Fuel Poverty Factsheet
England, 2018

Department for Business, Energy & Industrial Strategy

National Statistics

The aim of this factsheet is to summarise the headline figures of fuel poverty in England in 2018. For a more comprehensive view, please see the Annual Fuel Poverty Report: https://www.gov.uk/government/statistics/annual-fuel-poverty-statistics-report-2020

A HOUSEHOLD IS CLASSED AS BEING IN FUEL POVERTY IF:

Their fuel costs are above average and

their disposable income (after housing and fuel costs) is below the poverty line

AVERAGE GAP is the reduction in fuel bill that the average fuel poor household needs in order to not be classed as fuel poor.

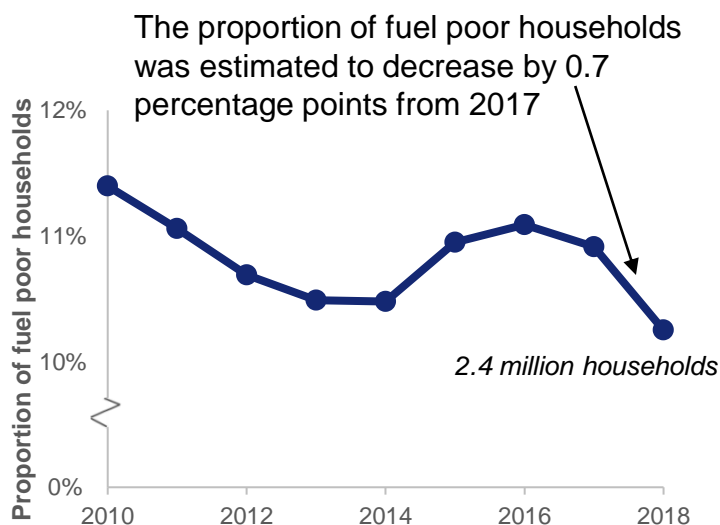**AGGREGATE GAP** is the sum of all fuel poor households' gaps.

FUEL POVERTY IN 2018

APPROXIMATELY 1 IN 10 (10.3%) HOUSEHOLDS WERE FUEL POOR

The **average gap** was up from £328 in 2017 — **£334**

The **aggregate gap** was down from £830 in 2017 — **£802m**

The proportion of fuel poor households was estimated to decrease by 0.7 percentage points from 2017

2.4 million households

Note that the proportion of households in fuel poverty is consistently between 10-12%

A HOUSEHOLD'S FUEL POVERTY STATUS DEPENDS ON THE INTERACTION OF THREE KEY DRIVERS…

Improvement was seen in **ENERGY EFFICIENCY** between 2017 and 2018

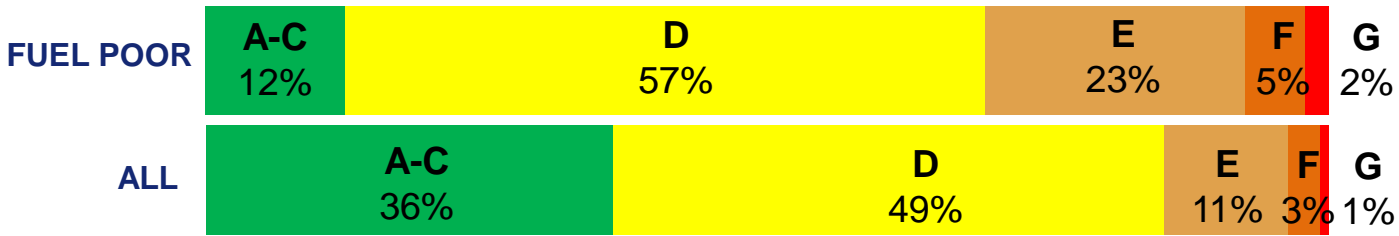Prepayment price cap has contributed to the reduction of **ENERGY PRICES** for mainly low income households.

INCOMES generally increased at a faster rate for low income households – partly due to the National Living Wage.
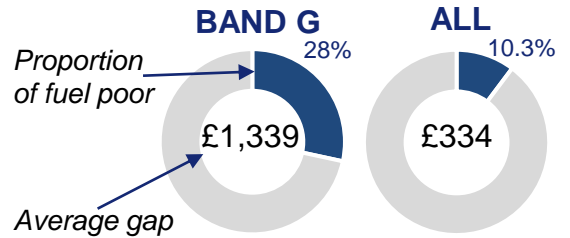
Fuel Poverty

🏠 ENERGY EFFICIENCY*

The **majority** of fuel poor households live in a **Band D** property

FUEL POOR	**A-C** 12%	**D** 57%	**E** 23%	**F** 5%	**G** 2%
ALL	**A-C** 36%	**D** 49%	**E** 11%	**F** 3%	**G** 1%

Median required fuel costs for the **least efficient properties** are **3 times higher** than costs for the **most efficient properties**

A-C	D	E	F	G
£990	£1,230	£1,590	£2,170	£2,820

Band G properties are **almost 3 times** more likely to be fuel poor and have **4 times** larger average gap

BAND G 28% £1,339

ALL 10.3% £334

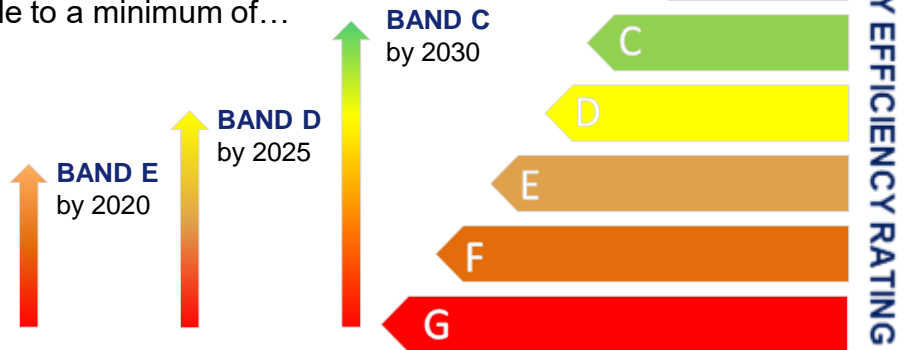*Proportion of fuel poor*

Average gap

🎯 FUEL POVERTY TARGET

The fuel poverty target is to move as many fuel poor homes as is reasonably practicable to a minimum of…

## PROGRESS IN 2018

Band C or above: 12.4%

Band D or above: 69.4%

Band E or above: 92.6%

BAND E by 2020

BAND D by 2025

BAND C by 2030

ENERGY EFFICIENCY RATING

A
B
C
D
E
F
G

💰 INCOME

Incomes generally rose faster for households **in the lowest income deciles**, partly due to the introduction of the National Living Wage in April 2016
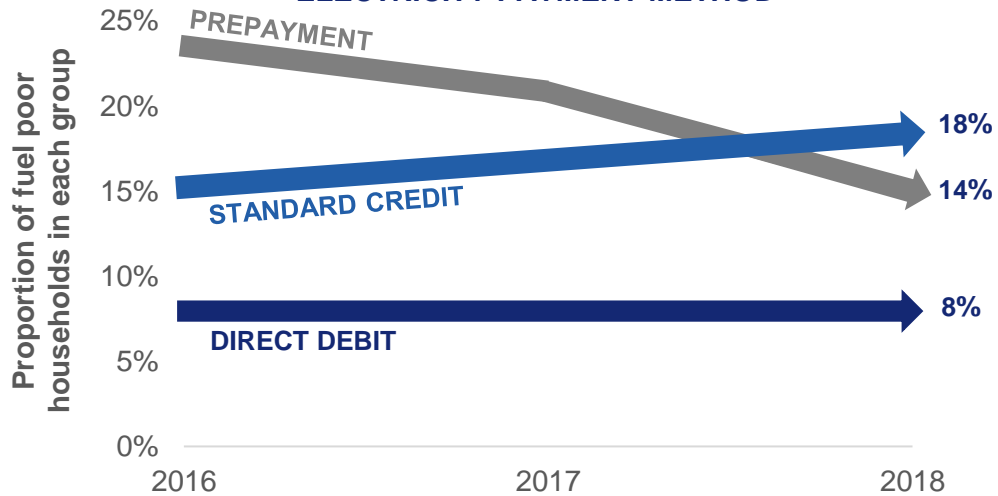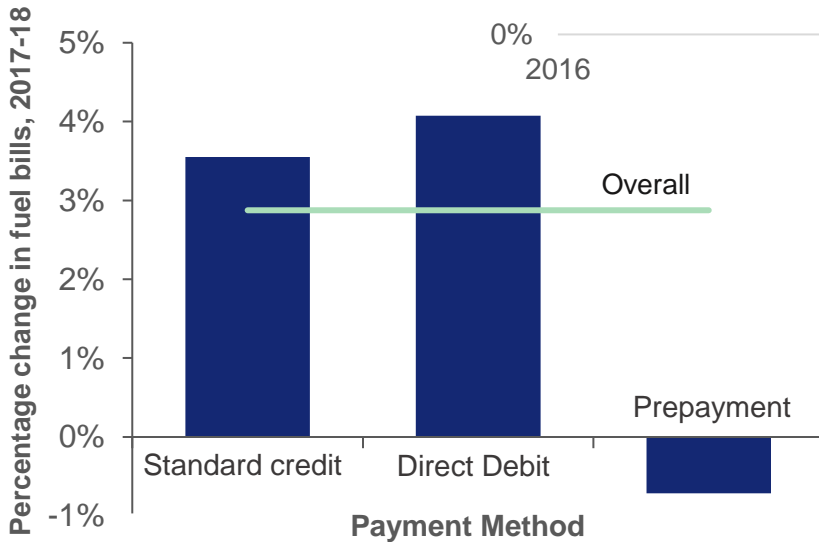
Percentage change in income, 2017-18

Median

1st (lowest) — Income decile — 10th (highest)

METHOD OF PAYMENT
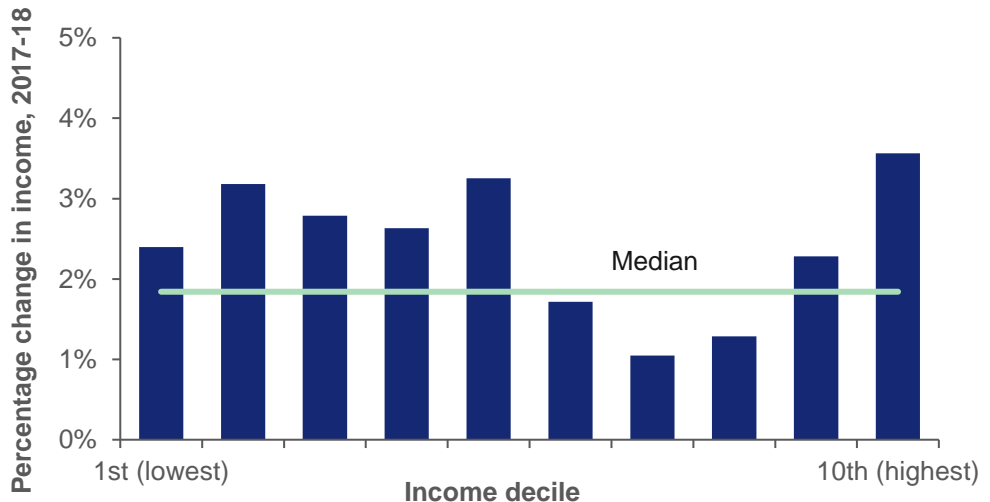
ELECTRICITY PAYMENT METHOD

Households that pay for their energy bills by **prepayment** are **no longer the most likely to be fuel poor.** The prepayment price cap contributed to this.

Proportion of fuel poor households in each group

- PREPAYMENT
- STANDARD CREDIT → **18%**
- PREPAYMENT → **14%**
- DIRECT DEBIT → **8%**

25% — 0% (2016, 2017, 2018)

Gas bills follow a similar trend

Percentage change in fuel bills, 2017-18

- Standard credit
- Direct Debit
- Overall
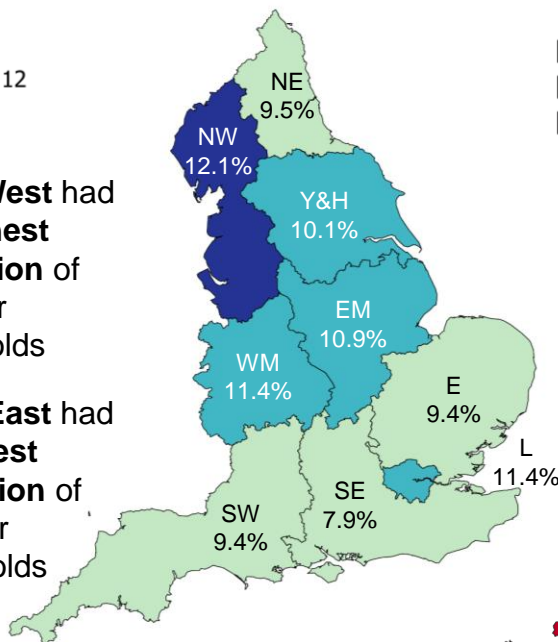- Prepayment

Payment Method

The **average annual domestic energy bills** for prepayment customers decreased between 2017 and 2018.

PROPORTION OF FUEL POOR HOUSEHOLDS (%)

- <10
- 10 - 12
- >12

NE 9.5%
NW 12.1%
Y&H 10.1%
EM 10.9%
WM 11.4%
E 9.4%
L 11.4%
SE 7.9%
SW 9.4%

North West had the **highest proportion** of fuel poor households

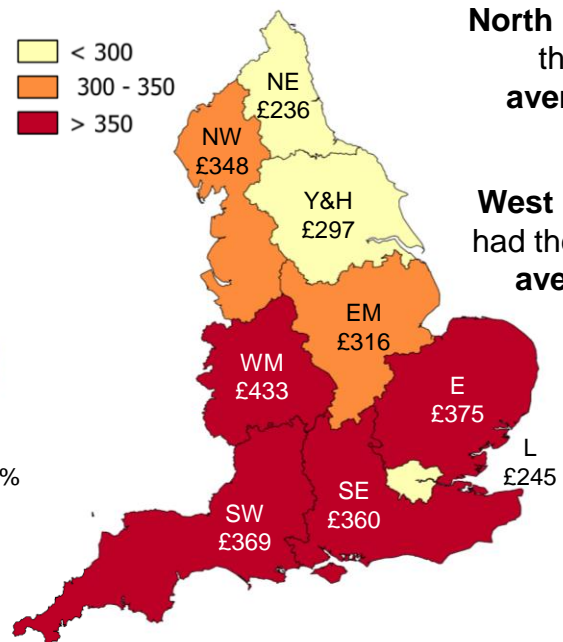**South East** had the **lowest proportion** of fuel poor households

AVERAGE FUEL POVERTY GAP (£)

- < 300
- 300 - 350
- > 350

NE £236
NW £348
Y&H £297
EM £316
WM £433
E £375
L £245
SE £360
SW £369

North East had the **lowest average gap**

West Midlands had the **highest average gap**

HOUSEHOLD COMPOSITION

Single parent households are most likely to be fuel poor (19%) and **couples over 60** have the largest average gap (£393)

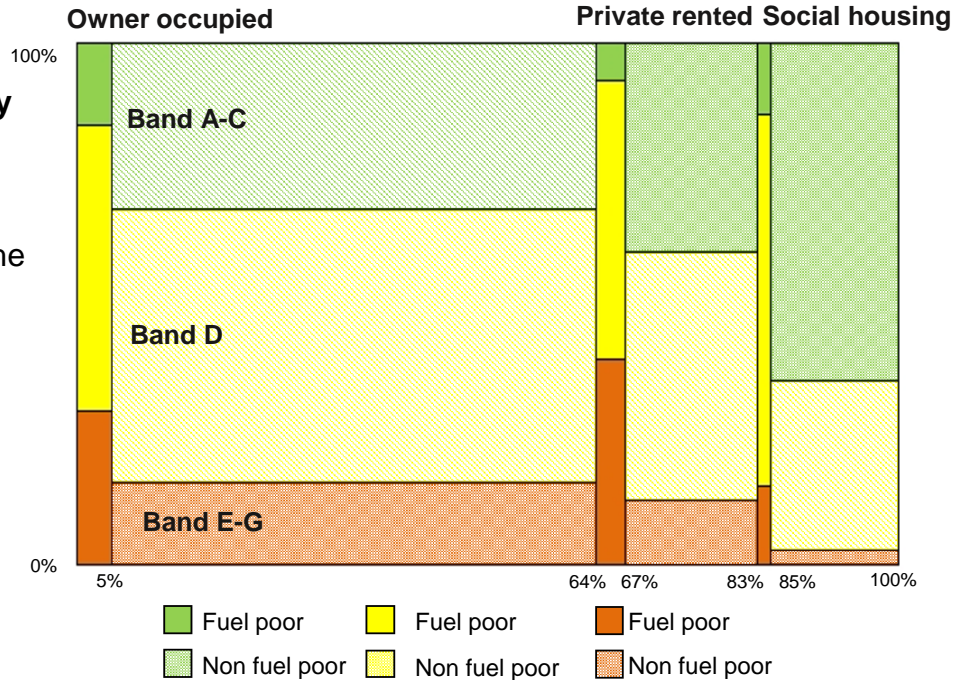|	SINGLE PARENT	COUPLE WITH CHILD(REN)	MULTI-PERSON	ONE PERSON UNDER 60	COUPLE OVER 60	ONE PERSON OVER 60	COUPLE UNDER 60
Proportion of fuel poor	19%	14%	15%	11%	8%	7%	5%
Average gap	£286	£369	£316	£321	£393	£297	£265
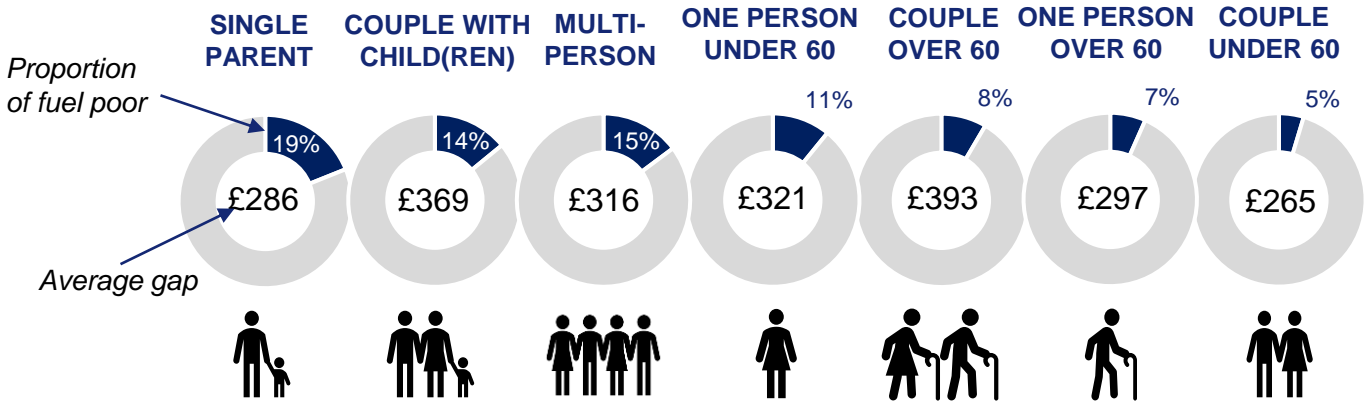
TENURE

Households living in **privately rented accommodation** are most likely to be fuel poor (17.7%) though households who **own their home** have the largest average gap (£385)

Owner occupiers that **own their home outright** are **less likely to be fuel poor** (7.6%) than those with a mortgage (9.1%).
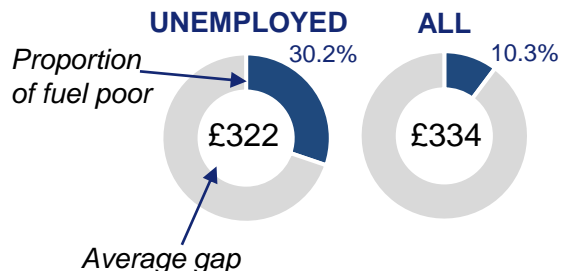
The **majority of fuel poor households are owner occupied** (51.3%)

FUEL POOR BY TENURE AND ENERGY EFFICIENCY BAND

Owner occupied · Private rented · Social housing

Band A-C
Band D
Band E-G

100% · 0%
5% · 64% · 67% · 83% · 85% · 100%

Fuel poor · Fuel poor · Fuel poor
Non fuel poor · Non fuel poor · Non fuel poor

Area is equivalent to the proportion of households in that group

EMPLOYMENT

Households where the household reference person is **unemployed** are **three times more likely** to be in fuel poverty than the national average

	UNEMPLOYED	ALL
Proportion of fuel poor	30.2%	10.3%
Average gap	£322	£334