



HM Government

Government Response to Consultation on Updating the Fuel Poverty Strategy for England

February 2021



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Executive Summary

Our energy system is undergoing rapid transformation. In the six years since our last fuel poverty strategy, more than 17 million smart meters have been installed, new price caps have protected millions from poor value tariffs and the Government has committed in law to reach net zero carbon emissions by 2050. Our energy system is becoming smarter, fairer and more sustainable.

At the same time, we are facing an unprecedented challenge. COVID-19 has changed the way that every one of us lives and works. As many of us spend more time at home, we are using more energy. At the same time, many households have seen a reduction in their income. These sudden changes meant that, for the first time, we were not able to predict how many households are in fuel poverty this year; however, we expect that the impacts of COVID-19 will lead to more households struggling to pay their energy bills this winter than last winter.

Against this backdrop, the Government response sets out our plans to update the Fuel Poverty Strategy for England and the themes remain as relevant as ever. Our strategy must contain an ambitious policy plan to protect vulnerable households and meet our statutory fuel poverty target.

Government consulted between 22 July 2019 and 16 September 2019 on proposals to update the Fuel Poverty Strategy for England. This Government response summarises the 101 responses received and sets out what Government intends to include in the strategy based on the consultation responses. Responses were generally supportive of the Government's main proposals on retaining the 2030 target and interim milestones, adding a fourth guiding principle on sustainability and updating the fuel poverty metric. The updated fuel poverty metric will simplify how we measure fuel poverty, making it easier for local organisations to identify households in fuel poverty and easier for the public to track Government's progress toward the fuel poverty target.

We intend for the updated strategy to add greater clarity on how the guiding principles will operate in steering policymaking and to include a greater focus in supporting low income households who are at the highest risk from the impact of living in a cold home. The strategy will include a new sustainability principle, aligning work on fuel poverty with work across Government, including working towards the net zero carbon target. This will see a greater focus on low carbon heating in combination with improved energy efficiency standards with the aim of ensuring that homes are fit for the future, through working with the health sector and local communities to support those vulnerable in fuel poverty and most in need of support.

A key theme throughout was that further ambition is needed to meet the 2030 fuel poverty target. In particular, stakeholders saw the need for additional funding for energy efficiency measures in the least energy efficient homes. In response to these comments, Government intends to publish an ambitious policy plan that builds upon the existing policies to drive improved energy efficiency. The strategy will include the new Green Homes Grant, including the Local Authority Delivery component, and how this funding will complement the Private Rented Sector energy efficiency regulations and the Energy Company Obligation (ECO) to benefit households in fuel poverty.

In addition to improving energy efficiency, the strategy will set out our updated approach to tackling the other seven strategic challenges identified in the 2015 Fuel Poverty Strategy for England, including encouraging partnership working, improving our understanding of fuel

poverty and ensuring the fuel poor receive maximum benefit from the energy market. We will ensure that progress towards the fuel poverty target is as transparent as possible by updating the fuel poverty metric and publishing fuel poverty statistics more quickly after the data is collected.

We are grateful for the responses submitted, all of which were considered whilst drafting the updated Fuel Poverty Strategy for England.

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Overview of Responses Received

Government consulted between 22 July 2019 and 16 September 2019 on the Government's proposals to update the Fuel Poverty Strategy for England. Officials also attended several stakeholder meetings.

There were 38 responses received via CitizenSpace, and a further 63 replies which were received as correspondence to the Department for Business, Energy and Industrial Strategy (BEIS). The total number of responses was 101. Respondents came from varied backgrounds, including energy companies, charities, local authorities and academics.

All responses to this public consultation have been recorded and analysed. Any cross-cutting themes which appeared in multiple questions were addressed under the most relevant question. For example, responses which mention policies linking health services with energy efficiency appeared under the 'Vulnerability principle', 'Improving energy efficiency', and 'Supporting low income households vulnerable to the cold'. We have summarised and responded to all of these responses in 'Supporting low income households vulnerable to the cold'. Any questions which called for a yes or no answer also include the percentage who responded yes or no.

Government appreciates the effort and time put into the views expressed by the range of contributors, including those who participated in the stakeholder meetings, and have carefully considered all views expressed.

Government Response

Who are we trying to help?

This section of the consultation discussed a proposed update to our method of measuring fuel poverty in England.

1. Do you agree with the Government's proposal to update the fuel poverty metric to Low Income Low Energy Efficiency? If not, which metric would you prefer and why?

Responses: 85

Yes: 75 (88%)

No: 10 (12%)

88% of responses were in favour of the updated metric, Low Income Low Energy Efficiency (LILEE). Reasons given in support of the proposed change include

- the simplicity of the metric;
- the increased focus on energy efficiency;
- reduced movement of households in and out of fuel poverty; and
- the alignment of the metric with the Government's fuel poverty target.

The 10 stakeholders who did not support the proposal raised concerns about whether LILEE adequately captures the impact of changing fuel prices and income and whether a new metric could be compared with existing fuel poverty statistics.

These stakeholders suggested the following as alternative or secondary indicators:

- retention of the Low Income High Costs (LIHC) metric¹;
- a metric which considered a household to be fuel poor if they were estimated to spend more than 10 per cent of their disposable income on energy costs;
- adopting Scotland's updated measure²;
- a Low Income Low Household Based Energy Efficiency Rating (HBEER)³; and
- reporting on a qualitative supplementary indicator.

¹Fuel Poverty Methodology Handbook, BEIS:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829010/Fuel_Poverty_Methodology_Handbook_2019.pdf

²A New Definition of Fuel Poverty in Scotland, Scottish Government:

<https://www.gov.scot/binaries/content/documents/govscot/publications/independent-report/2017/11/new-definition-fuel-poverty-scotland-review-recent-evidence/documents/00527017-pdf/00527017-pdf/govscot%3Adocument/00527017.pdf?forceDownload=true>

³where a Household Based Energy Efficiency Rating captures each household's required fuel costs, rather than the dwelling's required costs.

Our consultation document proposed use of a LILEE (FPEER⁴) metric, which would better track progress against the fuel poverty target. However, 16 of the 76 stakeholders who supported a move to LILEE disagreed with our lead proposal to use LILEE (FPEER) and would prefer a LILEE (EPC⁵) metric. These stakeholders were concerned with how the Warm Home Discount is accounted for, highlighting that the inclusion of receipt of the Warm Home Discount rebate in the LILEE (FPEER) metric could artificially change a household's fuel poverty status in the short term.

Around a quarter of the 76 stakeholders who agreed with the LILEE proposal expressed concerns around how the Government would treat low income households in A-C rated homes. These stakeholders wanted clear communication on how these households, who may still struggle with fuel costs, would continue to be supported as part of the fuel poverty strategy.

The following concerns were also raised by a few respondents:

- Government must publish a comprehensive time series in order to monitor progress over the years.
- The metric cannot be based on actual EPC data as not every home has an Energy Performance Certificate.
- Scheme eligibility criteria, such as the Warm Home Discount and ECO, should not be immediately affected.
- The reasons for the change must be clearly communicated - concern was expressed that the media might believe that energy prices had caused an increase in fuel poverty rather than the change in metric.

No stakeholders mentioned the fuel poverty gap in their response to question 1 or 2.

Government response

Government will adopt a Low Income Low Energy Efficiency metric in the new Fuel Poverty Strategy for England. LILEE will therefore become the official metric for measuring progress towards the fuel poverty target and will continue to capture the three key drivers of fuel poverty: income, fuel prices and energy efficiency. We agree that it is important for users to be able to track fuel poverty levels and progress against the target over time and will publish a comprehensive time series in due course. The time series will show what the levels of fuel poverty would have been in previous years if measured by LILEE. There will be a period of crossover where both the LIHC and LILEE metrics will be published. We will clearly explain the rationale for the new statistics when publishing.

Government intends to adopt LILEE (FPEER) rather than LILEE (EPC). The EPC metric would only measure energy efficiency improvements, while the FPEER metric would also measure rebates like the Warm Home Discount. We agree that energy efficiency is the best long term solution to fuel poverty. However, the Government believes the measurement of progress against a fuel poverty target should also reflect the progress made through the full range of policies, including the Warm Home Discount, which is why the fuel poverty statutory target is

⁴*Fuel Poverty Energy Efficiency Rating Methodology*, Department of Energy and Climate Change: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/332236/fpeer_methodology.pdf

⁵*Buying or Selling Your Home: Energy Performance Certificates*, GOV.UK: <https://www.gov.uk/buy-sell-your-home/energy-performance-certificates>

based on FPEER. As the official metric used by the annual fuel poverty statistics, LILEE (FPEER) will clearly track Government's progress toward the FPEER-based target.

In addition to our headline LILEE (FPEER) fuel poverty metric, some responses suggested we should publish statistics based on a secondary metric each year. We considered three potential secondary indicators:

- LILEE (EPC);
- LILEE (HBEER); or
- a qualitative self-assessment of fuel poverty (e.g. asking households whether they have trouble paying their fuel bills in the winter).

To ensure that there is a single standardised measure of progress towards the fuel poverty target we do not currently intend to adopt a formal secondary indicator. We do however intend to include information on the impact of the Warm Home Discount rebate in our annual fuel poverty statistics. BEIS statisticians will also publish articles further exploring fuel poverty: for example, exploring the relationship between those self-identifying as struggling to keep the home warm and being measured as fuel poor in the official statistics.

Some stakeholders expressed concern over the idea that the LILEE fuel poverty statistics would be based on actual EPC data. Fuel poverty statistics are not currently based on EPC data; they are based on a sample of households surveyed in the English Housing Survey. As part of this survey, a physical assessment of each property is carried out, and an FPEER band is calculated for each household. Further details can be found in the Fuel Poverty Statistics Methodology Handbook.⁶

A few stakeholders interpreted that the change in the metric would translate to an immediate change in the eligibility criteria for fuel poverty policies. In the short term, BEIS does not intend to update scheme eligibility criteria in response to the updated metric though it will be a key consideration when those schemes are reviewed and when new ones are introduced.

Under LILEE, low income households that are living in homes that are in Band A, B or C will not form part of our measure of progress towards the statutory fuel poverty target to improve homes to Band C. We do, however, agree and acknowledge that some households in these Bands may still struggle to afford to adequately heat their home. This is why our vulnerability principle is intended to apply to all low income households, regardless of the efficiency of their home. This is discussed further under 'Our guiding principles for meeting the fuel poverty target'.

⁶ *Fuel Poverty Methodology Handbook*, BEIS: <https://www.gov.uk/government/publications/fuel-poverty-statistics-methodology-handbook>

2. The proposed metric update – LILEE – would necessitate certain updates to the current methodology, namely as regards the high costs threshold, but the other aspects of the current LIHC methodology would not necessarily need updating. Do you have views or evidence on whether Government should update those other aspects of the methodology on the introduction of LILEE, including the following: household energy requirements calculation, including heating regimes; equivalisation factors, for fuel costs and income; income methodology and fuel prices methodology.

46 respondents answered question 2. Some respondents commented on the methodology when responding to Q1 and their suggestions have been included here. Of the 46, 5 respondents advised that no further changes to the methodology were required.

Out of these 46 responses, 16 commented on the household energy requirements calculation, including heating regimes. Respondents recommended the following:

- energy requirements should reflect increasing energy demand from appliances, especially phones and computers;
- heating regimes should include higher temperatures for vulnerable households;
- revised assumptions around under occupancy for heating regimes;
- households who cannot reach a Band C need to be considered separately; and
- high-carbon fossil fuels should not be favoured over lower carbon fuels in the methodology.

A total of 9 respondents commented on equivalisation factors for fuel costs or income. Respondents recommended the following:

- a unit cost approach to equivalising fuel costs;
- use more recent English Housing Survey data to review equivalisation factors;
- base fuel costs equivalisation on household composition, not just number of people;
- conduct further research into how children should be considered when equivalising income and fuel costs; and
- research differences between the fuel costs and income equivalisation methodology.

A total of 13 respondents commented on the income methodology. Respondents recommended the following:

- continued use of the After Housing Costs methodology⁷;
- using the Minimum Income Standard methodology for the income threshold⁸;
- factor in the additional costs of living with a disability; and

⁷ *Fuel Poverty Methodology Handbook*, BEIS: <https://www.gov.uk/government/publications/fuel-poverty-statistics-methodology-handbook>

⁸ Minimum Income Standards, Joseph Rowntree Foundation: <https://www.jrf.org.uk/income-benefits/minimum-income-standards>

- consider aligning the income threshold with the Social Metrics Commission measure of poverty⁹.

The 11 respondents who commented on the fuel prices methodology, all recommended we use actual tariff and supplier prices to calculate households fuel costs.

Government response

BEIS statisticians are minded to align the income measure with Department for Work and Pensions measures of low income¹⁰, as these statutory measures are classed as National Statistics. The National Statistics designation means that these statistics meet the highest quality of standards of trustworthiness, quality and public value. This means we will continue to use a relative, After Housing Costs methodology for income, rather than using the Minimum Income Standard methodology or aligning with the Social Metrics Commission.

In line with some of the consultation responses we received, we agree that disability payments are provided by Government specifically to contribute towards the additional costs of living with a disability. DWP's Households Below Average Income publication includes both data including and excluding disability payments. Therefore, we intend to exclude Disability Living Allowance, Personal Independence Payment and Attendance Allowance from being considered as income under the updated fuel poverty methodology.

We continue developing the fuel poverty methodology, taking into account comments received, with a view to publishing an updated Fuel Poverty Methodology Handbook in due course.

⁹ <https://socialmetricscommission.org.uk/>

¹⁰ *Households Below Average Income*, DWP: <https://www.gov.uk/government/collections/households-below-average-income-hbai--2>

The fuel poverty target for England

This section of the consultation discussed the fuel poverty target and interim milestones.

3. Do you agree that Government should retain the current target and interim milestones?

Responses: 81

Yes: 69 (85%)

No: 10 (12%)

No View: 2 (3%)

81 responses were received to this question. 69 respondents preferred that we retain the current target and milestones, 10 disagreed and 2 did not express a clear view. Within the 85% majority group who agreed with the proposal to maintain the target and milestones, there were several additional preferences and suggestions:

- 12 respondents preferred in the short term to retain the current target and milestones, with the proviso that these would be reviewed by 2025 to assess whether a more ambitious trajectory should be set;
- 12 respondents suggested that we revise or remove the caveat "as far as reasonably practicable" because they felt it is too vague, broad and unmeasurable;
- 9 respondents proposed that the milestones should be set in legislation so that they have the same statutory status as the 2030 target;
- 8 respondents also suggested integrating the target and milestones with the Home Energy Conservation Act (HECA)¹¹ reporting;
- 7 respondents proposed reviewing and revising the milestones so that they incentivised a more whole house approach with properties improved to Band C in a single intervention; and
- 5 respondents suggested that further funding would be required to meet the 2020 milestone and that consideration should be taken of the net zero 2050 impact on meeting these goals.

The respondents who disagreed with retaining the current target and milestones offered alternatives such as changing the target to Band B by 2030 and an interim milestone of Band C by 2025; one respondent suggested a new target to 2040 be set similar to that set in Scotland¹². Other respondents suggested that the ultimate target should be "no fuel poverty", with clearly defined targets and policies introduced to work towards this goal.

Government response

Given the support of 85% of responses, we do not intend to change the current target or interim milestones.

Government will retain the fuel poverty target to ensure that as many fuel poor households as is reasonably practicable are improved to an energy performance of at least Band C by the end

¹¹ Home Energy Conservation Act (HECA): <https://www.gov.uk/government/publications/2013-home-energy-conservation-act-heca-reports>

¹² Fuel poverty targets in Scotland: <http://www.legislation.gov.uk/asp/2019/10/enacted>

of 2030 and the supporting milestones of Band E by 2020 and Band D by 2025. We do not intend to set the milestones in legislation; Government already has a statutory duty to take such steps as are necessary to implement the fuel poverty strategy of which the interim milestones form part. We also do not intend to change the statutory target or add additional statutory targets at this time, as we feel the current target is ambitious but achievable and we should focus on publishing and implementing our strategy to achieve it.

Achieving net zero will require the housing stock to transition to improved energy efficiency and low carbon heating; we will continue to review progress toward net zero to ensure that fuel poor households remain early beneficiaries of this transition. The new Green Homes Grant programme will help fuel poor households to save on their energy bills and decarbonise, driving progress towards the fuel poverty target and net zero. We agree with the rationale that it may often be more cost effective and acceptable to consumers to improve homes to Band C in a single home upgrade rather than through repeated interventions. On the other hand, we expect there will be some situations where providing multiple measures in one visit will be more expensive; for example, because the cost of certain measures is decreasing over time. However, we also expect the delivery of multiple measures in one visit to minimise disruption to occupants and make the retrofit of millions of homes over the next decade more practical, so we intend to encourage a greater focus on the delivery of 'whole house retrofit' packages as we design new or updated policies.

We intend to set out our approach to delivering a greater degree of 'whole house retrofit' under a reformed 'Worst First' principle rather than through amending the milestones. Amending the milestones to require improvements to Band C risks unintended consequences such as homes which cannot be improved to Band C potentially being left behind by future policy.

Coordination between Central and Local Government, including HECA reporting, is discussed in "Improving partnership and learning."

Our guiding principles for meeting the fuel poverty target

This section of the consultation discussed our guiding principles: improving the least efficient homes first; seeking to deliver the strategy in a cost effective way; and considering the needs of vulnerable households. It also proposed a fourth principle about sustainability.

4. Do you have views or evidence on our proposal to add more detail on, and clarify, the meaning of the 'Worst First' principle, including the considerations raised above?

This question had 73 responses. 65 respondents were in favour of continuing and clarifying the 'Worst First' principle, while 8 expressed no opinion.

33 respondents supported a move to policies to incentivise the installation of multiple measures in a home at once with the aim of improving homes to the Band C target level, avoiding the need for multiple policy interventions. Several respondents suggested that whole house retrofits could be delivered by an alternate scheme, rather than ECO, because ECO is currently more suited to delivering one or two cost effective measures. Many respondents felt the 'Worst First' principle was not currently being applied to Government policy and it would be difficult for Government to fully apply this principle without further funding.

22 respondents commented on how the 'Worst First' principle must work together with the other guiding principles of cost effectiveness and considering vulnerability. A few respondents said that the 'Worst First' principle should only be applied insofar as it remains cost effective, but many respondents wrote the opposite – that the 'Worst First' principle should be “first amongst equals” or that it should take precedence over the other principles. Some respondents suggested the inclusion of considerations about who lives in the property in the 'Worst First' principle; these considerations are included in the vulnerability principle. Some respondents pointed out that it can be difficult to understand how the guiding principles work together and suggested the strategy include examples or case studies setting out how we intend the principles to interact and be implemented in practice.

Government response

Based on the strong support from respondents, we plan to retain and clarify the 'Worst First' principle. We also plan to include an emphasis on installing multiple measures in one visit. We intend to design the next generation of fuel poverty energy efficiency policies to incentivise the delivery of multiple measures. However, we will still support the installation of a single energy efficiency measure in a home as needed; for example, some homes only need one measure installed, there may be a continued need to support crisis boiler replacement or repair for vulnerable households, or household circumstances may dictate that a whole house retrofit is not appropriate at the time.

In the strategy, we intend to give examples of how the cost-effectiveness, vulnerability and 'Worst First' principles work together in practice. We see all principles as equal; no one principle takes priority. The 'Worst First' principle ensures Government focuses on those who need help most urgently, while cost-effectiveness ensures we help many households and spend funds wisely. Similarly, where the 'Worst First' principle focuses on the dwelling, we will always consider the needs of vulnerable individuals and families who live in them as part of the vulnerability principle.

5. Do you have views or evidence on our proposal to add more detail on, and clarify, the meaning of the cost effectiveness principle, including the considerations raised above?

This question had 82 responses.

32 responses highlighted the tension between the cost effectiveness principle and the ‘Worst First’ principle and welcomed clarity from Government. Several responses felt that the cost effectiveness principle should be a consideration but should have a lower priority than the other strategic principles. 3 respondents stated that the cost effectiveness principle should be removed altogether, either due to the need to decarbonise buildings or due to the importance of ensuring households have suitable living conditions. The majority of respondents suggested that in the implementation of the fuel poverty strategy to date, there had been an overemphasis placed on cost effectiveness. ECO was frequently cited as an example. Responses that commented on ECO specifically suggested the scheme should be designed so that fuel poor households are not expected to make a financial contribution, which is preventing the worst homes or most vulnerable from being supported. Responses also suggested that the low cost measures, loft insulation and cavity wall insulation, had largely been exhausted by schemes and the search and delivery costs were now making these measures less cost effective. Instead future schemes should focus on higher cost packages of measures that deliver significant benefits and will be a more cost effective way of meeting the fuel poverty target in the long term.

37 responses felt it was important that the full societal benefit of improving home energy efficiency and tackling fuel poverty is captured. Responses suggested that the current appraisal of benefits is too narrow, focusing on energy bill savings, carbon abatement and air quality impacts. Instead a broader view could be taken to capture the health and wellbeing impacts: savings to health and social care services, educational attainment and wider economic benefits of employment, up-skilling and productivity.

Other views included the need for greater clarity on how cost is considered as part of the determination of ‘as many as is reasonably practicable’. Responses cited the Private Rented Sector Minimum Energy Efficiency Standard cost caps as an example. Respondents felt the £3,500 cost cap for Band F and G rated homes should not be interpreted as what is considered cost effective for these homes and instead that the higher cost measures that are outside of the scope of this cost cap, should not be out of scope for meeting the fuel poverty target. Finally, some respondents suggested more detail would be welcome on ‘who pays’, and that fuel poverty policy should be funded through taxation rather than energy bills. These responses felt that the Treasury’s planned review of the distributional impacts meeting the net zero target for 2050 provides an opportunity for Government to set out ‘who pays’ for the cost of fuel poverty and decarbonisation.

Government response

We plan to retain and clarify the cost-effectiveness principle. We agree that Government should take a long term approach to cost-effectiveness. There will still be a tension between cost-effectiveness and ‘Worst First’ – for example there may be times when we will need to choose an approach between improving many Band E homes or fewer Band G homes – but we view the two principles equally and think balancing these two principles will allow us to help as many fuel poor households as possible. We intend to include more details of how these principles are intended to work together, as well as what cost effectiveness means as part of the context of “as many as is reasonably practicable”, in our fuel poverty strategy.

Some interpretations of our views on cost-effectiveness were inaccurate: for example, we do not view the Minimum Energy Efficiency Standards cost caps as the maximum that should be spent to improve the home of a fuel poor household. £3500 was a practical, cost effective and appropriate cost cap for this particular set of regulations; it is not necessarily the maximum that should be invested to improve a property to Band C over the next decade. We intend to consult on strengthening the Minimum Energy Efficiency Standards in due course

We are certainly in favour of capturing the wide range of benefits from a warm home in our cost-benefit analysis. Many of the ideas suggested are captured in our impact assessment, such as carbon saving, air quality and Quality Adjusted Life Years. We plan to include more health benefits in future Impact Assessments. We feel there is currently insufficient evidence on the relationship between energy efficiency and educational attainment, employment or productivity to include these topics in our Impact Assessments, but we will continue to review the situation as new research is completed.

We intend to provide further detail on 'who pays' the cost of meeting the fuel poverty target going forward. We see a continued role for regulations, including landlord standards and supplier obligations, as well as Government subsidy. The Treasury's Net Zero Review will look at the costs of decarbonisation, and assess options for where the costs could fall. As part of this it will consider distributional impacts as it sets out options around 'who pays' for the cost of the transition to net zero. We expect to publish the final report in 2021.

6. Do you have views or evidence on our proposal to add more detail on, and clarify, the meaning of the vulnerability principle and, in particular, on our proposed changes to the meaning of the principle?

There were 79 responses to this question, of which 77 welcomed the proposal to update and clarify the meaning of the vulnerability principle and in particular to link it to the National Institute for Health and Care Excellence (NICE)¹³ Guidance on Excess Winter Deaths and Illness and the Health Risks Associated with Cold Homes. 2 respondents did not agree, suggesting separate policy and strategy should focus on vulnerability, so as to avoid overstressing an already challenging fuel poverty agenda.

Of the 77 who welcomed this proposal, there were a mix of views on whether the fuel poverty strategy should consider all low income households who are vulnerable to the negative effects of living in a cold home or if the strategy should only consider fuel poor households (low income households living in an inefficient home). 17 respondents welcomed the inclusion of all low income households, including those living in Band A to C homes; 9 thought the vulnerability principle should be exclusively focused on fuel poor households; and 2 provided mixed views. Those who welcomed extending the vulnerability principle to any vulnerable households on a low income pointed out that these households truly need support. Those opposed to extending the principle to Band A to C homes pointed out that a household in an efficient home is not in fuel poverty – if they cannot afford their energy bills, they should receive increased benefits from DWP, not an increased Warm Home Discount from BEIS. Opponents of extending the principle also pointed out that it would divert support from those in fuel poverty, making Government less likely to meet its fuel poverty target.

Several further suggestions made were on the clarification and definition of the vulnerability principle. Some respondents stated that health is a subset of vulnerability, and any one health factor cannot be considered in isolation. Eligibility criteria should consider two or more factors (i.e. low income, age, physical or mental disabilities) in order to prioritise those with overlapping or multiple vulnerability risk factors.

Several respondents gave evidence on specific health conditions which could be a priority concern, including 3 respondents who highlighted chronic obstructive pulmonary disease (COPD) as a particular threat to those living in a cold home. Respondents also suggested that children of school age may face greater impacts through the effect of cold related illnesses, such as a greater prevalence of asthma and respiratory diseases. Respondents said that chronic cold conditions impair children's cognitive development and educational attainment, with the likelihood of long-term mental health impacts for such children into adulthood. Linked to cold homes, the All-Party Parliamentary Group on Carbon Monoxide¹⁴ noted that air quality and pollution sit alongside cold homes making certain groups particularly susceptible to the effects of carbon monoxide poisoning, including the elderly, pregnant women, young children, and people with respiratory or cardiovascular conditions.

11 respondents suggested that the vulnerability principle be updated to acknowledge crisis situations that may arise from sudden changes, such as a boiler breaking. These respondents recommended that Government should introduce a fund that enables boiler repairs and replacements where cold is a threat to health, and to explore a lower tariff or price cap for those undergoing treatment for serious health conditions. A few respondents noted another

¹³ National Institute for Health and Care Excellence: <https://www.nice.org.uk/guidance/ng6>

¹⁴ All-Party Parliamentary Group on Carbon Monoxide: <https://www.policyconnect.org.uk/appcog/home>

vulnerability factor as a person's ability to access support and operate 'efficiently' as an energy consumer, which can compound the effects of health, disability and age of living in a cold home, and called for our definition of 'vulnerability' to be aligned with Ofgem's updated Vulnerable Customers Strategy¹⁵.

Government response

We intend that the vulnerability principle should continue to be a routine consideration in fuel poverty policy development, ensuring that vulnerable households can access support. Implementing the vulnerability principle is one way in which Government satisfies its public sector equality duty under the Equality Act 2010.

We intend for the vulnerability principle to specifically consider the needs of low income households most at risk from the impact of living in a cold home. This view of vulnerability differs in focus to Ofgem; Ofgem's vulnerability strategy¹⁴ considers households most at risk of being unable to fully engage with the energy market, while the fuel poverty strategy is particularly concerned with those vulnerable to ill health or premature death from living in a cold home. However, we are working closely with Ofgem to ensure our work is joined up where appropriate.

We intend to use the evidence which underpins the NICE NG6 guidance on Excess Winter Deaths and Illness and the Health Risks Associated with Cold Homes¹⁶ as the basis for the health and age based criteria. We intend to reflect this updated view of vulnerability in the detailed tables of the annual fuel poverty statistics, so that we can track the level of vulnerable households in fuel poverty.

The health conditions listed in NICE NG6 guidelines can also be exacerbated by other issues raised in the consultation, such as the air quality impacts caused by the burning of solid fuels to heat the home. When developing policies to tackle fuel poverty, we will determine whether support should be prioritised for specific households who may be at the greatest risk to potential adverse health outcomes from living in a cold home. In the fuel poverty strategy, we do not intend to prioritise specific conditions within the NICE guidance or to only focus on households where there are multiple overlapping vulnerabilities; deciding whether to focus on particular health conditions is a question to be considered during policy design.

In considering income we are minded to include all low income households rather than just the fuel poor subset living in Band D to G rated homes. As part of policy development for schemes to address fuel poverty we will consider the appropriate support that may be required for vulnerable households. Although Band A to C rated low income households that are deemed to be at risk based on their health or age will not require support with energy efficiency measures, we still intend to assess whether other forms of support may be appropriate, such as the potential need for boiler repair or replacement in the event of a crisis.

¹⁵ Consumer Vulnerability Strategy 2025, Ofgem: <https://www.ofgem.gov.uk/publications-and-updates/consumer-vulnerability-strategy-2025>

¹⁶ Health Risks Associated Cold Homes, NICE: <https://www.nice.org.uk/guidance/ng6>

7. Do you agree with our proposal to create a fourth principle on aligning fuel poverty strategy with current and future Government priorities? Do you have views or evidence that may be useful in creating this principle?

Responses: 90

Yes: 79 (88%)

No: 3 (3%)

No View: 8 (9%)

90 people responded to this question.

79 respondents agreed with the proposal to introduce a new sustainability principle, aligning the strategy with other current and future Government priorities including net zero, decarbonisation of heat, clean growth, health inequalities, air quality and the future of the energy market. 19 respondents referenced that whilst they agreed with the principle of aligning work on fuel poverty with other priorities, related Government policies should also be cognisant of the fuel poverty strategy. This included ensuring that nobody is 'left behind' in a future energy market characterised by innovation and new technologies. Responses also suggested that the Government should explicitly consider an inclusive energy transition as part of an updated sustainability principle. This 'just transition', or 'climate justice' would seek to ensure that as policies are implemented to help achieve carbon neutrality by 2050, low income and the most vulnerable in society are not left behind. Respondents suggested this should include explicit consideration of how policies are funded, what subsidy may be required for those that are least able to pay and how new technology may impact those living in fuel poverty.

There were a mix of views on the role that fossil fuels should play in meeting the fuel poverty target. 8 responses explicitly stated that all fossil fuel-based heating should be phased out as a priority, including that the Fuel Poor Network Extension Scheme (FPNES) should stop extending the existing mains gas network. In contrast 11 responses explicitly recommended that FPNES should be retained and that Government should consider retaining the use of mains gas as a cost effective solution for tackling fuel poverty until a long term approach to heat decarbonisation is agreed and low carbon green gas is rolled out. 3 responses suggested that this caution should also be applied to the suggested phase out of heating oil and LPG, as work to explore how existing fossil fuel-based heating can be decarbonised continues. Whether in favour of continuation of support for fossil fuel heating or not, many respondents felt that fuel poor households should have better access to renewables.

20 respondents saw existing conflicts between fuel poverty and heat decarbonisation policy and agreed with the principle of a more sustainable approach on the condition that support is introduced to fund the transition to low carbon heating. Off grid fuel poverty was referenced in this context with immediate action required if Government wishes to phase out high carbon heating fuels in the mid-2020s.

4 respondents disagreed with the rationale of introducing a sustainability principle, referring to the tension between decarbonisation and keeping costs low for fuel poor consumers and that fuel poverty is too focused on energy efficiency and climate change as opposed to income and deprivation.

Government response

We will introduce a new sustainability principle in the updated fuel poverty strategy. We agree with the consensus from respondents that this new sustainability principle should ensure that fuel poverty policies are aligned with other priorities such as net zero, air quality and tackling health inequalities. It will be a more sustainable approach to ensure that fuel poverty policies are retrofitting homes in a way that contributes to heat decarbonisation and air quality goals,

rather than solely focusing on the heating source with the lowest running cost. It will also be more sustainable to tackle health inequalities by ensuring that homes are fit for purpose.

We also agree with respondents that the sustainability principle should imply cross-Government action to tackle fuel poverty. For example, it will be important to ensure that the needs of low income and fuel poor households are considered as part of an inclusive 'just transition' to a zero-carbon energy system. Her Majesty's Treasury is currently conducting a review of how the transition to net zero should be funded and intend to publish the results later this year.

We agree that the updated Fuel Poverty Strategy for England should align with Government's plans to decarbonise heat. We will consider whether support for fossil fuel based heating, such as boiler replacement and repair, may play a continued role in meeting the fuel poverty target and ensuring households can stay adequately warm in particular circumstances. However, we are increasingly looking toward low carbon heating solutions. From 2025, the Future Homes Standard will ensure that new homes produce at least 75% lower CO2 emissions compared to those built to current standards. This represents a considerable improvement in energy efficiency standards for new homes. These homes will be future-proofed with low carbon heating and high levels of energy efficiency. Ahead of the Future Homes Standard, we will introduce an interim uplift in energy efficiency standards for new homes in 2021. New homes built under the interim standard will be expected to produce 31% less CO2 emissions compared to current standards. This will deliver high-quality homes that are in line with our broader housing commitments and encourage homes that are future-proofed for the longer-term.

Existing homes with fossil fuel based heating will also need to be decarbonised. Initially this work will focus on households off the mains gas grid and will look at how we can ensure households in fuel poverty are early beneficiaries from low carbon technologies. For example, the Green Homes Grant could support fuel poor households to install low carbon heat in combination with energy efficiency measures where appropriate. We see this as a more sustainable solution to making progress towards the fuel poverty target rather than continuing to provide support to link new homes to the mains gas grid.

8. Would you suggest any other guiding strategic principles? Do you have any other views or evidence on the guiding principles?

47 responses provided views on additional principles that should be considered as part of the fuel poverty strategy. There was little consensus on what any additional principles should focus on. 4 responses suggested that the strategy should have a greater focus on health and avoiding preventable excess winter deaths. 4 responses felt that simplicity should be an overriding principle, ensuring that policies are designed and implemented citing the current complexity of energy policies making it difficult for consumer groups, Government and industry to communicate them effectively.

3 responses felt that a principle of 'preparing the ground for future action' or 'once in, complete all possible' should be introduced. This would be intended to ensure that action taken to meet shorter term targets should make it easier to meet longer term objectives. An example would be ensuring that home energy upgrades to inefficient homes consider what will be required to improve homes to the fuel poverty target standard and in achieving net zero. 3 responses referenced the view that the current way fuel poverty policies are funded is regressive and called for funding through general taxation rather than through energy bills. 2 responses welcomed further information on the interaction between the proposed four principles, with clarity on how for example the worst first and cost effectiveness principles will be implemented in policy design.

Government response

Given the lack of consensus, we are only minded to include four guiding principles in the updated fuel poverty strategy. We consider: "who pays" in the cost-effectiveness principle; we focus on health and accessibility to the full range of different households in the vulnerability principle; we will focus on taking thoughtful longer-term decisions in the sustainability principle; and we plan to clarify how the four principles will interact in the strategy.

The strategic approach in the future

This section of the consultation discussed the eight strategic challenges we must overcome in order to tackle fuel poverty.

Improving energy efficiency standards in fuel poor homes

9. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to improve energy efficiency for households in fuel poverty?
10. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to improve energy efficiency for households in fuel poverty?

78 respondents answered this question. Most respondents shared a variety of potential policies and commitments to improve energy efficiency for households in fuel poverty.

On the Private Rented Sector regulations, a number of those who responded recommended that Government should publish a clear trajectory setting out the regulations that will ensure all rental properties are improved to Band C by 2030 and the cost cap imposed on landlords should be increased. Many suggested that adequate funding should be made available to local authorities to enforce these minimum standards, which should be publicised. Respondents also wanted to see greater incentives for landlords who take their properties beyond minimum standards.

With regards to ECO, a significant number of respondents stated that funding ECO through bills was regressive and there should be a move towards general taxation. If the successor to the ECO is not to be funded through taxation, a few respondents suggested it could be funded through a levy on energy suppliers or by expanding the obligation to Gas Distribution Networks. Many respondents also called for an area based energy efficiency scheme where local authorities could use government funding in full, or in addition to funding received under ECO, to improve energy efficiency in all homes. There was some support for ECO to take a whole house, 'straight to C' approach, as discussed in the 'Worst First' principle.

A significant number of respondents felt that in order to achieve the fuel poverty targets, Treasury should allocate circa £1 billion of funding to run from 2019 to 2021, with a further £1.8 billion allocated to run from 2022 to 2025 in order to achieve the 2025 milestone. Several other policy suggestions were referenced, including recommendations for local authority led area based schemes that focus on the regeneration of deprived neighbourhoods using local contractors.

Some respondents also called for greater funding and support for social housing, including allocating £3.8bn to improve the energy efficiency of social housing between now and 2030. There was also support for increased policy and incentives for owner-occupiers to improve energy efficiency; for example, introducing tax incentives for installing energy efficiency measures. Several respondents believed that the Each Home Counts review must be implemented for work to be carried out to high standards coupled with clear lines of accountability when not carried out to the standard required.

Government response

Government agrees that more must be done across all tenure types to achieve the fuel poverty target and net zero. Improving fuel poor homes to Band C by the end of 2030, and as many homes as possible to Band C by 2035, will require a mix of subsidy, incentives and regulation. Improving the energy efficiency of homes also requires a robust and trustworthy supply chain, as outlined in the Each Home Counts review. Where relevant, ECO installers are now required to be registered with TrustMark, which will raise standards and improve confidence in the energy efficiency industry.

We recognise that fuel poor owner occupiers will typically need financial support toward energy efficiency measures. The Green Homes Grant is providing £2 billion of funding towards energy efficiency and low carbon heating measures, £1 billion of which is specifically targeted at low income and fuel poor households. ECO, or its successor scheme, will continue to provide at least £640 million per year for household energy efficiency until 2028. BEIS will consult on how the successor to ECO should be funded, which households should be targeted, to what extent ECO should emphasise a “straight to C” approach through the delivery of measure packages including insulation and low carbon heating, and the continuing role of local authorities under a future scheme. In the Private Rented Sector, we agree that the Minimum Energy Efficiency Standards must go further to lift households out of fuel poverty, as well as supporting our net zero ambition. We intend to consult on updating the Minimum Energy Efficiency Standards, to ensure privately rented properties reach Band C by 2030 where practical, affordable and cost-effective. BEIS has recently concluded the first stage of a pilot project on enforcing the Minimum Energy Efficiency Standards with 7 local authorities and is now undertaking stage two, sharing best practices and lessons learnt with a wider cross-section of local authorities in order to build a toolkit of best practices for local authorities across England and Wales.

We agree that we must improve the energy efficiency of social housing in order to meet the fuel poverty target. The Social Housing Green Paper says that homes should be safe and decent. In any review of the Decent Homes Standard, where practicable, we will consider whether we should require the energy performance of social homes to be upgraded to Energy Performance Certificate C by 2030 where practical, cost-effective and affordable.

Working together to help the fuel poor through partnership and learning

11. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to improve partnership and learning on fuel poverty?
12. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to improve partnership and learning on fuel poverty?

There were 62 responses to these questions. The most common response was a call for stable and transparent funding. 25 respondents said that short-term, unstable funding made it difficult to develop long-term partnerships. In addition, 5 respondents said that fuel poverty policies like ECO should change less often to enable more partnership working.

10 respondents called for stronger links between local authorities, local health services, and charities. A few respondents called for clearer reporting on fuel poverty at the local authority level, such as through regular Home Energy Conservation Act (HECA) reports, and called on Government to develop capacity within local authorities. Some said research on the effects of fuel poverty on health would enable closer working with the NHS; this is discussed under 'Improving the evidence base'.

More than 30 respondents commented on the positive role ECO Local Authority Flexible Eligibility (ECO Flex) had played in re-engaging local authorities, although one called for better evaluation of the ECO Flex programme. Respondents suggested reforming ECO Flex to make it easier for health services and community energy groups to access. Additionally, consideration should be given to providing local authorities with a default Statement of Intent (SOI) that could be automatically in place, to ensure vulnerable households are still eligible for ECO Flex even if local authorities do not put forward their own SOI. Respondents suggested monitoring of the quality of SOIs on an on-going basis to ensure that they capture the households that the scheme is aimed at, and that they include partnerships between local authorities and the health sector.

16 respondents suggested that there should be coordination between ECO and Disabled Facilities Grants and the Better Care Fund, and that these should be used in combination with energy efficiency funding to ensure that homes are fit for purpose and that the vulnerable individuals are able to stay in their homes for longer. A few respondents suggested that a small proportion of Department of Health and Social Care funding should be allocated to ECO in order to increase the number of measures installed.

Respondents also suggested that there should be cross organisational working, collaboration and partnerships between the Department of Health and Social Care, Public Health England, and Department for Business, Energy and Industrial Strategy in aligning policies and funding streams. Some respondents also suggested that Government needs to establish relevant departmental capital spending to ensure all services have some resource to help sustain existing preventative health-related fuel poverty initiatives. Respondents also suggested that these initiatives need to be fully monetised, targeting the health benefits of meeting fuel poverty commitments and within relevant Net Present Value calculations.

Several respondents called for Government departments to work better together and to facilitate sharing of best practices amongst other groups. 9 respondents suggested they would like to see an increase in cross-Whitehall cooperation. 6 respondents called for Government to share best practices, for example by funding health toolkits or collecting examples of best

practices from Registered Social Landlords. One respondent suggested the Department for Work and Pensions should extend benefit entitlement checks to recipients of energy efficiency measures.

The Committee on Fuel Poverty was the only respondent to mention BEIS's existing commitments in relation to partnership and learning; they said that existing commitments remain appropriate, such as "consider[ing] which partners are most appropriate to enable delivery to different segments of the fuel poor population."

8 respondents called for an expanded use of the Digital Economy Act. This topic is discussed under 'Improving targeting'. Many other ideas for cooperation were only mentioned once. For example, Government was called upon to ensure people with lived experience of fuel poverty are shaping policies and involve health stakeholders in the design of the next iteration of ECO.

Finally, 5 respondents clarified that it was important that Government do not require partnership working. Although they appreciated the benefits of partnership working, and wanted to see Government encourage it, they were concerned that Government could be overly prescriptive.

Government response

The Green Homes Grant Local Authority Delivery scheme will see local authorities and Local Energy Hubs collaborate to deliver £500 million of energy efficiency and low carbon heating measures. Phase 1 of Local Authority Delivery is currently underway; with delivery of Phase 2 to follow.

Should the WHD scheme be extended beyond 2022, we are minded to continue Industry Initiatives as part of the future of the Warm Home Discount, with funding opportunities for partnerships, and plan to consult on this in due course.

Government is planning to consult on a successor scheme to ECO. We agree that ECO Flex has had a positive impact in re-engaging local authorities; we will consult on the continued role of local authorities in the successor to the ECO scheme. We do not foresee health services and community energy groups bypassing local authorities and setting their own criteria for ECO eligibility; we believe governance at a local authority level leads to better coordination and outcomes than allowing every group to set their own criteria. BEIS are continuing to monitor SOIs and are offering guidance to local authorities to help align SOIs with current policy objectives. Learning from this and the multi-year ECO evaluation covering ECO Flex will help inform the role of local authority referrals going forward, including whether the Statement of Intent process should be reformed.

Central Government departments are working together to design and implement the Fuel Poverty Strategy for England. Officials from several Departments meet regularly to discuss developments in fuel poverty. We do not foresee funding being reallocated from the Department of Health and Social Care to ECO. However, Government is working to decrease barriers between energy efficiency funding and related areas to have a more joined up approach. Officials from BEIS, DHSC, and Public Health England will continue to work together to design future fuel poverty schemes.

We have previously worked with local authorities to produce Cold Home Toolkits¹⁷ (2018) and guidance on enforcing the Minimum Energy Efficiency Standards (ongoing). We plan to

¹⁷Cold Home Toolkits, Citizens Advice: <https://www.citizensadvice.org.uk/cymraeg/about-us/how-we-provide-advice/advice-partnerships/cold-homes-toolkit/>

continue working with local authorities, including monitoring regular HECA reporting.¹⁸ We plan to continue working with local partners and sharing best practices going forward. However, although we recognise the value of partnership working, we have no current plans to *require* organisations to work together.

We agree with the Committee on Fuel Poverty that many of the commitments in this section remain applicable and we intend to retain several, while reviewing to ensure all commitments are up to date.

¹⁸Guidance on Home Energy Conservation Act (HECA): <https://www.gov.uk/government/publications/guidance-to-english-energy-conservation-authorities-the-home-energy-conservation-act-1995>

Increasing effective targeting of fuel poor households

13. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to improve targeting for households in fuel poverty?
14. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to improve targeting for households in fuel poverty?

83 people answered this question. Responses suggested that both ECO and the Warm Home Discount should be better targeted at those who need it most.

The most common suggestion of how to improve targeting was improved access to data and greater data sharing. Data sharing in general was seen as a way of helping to implement the other commitments in the strategy, as well as facilitating a joined-up approach between different authorities and those who hold various data sets to ensure better targeting of fuel poverty measures. Some of these respondents called for clearer guidance and data sharing from Government on how to use the existing Digital Economy Act. Other suggestions fall outside the scope of the current provisions – for example, sharing patient-level data between the NHS and local authorities.

Many respondents called for further research into improving targeting. Recommendations included:

- Creating a “Building Passport” or logbook to record building characteristics;
- Improving the quality and timeliness of EPCs, including central storage of data and for EPCs to be carried out before and after energy efficiency installations;
- Using qualitative research;
- Using knowledge local authorities are gaining through the delivery of ECO Flex; and
- Using smart meter data to highlight potential issues and to evaluate the energy savings from installations.

Many respondents called on Government to provide more data to local authorities and to more clearly target the least efficient homes. Conversely, there was some argument for the removal of restrictions on local authorities to allocate funding how they so wished as they, and other frontline workers, have greater insight into the areas of greatest need.

Government response

We agree that the targeting of both ECO and the Warm Home Discount can and should improve over the coming years. Should the scheme be extended beyond 2022, we plan to consult on reforming the Warm Home Discount, including on how eligibility criteria could be reformed to better help those in fuel poverty by early 2021. We will also consult on eligibility criteria for the ECO successor scheme in due course.

We are considering how we could improve the use of the Digital Economy Act; however, we are not currently planning to expand the scope of the Act.

MHCLG is currently working with industry through the Home Buying and Selling Group in order to explore the issues around creation of a logbook for properties.

We agree that high-quality, reliable Energy Performance Certificates are essential for targeting the least efficient properties. We have reviewed the responses to the Energy Performance Certificate Call for Evidence and intend to publish an EPC Action Plan in due course.

Some academics are optimistic about the use of qualitative research to identify households in fuel poverty. As one example, Government could ask households if they ever struggle to pay their heating bills during the winter, and target assistance at those households who say yes. BEIS statisticians have recently published further research on this topic¹⁹.

BEIS is currently funding two innovation competitions to identify new ways of using smart meter data to target advice and intervention. The Smart Energy Savings (SENS) competition²⁰ is developing and trialling innovative feedback products and services that use smart meter data, to help domestic customers manage and reduce their energy consumption. The Smart Meter Enabled Thermal Efficiency Ratings (SMETER) Innovation Programme²¹ is developing, testing and demonstrating technologies that measure the thermal performance of homes, using smart meter and other data. The programme is over halfway complete, with Phase 2, focussed on the trialling of SMETER technologies in real homes, having recently begun. The results and evidence on effectiveness of these new approaches are expected to become available in 2021. In the meantime, BEIS will be exploring with stakeholders how such approaches might be scaled up nationally.

We agree that local authorities are valued partners as part of ECO Flex – this is discussed under ‘Improving partnership and learning’. As local authorities have varying levels of expertise in targeting fuel poor households, we plan to produce guidance for local authorities, while supporting their efforts to target the households in greatest need.

¹⁹ *Energy Trends: What are households’ perceptions of fuel poverty?*

<https://www.gov.uk/government/publications/energy-trends-june-2020-special-feature-article-what-are-households-perceptions-of-fuel-poverty>

²⁰SENS competition: <https://www.gov.uk/government/publications/smart-energy-savings-sens-competition>

²¹SMETER innovation programme: <https://www.gov.uk/guidance/smart-meter-enabled-thermal-efficiency-ratings-smeter-innovation-programme>

Improving the reach of support to certain high cost homes

15. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to support households in fuel poverty in high cost homes?
16. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to support households in fuel poverty in high cost homes?

This question received 60 responses. Many respondents referenced off-grid decarbonisation and sustainability, which is discussed under the 'sustainability principle'.

15 respondents mentioned differences between rural and urban fuel poverty. All but one of those respondents agreed there should be more focus on rural households in fuel poverty. Several of these respondents noted that they did not agree with ECO's definition of rural, which includes 'town and fringe' areas, and would prefer the rural minimum to include only 'villages, hamlets and isolated dwellings'. Several respondents supported a Government-funded fuel poverty scheme with a rural-only component.

Several respondents expressed frustration that the Renewable Heat Incentive had not been made more accessible to fuel poor households. One respondent felt that asking off-grid households to decarbonise first, without providing funding, would be unjust, because the off-grid households who are decarbonising now will drive down the cost of technologies, at which point on-grid households will decarbonise at a reduced price. Another respondent called on Government to review the current position of encouraging electric heating systems being fitted, given concerns over costs. Respondents felt funding should be provided to support low income households who are off the gas grid to support the transition to low-carbon heat.

Several respondents focused on homes which are particularly hard to treat, such as those with solid walls. Respondents were concerned that these homes may not be considered 'cost effective' and therefore could miss out on support. Respondents suggested several methods of improving energy efficiency in hard to treat homes:

- Increasing the ECO solid wall minimum;
- Improving enforcement of the Minimum Energy Efficiency Standards for landlords, or encouraging landlords to go beyond the minimum requirements (discussed under 'Improving energy efficiency'); and
- Using innovation funding to bring down the price of Solid Wall Insulation.

Respondents also raised concerns about other types of properties where vulnerable householders might need additional support, including:

- Temporary accommodation (e.g. provided by a local authority);
- Park homes;
- Homes with electric panel storage heating or Warm Air Heating Systems; and
- Houses of Multiple Occupation, which several responses said should be clearly included in both Energy Performance Certificate and Minimum Energy Efficiency Standards regulations.

Government response

We agree that dedicated funding may be required to tackle high cost homes that are off the mains gas grid and have taken action. The Green Homes Grant is intended to focus on upgrading the homes of low income households in England. The scheme aims to take these households out of fuel poverty through energy efficiency and low carbon heating upgrades. We will set out further details in due course, but intend for the policy to address many of the issues highlighted in this section of the consultation. The Green Homes Grant Local Authority Delivery scheme will allow local authorities, including those in rural areas, to target low income households in their area for energy efficiency and low carbon heating upgrades.

We are not minded to reform the definition of rural used in ECO. The definition used is based on the Office of National Statistics rural-urban classification system. ECO delivery statistics highlight that 'villages, hamlets and isolated dwellings' and 'town and fringe' have benefitted from a similar number of measures installed, at 150,000 and 180,000 respectively. Since the 'rural sub-obligation' has applied to low income households as part of the Affordable Warmth Obligation 50% of measures installed under the rural sub obligation were in 'villages, hamlets and isolated dwellings'. Note that these figures apply to England and Wales; the definition of 'villages, hamlets and isolated dwellings' does not apply in Scotland.

We agree that hard to treat homes may require special consideration. We will welcome responses on hard to treat homes, including those with solid walls, when we consult on the successor to ECO. We will be investing approximately £9.5 million in reducing the cost of whole house retrofit through the Whole House Retrofit Challenge Fund as part of the Buildings Mission.

We are aware that certain forms of housing can have particular barriers to accessing support. For example, if a park home does not have its own electricity meter, it may struggle to access a traditional Warm Home Discount. In addition, if a park home does not have a permanent address, it would not fall within our fuel poverty statistics. We do however recognise that people living in these homes that are on low incomes may struggle with the costs of keeping warm. We will therefore consider where support can be tailored to support such households. For example, under Warm Home Discount industry initiatives we have worked to overcome the barrier of many park home residents not having a domestic energy supply preventing Warm Home Discount rebates for otherwise eligible households. In addition, park home owners are eligible for up to £10,000 of energy efficiency and low carbon heating measures with no customer contribution under the Green Homes Grants.

Not every House of Multiple Occupation needs an Energy Performance Certificate; however, some will require an Energy Performance Certificate and are therefore in scope of the Minimum Energy Efficiency Standards. Government plans to update Energy Performance of Buildings guidance to clarify when an Energy Performance Certificate is required for HMOs.²²

²² A guide to energy performance certificates for the marketing, sale and let of dwellings, MHCLG: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/671018/A_guide_to_energy_performance_certificates_for_the_marketing_sale_and_let_of_dwellings.pdf

Improving the reach of support to certain low income households

17. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to improve support for low income households who are most at risk of adverse health outcomes from living in a cold home?
18. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to improve support for low income households who are most at risk of adverse health outcomes from living in a cold home?

There were 62 respondents who suggested a range of policies and commitments in response to questions 17 and 18.

Respondents had a variety of suggestions, which included:

- implementing cold home referrals, 'boiler on prescription' and other forms of social prescribing in all local authority areas;
- ensuring national advice services cater for the needs of low income and vulnerable households, linking demand to available support;
- using the Better Care Fund and/or the Disabled Facilities Grant alongside ECO to fund energy efficiency measures for vulnerable households;
- recognising the value of energy efficiency programmes within the Green Paper on Prevention and the forthcoming Green Paper on Social Care in England;
- providing funding to expand the 2015 Health Booster fund²³; and
- providing renewable technologies for vulnerable households.

Several respondents made comments around the consideration of cold homes in the health sector. Some respondents wanted to see the NHS held accountable for preventative healthcare, such as addressing fuel poverty. They suggested social prescribing for warm and healthy homes should form part of the NHS long term plan. Local Authority Health Scrutiny Committees and Health and Wellbeing boards should implement this as part of tackling health inequalities.

Additionally, respondents called for the Housing, Health and Safety Rating Scheme (HHSRS) to be aligned with NICE guidelines and that any review of HHSRS should be tied into updating definitions on vulnerability; and that the regulations under MEES should also be aligned with the HHSRS, so that there is only one form of compliance. Respondents also suggested that the Excess Winter Death Index²⁴ categories could link with the 'Excess Cold' category in the statutory HHSRS to define at risk categories; and that enforcement action under the HHSRS should be part of the fuel poverty strategy, providing funding for local authorities to fully enforce the HHSRS.

²³ The Fuel Poverty and Health Booster Fund, BEIS: <https://www.gov.uk/government/publications/the-fuel-poverty-and-health-booster-fund>

²⁴ Excess Winter Deaths index, Office of National Statistics: <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/excesswintermortalityinenglandandwales/2017to2018provisionaland2016to2017final>

Respondents also suggested that the NICE guidelines should be made mandatory for NHS Commissioners; training on the impacts of cold and damp housing should be built into training for frontline health and social care professionals; and that GPs should be able to communicate energy efficiency messages to patients at risk. This would also incorporate cold homes assessments built into discharge plans for those with a health risk, and at other appropriate intervention points. Respondents stated that the above measures should be implemented by a central Government funded strategy ensuring the NICE guidance become mandatory.

Respondents also suggested that the Better Care Fund and Disabled Facilities Grant need to be promoted, joined up and used alongside energy efficiency funding. Other respondents suggested that a portion of Disabled Facilities Grant is allocated to energy efficiency and fuel poverty. This topic is addressed in “Improving partnership and learning.”

Respondents also suggested that:

- the improved Health Impacts of Domestic Energy Efficiency Measures (HIDEEM) model²⁵ should be made available to local practitioners alongside the promotion of appropriate user guidance.
- data sharing is seen as a mechanism for suppliers to identify vulnerable customers (discussed under ‘Improving targeting’)
- the Warm Home Discount and Cold Weather Payments should be reformed (discussed under ‘Decreasing the financial burden of energy bills’).
- extending and/or reforming ECO Flex to make it easier to access for local and community energy groups, health services and energy suppliers to contribute to the ‘flexible eligibility’ process (discussed under ‘Improving partnership and learning’).
- Better cross-Government coordination to support low income households vulnerable to the cold (discussed under ‘Improving partnership and learning’);

Government response

We agree that cold home referrals can play an important role in the identification of households that are most in need of support and most at risk from potential adverse health outcomes from living in a cold home. We want to “Make Every Contact Count”²⁶, ensuring that when a frontline professional identifies a vulnerable household, they are able to efficiently refer to available support. We will aim to design the next generation of fuel poverty schemes so funding can work more effectively with cold home referrals and make it easier for funding to be blended locally to maximise the support available for those in the greatest need. BEIS will consider whether it needs to update the Simple Energy Advice Service to facilitate cold home referrals and to ensure that low income households can receive advice and signposting to available support.

The NHS long term plan was published in August 2019²⁷. The plan includes detail on anticipatory care, social prescribing and tackling health inequalities. DHSC, PHE and BEIS are working together on how tackling cold homes reflects and supports this agenda, in addition to

²⁵ HIDEEM, UCL: <https://www.ucl.ac.uk/energy-models/models/hideem>

²⁶ Making Every Contact Count: <https://www.makeeverycontactcount.co.uk/>

²⁷ *The NHS Long Term Plan*, NHS: <https://www.longtermplan.nhs.uk/publication/nhs-long-term-plan/>

the considerations of homes as part of the DHSC Green Paper on preventative healthcare in the 2020s. The Government and its partners have been reviewing the functioning of the Better Care Fund to ensure that it is fully supportive of better joint working and collaboration.

Government does not wish to place a regulatory burden on the health sector by making the NICE NG6 Guidance mandatory; instead, we publish and promote the NICE quick guides such as *'Helping to prevent winter deaths and illnesses associated with cold homes for easy access'*²⁸. We do however agree that the impacts of cold and damp housing should be built into training for health and social care professionals. In 2019, Public Health England developed an e-learning module²⁹ to help frontline healthcare workers identify cold and damp homes and refer their patients to available support. The content of the module is based on NICE Guidance NG6 'Excess winter deaths and illness and the health risks associated with cold homes' and Citizens Advice's 'Cold Homes Toolkit'. Furthermore, the Cold Weather Plan for England and allied resources, including the Keep Warm Keep Well leaflet and training slide packs for local authority and NHS colleagues on Excess Winter Deaths, are published on the PHE .gov website.

MHCLG is currently undertaking a comprehensive review of the HHSRS to make it simpler and quicker for local authorities to assess health and safety standards in rented homes. BEIS will work closely with MHCLG during the review, particularly on issues around the 'excess cold' hazard given the relationship with fuel poverty.

As a result of the above actions and through the implementation of the updated vulnerability principle we aim for different parts of Government policy to drive complementary action to close health inequalities and improve health outcomes for low income vulnerable households.

²⁸ NICE Quick Guide Helping to prevent winter deaths and illnesses associated with cold homes: <https://www.nice.org.uk/about/nice-communities/social-care/quick-guides>

²⁹ Public Health England e-learning module for health care staff: <https://www.e-lfh.org.uk/programmes/cold-homes/>

Tackling the financial burden of energy bills for those on low incomes

19. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to decrease the financial burden of energy bills for households in fuel poverty?
20. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to decrease the financial burden of energy bills for households in fuel poverty?

80 respondents responded to these questions. Most of the policy suggestions were not in isolation but came as a combination of suggestions. A majority of these suggestions focussed on the extension and revision of the financial schemes which help to alleviate fuel poverty: Cold Weather Payments, Warm Home Discount, and Winter Fuel Payments. Respondents suggested the Warm Home Discount Core Group should be extended so that households continue to receive support beyond 2021 and expanded so that more people get the rebate automatically. Some also suggested Cold Weather Payments should be retargeted.

Conversely, several respondents suggested that energy efficiency measures should be prioritised over financial support like the Warm Home Discount and Winter Fuel Payments.

Several respondents called for a social tariff (discussed in 'Creating a fairer energy market'). The two other commitments most commonly mentioned were a continued commitment to income maximisation services to ensure those customers who are eligible for benefits are claiming them and using energy consumption data to identify low income households (discussed in 'Improving targeting'.)

Other suggestions included introducing practical skills such as reading fuel bills to the National Curriculum, more advisory services (discussed in 'Creating a fairer energy market'), and expanding Winter Fuel Payments to a £500 payment for all low income, vulnerable and elderly households.

Government response

Whilst improving energy efficiency is the best long term and sustainable solution to tackling fuel poverty Government sees financial support as continuing to play a role in supporting fuel poor households. Financial support can effectively reduce the burden of energy bills for households who have not yet had energy efficiency measures installed, as well as those most vulnerable to the effects of a cold home and those who live in a home which cannot feasibly be retrofitted.

Government is committed to retaining the Winter Fuel Payments and Cold Weather Payments, which provide important support to pension aged and other vulnerable households with the costs of keeping warm over the winter months. Government is minded to extend the Warm Home Discount for a further year (winter 2021/22), whilst considering future reform. Proposals for the one-year extension include proposals for using Industry Initiatives to further benefit those households at risk of self-rationing or self-disconnection. In future, should the scheme be extended further, we intend that the scheme should provide automatic rebates for households who are most at risk of fuel poverty, rather than having the 'Broader Group' apply for rebates annually. We will consult on reform in due course.

Ensuring the fuel poor are able to get maximum benefit from a fair and functioning energy market

21. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to create a fairer energy market for households in fuel poverty?

22. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to create a fairer energy market for households in fuel poverty?

51 respondents responded to this question. 27 of those respondents specifically stated that protecting vulnerable consumers through post-price cap protections should be a priority. There was a clear call for price protections; while the price cap is largely seen as positive, a larger number of respondents suggested that it was either distorting the market or problematic in some other way. Respondents asked for a clear and strategic commitment to post-price cap protections from the government. Some responses suggested that lack of access to broadband was preventing a functioning market and that the Government should consider social tariffs for customers who are unable to engage with the market effectively.

Many respondents agreed that self-disconnection is a serious problem that the government needs to address. A small number asked the government to consider eradicating pre-payment meters. More broadly, responses asked for more protections to be put in place through regulation, licensing conditions and for Ofgem to make protecting vulnerable consumers and fuel poor households an absolute priority. Respondents said that affordability should be part of the fuel poverty strategy. Additionally, they said that Warm Home Discount should be extended, expanded and made available by all suppliers and that ECO needs to be reformed an obligation on all suppliers.

Several respondents said that switching processes need to be easier and more transparent. In particular, responses called for price comparison websites to be easier to use, more transparent and actually compare like-for-like, instead of hiding fees or distorting tariffs in some other way. Customer service ratings for vulnerable consumers and clear labelling of tariffs would be useful. Additionally, more free energy advice and support with switching needs to be made available.

Responses consistently called for offline customers to be protected from discrimination, noting that the digital divide is increasing and must be addressed. They also said that the best tariffs should be available to all consumers, especially the vulnerable, elderly and disabled - those most likely to be offline.

Respondents called for Ofgem to report annually on its progress on delivering policy to the government. The government is asked to design and respond to reports from Ofgem and adjust or revise policies accordingly.

Some respondents suggested giving more responsibility and power to local authorities (discussed in 'Partnership and learning') and others mentioned concerns about decarbonisation (discussed in 'Sustainability principle').

Government response

We agree with respondents that a clear plan is needed to protect vulnerable consumers following the end of the price cap. This is being considered as part of the Government and

Ofgem's Future Energy Retail Market Review, which published a consultation in 2019.³⁰ In the consultation, we set out some options for enduring policy to protect consumers from harmful loyalty penalty pricing. Our vision is that all consumers should be paying a competitive price for their energy and consumers in vulnerable situations should be appropriately protected. The Government intends to follow up on this consultation later this year.

We agree that self-disconnection and self-rationing are concerns and will assess the need for further protections for those at risk of self-disconnection and self-rationing. Self-disconnection and self-rationing are especially concerning right now as COVID-19 has changed people's incomes and energy use. To support domestic energy consumers, on 19 March we established an industry-wide agreement to a set of principles for assisting consumers through difficulties caused by COVID-19. All energy suppliers agreed to:

- Identify and prioritise customers at risk;
- Support customers who are impacted financially as a direct or indirect result of COVID-19;
- Support pre-payment customers directly or indirectly impacted by COVID-19 to stay on supply; and
- Provide information to their customers.

The support offered to customers is based on the individual circumstances of the customer and the system, processes and capability of the supply company, but includes suspending credit meter disconnections, pausing or reducing debt repayment, and referring customers to third party debt advisers such as StepChange and Citizens Advice. The updated Fuel Poverty Strategy for England will also reflect any further support for consumers to take account of COVID-19 impacts

We will continue to work with Ofgem to ensure pre-payment meters are used appropriately. Ofgem is currently consulting on introducing additional identification and assistance requirements, including mandatory emergency credit and emphasising the Ability to Pay Principle. We do not agree that pre-payment meters should be eradicated. Smart meters are transforming the pre-payment consumer experience by offering a range of additional benefits for consumers, including greater visibility of their credit balance and the opportunity to top-up online or over the phone. The Government has worked with industry to share good practice to ensure that pre-payment consumers (who are more likely to be in vulnerable circumstances) receive targeted support. As a result of these improvements, prepayment consumers are particularly strong advocates of smart metering. We are also considering how Warm Home Discount Industry Initiatives may further benefit those households at risk of self-rationing or self-disconnection.

The Department for Business, Energy and Industrial Strategy is working closely with Ofgem and industry to support the transition to a smarter, more flexible energy system. As part of this, we are considering how consumers should be protected and how to ensure the benefits accrue to all consumers, including the fuel poor. For example, Ofgem are considering the impacts of half-hourly settlement on consumers. We are also working with industry to consider how to update the Standard Assessment Procedure to recognise smart meters and other smart technologies and their impacts on the energy performance of homes. This could mean that in future it is easier for smart technologies to be accessed through policies such as ECO and

³⁰ 'Flexible and responsive energy markets', BEIS and Ofgem:
<https://www.gov.uk/government/consultations/flexible-and-responsive-energy-retail-markets>

support consumers, including those in fuel poverty, to reduce their energy bills. We will continue to engage with stakeholders and evaluate the potential issues for consumers in a smart energy system to ensure protections remain appropriate.

We agree with responses which emphasise the importance of consumer engagement. Government will seek to ensure that fuel poor households are able to understand and take control of their energy usage. Government is considering whether to further regulate third party intermediaries, including price comparison websites. We support the Big Energy Saving Network, now operated by Citizen's Advice, and have launched a new digital Simple Energy Advice service. To help support households affected by COVID-19, we will be providing nearly £38 million to charities who provide debt advice, including support with energy debt.³¹ We recently launched an innovation project to demonstrate innovative new approaches to domestic tariff comparisons, utilising smart meter data to provide consumers with comparisons based on actual consumption; in addition to enabling comparisons of new smart-meter enabled time-of-use and export tariffs. We will continue to consider the needs of vulnerable consumers as we promote the installation of smart meters and smart energy technologies – for example, by researching the outcomes and impact of smart meters on the energy use of vulnerable consumers. Alongside this, we will be launching a research project in 2020 to identify innovation based on smart technologies and smart tariffs that could aid low income and vulnerable consumer groups. We intend to use this research for future innovation design and to consider how to incorporate smart technologies in existing programmes aimed at low income and vulnerable consumers.

Some respondents called for equal prices for online and offline customers. Current licence conditions allow energy suppliers to charge prices in line with the cost of delivery, including the increased cost of delivering paper energy bills compared to online energy bills. This matter is for Ofgem, not Government.

Supplier obligations, such as Warm Home Discount and ECO, are applying to increasingly smaller energy suppliers year on year. We will continue to ensure that we maintain the balance between encouraging competitive new energy suppliers to enter the market while also ensuring policy costs are distributed fairly between suppliers. Ofgem provides regular updates to Government on the delivery of fuel poverty policies. Government will work with Ofgem to consider how best to ensure energy policies can demonstrate a positive impact on fuel poor, low income and vulnerable households.

³¹ *Almost £38 million support package for debt advice providers helping people affected by Coronavirus*, GOV.UK: <https://www.gov.uk/government/news/almost-38-million-support-package-for-debt-advice-providers-helping-people-affected-by-coronavirus>

Enhancing and improving understanding of fuel poverty

23. Keeping in mind the strategy's guiding principles, what policies might be included in a policy plan to improve the evidence base on fuel poverty?

24. What commitments, whether new or retained from the 2015 strategy, might supplement the policy plan in the updated strategy to improve the evidence base on fuel poverty?

In total, these questions received 53 responses. One respondent stated that they saw no gap in the research.

A total of 25 respondents stated that they wanted better health related fuel poverty statistics. This included:

- Fully monetised benefits for the NHS and social care, using data on excess winter deaths and hospitalisation;
- The desire for the costs to the NHS to capture the impacts on both physical and mental health, over the lifetime of an individual, as a result of living in poor quality, energy-inefficient homes;
- More research on the impact of fuel poverty on disabled people;
- Researching the possibility of using NHS data to identifying patients showing symptoms of conditions prevalent in those living in fuel poverty. Four respondents requested a commitment to including costs and savings to the NHS in new fuel poverty policy, with one stakeholder specifying that the Government use a consistent methodology for Impact Assessments;
- Health benefits are shared with delivery organisations; and
- Respondents suggested that the improved Health Impact of Domestic Energy Efficiency Measures (HIDEEM) model should also be made available to local practitioners and appropriate user guidance promoted.

17 respondents requested a review of current energy efficiency schemes including:

- Improving the evidence base on barriers households face to receiving support (including feedback groups);
- Consideration of whether the “worst first” principle is being achieved;
- An assessment of how suppliers are managing schemes;
- Analysis on the cost effectiveness of schemes and their contribution to Government targets;
- Consideration of how older households are treated;
- Respondents suggested investigating whether Local Authorities have adequate capacity to enforce the Minimum Energy Efficiency Standards;
- Monitoring Minimum Energy Efficiency Standards exemptions;

- A request for BEIS to publish analysis of the distributional impact of fuel poverty policies on fuel bills; and
- A commitment to understand how households use, or mis-use, their energy efficiency measures.

23 respondents suggested how to better utilise data sharing powers and collaboration of all actors to better target the fuel poor. These responses are considered as part of 'Improving targeting'.

Another area mentioned by 7 respondents related to how fuel poverty is measured. These responses have also been considered in conjunction with the responses to questions 1 and 2.

One respondent noted that there is limited research on the cost estimates for achieving the fuel poverty strategy, given the commitments in the Clean Growth Strategy.

Another respondent also wanted to see an exploration of interventions that reduce the fuel poverty gap but do not necessarily take a household out of fuel poverty. This is in relation to measures that could take these households out of fuel poverty and the effect reducing the gap could have on health and vulnerability

Additional suggestions included:

- Building an evidence base to move funding of fuel poverty policies to general taxation;
- Consider fuel poverty in the wider context, for example, how energy efficiency improvements link to housing, crime, education and employment; and
- Comparison of English fuel poverty to devolved authorities.

Government response

We agree that we should further strengthen the evidence base of the link between health and fuel poverty. BEIS is currently researching the costs of fuel poverty to the NHS, which will be published when complete.

We agree with the importance of evaluating our fuel poverty programmes. BEIS has just launched a two-year evaluation of ECO, the results of which will be made public.

Fuel poverty is a devolved issue. We do not expect that the Fuel Poverty Strategy for England or associated statistics to include a direct comparison to fuel poverty in the devolved authorities.

We agree it is important to consider fuel poverty in the wider context. We will consider the suggestions for research projects provided here. We will continue to work with stakeholders, such as the Fuel Poverty Research Network, to explore the connection between fuel poverty and other topics such as educational achievement, employment and productivity.

Reviewing the strategy and scrutiny of progress

This section of the consultation discussed how the fuel poverty strategy is currently reviewed and scrutinised. It asked for any further views on how this process could be improved, and how the strategy should be updated generally.

25. Are existing arrangements sufficient to meet our commitments to review and scrutinise Government action on fuel poverty?

Responses: 34

Yes: 17 (50%)

No: 17 (50%)

A total of 34 respondents provided an answer specific to this question. Of those 50% were in favour of the existing scrutiny and governance arrangements and 50% were not.

Those who were in support of the existing arrangements felt that current arrangements were broadly appropriate. Those who were not in support pointed to perceived slow progress toward the target and milestones as evidence that existing scrutiny mechanisms were not sufficient.

Of those who responded to the question, several suggested methods for improving scrutiny and review:

- 6 requested more notice of the timing of the annual fuel poverty debate or a set date being agreed, together with a clearer focus on the structure of discussion.
- 6 mentioned a need for a broader range of analysis considering the impact of policies.
- 7 suggested that further consideration should be given to the timeliness of the fuel poverty statistics to enable more effective input and contribution to commenting on performance. 3 suggested that the Government should respond formally or increase engagement with the Committee on Fuel Poverty's recommendations
- 3 requested more active engagement from central Government on fuel poverty across the country.

A number of other points were raised by one respondent, including a proposal for greater scrutiny by the Committee on Fuel Poverty and a proposal to reinstate a fuel poverty methodology working group.

Government response

We have taken into account the responses we have received and are considering how best to ensure that there is effective additional scrutiny of the fuel poverty strategy, including alternate forms of Parliamentary scrutiny. We believe that the Committee on Fuel Poverty should have a continued role in advising Government on progress to address fuel poverty.

We also recognise that timelier statistics would enable better scrutiny of our work and are working to publish the annual statistics earlier, with the aim to publish within one calendar year of data collection. This is in line with the statistics Code of Practice to improve the timeliness of statistics.

26. Do you have any further views or evidence on how the 2015 fuel poverty strategy should be updated?

35 of the responses received to the consultation provided additional information by responding to question 26. 32 of these responses provided information on the four key themes below.

1. Provision of home energy advice

10 responses referenced inadequate provision of home energy advice. They noted that the Energy Saving Advice Service has ceased to operate a telephone service. The replacement Simple Energy Advice is a web-based advice service, which may not be accessible to many that need it most. Respondents also noted that there is a need for expert face-to-face advice to be made more available locally, including home visits for those in the greatest need.

2. Area based delivery

8 responses recommended the introduction of local area-based delivery of support to tackle fuel poverty and improve home energy efficiency. To facilitate this, local authorities require adequate resourcing, in particular in more deprived areas with high levels of fuel poverty. Responses suggested that delivering area-based support should start with the neighbourhoods with the worst homes and would result in more efficient delivery, be more socially inclusive and provide a source of local employment in areas where this is in short supply.

3. New funding to improve energy efficiency

7 responses reiterated the need for new funding to improve household energy efficiency and meet fuel poverty targets in England. Many of these responses restated suggestions raised under questions 9 and 10, such as implementing the Committee on Fuel Poverty recommendation for a £1.1 billion Challenge Fund to improve the worst homes.

4. Stronger links to health agenda

7 responses suggested stronger links should be established between the fuel poverty and health agendas. Suggestions echoed responses from questions 11, 12, 17 and 18. They included ensuring that the Department of Health and Social Care's Green Paper considers the need to eradicate cold homes as a source of ill health; that each Clinical Commissioning Group should provide independent advice and support to fuel poor households living in a cold home; and the NHS health check should help to identify households that are living in a cold home.

Government response

These topics are covered elsewhere in the Government response to consultation:

- Energy advice is covered under 'Creating a fairer energy market'.
- Area based delivery is covered under 'Improving targeting'.
- New funding of energy efficiency is considered under 'Improving energy efficiency'.
- DHSC's Green Paper did consider the impacts of cold homes on ill health.

Further links to the health agenda is considered under 'Supporting low income households vulnerable to the cold'.

This publication is available from: <https://www.gov.uk/government/consultations/fuel-poverty-strategy-for-england>

If you need a version of this document in a more accessible format, please email fuelpoverty@beis.gov.uk. Please tell us what format you need. It will help us if you say what assistive technology you use.