



Committee on Fuel Poverty

Minutes of Committee on Fuel Poverty (CFP) Meeting, 8th June 2017

1. The Chairman and all members of the Committee were present: David Blakemore (Chair), Alice Maynard, Jenny Saunders, Paul Massara and Lawrence Slade. From BEIS, the Sponsor and Secretariat were present. Representatives from the Welsh Government attended to discuss learnings from tackling fuel poverty in Wales. An official from BEIS's Home & Local Energy Directorate attended to discuss reports submitted by local authorities under the Home Energy Conservation Act.

Minutes of last meeting and actions

2. The minutes of the meeting on 5th April were approved and were subsequently published on the CFP web pages on 23rd June.

3. The majority of actions from the last meeting had been completed and members were content that remaining actions from the last meeting were being progressed.

Members' Interests

4. No potential conflicts of interest specific to the meeting's agenda were declared.

Post-election considerations

5. The meeting was held on the day of the UK General Election. Members discussed possible outcomes and what these might mean for early, post-election engagement and priorities. Among other things, they noted:

- commitments in the Conservative manifesto to: the 2030 fuel poverty target; means-testing Winter Fuel Payments and transferring money released to health and social care; introduce a "safeguard tariff cap" on electricity and gas prices; and commission an independent review of the cost of energy;
- commitments in both the Labour and Liberal Democrat manifestos to large-scale home energy efficiency improvements.

6. Members agreed that it was likely to be necessary to engage quickly after the election on a number of subjects, including the Private Rented Sector Energy Efficiency Regulations, ECO, Warm Home Discount and Winter Fuel Payments, but the Committee would need to review the exact approach soon after the election.

7. Members also discussed the Conservative proposal for a review of the cost of energy and noted that, if this were to proceed, they would want to ensure effective engagement or involvement.

Other discussion

8. Members had previously discussed (in April) how the ECO Transition Impact Assessment, published in January 2017, had shown faster progress towards the 2020 milestone than CFP had expected. Members requested more information from BEIS on what this could potentially mean for the trajectory heading towards the milestones and target.

9. Members discussed landlord registration schemes in Northern Ireland, and agreed to explore further, ideally in discussion with an appropriate organisation from Northern Ireland.

Key learnings from tackling fuel poverty in Wales

10. Two officials from the Welsh Government attended to discuss learnings from activities to tackle fuel poverty in Wales. Key points on the provision of support included the following:

- support is delivered through two main schemes under the banner of the *Welsh Government Warm Homes Programme*, these being Arbed and Nest;
- Arbed uses an area-based approach, with funding either for local authorities or through procured scheme managers, the latter drawing on EU funding;
- local authorities make proposals for funding. Much of the activity to date had been targeted at solid wall dwellings, often off the gas grid. It was felt that the next round of support would be focussed more on the characteristics of the household, in particular those in severe fuel poverty;
- Nest is a demand-led scheme, backed with strong marketing to raise awareness, which provides advice and support plus a free package of energy efficiency measures to eligible households;
- local authorities play a role in identifying target areas for Arbed schemes using data held by the Local Authority as well as others. Welsh Government is currently trialling a process of requiring Local Authorities to undertake independent surveys of targeted properties prior to scheme approval. The cost of surveys is met by Welsh Government.
- there is a large off-gas grid population in Wales, so the schemes include a significant focus on this population.

11. Wider discussion included the following points:

- members discussed the evident preference for a whole-house approach to retrofit. Officials explained that, for Nest, the aim was to bring households to at least Band C where cost-effective and appropriate, and to avoid multiple visits, although a spending cap sometimes restricted this. A principle was that Band E was too inefficient, and that Band D or above should generally be the target;
- Nest results for 2015-16 had shown that 95% of F&G properties treated, and 80% of Band E properties, had successfully been lifted to higher bands. During 2015-16, around 50% of applications had been from households in Band F and over 30% in Band G;

- targeting for both Arbed and Nest had been improving;
- the schemes were designed to lever-in ECO funding. Members noted that, similar to Scotland, Wales had been successful in this approach, resulting in there being a slightly higher percentage in Wales of ECO measures per household than England;
- members asked about working with health practitioners, and how health benefits were demonstrated. Officials said there were already relationships being developed with health professionals and plans to extend eligibility for free Nest measures to low income households suffering with certain health conditions. Involvement of health practitioners will be developed further as part of this new process. Data linking research had been completed on the health impacts of Nest. The first report on this showed positive effects. Further reporting would look at longer term health impacts as well as impacts on educational attainment.

12. Members and officials from Wales agreed to continue engagement.

Home Energy Conservation Act (HECA) – local authority reports

13. An official from BEIS attended to discuss reports submitted by local authorities under HECA. Discussion points included the following:

- HECA was the only statutory requirement on all English local authorities relating to energy;
- local authorities were required to complete the reports but there were no penalties for failure to submit. So far, less than half of the local authorities had submitted their reports; many had asked for an extension to the deadline;
- the standard of reports and amount of information provided was mixed. Local authorities varied considerably in their levels of activity in energy efficiency and carbon reduction. The Committee noted that authorities were resource-constrained to varying degrees;
- there were some local authorities who prioritised work in this area, were very active and could be considered as exemplars;
- BEIS was currently undertaking further analysis of the reports;
- going forward part of BEIS's focus would be on encouraging the sharing of best practice and removing barriers to doing so. BEIS would also be considering how to get the best possible value out of the HECA reporting system for the next round;
- it was also noted that there is considerable potential for money to be accessed from the European Regional Development Fund for energy projects put together by local authorities with other local partners, although applying could be complex and resource-intensive.

14. Members discussed ways in which they could support BEIS's work in this area, and how they could ensure their approach joined-up with other efforts to support local authorities in tackling fuel poverty.

Dates of future CFP Meetings

15. Dates for forthcoming meetings are:

- 18th July 2017
- 22nd August 2017
- 11th October 2017
- 15th November 2017