



Committee on Fuel Poverty

Minutes of Committee on Fuel Poverty (CFP) Meeting, 25th January 2016

1. All members of the Committee were present: Tom Wright (Chair), Alice Maynard, Jenny Saunders, Paul Massara, David Blakemore and Lawrence Slade. The DECC Sponsor and Secretariat were also present.

Terms of Reference

2. Members discussed draft Terms of Reference for the new Committee. The draft reflected the remit stated in the Government's Fuel Poverty Strategy¹.

Members proposed minor amendments to ensure that:

- the CFP would also take account of the *efficiency* – as well as the *effectiveness* - of policies and schemes which contribute to meeting the fuel poverty target and milestones;
- in addition to considering additional policies and schemes needed to meet the milestones and target, the CFP would also consider modifications to existing policies; and
- that partnerships would be encouraged not only *between* Government and stakeholders, but *across* Government too.

3. The agreed Terms of Reference will be published on the CFP web pages on Gov.uk and will be reviewed on an annual basis, or at other times if appropriate.

Bonfield Review

4. The Committee was given a presentation on the Bonfield Review, the current independent review of consumer advice, protection, standards and enforcement for energy efficiency and renewable energy². The presentation explained the five review workstreams plus three cross-cutting themes, the vision, timeline, the emphasis on creating an action-orientated “movement”, and the fact that consumer “trust” and “confidence” were a focus of the work. There was discussion of some of the emerging recommendations, outcomes and implementation challenges.

5. The Committee was interested in the extent to which the review had focussed on fuel poor, vulnerable customers and the private rented sector, and was advised

¹ Fuel Poverty Strategy: Cutting the cost of keeping warm, DECC, March 2015 - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/408644/cutting_the_cost_of_keeping_warm.pdf

² Bonfield Review Terms of Reference: <https://www.gov.uk/government/publications/bonfield-review-terms-of-reference>

that these had featured across the review. The Committee was also interested in the challenges around engaging consumers in energy efficiency issues, and how these might be addressed as part of implementation. There was also discussion of the patchwork nature of current advice, the difficulties faced by consumers in differentiating between advice and selling (parallels were drawn with part of the work of the Financial Capability Board) and the challenges of delivery in the current financial climate.

6. The Committee offered to provide input to the review, and assistance where relevant under its remit. The advice and guidance workstream seemed particularly relevant.

Setting Initial CFP Priorities

7. The Committee agreed that ensuring accountability and monitoring performance would be a priority, with a strong focus on the fuel poverty target and the milestones towards reaching it. This would require having an understanding of the current trajectory towards the target, the various levers and factors that impact on progress towards the trajectory.

8. The Committee noted the importance of having the best possible data to undertake this role. There was discussion of sources for the data and any existing models that might be relevant (for instance, the work of Frontier Economics for E3G on energy efficiency as an infrastructure priority). The Committee agreed that it would carry out an initial audit of relevant publicly-available data and models for the trajectory towards the milestones and target, for discussion at the next meeting. The Committee also noted that there could be value in having its own model to support independent scrutiny.

9. The Committee discussed the development of a framework to help identify and take forward discussion on priorities. Broadly, this would provide for a focus on the trajectory towards meeting the fuel poverty target and milestones, plus current fuel poverty gaps (the “where”); specific challenges to be addressed in order to tackle fuel poverty (the “what”); the levers that can be used to effect change (the “how”); and the partnerships necessary to help push the levers and ensure efficient and effective action (the “who”). There would also be cross-cutting themes, such as targeting, accountability and vulnerability.

10. On the specific challenges, the Committee noted that there was a set of already well-known challenges, of the type that had been considered by the former FPAG and which were a regular and justified focus amongst the stakeholder community. The Committee felt, however, that ahead of its next meeting it should complete work to identify a full range of challenges and begin prioritisation for the CFP. This would include whether any challenges offered potential for early action.

11. The Committee also discussed what was meant by the term “vulnerable consumer” in the context of fuel poverty, and what the implications would be for prioritisation and targeting. The complexities around defining vulnerable consumers were considered. For instance, it was noted that vulnerability was often temporary, meaning that different sets of consumers could be vulnerable at different times and

in different contexts. The Committee agreed to consider this further ahead of its next meeting.

12. Regarding potential partnerships, the Committee noted that to an extent the work would depend on the identification and prioritisation of challenges, and an understanding of the “levers”. The Committee agreed, however, to undertake some initial work ahead of its next meeting to map the existing partnership/stakeholder landscape.

13. Also within discussion on priorities, the Committee noted the importance of developing others’ understanding of the wider impacts of fuel poverty, for instance on health and education along with the potential cost-savings for others from the alleviation of fuel poverty. Working across Government departments would be important in this respect.

Final Recommendations of the Fuel Poverty Advisory Group (FPAG)

14. In its final annual report³, published in 2015, the CFP’s predecessor (FPAG) made a number of recommendations, suggesting priorities for its successor. The Committee discussed these as part of its work prioritisation and planning.

15. The Committee’s conclusion was that nearly all of the recommendations remained relevant. There was an opportunity to brigade them to help deliver a stronger, strategic focus in the context of the framework (outlined at paragraph 9 above). The Committee felt assured that the core concerns of each of the FPAG recommendations would be covered.

16. There was discussion of whether FPAG’s recommendation 7, regarding the value of income maximisation advice, fell under the Committee’s remit. The conclusion was that it did, given that the Terms of Reference referred to “policies and schemes which *contribute* to meeting ... the target”. The Committee was mindful, however, of the need to avoid scope-creep.

Framework Plan

17. The Committee discussed its initial plan for meetings and related activities during the year, including the likely scheduling of a first annual report for the Autumn.

Research and Development

18. The Committee noted that it will have a limited budget to commission its own research and analytical work, but that this budget was still to be agreed with DECC, the sponsor department, for the financial year 2016-17.

³ Fuel Poverty Advisory Group (for England) 12th Annual Report - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/405588/fpag_12th_annual_report_2013_2014.pdf

Other Business

19. The Committee noted the current timeline for the Competition and Markets Authority's energy market investigation and discussed the contribution the Committee could make to the investigation at this stage.

Dates of Future CFP Meetings for 2016

- 23/3/16
- 8/6/16
- 12/7/16
- 15/9/16
- 17/11/16