

## PRESS NOTICE



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## STATISTICAL PRESS RELEASE

# Fuel Poverty, England 2013

The Fuel poverty statistics report published today, 28<sup>th</sup> May 2015, presents a comprehensive view of the latest statistical trends and analysis relating to 2013. Fuel poverty in England is measured using the Low Income High Costs (LIHC) indicator that was recommended by Professor Hills in his independent review of fuel poverty, and adopted by Government in 2013.

### Headline Statistics

In 2013:

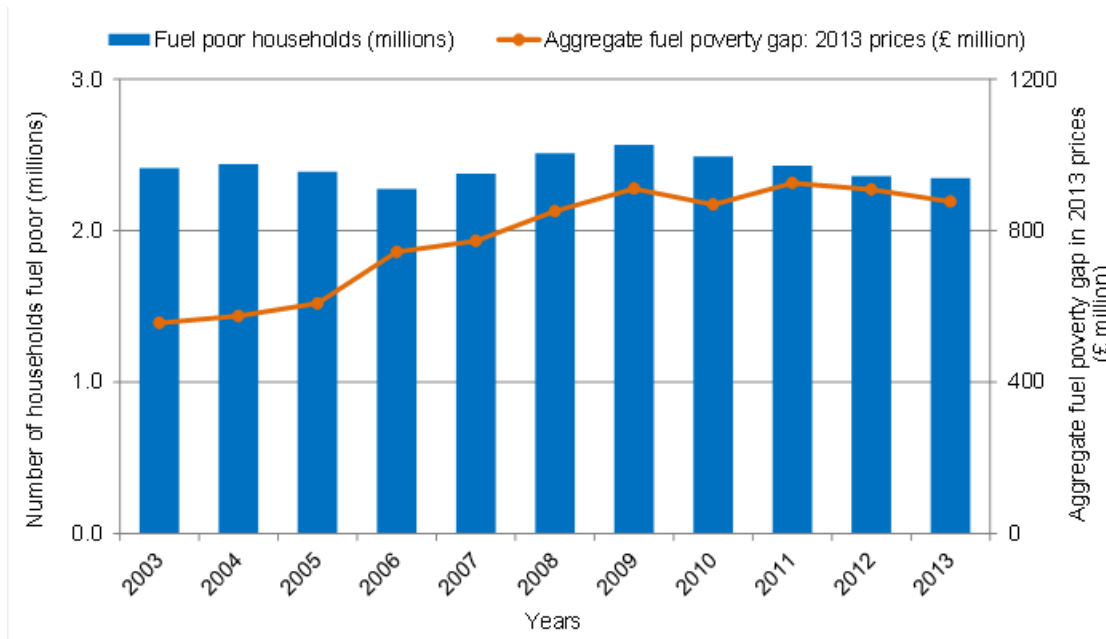
- The number of households in fuel poverty in England was estimated at around 2.35 million, representing approximately 10.4 per cent of all English households. This remains broadly the same as 2012, where the number of fuel poor households was 2.36 million (10.8 per cent of all English households).
- The aggregate fuel poverty gap reduced by around four per cent in real terms, from £909 million in 2012 to £877 million in 2013. The average fuel poverty gap over this period also decreased from £385 to £374.
- In 2014 a target was set to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of Band C by 2030. In 2013 five per cent of fuel poor households are living in a property with an energy efficiency rating of band C or above, which is an improvement from two per cent in 2010.

The table and chart below show the long term trends in the key indicators under the LIHC measure, and shows the change in the energy efficiency rating since 2010.

### Aggregate and average fuel poverty gap, 2003-2013

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Fuel poor households (millions)	2.41	2.44	2.39	2.28	2.38	2.51	2.57	2.49	2.43	2.36	2.35
Aggregate fuel poverty gap: 2013 prices (£ million)	556	575	608	744	773	852	911	869	926	909	877
Average fuel poverty gap: 2013 prices (£)	231	236	254	327	325	339	355	349	380	385	374

### Fuel poverty in England 2003-2013



### Fuel Poor households by the Fuel Poverty Energy Efficiency Rating, 2010 and 2013

Band	2010		2013	
	Households (millions)	Proportions	Households (millions)	Proportions
AB				
C	0.04	2%	0.11	5%
D	0.69	28%	1.09	46%
E	1.23	49%	0.84	36%
F	0.39	16%	0.23	10%
G	0.14	6%	0.08	3%
Total	2.49	100.0%	2.35	100%

Due to the relative nature of the LIHC measure, it is difficult to accurately isolate absolute reasons for changes. In summary, low income households have seen larger rises in incomes than the overall population. However, this has been largely concentrated in very low income households and so has not changed their fuel poverty status, resulting in the number of fuel poor households staying the same. Rising incomes and improvements in energy efficiency

amongst fuel poor households, and a smaller increase in fuel bills than experienced in the population as a whole has meant there has been a decrease in the fuel poverty aggregate and average gap.

Other key findings from the report include:

- All fuel poor households came from the bottom four income decile groups. In 2013, 40 per cent of all households in the lowest income decile group were fuel poor, compared to 39 per cent of all households in the second income decile group and 13 per cent of all households in the third and fourth combined income decile groups.
- There has been a shift in the composition of the fuel poor group, with the proportion of fuel poor multi-person households increasing to 12 per cent in 2013 from 8 per cent in 2012.
- The depth and likelihood of being fuel poor increases markedly with lower SAP scores. In 2013, 31 per cent of households living in G rated properties were fuel poor compared to only two and nine per cent living in A/B/C and D rated properties respectively.
- New analysis shows the impact of using actual annual external temperatures in the modelling of fuel poverty. It was found the number of households in fuel poverty would have been 2.42 million in 2013. However, the use of a standardised set of temperatures is preferred for the headline statistics, for assessing long term changes to levels of fuel poverty and identifying where improvements can be made.

### Background

Fuel poverty figures are calculated across two years, and so energy prices, income changes and changes in the housing stock for two years need to be considered when viewing these figures. For example, the 2013 data is based on household incomes, bills and dwellings in 2012 and 2013, so any changes observed in these key drivers will be a mixture of changes observed in 2012 and 2013.

Fuel poverty statistics use modelled levels of energy consumption as the source of household bills. The modelled consumption is based on the number of people living in a dwelling, and on that dwelling achieving an adequate level of warmth (21 degrees in the main living area and 18 degrees in other rooms). The modelling takes a long run base temperature according to its geographical location, and does not attempt to reflect any short term fluctuations in temperatures and how these impact on heating patterns.

This report also includes:

- Detailed analyses of the types of households that are fuel poor in 2013.
- Sub-regional fuel poverty statistics for England.
- Projected future levels of fuel poverty for 2014 and 2015 under the LIHC indicator.
- Estimates of fuel poverty in the UK under the 10% definition.
- The impact of actual temperature data on the fuel poverty statistics

Additional annexes are published alongside the main report today and can be downloaded at:

<https://www.gov.uk/government/organisations/department-of-energy-climate-change/series/fuel-poverty-statistics>

### Detailed Tables

This document presents a series of detailed tables analysing the headline fuel poverty statistics for 2013 and is published alongside the main report on the internet in a spreadsheet format.

### Trends in Fuel Poverty

This internet publication brings together detailed tables from 2003 to 2013 allowing further comparisons of fuel poverty over time.

The UK level of fuel poverty is estimated based on 2013 data under the 10 per cent definition for England and Scotland and extrapolated estimates for Wales and Northern Ireland.

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### **Notes to editors:**

1. Today's report 'Annual Fuel Poverty Statistics Report, 2015', compiled by the Department of Energy and Climate Change, contains tables and extensive commentary, charts and technical notes. As well as giving new data for 2013, it also presents data for earlier years, and findings from research undertaken over the year as well as projections on fuel poverty levels to the current year 2015.
2. The 'Annual Fuel Poverty Statistics Report, 2015' can be downloaded free, alongside the other reports published today at:  
<https://www.gov.uk/government/collections/fuel-poverty-statistics>
3. This report is based on the definition of fuel poverty following the consultation on the measurement of fuel poverty, and Professor Hills' Independent review. Under the Low Income High Cost definition, a household is considered to be fuel poor where they have required fuel costs that are above average (the national median level), and were they to spend that amount, they would be left with a residual income below the official poverty line. There are two parts to the low income high cost measure: the number of households that have both low incomes and high fuel



costs, and the depth of fuel poverty amongst these households. This is measured in terms of a fuel poverty gap, which represents the difference between the modelled fuel bill for each household, and the reasonable cost threshold for the household.

4. Fuel poverty is measured by combining modelled survey data from the English Housing Survey over a two year period with fuel prices. The 2013 fuel poverty figures are based on survey data, fuel prices and incomes in 2012 and 2013. Full details of the methodology for calculating fuel poverty are published alongside the report on the DECC website.
5. The fuel poverty statistics are accredited National Statistics. This means that the fuel poverty statistics are considered to be of high quality and meet the requirements of the Code of Practice for Official Statistics with regards to meeting user needs, impartiality and integrity, etc.

