost of ECO through gas bills only, in order to ease the burden on non-gas households;
- adding larger non-gas fuel suppliers to the list of ECO obligated parties; and
- making non-gas social housing eligible for support under Affordable Warmth.

On the Domestic RHI, respondents argued that the financial support on offer does not resolve the issue of the high upfront costs of renewable heating systems. This means that low-income households are left unable to access the RHI. Respondents' suggestions included exploring capital grant funding through ECO, ring-fencing some of the RHI budget to cover upfront costs for fuel poor households and exploring financing mechanisms such as third party ownership. While there was support for renewable heat, community heating and district heating, there was also an understanding among respondents that more policy development and pilots are required before a wider roll-out of such systems to fuel poor households.

Respondents also discussed the need to consider different modes of intervention and delivery to rural and urban non-gas households, as the challenges faced can vary widely. Key issues for rural homes include the prevalence of solid walled or hard-to-treat properties and the limited amount of suitable funding for this measure, as well as the higher delivery costs due to the scattered distribution of these homes. Urban households are more likely to experience the difficulty of being part of a high rise tower block, where access to mains gas may not be permitted for safety reasons and external solid wall projects are difficult due to the need for unanimous buy in from the entire block.

Some respondents argued that the first priority should be providing cavity, loft and solid wall insulation to non-gas homes, with fuel switching coming later. Conversely others stated that upgrading heating systems should be the priority for first action.

A handful of respondents argued that heating oil and LPG should be brought under wider energy market regulation.

Finally, there was some concern regarding the use of non-gas as a term, with some respondents pointing out that LPG was a fuel used by 'off-gas grid' homes.

## Government response

The Government recognises that a policy gap has emerged over time and so non-gas homes have been supported less than they might have been. Given this and the high proportion (over 45%) of F and G rated homes that are non-gas, we have increased our focus on these households.

We have already made some changes to ECO to place greater incentives on energy suppliers to deliver more to rural and non-gas homes, and we will be monitoring the impacts of this. In the Government response to the Future of the Energy Company Obligation<sup>8</sup>, we announced that we will introduce an uplift to the Affordable Warmth score for measures delivered to households whose main space heating systems are non-gas - this has since been implemented. This approach will incentivise delivery of measures to these properties as it will make them more cost-effective for suppliers.

We recognise that the RHI requires homeowners to find the upfront costs of the renewable heating system by themselves. For some householders the Green Deal could provide a way to part-finance a renewable heating system. We are also seeing the market respond to the domestic RHI by creating specific funding packages to help consumers with the initial capital outlay. The Government is currently amending legislation to enable an easier flow of capital into the domestic RHI. DECC launched a call for evidence on 28 January as a first step to turning these new powers into legislation in 2016. .

We agree that we need to consider different modes of intervention and delivery to rural and urban non-gas households, and we commit in the Strategy to considering how best to target and deliver to different household types, including non-gas households.

In terms of the relative priority of further insulation or heating measures, we will continue to be follow the guiding principle of supporting the fuel poor with cost-effective policies..

The Government has previously considered the case for the regulation of non-gas fuels and, following the Office of Fair Trading (OFT) review of the heating oil and LPG market in 2011, we concluded that the market was operating correctly and competitively and that there was no case for bringing them under regulation. We will keep this under review and will reconsider the case for regulation as and when new evidence emerges that shows that there are clear net benefits of doing so. We are working with the heating oil and LPG industry to review what consumer protections are available and whether additional protections are required.

We use the term 'non-gas homes' as shorthand for any property which does not use mains gas as their primary heating fuel. These may be homes that are located in an area without connection to the mains gas grid, or homes that are in gas grid areas but are not connected for reasons such as safety (e.g. city high-rise flats), or properties that are connected to a gas supply but do not have a central heating system supplied by mains gas. Properties using fuels other than mains gas as their primary heating fuel are considered non-gas homes. This includes those with electric heating, oil and, for clarity, those fuelled by LPG. We use 'non-gas

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[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/342178/The\\_Future\\_of\\_the\\_Energy\\_Company\\_Obligation\\_Government\\_Response.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342178/The_Future_of_the_Energy_Company_Obligation_Government_Response.pdf)

homes' in preference to 'off gas grid homes' to better reflect the fact that some non-gas homes are in areas that are connected to the mains gas grid and to maintain consistency with the terminology used in policies such as ECO and under the Standard Assessment Procedure (SAP) methodology.

## 2.5 Heating Controls

Consultation Question		119 responses
Question 5	Do you have views or evidence that will be of use in shaping our research on the potential for improved controls to help fuel poor groups manage their heating?	

### Summary of responses

Most respondents held the view that better heating controls only realise their full potential if the customer is given face-to-face advice and support on how to use them. There was a similar consensus that funding would be needed to enable provision of this sort of support by local, trusted actors. Conversely, a number of respondents referred to previous Government research, which indicated that advice on controls in social housing results in little or no savings (although households had reported better comfort and satisfaction)<sup>9</sup>.

The design and functionality of heating controls is also highlighted by many as a key factor. High levels of sophistication were thought to be counter-productive, as this can diminish user-friendliness and make controls harder to explain and demonstrate. Barriers to greater sophistication may be overcome through innovations in automation and behaviour-learning algorithms (as being pioneered by Nest). A commonly held view among respondents is that one design will not suit all. People with disabilities, particularly visual impairments and learning difficulties, were highlighted as a group with specific requirements. Various recommendations were made for research into the relative effectiveness of different types of control design for different segments of the fuel poor population.

A range of views were presented on ways to enhance the impact and benefit of heating controls. Several organisations proposed that new types of controls could pave the way for remote monitoring by social landlords and care providers – for example, to trigger alerts if temperatures fall below specific thresholds. A widely held view was that installing better heating controls in tandem with smart meters could offer the most powerful solution, and that training/guidance on the use of smart meters would also be key.

Recommendations for further research corresponded to the considerations described above in terms of understanding the optimum levels of sophistication and types of functionality for different categories of customer. Field research and trials were thought by many to be needed.

<sup>9</sup> Advice on how to use heating controls: Evaluation of a trial in Newcastle: [www.gov.uk/government/publications/advice-on-how-to-use-heating-controls-evaluation-of-a-trial-in-newcastle](http://www.gov.uk/government/publications/advice-on-how-to-use-heating-controls-evaluation-of-a-trial-in-newcastle)

Many respondents noted that basic controls (room thermostat, thermostatic radiator valves (TRVs) and timer) are absent from almost half of homes with central heating. This could be partly addressed by making these controls a requirement under Part L of the Building Regulations making them mandatory in conjunction with new boiler installations.

A number of technical considerations were raised in terms of zoning, with calls for further research on room-by-room heating versus whole-house equilibrium. Caution was called for on over-reliance on smart controls that require internet connections with these being unsuitable for many elderly or vulnerable customers without connections.

## Government response

Evidence from DECC's heating research programme<sup>10</sup> suggests many people find heating controls difficult to use and energy may be wasted as a result.

We agree with respondents that new 'smart' heating controls have the potential to help people manage their energy consumption more efficiently, through new functions such as remote control of heating via smart phones or automated learning of household occupancy patterns.

However, there is a lack of independent evidence on the energy saving potential of smart controls, so we are working with manufacturers and energy suppliers and to improve our evidence in this area. As a recent example of this, we are collaborating with energy suppliers and developing proposals for trials that will test the energy saving potential of smart heating control systems being installed in their respective customer bases.

DECC is also working in partnership with the Energy Technology Institute on a recently commissioned programme<sup>11</sup> to develop a new Home Energy Management System (smart control) that will be designed to overcome many of the barriers people find with using standard controls.

## 2.6 Evidence on the impacts of energy efficiency measures on health

Consultation Question		102 responses
Question 6	What existing evidence should we consider in analysing the impacts of energy efficiency measures on health and/or social care service costs?	

### Summary of responses

A large number of respondents provided information on existing evidence related to the impacts of energy efficiency measures on health and social care service costs. In general, the evidence offered falls under two main categories: medical and academic.

On the medical side, people suggested cross-referencing fuel poverty data with health data held in primary care clinical records, allowing analysis of hospital/GP visits.

<sup>10</sup> [www.gov.uk/government/policies/helping-households-to-cut-their-energy-bills/supporting-pages/smarter-heating-controls-research-programme](http://www.gov.uk/government/policies/helping-households-to-cut-their-energy-bills/supporting-pages/smarter-heating-controls-research-programme)

<sup>11</sup> [www.eti.co.uk/eti-seeks-partners-to-develop-a-new-home-energy-management-system](http://www.eti.co.uk/eti-seeks-partners-to-develop-a-new-home-energy-management-system)



Similarly, other respondents suggested engaging with local schemes, including those funded via the Local Authority Fuel Poverty competition and considering the evidence gathered about changes in GP visit and hospital admission rates for people who have received measures. Many respondents drew attention to the Gentoo and Oldham schemes, where the latter reported a 29% reduction in hospital costs for those who received measures under the scheme.

Many responses asked for expanded data sharing to allow sufficient monitoring to enable robust evidence to be gathered was a recurring theme.

Amongst those who cited academic works, there was a high level of support for the work to refine the Health Impacts of Domestic Energy Efficiency Model (HIDEEM). Of those who cited specific sources, almost half mentioned the research collated by NICE to inform development of their guideline on Excess Winter Deaths and morbidity and the health risks associated with cold homes. A smaller proportion mentioned the Abacus work being carried out by Sheffield Hallam University, and the Faculty of Public Health 2006 report, *Cost to the NHS of fuel poverty*. Amongst individual academics, the body of work by Christine Liddell, and Professor Hills' report on fuel poverty were mentioned by many.

Quite a few respondents simply said they agreed with the evidence presented in the consultation document and some also pointed out what they saw as the difficulty of separating out the effects of fuel poverty from the wider range of issues often faced by those living in fuel poverty.

## Government response

We welcome the wide range of suggestions from stakeholders on existing evidence. We agree that the evidence gathered by local organisations delivering 'warmth on prescription' type schemes is essential for learning and improving support to those with health conditions. It is also particularly important to measure impacts on health and social care services, because understanding the potential savings helps to build the case for further investment. We are engaging with local actors to better understand what support Government could offer to help with evaluation of local schemes. We are also working with Public Health England (PHE) to consider whether there are better ways for us to present and share fuel poverty and population health data.

We want to unlock the potential of data sharing to help improve and streamline delivery. The Cabinet Office is working to facilitate data sharing and we continue to work with them on this. We recognise that data sharing can be a challenge and we are investigating this and other challenges and how they can be overcome in more detail: through a survey of those delivering health and fuel poverty schemes, which the NEA are conducting on our behalf, and through a large workshop on referral mechanisms in February 2015.

We are committed to further improving the evidence base on fuel poverty and health. We held a workshop on evidence gaps, bringing together several of the key UK academics specialising in health and fuel poverty, in November 2014. From that, we identified some of the most pertinent areas for action as being: better understanding the impacts on mental health of work to tackle fuel poverty; understanding why some people benefit more than others from interventions; researching the impact of changes to home ventilation on health; and further considering the potential for quantifying some of the wider effects of tackling fuel poverty amongst those with health conditions linked to cold homes – impacts on an individual's general wellbeing, on employment, uptake of benefits and Gross Domestic Product (GDP). We are actively considering how these gaps might be filled.

## 2.7 Supporting fuel poor people with health conditions linked to cold homes

Consultation Question	119 responses
Question 7	How can we best support interventions to enable fuel poor people with existing health problems, or at risk of health problems, to benefit from energy efficiency measures? We would particularly welcome evidence on barriers you have encountered or examples of best practice.

### Summary of responses

Responses welcomed Government's recognition of the links between fuel poverty and health, and supported the targeting of support at those with health conditions.

Some responses stated that ECO Affordable Warmth could not meet the need for support for those with health conditions, because it is not entitlement based and not targeted specifically at those with health problems, who may need additional support of various types. The cost-effectiveness element of the scheme was also seen as preventing support from reaching some of those who needed it.

Several responses included or referred to case study material from local schemes. Various successful local schemes were highlighted and respondents felt there was great benefit to having a trusted, local service able to offer or co-ordinate a broad range of types of support – from energy efficiency measures to fuel debt advice to benefits advice and beyond.

Some responses commented on the fact that the local offer of support for those with health conditions varies from one place to another. Details provided of local approaches made clear that there is considerable variation in how different organisations identify those in need and provide support to them.

Some responses discussed delivery models in more detail. Two broad models were identified – one where an agency co-ordinates interventions, acting as a single point of contact for the individual or household and one in which an agency makes referrals to one or more service providers who deliver interventions independently.

Similarly, two broad approaches to targeting those with health conditions linked to cold homes were highlighted: a) identifying people by looking at socio-economic and housing or geographical data, then getting health professionals to target them; or b) first identifying, via health professionals, those with existing health conditions that could be exacerbated by living in a cold home. Again, data sharing and layering data was highlighted as a challenge by many.

It was felt that health professionals were well placed to identify and refer individuals in need of support, but a series of barriers to engaging health professionals were also identified. A few responses identified a need for further provision of information / awareness-raising among health professionals, though others felt health professionals were already aware of the links and just needed better means of taking action. People highlighted that health professionals have many priorities and are short of time, so referral processes must be quick and simple as well as low cost. It was repeatedly noted that health professionals wanted to be certain a referral would result in appropriate support, and some highlighted the need for evidence of health benefits from referrals, or at least feedback from the agency the patient is referred to.

Reorganisations and staff changes in the health sector were also thought to have made it difficult to achieve sustained engagement.

Data protection and data sharing were highlighted as challenges: primarily this was about data sharing between Local Authorities and health organisations.

Respondents commented on the challenge of securing sustainable funding for interventions and the need to convince health agencies to invest. Some stated that this was most likely to be achieved by demonstrating health and social care savings from energy efficiency and other interventions. Several respondents set out their belief that it is appropriate for health spending to be directed towards fuel poverty, because there are health benefits and potential cost savings to be realised.

A need for greater awareness of the links between fuel poverty and mental health was highlighted.

The Housing Health and Safety rating system (HHSRS)<sup>12</sup> was cited by a number of respondents as a basis for establishing energy efficiency requirements for health. Respondents argued that more could be made of Local Authorities' health and safety powers to prevent people from being made ill by cold homes, including through the mandatory installation of energy efficiency measures. Responses called for closer working between DECC and the Department for Communities and Local Government (DCLG), and for better support and guidance for Housing and Environmental Health Officers to help them tackle excess cold in the private rented sector.

There was a call for government to support or provide more tools and resources for local delivery organisations, like the UK Health Forum (UKHF) fuel poverty and health toolkit.<sup>13</sup>

## Government response

Supporting fuel poor people who have health conditions that are linked to living in a cold home is consistent with our principle of taking account of the needs of the most vulnerable. In developing our approach to future delivery of energy efficiency measures we are considering the particular needs of more vulnerable people or those living in homes that are harder to treat.

The input we have received on delivery models and approaches to targeting has been very helpful. We continue to gather more detailed information about what has worked well and what has been challenging, so that we can make the right decisions about the future role of government in supporting action to tackle fuel poverty amongst those with health conditions linked to cold homes. We are also actively considering the role of health professionals in making referrals and how this can be facilitated.

We are working to strengthen the evidence base around the impact of energy efficiency and bill interventions on health and social care services, because understanding the potential savings helps to build the case for further investment. We have commissioned work to refine our HIDEEM model, which will help us to quantify the potential health and social care cost savings from energy efficiency measures and other interventions. The outputs from this work may support greater investment from the health sector. We are also looking at the role evaluation of local schemes can play in building the evidence on the health benefits of tackling

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<sup>12</sup> The HHSRS is a risk-based evaluation tool to help local authorities identify and protect against potential risks and hazards to health and safety from any deficiencies identified in dwellings. It was introduced under the [Housing Act 2004](#) and applies to residential properties in England and Wales.

<sup>13</sup> [www.ukhealthforum.org.uk/prevention/pie/ukhf-publications/?entryid43=32887](http://www.ukhealthforum.org.uk/prevention/pie/ukhf-publications/?entryid43=32887)

fuel poverty, and considering the role of government in supporting evaluation of such schemes. We continue to consider other ways of helping people make the case for investment too, including whether there are better ways for us to share/present fuel poverty data.

Local Authorities have significant powers to prevent people being made ill by cold homes. For example, the Housing Health and Safety Rating System (HHSRS) allows them to assess the likelihood of a harmful outcome arising as a result of the condition of a property – including excessively cold properties - so that appropriate action can be taken. Government welcomes the active use of powers under HHSRS by a number of Local Authorities.

In addition, the Energy Act 2011 provides a duty on the Secretary of State to introduce minimum energy efficiency standard regulations for the domestic and non-domestic private rented sectors from April 2018. A public consultation on the detail of these provisions was carried out between 22 July and 2 September 2014. On 5 February 2015, the Government issued its [response](#) to the consultation.<sup>14</sup>

Where possible, the Government will support the production and dissemination of useful guidance, such as toolkits. In this context, it is worth noting that DECC provided a financial contribution to the UK Health Forum toolkit, which was recently republished.<sup>15</sup>

## 2.8 Health referrals

Consultation Question		116 responses
Question 8	Do you think development of a system of ‘mandated’ health referrals – linked to eligibility for fuel poverty interventions – is feasible? Considering issues such as scope, verification or benefit to recipients, how might it work?	

### Summary of responses

The overwhelming response was that a system of mandated health referrals would be a good thing but in order to be successful it would need to be: properly structured, engaged with front line health professionals, adequately and securely funded and correctly targeted.

In terms of how a system might be structured, there was a strong feeling among respondents that the overall direction and ownership of any scheme should come under Department of Health as this is primarily a health, rather than a fuel poverty, issue.

A large number of respondents felt any schemes should be locally run, building on the expertise and experience of already existing local schemes and that any scheme should first be carefully piloted.

The majority of those who responded emphasised the need to consider the time and workload constraints on GPs and other frontline health professionals. Health professionals would need a simple “one click” solution with health focused criteria – health professionals cannot be expected to understand benefit, income or EPC criteria.

<sup>14</sup> [www.gov.uk/government/consultations/private-rented-sector-energy-efficiency-regulations-domestic](http://www.gov.uk/government/consultations/private-rented-sector-energy-efficiency-regulations-domestic)

<sup>15</sup> [www.ukhealthforum.org.uk/prevention/public-health-elearning-toolkit-phelt/](http://www.ukhealthforum.org.uk/prevention/public-health-elearning-toolkit-phelt/)

Some respondents felt there was also a risk of a health focused scheme not succeeding unless health professionals were actively engaged to understand the links between cold homes and health and to see tackling these as their responsibility. A small number of respondents felt hospital discharge teams and community nurses were better placed to make referrals than GPs and, while supporting a system of health referrals, were also concerned that the needs of those living in fuel poverty, but not unwell, should not be ignored.

There was almost universal agreement that any funding needs to be more secure and longer term than is currently the case. Without this, there is no certainty of patients receiving support and health professionals will be reluctant to engage.

Opinion on where funding should come from is more divided. Some argue it should come from an expanded ECO or health specific stream within ECO. Others feel ECO is too sensitive to delivery costs to be suited to a health scheme. Many put the case for central government funding, possibly from the Department of Health, because of the potential savings to the health service, with contributions from Clinical Commissioning Group.

## Government response

DECC, the Department of Health (DoH) and Public Health England (PHE) are working closely together on health and fuel poverty including the potential for new ways of delivering support to those with health conditions linked to cold homes.

We have seen for ourselves some of the benefits of local delivery in our engagement with local partners, and are keeping in touch with existing schemes, learning from what they have done. We are looking in detail at referral processes as part of our on-going work on understanding delivery challenges and how they can be overcome. As above, this includes an NEA survey of those delivering health and fuel poverty schemes, and a large workshop in February 2015. We are very clear that the success of a referral mechanism for health professionals will be dependent on a quick and simple process.

We are also continuing to work with health professionals to determine the best ways to engage health professionals in any possible scheme.

We agree that piloting new approaches is helpful and are considering the potential for pilot activity in the health and fuel poverty sphere. DECC has identified £1m of funding that will be made immediately available to a small selection of existing local 'warmth on prescription' schemes we will work with the selected projects to build in evaluation and lesson learning activity.

With regard to responses on funding, our work on evidence and evaluation recognises the need to help others make the case for investment. In addition, as set out above, in developing our approach to future delivery of energy efficiency measures we are considering the particular needs of more vulnerable people, including those with health conditions linked to cold homes.

## 2.9 Warm Home Discount and Low Income High Cost Indicator

Consultation Question		99 responses
Question 9	Do you have views on how best to align the Warm Home Discount with the Low Income High Cost indicator?	

### Summary of responses

There were mixed views from respondents on whether WHD should be exclusive to Low Income High Cost (LIHC) households. Some agreed in principle that pure LIHC targeting would be appropriate, but arguments were also presented in favour of wider targeting to all low-income households. For example, the Royal Society of General Practitioners and others noted that some individuals have atypical heating requirements, leading to above-average costs, even when the property has a high standard of thermal efficiency.

Practical considerations were also raised as a barrier to pure LIHC targeting. The definition was seen as a particular challenge for delivery agents to use and communicate. There is a broad consensus among respondents that an automated solution (along the lines of the current Core Group) is a pre-requisite for effective LIHC targeting. Standardised tools to help practitioners and customers to gauge eligibility for WHD were also proposed.

A broad cross-section of stakeholders recommended that WHD payments should be scaled to reflect customer circumstances and needs. Non-gas homes were highlighted by many as a particular group who should receive a higher-tier of payment. Tapering payments to reflect a property's EPC rating was also suggested. Other respondents proposed that WHD payments should be adjusted to account for changing energy prices.

Many respondents, including energy companies, called for greater standardisation of the broader group eligibility criteria. This was beyond the scope of this consultation.

### Government response

The Government recognises that Warm Home Discount currently undertakes a dual role of providing support to the fuel poor as well as offsetting some of the distributional impacts of energy costs on low income households more broadly. We will continue to closely consider the balance between these two objectives in future policy design.

It is encouraging that the overwhelming majority of respondents support and advocate the automated provision of support, for which the Warm Homes Discount Core Group has served as a proof of concept. We believe that this sort of approach provides many advantages in terms of operational efficiencies and in helping to reduce the risk of those who are entitled to support from missing out. We will seek to build on the success of the arrangements established for the WHD Core Group and use an automated model as the starting point when designing any future energy bill support schemes where possible. It is important to note that the current law puts considerable emphasis on concerns for privacy and data protection.

We also agree that there may be a case in principle for varying the level of energy bill support according to specific circumstances. Further analysis will be needed to understand how and

which circumstances this might be implemented in practice and what specific criteria might be taken into consideration under a regime of this nature.

Many respondents, including energy companies, called for greater standardisation of the broader group eligibility criteria. This was outside the scope of this consultation. However, the comments received were taken into account under the WHD consultation, the Government Response<sup>16</sup> to which was published on 29 January 2015.

## 2.10 Targeting direct payments and bill support to fuel poor

Consultation Question		94 responses
Question 10	In considering the reduction in means-testing for pensioners brought about by the Government's pension reforms, do you have views on additional ways to target direct payments and bill support to the fuel poor?	

### Summary of responses

Responses to this question covered two main areas: firstly practical considerations in relation to delivery and secondly views on who should be targeted to receive support.

Many respondents suggested broader and more formal roles for local actors to identify people who may be eligible for support. Some respondents went further, suggesting that Local Authorities and other local actors could administer payments directly – e.g. in the form of council tax rebates (which are means-tested).

New and greater use of data sharing and data matching were highlighted by energy companies and others as key. Specifically, bringing EPC, Universal Credit, Child Tax Credit data and others into the fold, and allowing data sharing between energy companies and Local Authorities. Similar messages about data sharing between Local Authorities also emerged at consultation workshops, with better guidance for data managers suggested as one part of the solution.

A range of Local Authorities and third sector organisations advocated extending bill support beyond pensioner groups to, for example, vulnerable families and those with the highest benefit rates for disabilities or long term illnesses (who tend to spend more time at home). One respondent suggested anyone receiving the new pension alone – i.e. with no private pension – should be eligible. Concern was raised by the Royal College of General Practitioners that restricting support to the poorest households could lead to an increase in Excess Winter Deaths.

### Government response

The issue of future targeting of energy bill support, such as that currently provided under the Warm Home Discount Scheme, is covered in the response to Question 9. The response to this

<sup>16</sup> [www.gov.uk/government/consultations/warm-home-discount-extension-to-201516](http://www.gov.uk/government/consultations/warm-home-discount-extension-to-201516)

question therefore focuses on direct payments, such as those currently provided as Winter Fuel Payments (WFP) and Cold Weather Payments (CWP).

As it stands, direct payments in the form of WFP will be unaffected in operational terms by the changes to the benefits and pensions systems, since they are non-means-tested universal payment to all pensioners. We recognise that this is an aspect of the WFP for which many stakeholders advocate a change to redirect funding towards those in greatest need, including non-pensioner groups.

Centralised delivery is likely to continue to be the primary delivery mechanism for WFP and CWP.

With regard to the timing of WFP payments, our analysis indicates that earlier payment to non-gas homes would not guarantee a benefit to customers. Some customers may well be worse off under such arrangements. In practice, the price profile of energy varies significantly from year to year, fuel to fuel and region to region. Consequently, there is no one point in the year that would represent an optimum time for all customers to take advantage of lowest prices.

The issue of Excess Winter Deaths (EWD) will form key part of any policy impact assessments to ensure risks are identified and managed. We recognise that it is not only those living in fuel poverty who are vulnerable to winter illness and that limiting assistance to the very poorest may not necessarily have the desired impact on EWDs. We will continue to work closely with other government departments on cold weather planning.

## 2.11 Behavioural research

Consultation Question		103 responses
Question 11	Do you have views on where we should focus future fuel poverty related behavioural research and do you know of any additional on-going work in this field?	

### Summary of responses

Respondents recommended a number of areas for new research including:

- how different segments of the fuel poor population (e.g. vulnerable, families with children, minority groups, non-gas) cope with fuel poverty;
- how they respond and engage with different forms of intervention (energy efficiency, WHD, advice provision);
- their attitudes to different kinds of delivery agent;
- the impact of different types of intervention and methods of communication have on different groups of fuel poor household;
- better understanding attitudes, including hard-to-engage landlords in the private rented sector;
- research on switching behaviours, including the switching methods used by different segments of the fuel poor population.



A number of organisations, including CAB and BEAMA, would welcome opportunities to collaborate on research.

In terms of research methods, “social practice led” and “action research” models were recommended for future research. The process of finding fuel poor households for research samples was highlighted as a key challenge.

A couple of responses highlighted the difficulty in accessing energy bill data from suppliers, even with customer consent forms, which has impeded research projects in the past.

## Government response

The Government welcomes the suggestions for further research. Many of these considerations will be prioritised for examination as part of the qualitative and quantitative research project we are currently undertaking. This work will address as many of these evidence gaps as possible and contribute to a collective understanding of the attitudes and behaviours of fuel poor households in terms of energy use; interventions relating to energy use; and coping mechanisms in the absence of interventions. For DECC this will be a valuable source of information in designing policy that responds to the diversity of consumer needs, and reaches the right people.

The Government is also keen to stimulate and facilitate further research by external organisations and specialist fuel poverty groups. Yet we recognise that at present there is no standardised method for identifying fuel poor households within research. To this end, DECC is looking to develop a standardised set of questions that can be used by researchers, to identify the fuel poor. This should help to ensure sample consistency between research projects, and therefore maximise the potential for the research community to build a cohesive body of evidence over time.

This is a challenging task, but we hope to be able to release the results and related outputs in summer 2015.

## 2.12 Community Energy

Consultation Question		117 responses
Question 12	To help inform development of the Community Energy one stop shop, what types of capacity support would help community groups increase their impact on fuel poverty (for example, information, training, mentoring, or local networking)?	

### Summary of responses

Many responses agreed that local community groups have a role to play in supporting the fuel poor. Benefits of local groups listed by respondents included:

- extensive local knowledge, including current and previous local initiatives;
- high levels of local trust and engagement. This includes providing face to face support and a continual point of contact;

- strong networks and links with wider community groups including faith groups; and
- providing an important role in area based delivery programmes.

Respondents noted a wide range of barriers for community groups where extra support is required.

Firstly, a large number of respondents stated that local activity needs to be supported with clear, consistent policies to refer individuals too. Many noted that the current policy package has not always made it easy to advise and signpost fuel poor customers to support available to them. Indeed in many instances respondents noted that fuel poor homes are not always eligible for support.

Secondly, a large number of respondents stated a key issue was the lack of funding and resource available, including for Local Authorities, community groups and for delivering energy efficiency measures. Additionally, a number of respondents suggested that there was a need to fund a co-ordinated energy advice service, providing a contact point to identify, reach and support vulnerable customers. One respondent suggested that the the Big Energy Saving Network could lead an advice network service. Others stated that the Energy Saving Trust Advice centres used to provide this support and was more effective at identifying and supporting community level schemes. Other suggestions included providing funding to train 'champions' in local communities, possibly as an extension of the Big Energy Saving Network.

Thirdly, respondents cited a range of concerns around voluntary groups being expected to recommend measures to vulnerable customers - a large number of respondents noted the importance of Local Authorities being involved. Respondents also highlighted the importance of regular training and networking in this area, as well as the need for clear and accurate information and marketing support.

A number of respondents recommended that the Big Energy Saving Network should be extended and expanded.

In reference to the Community Energy Advice and Support Resource (previously referred to as a 'One Stop Shop') respondents commented that the service would need to be well integrated with and provide signposting to local and regional information, advice and support services.

Specific suggestions for resources the Community Energy Support and Advice Resource could usefully include were:

- **Sign posts** to other useful sources of information such as the Energy Saving Trust website, providing information on what different resources can be used for.
- **Case studies** from community groups and **best practice guidance** including information on timeframes and costs of projects.
- Providing **local networking opportunities/peer to peer information exchange** in order to share best practice, ideas, problems and key contacts, learning from and working with each other. This could also include providing information on mentoring opportunities.
- **Templates and standard information to use as hand-outs** e.g. information packs, sound bites and posters. One respondent suggested a central resource/design style similar to what is available for waste minimisation and recycling by WRAP.
- Clear **up to date national and local information on policies** and schemes available. For example, a toolkit summarising all the support available to community energy groups seeking to develop fuel poverty schemes.

- Clarification of appropriate **data sharing** e.g. guidance from Information Commissioner.
- Tools, training and resources that allow community groups to **identify who is fuel poor** in their area.
- A resource to help in **facilitating an ECO referral scheme** which could be offered to community groups.
- Advice and support for dealing with vulnerable consumers e.g. a toolkit
- **Provision of technical, financial and legal support.** Examples included a briefing for community groups on their liabilities and guidance on safety procedures for volunteers in the field.
- **Training, networking and mentoring.** Responses included: a standard training package or toolkit including energy efficiency, tariffs, switching, information on available financial assistance; training on people skills such as advice on making connections with local residents especially vulnerable customers; training equivalent to being a Green Deal Assessor; support with business planning and legal support; health and safety procedures particularly for people visiting households.

A small number of responses questioned whether a new resource was necessary with a range of useful guidance and advice channels already existing. Examples listed included resources from Ofgem, Energy Saving Trust, the Centre for Sustainable Energy and National Energy Action. Respondents highlighted that often the most useful type of support was through face to face engagement with other energy experts and community groups.

## Government response

Local actors, including community groups and Local Authorities, have a valuable role to play in supporting fuel poor households. We welcome the wide range of case studies provided by respondents to the consultation and are supportive of organisations seeking ways to provide further support to the fuel poor.

We will continue to consider the role of Local Authorities and local community groups in the development of future policy positions.

We noted with interest comments regarding the role of the Big Energy Saving Network. Following the success of the inaugural 2013/14 Big Energy Saving Network, which reached over 90,000 consumers, the Department of Energy and Climate Change has provided £1m funding to continue the programme into 2014/15. This report has found that the Network is estimated to have reached over 90,000 consumers in total; 16,000 participants via workshops and 78,000 through frontline workers (estimated).<sup>17</sup> DECC is currently in the process of awarding seed investment to a grantee(s) in the community energy sector to deliver a Community Energy Support and Advice Resource for England. Stakeholders suggested a wide range of potential services this resource could provide in their responses to the consultation and we are considering these alongside the needs of the wider community energy sector.

In January 2015, we launched a community energy saving competition<sup>18</sup> to incentivise the development of innovative approaches to reducing energy use and fuel poverty.

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<sup>17</sup> [www.gov.uk/government/publications/evaluation-of-the-big-energy-saving-network-final-report](http://www.gov.uk/government/publications/evaluation-of-the-big-energy-saving-network-final-report)

<sup>18</sup> [www.gov.uk/community-energy](http://www.gov.uk/community-energy)

## 2.13 Partnerships with community groups and local actors

Consultation Question		116 responses
Question 13	What support would help to increase partnership working between community groups and other local level actors (ranging from Local Authorities to Health and Well-Being Boards and energy efficiency installers) in order to tackle fuel poverty?	

### Summary of responses

A large proportion of respondents agreed that improved working between community groups and other local-level actors could help to tackle fuel poverty. Approximately 80% of respondents argued that there is a lack of funding available to Local Authorities to support the fuel poverty agenda and that central government should boost and stabilise the level of funding available to them.

A small number of organisations felt that collaboration between Government departments could help facilitate partnerships and networking on a national scale. Better communication between the key government departments could also help with improving data and information sharing. The Home Energy Efficiency Programmes Scotland (HEEPs) scheme was recognised as a good way for local authorities to support those most at risk of fuel poverty.

Some respondents suggested that the National Institute for Health and Care Excellence (NICE) guidance and Home Energy Conservation Act (HECA) should be used to support increased partnership working. Furthermore, it was put forward that Local Authorities and health and wellbeing boards should be mandated to formulate fuel poverty delivery programmes. It was suggested that these programmes would need to incorporate clear strategies that underline the role local level actors would play in alleviating fuel poverty. Additionally, respondents suggested that Local Authorities would need support with up-skilling specialist individuals to provide fuel poverty support in the community.

A few respondents suggested that more action should be taken on private landlord's minimum energy efficiency standards, as landlords and installers are key delivery bodies in targeting and addressing fuel poverty.

### Government response

As mentioned in our response to question 12, the Government believes local actors, including Local Authorities and community groups, have a valuable role to play in supporting fuel poor households. We will continue to consider the role of Local Authorities and community-led approaches to energy groups in the development of future policy.

The wide-ranging impacts of fuel poverty mean that it is a key issue for many Government departments. This is particularly the case since the introduction of the Low Income High Cost indicator, which has led to a greater emphasis on non-pensioner groups, including families with children and other working age households. So while the lead responsibility for tackling fuel poverty and delivering the Government's statutory targets naturally falls to DECC, there is clear need for collaboration across Government and beyond.

A healthy culture of collaboration already exists between key departments, notably DECC and DWP. The success of the award-winning Warm Home Discount scheme is testament to what can be achieved with these sorts of joined-up policy development processes.

DECC is also working increasingly closely with others, including the Department of Health, Public Health England and the Cabinet Office, on fuel poverty policy and delivery.

With regard to the private rented sector, the Government is required by the Energy Act 2011 to make regulations regarding domestic tenants' right to request consent for energy efficiency improvements by 1 April 2016, and regarding minimum energy efficiency standards in the domestic and non-domestic private rented sector by April 2018.

DECC has written to the Chief Executive Officers of all local authorities reminding them of their obligation to report on progress made in implementing the measures set out in their 2013 HECA reports by 31 March 2015.

The Energy Act 2011 provides a duty on the Secretary of State to introduce minimum energy efficiency standard regulations for the domestic and non-domestic private rented sectors from April 2018. A public consultation on the detail of these provisions was carried out between 22 July and 2 September 2014. On 5 February 2015, the Government issued its response<sup>19</sup> to the consultation, confirming the regulations will mean that:

- From April 2016, residential private landlords will not be able to unreasonably refuse consent to a tenant's request for energy efficiency improvements where Green Deal finance, ECO or subsidies are available to pay for them.
- From April 2018, private domestic and non-domestic landlords will need to ensure that their properties reach at least an E EPC rating, or have installed those improvements that could be funded using available Green Deal finance, ECO or subsidies available to pay for them, before granting a tenancy to new or existing tenants. These requirements will apply to all private rented properties – including occupied properties – from April 2020 in the domestic sector, and from April 2023 in the non-domestic sector.

The Government intends that, subject to Parliamentary approval, the regulations will be in force before dissolution, providing clarity and certainty on the requirements before they begin to apply.

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<sup>19</sup> [www.gov.uk/government/consultations/private-rented-sector-energy-efficiency-regulations-domestic](http://www.gov.uk/government/consultations/private-rented-sector-energy-efficiency-regulations-domestic)

## 2.14 Developing fuel poverty evidence base

Consultation Question	96 responses
Question 14	How can Government support a collaborative approach to developing the fuel poverty evidence base? What are the best ways to communicate priorities? What tools would be useful to ensure a quality approach consistent with the Low Income High Cost indicator?

### Summary of responses

Responses to this question suggested that greater sharing of national and regional data was vital to enabling a greater understanding of the impact of fuel poverty. It was also felt by many organisations that Government should work with a greater variety of partners in order to carry out further research, including pilot projects, to supplement the existing evidence base. This could provide new insights and viewpoints, for example by forging closer ties with funders of fuel poverty research and international organisations. A number of respondents noted the importance of a consistent methodology across all research so that findings would be recognised by all stakeholders and could be aggregated.

There was significant support for Government to set the priorities for any further research jointly with key stakeholders, with cross-sector representation. Government was encouraged to seek opportunities to involve experts outside the immediate fuel poverty field as well as those who deliver to the fuel poor on the ground. A number of respondents felt that Government should work more closely with Local Authorities in particular, clarifying their responsibilities, rewarding them for best practice and helping them to put in place long-term strategies for their housing stock and to monitor progress.

The importance of Government providing consistent, clear, simple tools and guidance, which would be accessible to a variety of different professionals including those on the ground, was frequently cited. Some respondents suggested that in order to enable a quality approach, these tools and guidance should be adaptable to local conditions and circumstances and should focus on proxies for the Low Income High Cost indicator, as there was some concern that the indicator itself may be too complex for use on the ground.

In terms of communicating priorities, it was suggested that priorities could best be communicated via local partners and using existing channels – such as governmental leaflets and local forums – where possible. A role for Government in producing briefing papers and supporting and hosting national and local events was identified. Respondents felt that Government must ensure that priorities were clear and agreed cross-Government to ensure one coherent message. The importance of consistency and simplicity, with tangible, local stories to which communities could relate, was also highlighted.

## Government response

The Government is keen to explore opportunities to make better use of regional and national datasets for the purpose of improving our understanding of the drivers and impacts of fuel poverty. Safeguards will always be required where data is to be shared, and Government would not advocate indiscriminate sharing of data. However, we believe there is a strong case for removing unnecessary barriers where possible, particularly where there is a clear link to enhanced benefits to the consumer.

A detailed dialogue on these issues is currently underway, involving privacy groups, government departments and the wider public sector, with a view to agreeing and designing practical solutions to enhance the availability of high quality research and statistics from administrative data. More information about this process and how to get involved can be found at <http://datasharing.org.uk/>.

In some cases, barriers to data sharing can be perceived where none actually exist. Data managers may, quite understandably, err on the side of caution when assessing the risks of a data share, which would otherwise be perfectly allowable. In these situations, clear guidance for data managers and access to advice may offer the sort of assurance needed to allow these data shares to take place.

A clear theme to emerge from the Rapid Evidence Assessment of fuel poverty behaviours was the need for a consistent approach for identifying fuel poor households for research. At present there is no standardised method for sampling. To this end, the DECC is looking to develop a standardised set of questions that can be used by researchers to identify the fuel poor. This should help to ensure sample consistency between research projects, and therefore maximise the potential for the research community to build a cohesive body of evidence over time.

This is a challenging task, but we hope to be able to release the findings and related outputs in the summer.

## 2.15 Additional Responses

A number of responses provided comments wider than the consultation questions. Some of the key topics identified are summarised below.

### Summary of responses

A number of responses had additional comments on the fuel poverty target. In the consultation we highlighted that our new target will be to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency standard of Band C, by 2030.<sup>20</sup>

A large amount of stakeholder responses welcomed the focus on energy efficiency as the most cost effective, long term solution. Several respondents felt the target should focus on all low income households, not just those identified as being fuel poor based on the Low Income High Cost definition. Their rationale included simpler targeting and also as a way of preventing other low income households from becoming fuel poor.

Some respondents stated that they would like to see an impact assessment or further detail on costs of meeting the target and numbers of household that will benefit.

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<sup>20</sup> As defined in the [Fuel Poverty Energy Efficiency Rating \(FPEER\) Methodology](#)

In addition to comments on the target, there were also a wide range of comments relating to delivery of measures to the fuel poor.

Many stakeholders called for energy efficiency to be made a UK infrastructure priority.

A number of stakeholders highlighted that the consultation did not set out a clear package of policies to meet the target. Some responses highlighted the need for a roadmap setting out the contributions of various policies and where further intervention is required. Many also commented on the need for consistent, long term policies and funding.

A few stakeholders commented on the source of funding for policies, stating that moving costs to general taxation would be less regressive. Some commented that ECO (and indeed a supplier led model) alone would not be enough to meet the target.

Some stakeholders noted the importance of cross Governmental responsibility including contributions from Department for Communities and Local Government, Department of Health, Department of Work and Pensions and health delivery bodies. Some responses also requested that the strategy clearly sets out who is responsible for delivering the target.

As covered in other questions, many responses highlighted the key role of Local Authorities in delivery of fuel poverty programmes, working closely with local housing, voluntary, community and business partners. Suggestions include leading area based delivery, leading demand based referral of households and providing support before and after installation. Many also noted the value community groups can bring to delivery.

A few stakeholders commented on how difficult it is to find fuel poor households.

## Government response

The new fuel poverty target became law on 5 December 2014. The fuel poverty target is to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of Band C, by 2030.

This target and the proposed interim milestones imply improving the energy efficiency standards of a significant number of households. In turn, this will mean a real change to these households' living standards by reducing their fuel poverty gaps or removing them from fuel poverty altogether. Meeting the target will be a major challenge – not just for Government but for all those working to tackling this issue.

A number of responses argued that the target should focus on all low income households. The Hills Review established fuel poverty as a distinct problem – driven not only by low income, but also by the higher than typical energy costs. This is the basis of the Low Income High Cost indicator adopted by Government and is why the target is specifically focused on the fuel poor. We recognise that rising energy prices put pressure on low income households and Government has schemes in place to support them. These include, for example, the Warm Home Discount and our wider actions to encourage consumers to switch energy suppliers to get the best deal for them.

While not analysis directly relating to the target or interim milestones, we published analysis to support our strategic approach and principles for tackling fuel poverty alongside the Strategic Framework<sup>21</sup> in July last year.

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<sup>21</sup> [www.gov.uk/government/publications/fuel-poverty-a-framework-for-future-action](http://www.gov.uk/government/publications/fuel-poverty-a-framework-for-future-action)



The Fuel Poverty Strategy sets out our approach to meeting the target, underpinning future efforts and informing design and delivery of future schemes. Specific decisions on the shape and scale of future schemes will be taken by successive Governments in the light of spending review decisions.

## Annex A - List of consultation respondents<sup>22</sup>

A2Dominion

ACE

Act on Energy Local Authority and Housing Association Consortium Group

AECB – the Association for Environment Conscious Building

Affinity Sutton

Age UK

All Party Parliamentary Fuel Poverty and Energy Efficiency Group (FPEEG)

Barnet Homes

Baxi

BEAMA

Beat the Cold

Birmingham Affordable Warmth Partnership

Bolton Council

Brenda Boardman, Environmental Change Institute

British Gas

British Holiday & Home Park Association

Bury Council

Cambridge City Council

Calor Gas Limited

Carbon Action Network

Carbon Savings Alliance

Cheshire West and Chester Council

Citizens Advice Bureau

City of York Council

Climate Works Ltd

Co-operatives UK

Committee on Climate Change

Community Energy Plus

Community Energy Solutions

Contour Homes

County Durham Energy and Fuel Poverty Partnership and Durham County Council

Derby City Council

Devon & Cornwall Housing

Doncaster Council

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<sup>22</sup> Excluding any confidential responses

East Midlands Carbon Action Network  
East Riding of Yorkshire Council  
EDF  
End Fuel Poverty Coalition (EFPC)  
Energy Bill Revolution  
Energy Efficiency Partnership for Buildings (EEPB)  
Energy Projects Plus  
Energy Saving Trust  
Energy Solutions  
Energy UK  
e.ON  
Equity Consulting - Specflue  
Federation of Petroleum Suppliers  
First Wessex  
Forum for the Future  
Foundations  
FPAG  
Friends of the Earth  
Future Climate  
Glass and Glazing Federation  
Greater London Authority  
Greater Manchester Energy Advice  
Green Community Buildings CIC  
Guildford Borough Council  
Harborough District Council  
Hastoe Housing Association  
Heating and Hotwater Industry Council  
HELP – Home Energy Lincs Partnership  
Herefordshire Council  
Intergenerational Foundation  
Joseph Rowntree Foundation  
Kent and Medway Sustainable Energy Partnership  
Kingspan Insulation Ltd  
Kingston upon Hull City Council  
Lancashire Home Energy Officers Group (Blackburn with Darwen BC & Blackpool Unitary Authority)  
Lancaster University  
Leeds City Council/Leeds Affordable Warmth Partnership  
LGA

Lincolnshire County Council  
livin Housing Ltd  
London Borough of Islington  
London Borough of Lambeth  
London Borough of Sutton  
London HECA Forum  
Maidstone Borough Council  
Marches Energy Agency  
Mears Group Plc  
Merseyside Fuel Poverty Conference  
Middlesbrough Environment city Trust  
MIMA  
Muscular Dystrophy Campaign  
National Housing Federation  
National Insulation Association  
National Trust  
NEA  
Newcastle City Council  
North West Carbon Action Network  
Northern Gas Networks  
Northern Powergrid  
Northwards Housing  
Norwich City Council  
Ofgem  
Oil Firing Technical Association (OFTEC)  
Oldham Council  
Orbit group  
Oxford City Council  
Portsmouth City Council  
Public Health England  
Regen SW  
Residential Landlords Association  
Riverside Group  
Rockwool  
Rotherham Metropolitan Borough Council and the 'Abacus' team Sheffield Hallam University  
Royal College of General Practitioners  
RWE  
Salford City Council

Severn Wye Energy Agency  
Scottish Power  
SGN  
Sheffield Hallam University  
Solihull Metropolitan Borough Council  
South Tyneside Council  
Southern Housing Group  
Sovereign Housing Association  
SSE  
Stockport MBC  
Stockton-on-Tees Fuel Poverty Partnership  
Stoke-on-Trent City Council  
Sustainable Energy Association  
Sustainable Harborough  
Sustainable Homes  
Sustainable Housing Association (SHAP)  
Swindon Borough Council  
Tadea  
Tameside MBC  
The Childrens Society  
Thinking Works  
Thirteen Group  
Transition Eynsham Area  
UK Health Forum  
UKPLG  
UK Power Networks  
Urban Renewal Officers' Group  
VIRIDIS  
Wakefield Council on behalf of the Wakefield Affordable Warmth Partnership  
Wales & West Utilities Ltd  
Warm Zones  
Warmer Worcestershire Network  
Welwyn Hatfield Borough Council  
Wirral Council  
Wolseley UK  
Yorkshire Energy Services  
Yorkshire Housing

## Annex B - Glossary

BESN	Big Energy Saving Network
CAB	Citizens Advice Bureau
CWP	Cold Weather Payments
CESAR	Community Energy Support and Advice Resource
DCLG	Department for Communities and Local Government
DECC	Department of Energy and Climate Change
DWP	Department of Work and Pensions
DoH	Department of Health
ECO	Energy Company Obligation
EPC	Energy Performance Certificate
EWD	Excess Winter Deaths
GDP	Gross Domestic Product
GP	General Practitioner
GDHIF	Green Deal Home Improvement Fund
HIDEEM	Health Impacts of Domestic Energy Efficiency Model
HECA	Home Energy Conservation Act 2013
HEEPs	Home Energy Efficiency Programmes Scotland
HHSRS	Housing Health and Safety rating system
LA	Local Authorities
LIHC	Low Income High Cost
LPG	Liquefied Petroleum Gas
NEA	National Energy Action
NICE	National Institute for Health and Care Excellence
Ofgem	The Office of Gas and Electricity Markets
PHE	Public Health England
RHI	Renewable Heat Incentive
RCGP	Royal College of GPs'
SAP	Standard Assessment Procedure
UKHF	UK Health Forum
WHECA	Warm Homes and Energy Conservation Act 2000
WHD	Warm Home Discount
WFP	Winter Fuel Payments

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