

Minutes of Committee on Fuel Poverty (CFP) virtual meeting: May 18/05/2021

 The Chair and all members of the Committee were present: David Blakemore (Chair), Liz Bisset, Paul Massara, Lawrence Slade, Jenny Saunders and Anu Singh. Invited guests in attendance were the Social Housing Decarbonisation Fund Team, the BEIS sponsor, BEIS officials and the CFP Secretariat.

Members Interests

- 2. Paul Massara declared an additional role as Advisor to Breathe Battery Technology, there is no conflict in interest.
- 3. Elizabeth Bissett declared that she is no longer a Treasurer and Trustee of Cambridge United Charities.
- 4. David Blakemore, the Chair of the Committee declared that he is now an unpaid advisor to a private equity investment, there is no conflict of interest.

Minutes of Last Meeting and actions

5. Minutes from March meeting were agreed.

Action Log

6. Most actions from the last meeting had been completed and the rest were being progressed.

Stakeholder Engagement

- 7. The Committee discussed recent engagement with stakeholders, including a consumer engagement workshop with Scottish Power.
- 8. Members discussed recent engagement with MHCLG, BEIS and DHSC officials regarding health referrals for Energy Company Obligation Local Authority Flexible Eligibility. The Committee stressed the importance of establishing a consistent health referral mechanism for the scheme.



- 9. The Committee also discussed recent engagement with National Energy Action Trustees on targeting of fuel poverty schemes and future development of ECO Local Authority Flexible Eligibility and Green Homes Grant Local Authority Delivery. The Committee is keen to engage further with NEA to identify opportunities to use existing information to improve targeting and opportunities for use of Artificial Intelligence in fuel poverty schemes.
- 10. The Committee expressed an interest in learning more about best practice at a local level, including learning more about the role and scope of regional Energy Hubs.

Social Housing Decarbonisation Fund (SHDF) Presentation

- 11. The team gave an overview of the Social Housing Decarbonisation Fund programme, the funding and scope and aims of the project. They outlined that, following a 2018 National Infrastructure Commission recommendation of a £3.8bn government investment for energy efficiency improvements in social housing to 2030, the 2019 Conservative Manifesto committed to the Social Housing Decarbonisation Fund.
- 12. The SHDF team gave a sectoral overview, explaining the number of social homes which are fuel poor and the number of properties in different EPC bands. The CFP noted that those who live in social housing are likely to have a lower income which can contribute to levels of fuel poverty.
- 13. Providing an overview of competing priorities between carbon savings and tackling fuel poverty, an explanation of different potential scheme design options was shared.
- 14. The Committee raised a question on the SHDF Demonstrator project which carried out whole house retrofits to test innovative approaches to retrofitting at scale. The Committee asked whether the main scheme will have a similar approach. The SHDF team highlighted that the future SHDF programme would need to ensure an appropriate balance was struck between breadth and depth of interventions, and that it would not necessarily be the case that the approach for the SHDF Demonstrator was followed throughout the



programme. There will be further work to establish the most effective strategy to deliver the programme's objectives learning from the demonstrator.

- 15. The team shared an overview of a 'waved' approach to delivery to enable improved delivery through increased oversight and learning, creating a feedback loop to allow insight into performance and opportunity to change as needed.
- 16. The CFP asked if it has been possible to identify landlords with the worst housing stock and so target support. The team outlined that the SHDF will look to offer the chance to upgrade the worst performing social homes (EPC Band E/F/G) as well as those at EPC Band D, and are considering how to build this into the guidance and application process for Wave 1 of the SHDF.
- 17. The CFP asked if there will there be protections for tenants around rent increases and they were assured by the SHDF team that bills must not go up for an equivalent level of home warmth.
- 18. The Committee also discussed protections to ensure landlords do not sell their worst performing homes instead of upgrading them. Potential approaches to cost caps, and their effectiveness to mitigate against this risk, were discussed.

Social Housing Decarbonisation Fund Presentation - CFP Response

19. Members were impressed by the level of detail in the SHDF presentation and thought the policy was well thought through. The Committee expressed that the involvement of Social Housing Associations is potentially positive for the supply chain as they typically have strong governance and delivery mechanisms.

BEIS Policy Update

20. BEIS officials gave an update on the expected consultation dates for Warm Home Discount and the Energy Company Obligation and for progress towards the Heat and Building Strategy publication.



- 21.BEIS officials gave an update on the BEIS Affordability Unit Call for Evidence and CFP enquired about timeline for the HMT Cost of Net Zero report. BEIS officials agreed to advise on the latest plans. The Committee discussed the need for an impact assessment of the distributional impact of the transition to net zero.
- 22. The Committee discussed developments from mortgage lenders on green lending and concerns about people on low incomes who could be 'trapped' in their homes. As part of this members felt the unintended consequences of green lending should be part of a thorough impact assessment.
- 23. The CFP expressed their continued concern around the 2025 milestone and where attention is needed to improve performance.

CFP Annual Report 2021 Preparation

- 24. The CFP discussed the key outstanding issues and recommendations for their June report. This included issues such as the use of benefits as a proxy for identifying fuel poor households and the impact of including artificial intelligence.
- 25. Members also discussed other issues such as the need for better central targeting which is aligned with local delivery and the potential for the rebalancing of gas and electricity costs.

Discussion on 2021/22 Research Project

- 26. The Committee discussed an updated research project proposal, put forward by the Chair, to focus on how to better use data and artificial intelligence to improve targeting of fuel poverty schemes.
- 27. Members discussed the merits of the proposal and considered an alternative proposal on improving delivery on the ground and improving the efficiency of programme delivery.



Forward Look

28. The Committee discussed upcoming priorities and considered future engagement with stakeholders.

AOB

28. Forthcoming CFP meetings scheduled are:

- Monday 19 July 2021
- Tuesday 21 September 2021
- Tuesday 9 November 2021
- Tuesday 14 December 2021