



# Committee on Fuel Poverty

## CFP response to the ECO4 Consultation

The Committee on Fuel Poverty (The Committee) welcomes the opportunity to comment and shape the development of ECO4 and also supplies the following fundamental advice and observations at a strategic level. We would welcome the opportunity for a workshop type session with BEIS to help align our thinking on the preferred ECO4 option. The consultation questions (annex 1) interrogate a great deal of technical detail, some of which we have sought to answer. Our responses should be read in the context of the wider issues we raise below.

In our recently published [July Report](#), we made the following recommendations that relate to the design of the ECO4 programme:

**Recommendation 2:** The targeting of schemes on fuel poor households should be substantially improved through the use of greater sharing of data between HMRC, DWP, MHCLG and BEIS, and in particular a more balanced approach of what constitutes a benefit to consumers. We would like to see greater use of open data matching and accessing third party data sources without contravening GDPR. This necessitates more resources to be allocated to data management, machine learning and artificial intelligence modelling; and also improved levels of working with third parties (e.g. universities) to share ideas and technology to enhance AI techniques. This could be further supported by UK Research and Innovation directing funding to third parties who are interested in developing models to make at better use of data to cost-effectively targeting assistance to those most in need.

**Recommendation 6:** Improving the targeting of ECO and HUG funds on fuel poor households should be the primary drivers for achieving the 2025 milestone and making progress towards the 2030 target in the Owner Occupied sector. Rather than just utilising receipt of benefits as criteria for eligibility, we continue to recommend that techniques outlined in Recommendation 2 are used to identify fuel poor households for eligibility.

**Recommendation 7:** As well as improving the targeting of ECO on fuel poor households, it should be comprehensively redesigned to address issues such as reducing the total number of eligible households, incentivising multiple measures, incentivising upgrading Band E/F/G homes, installing solid wall insulation in fuel poor homes, and an evidence-based refresh of the ECO Flex Programme. The ECO Flex programme should also be amended to improve its ability to provide assistance to those whose health is suffering from living in a cold home.

**Recommendation 8:** Given that existing programmes such as ECO will be extended and new schemes such as the Local Authority Delivery and Home Upgrade Grant will be introduced, to avoid overlap and inefficiencies, it is imperative to ensure alignment of these programmes with each other. Long term funding for the HUG should be approved. We recommend that the Home Upgrade Grant and Local Authority Delivery programmes are designed to fill the gaps left by other energy market mechanisms and help deliver the 2025 Band D fuel poverty strategy milestone.



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In summary, we are disappointed that the above recommendations and those made in our previous reports have only been partially acted on. We are very concerned that the preferred option (Option 4) will not make any meaningful contribution towards achieving the Government's [fuel poverty strategy](#) milestone of Band D by 2025 and the target of Band C by 2030. In particular we are concerned that the Government's own guiding principles have not been properly applied to the design of ECO4:

- Prioritisation of the most severely fuel poor
- Supporting the fuel poor with cost-effective policies
- Reflecting vulnerability in policy decisions
- Designing sustainable fuel poverty policies

The proposed design will not make the 1.5 million fuel poor households who are not in receipt of benefits, automatically eligible for assistance. These households will still have to rely on referrals via LA Flex, a scheme that has not been demonstrated refer these types of households for assistance. Meanwhile, households who are not fuel poor will be automatically eligible.

Whilst we recognise some improvements in the design of the proposed scheme, the Impact Analysis for Option 4 shows that of the circa 260,000 homes in England that are forecast to receive ECO measures, only 29% (circa 75,000) are fuel poor. This targeting efficiency is lower than for ECO3 and the Committee has consistently recommended ways of improving the targeting efficiency, including making better use of Government data to identify households who are in fuel poverty. The following shows the challenges associated with delivering the fuel poverty strategy and shows why only treating circa 75,000 fuel poor homes with an ECO4 budget of circa £4 billion cannot be supported by the Committee without a very clear commitment on how the gaps are going to be filled and resources put in place to do so:

### **FPEER Band E/F/G fuel poor homes that require upgrading to Band D by 2025 (000)**

Private Rented Sector	294
Social Housing	79
Owner Occupied	306
Total	679

### **FPEER Band D/E/F/G homes that require upgrading to Band C by 2030 (000)**

Owner Occupied	1243
PRS	1195
Social Housing	738
Total:	3176



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One of the fundamental issues that ECO4 needs to address is how to efficiently target assistance to fuel poor homes. None of the Options addresses the problems faced by ECO4's predecessors in both targeting and focus on fuel poor homes. Therefore no Option will achieve the necessary shifts to meaningfully close the gaps around achieving the fuel poverty 2025 milestone or 2030 target. If Option 4 is progressed, the Committee recommends that BEIS quickly and clearly articulates how it aims to achieve this target through its wider suite of policies and measures, to meet its statutory target as far as is reasonably practical. This will require a reassessment of the design of, and funds needed, for the Home Upgrade Grant scheme and Social Housing Decarbonisation Fund if ECO4 cannot be reshaped.

The Committee suggests that BEIS revisit the following inherent flaws within the proposed model to develop an Option whose design is based on their guiding principles.

### **Targeting**

There is a fundamental flaw built in around targeting fuel poor homes. From analysis of the impact assessment, it is clear that the preferred option, Option 4 has an extremely limited targeting efficiency at only 29%. This is below the targeting efficiency of ECO3 which was c30%. Of the other options, only Option 5 takes the target above 30%. Given the paucity of households to be improved through the outlined scheme, the Committee would welcome assurance from BEIS that targeting could be improved through additional means.

### **Benefits as a proxy measure**

There is acceptance from BEIS that only 54% of fuel poor homes are in receipt of means-tested benefits. Previous efforts to identify households in fuel poverty not in receipt of a qualifying benefit have focussed on the LA Flex element of ECO and there is no data to show that LA Flex is achieving its objectives of helping target ECO assistance to:

- fuel poor households, especially those on low income and not in receipt of ECO eligible benefits and
- low income households that are vulnerable to the effects of living in a cold home.

The Committee has recommended other means of identifying households in fuel poverty and this should be applied along with local mapping and data sources for LA Flex to demonstrate fuel poverty status.

### **Omission of rural populations**

There is a fundamental flaw with the ability of the scheme to address the serious issue of fuel poverty in villages and semi-rural locations. There is an issue with the proposed ECO definition of 'rural' as 'settlements below 10,000' as it does not sub-divide this rural category into semi-rural, rural, and 'rural isolated'. The fuel poverty statistics actually divide the population into these three categories and show that 263,000 fuel poor households are located in villages, hamlets and isolated areas. It is therefore an inherent flaw in the proposed ECO4 revised scheme that there is



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no incentive included to find and support the more rural fuel poor households. These will have higher search costs and therefore are in danger of being missed out completely, when the evidence actually suggests these households are in the deepest levels of fuel poverty. The Committee therefore recommends an uplift in scores to reach the most isolated and worst properties where deepest fuel poverty is to be found.

### **Expansion of LA Flex**

There has been no published empirical evidence to demonstrate that LA Flex has been effective in targeting the fuel poor, as defined by the Fuel Poverty strategy. Therefore the increase from 25% to 50% of all measures delivered via this route in ECO4 is a huge risk as it is not supported by evidence. This risks repeating the error of increasing LA Flex from 10% to 25% in ECO£, where again there was no evidence of LA Flex delivering its objectives. Had LA Flex been effective in identifying the fuel poor in ECO3 then the ECO4 targeting efficiency would have improved, which it has not. Modelling in the Impact Assessment assumes only 50% of local authorities will participate, which would result in a post code lottery, unless the obligated suppliers have alternative effective delivery mechanisms in place. There is no clear alternative route of energy efficiency assistance for those qualifying fuel poor households who live within local authority areas not participating in LA Flex. BEIS Energy Hubs must be resourced to assist smaller LAs with dispersed rural populations to develop partnerships with energy suppliers to draw in ECO funds and identify fuel poor households not in receipt of benefits.

Yours sincerely,

**David R Blakemore**

Chair, Committee on Fuel Poverty

**Members:** Liz Bisset; Jenny Saunders, CBE; Anuradha Singh; Paul Massara; Lawrence Slade



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### Appendix 1 Full list of questions in the consultation

1. Do you agree with removing the supplier obligation threshold when a buy-out mechanism is introduced and retaining the current thresholds, for when a supplier becomes obligated, in the meantime?

Yes

2. Do you agree with the proposal to reduce the current supplier allowance approach at the start of ECO4, before a buy-out mechanism could be introduced?

Yes

3. How feasible would it be for suppliers to pass on a greater share of obligation costs onto gas prices rather than electricity during ECO4 or beyond?

There needs to be clarity in any shift in where policy costs are placed that are visible and understood by the bill payer.

Where discretion is allowed for suppliers to shift costs they need to explain to their customers the reason and the impact on annual heating bill. BEIS' affordability unit should publish its analysis of how policy costs impact fuel poverty as there is a concern that households in fuel poverty spend disproportionately more on heating than general appliance use and could be negatively impacted.

4. How feasible would it be for suppliers to recover costs of obligation exclusively from gas customers during ECO4 or beyond?

Government needs to be very mindful of how wholesale and other energy price rises are impacting households budgets and consider shifting policy costs onto general taxation or further discounting bills for the poorest households.

5. Do you agree with our proposal of not introducing the new mechanism to protect the ECO target under ECO4 when a supplier ceases to trade and its obligation target is not met?

Yes, where customer numbers are below 250,000.

6a. Do you agree with the proposal to (a) introduce a buy-out mechanism, to enable smaller suppliers to participate under ECO without disproportionate costs to them (subject to primary legislation)?

Yes.

6b. Do you agree that (b) the use of buy-out should be optional for all suppliers?

Yes, within the proposed % bands.



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7. Do you agree that the buy-out pot should be used to deliver energy efficiency measures?

Yes – targeted at fuel poor households.

8. Do you agree that all suppliers should be able to use the buy-out mechanism using a sliding scale approach?

Yes.

9. If a sliding scale was used, do you agree that the proposed potential buy-out caps above are set at the right level?

Yes.

10a. Do you think that very small suppliers with (a) 1,000 customer accounts or below, regardless of their supply volumes, should not be obligated (option 1 in table 4)?

10b. Or (b) do you think suppliers with less than 5,000 customer accounts, with supply volumes of 66gwh gas and 18 gwh electricity should not be obligated (option 2 in table 4)?

Option 2 seems appropriate.

11. Do you agree that an approach using published prices reported by suppliers on ECO delivery and administration costs would be appropriate to set the buy-out price on an annual basis ahead of the buy-out 'window'? Please suggest any alternative approaches.

Yes.

12. Do you agree that suppliers should decide on whether to buy-out or not during a 'decision window' which is prior to the start of the next obligation phase?

Yes. But decision windows should be opened following any major shift in government policies impacting the scheme.

13. Do you agree that suppliers can only choose to buy-out their next obligation phase?

Yes.

14. Do you agree with our proposal to allow up to 10% ECO3 delivery to be carried over into the ECO4 scheme (with the exception of oil and LPG fuelled heating systems)?

Yes.

15. Do you agree with our methodology for converting ECO3 bill savings into ECO4 bill savings?

Yes.



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16. Should the ECO3 average cost per £ of lifetime bill savings be taken from the ECO3 impact assessment or the published energy efficiency statistics? Please explain your answer.

No comment.

17. Is carry-under needed to mitigate the risk of suppliers failing to meet their ECO3 obligations?

Yes.

18. Do you agree with the proposed cap of 10% and penalty rate of a 1.1 multiplier if carry-under is implemented?

Yes.

19. If carry-under is implemented, do you agree with our proposal for the ECO3 average cost per £ of lifetime bill savings to be 31p, taken from the ECO3 impact assessment?

Yes.

20. Do you agree with our proposal for early delivery during any potential gap between schemes?

Yes – to ensure continuity of the supply chain.

21. Do you agree that ECO should target SAP band D, E, F and G homes?

The focus of the scheme should be on bands E F and G with band D properties phased in after 2024.

22. Do you agree that band f and g homes should be improved to at least a SAP band D, and that band D and E homes should be improved to at least a SAP band C, as a minimum requirement to receive a full project score?

Yes – customers should also be given a clear assessment of what measures could be installed in the future to improve the SAP band rating and from 2025 all homes should be brought up to SAP band C.

23. Do you agree to a requirement for a minimum number of private tenure homes in SAP band E, F and G homes to be upgraded?

Yes – this should link to the reaching the fuel poverty milestones.

24a. Do you agree with the proposal to (a) remove non means tested benefits including disability benefits as a method to target low income and vulnerable households, as listed in table 6?

Yes, but signposting those households for assistance via WHD should be supported



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24b. Do you agree with the proposal to (b) include additional benefits within the eligibility criteria for private tenure households under ECO 4 to align with UC?

Yes, however the scheme should be designed to ensure that the 46% (1.5 million) of fuel poor households not in receipt of benefits are also automatically eligible for ECO.

25. Do you agree with the proposals to increase the child benefit income caps as set out in table 7 under ECO4?

Yes, given the scope of la flex.

26. Do you agree with the proposal that households in receipt of whd also be eligible under ECO4, if they live in band d-g homes?

Yes, but with a focus until 2024 on bands E, F and G.

27. Do you agree that up to 50% of the ECO target could be delivered through LA & supplier flex?

No. There is no empirical data from la flex in ECO3 to support this increase as a means of reaching fuel poor households not in receipt of benefits (46% of the total fuel poor households in England). However, with new guidance and accountability this may be an effective way of reaching households given the lack of progress made by government on national data-matching to identify the fuel poor. The flex budget should not be increased until it can be demonstrated that it is helping identify the following households for assistance by ECO:

- Fuel poor households, especially those on low income and not in receipt of ECO eligible benefits, and
- Low income households that are vulnerable to the effects of living in a cold home.

28. Do you agree with the proposals for improved due diligence under the reformed LA & supplier flex?

Yes, with annual monitoring published on fuel poverty impacts and stronger controls put in place where guidance is not being followed.

29. Do you agree with the four referral routes that could be used by local authorities under LA & supplier flex? Are there other ways we could incentivise better targeting?

Yes.

30a. Do you agree that obligated energy suppliers should (a) be able to use their own data on households in fuel debt, or ppm self-disconnections to target low income and vulnerable householders?

Yes, where there is data on income and assessments of ability to pay.





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30b. Do you agree that (b) households would be eligible if they meet the 2-proxy requirements, using suppliers own customer debt or ppm self-disconnections data under la & supplier flex route 2?

As above.

31. Do you think the scottish and welsh governments should be able to refer households under la & supplier flex, instead of local authorities in those countries?

No comment.

32a. Do you agree that off-gas uplifts of (a) 35% should be applied to Scotland and Wales?

32b. Do you agree that off-gas uplifts (b) should not be applied in England, where the home upgrade grant is available?

33. Do you agree if a measure is funded under ECO, then other grant funded schemes should be prohibited from blending with the same measure under ECO?

Yes – this would avoid potential double counting but the important factor is in ensuring that customers are not required to make contributions towards the cost of measures which they can't afford.

34a. Do you agree homes could benefit from multiple funding if (a) it is not for the same measure?

Yes.

34b. Do you agree homes could benefit from multiple funding if (b) other grant funded measures are installed either before ECO4 or after all the ECO4 measures?

Yes, if they remain in fuel poverty and this is cost effective.

35. Do you agree that we continue with the ECO eligible referrals mechanism under ECO4?

Only if data shows this it has been effective in targeting fuel poor households.

36a. Do you agree with our proposals to (a) simplify the in-fill mechanism with the new ratios for flats and other housing to qualify?

Yes.

36b. Do you agree with our proposals to (b) include CWI in-fill?

Yes.

37a. Do you agree with our proposal to (a) support low income private rental households, with the design being subject to the outcome of the prs consultation?



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Yes, assuming landlords meet their mees/other statutory responsibilities.

37b. Do you agree with our proposal to (b) limit support to packages of measures that meet the MR including solid wall insulation, first-time central heating, a renewable heating system or district heating?

Customer needs and preferences must be considered within the framework of the scheme with clear explanation of why certain measures are included or excluded.

38a. Do you agree with the proposal to (a) allow social housing tenure with starting bands of e, f and g to be eligible under ECO4?

Yes – linked to SHDF.

38b. Do you agree with the proposal to (b) continue eligibility for band d social housing under innovation measures?

Yes – lessons can be learned for the oo sector more effectively working with social landlords but funding should be limited to technologies deemed ready for the domestic market.

39. Do you agree that the minimum requirements should apply to E, F and G social housing and band D social housing for IM uplifts?

Yes.

40. Do you agree that the scope of the home heating cost reduction obligation (HHCRO) should be broadened to a home energy cost reduction obligation?

A shift to total energy costs is in line with the fuel poverty statutory requirement. However given the anticipated additional costs of home heating on pathways to net zero the focus should remain on measures to reduce heating costs until.

41. Do you agree with our proposal to maintain a solid wall minimum requirement set at 22,000 solid wall insulation measures per year for ECO4 and remove the option for this to be met via alternative measures?

This is well below the level proposed by the ccc as needed to meet the UK's net zero commitments. Clearly there is a limited amount of measures that can be funded under ECO4 but SWI will be required in a very significant number of f and g properties. If there is a fixed limit in ECO4 the government will need to bring forward new proposals to support the increase in SWI required for not only the fuel poverty strategy targets but net zero.

42. Do you agree with our proposal to introduce the proposed minimum insulation preconditions for all homes receiving heating measures?

Smaller properties where there is an imperative for a heating system may be excluded where it would not be practical to install insulation.



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43. Do you agree with our proposal to exclude the repair and replacement of oil and LPG boilers?

Any alternative measures must be suitable for the property and householders with a clear explanation of running costs, lifestyle changes, controls and tariffs.

44. Do you agree with our proposal to only allow the repair of efficient heating up to a cap of 5,000 homes per year?

BEIS do not specify what the demand has been for this element of the scheme in previous years. Some of the GDNS offer a repair or replace scheme for their vulnerable customers and there should be an integrated cross referral between schemes.

45. Do you agree with our proposal to reduce the broken heating cap for broken efficient heating replacements up to 5,000 homes per year?

See above.

46. Do you agree with our proposal that all new ESH delivered (both on and off-gas) must have a SAP responsiveness of 0.8 or above?

Yes. Effective controls and an appropriate tariff must also be part of the package.

47. Do you agree with our proposal to require all new gas boilers installed throughout gb to meet the boiler plus standards?

Yes.

48. Do you agree with our proposal to restrict first-time gas central heating to households already connected to the gas grid?

Yes, but any new systems must be suitable for the householder and unfamiliar systems must be explained fully and meet required heating levels in all living areas (for example previous schemes have offered limited number of radiators insufficient for adequate warmth).

49. Do you agree with our proposal for all new wet central heating systems to be installed as a "low-temperature heating system"?

Yes – as above.

50. Do you agree with our proposals to expand the eligibility for first-time central heating?

Yes.

51. Do you agree with our proposal to restrict biomass boilers or district heating systems to off-gas grid homes that are not electrically heated and cannot reasonably or practicably receive a hydronic heat pump?



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Yes, but the implications must be fully understood by the householder.

52. Do you agree with our proposal to restrict the installation of electric heating (that is, or equivalent to, a high heat retention electric storage heater) to homes that are already electrically heated and where it is not reasonable or practicable to install a hydronic heat pump, district heating system or a solid biomass heating system?

Yes.

53. Do you agree with our proposal that energy suppliers should be required to provide advice on the benefits of smart meters and how to request the installation of a smart meter alongside the energy advice requirements required by PAS 2035?

This appears sensible.

54. How should suppliers be required to demonstrate that a flexible heating system is safe, secure, smart-enabled and installed with sufficient energy storage, and in a way that means the heating system will operate flexibly?

Customer protection is needed where new technologies are being installed and some common standards enforced based on trials.

55. Do you agree that the ECO4 scoring methodology must be based on the difference in average annual bill expenditure between the starting SAP rating and finishing SAP rating of a property, with regard given to the property's floor area?

Yes – based on the assumed benefits this will bring.

56. Do you agree that the overarching ECO4 scores should be based on deemed savings, rather than the actual savings generated through bespoke SAP calculations at each property?

Yes – as above.

57. Do you agree with our proposed approach for allowing exemptions to the minimum requirements? If you propose additional exemptions, please suggest how they could be evidenced.

Yes.

58. Do you agree with our proposal to use deflated partial project scores for ongoing projects, ahead of completion?

No comment.

59. Do you agree with our proposal to use deflated partial project scores where a project is found to be non-compliant with the minimum requirement at the point of notification?

Yes.



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60. Do you agree with our proposal to use deflated partial project scores where a consumer ends a project before the minimum requirement has been met for reasons other than change of occupancy?

Yes.

61. Do you agree with our proposal to cap the share of a supplier's ECO obligation that can be comprised of scores from partial projects? Do you agree that this cap should be set between 20-30%?

62. Do you agree with our proposal to use deflated partial project scores for in-fill homes, with a deflation of between 20% and 30%?

No comment.

63. Do you agree with our proposal to incentivise the use of longer lifetime measures through minimum requirements and heating insulation preconditions rather than including measure lifetimes in ECO4 scores?

64. Do you agree that we should continue to require measure lifetimes through the scheme to benchmark guarantee requirements and for scheme reporting purposes outside of the scoring framework?

Yes.

65. Do you agree with our methodology for applying innovation uplifts relative to the expected savings of a particular innovation measure type?

Yes.

66. Do you agree with our proposal to provide a fixed score uplift of ~£60 annual bill savings for all broken boiler replacements and ~£16 annual bill savings for each broken esh replacement? Please provide information on the cost of boiler and esh repairs to help inform the level of uplift required for heating repairs relative to replacements.

No comment.

67. Do you agree with our proposal to allow uplifts for hard-to-treat issues for owner-occupied e, f, and g homes only?

Yes – this would seem to be a suitable approach to encouraging ECO focusses on E F and G properties.

68. Do you agree with our proposed methodology for hard-to-treat uplifts? Please also suggest forms of evidencing for hard-to-treat.

69. What work should be within scope of the HTT uplift? Should the extraction of defective loft



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and/or cavity wall insulation be included? If not, how could extraction be monitored more effectively through the scheme?

Remedial work has often been a barrier to upgrading properties with previous works failing due to no fault of the householder. Including defective loft and cavity insulation should be included where necessary to make greater SAP improvements.

70. Should the cost per £ bill savings be based on the final ECO4 IA or from ECO4 published energy efficiency statistics?

- Final ECO4 impact assessment
- ECO4 published energy efficiency statistics
- No view x

71. Do you agree with our approach for evidencing scores for ECO4?

Yes.

72. Do you agree with our proposal to allow alternative methodology scores to be produced for measures that are not recognised in SAP?

Yes.

73. Do you agree with our proposal for all alternative methodology scores to count towards the minimum requirement?

Yes.

74. Solid wall insulation: do you agree with our assumption of a 0% third party contribution for solid wall insulation (SWI)? Please provide BEIS with any information on third party contributions towards SWI supporting your response.

Yes.

75. PAS2035:2019: are the current cost assumptions for ventilation outlined in table 12 reflective of the costs of complying with ventilation requirements set out in PAS 2035? Please provide BEIS with any information on the cost ranges associated with PAS ventilation compliance, and any further PAS related considerations, that may be applicable.

No comment.

76. Ancillary work: should the costs of delivering specific ancillary services related to insulation, be captured through the delivery cost assumptions in the ECO4 final stage impact assessment? Please provide BEIS with any information on the cost ranges associated with each ancillary measure in paragraph 354, and any further common services that may be applicable.



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Barriers to take up of measures that are disruptive and cause additional redecoration costs should be recognised and addressed.

77a. Data warehouse and hard-to-treat: (a) how feasible would it be for all delivery costs incurred as a result of the installation of measures to be lodged and stored within Trustmark's data warehouse, and how do you think all measures costs should be recorded, e.g., to ensure any gaming risks are mitigated where possible?

77b. (b) please provide beis with any further evidence of the costs associated with remediation of hard-to-treat issues, as required in 8.3.1, bullet three, of PAS 2035, as well as evidence of the prevalence of these issues in the housing stock.

No comment.

78 and 79 relate to Scotland - no comment.

80. Do you agree with setting a project completion time of three months, from the completion of the first measure in any package other than for DHS? We welcome views regarding what timescale should be permitted for DHS installations.

Yes.

81. Do you agree with our proposal to allow an extension of three months to be permitted by Ofgem in certain circumstances?

Yes.

82. Do you agree with our proposal to award deflated partial project scores for measures delivered after the three-month time period has passed?

Yes.

83. Do you agree with the proposals on measure notifications and extensions?

Yes.

84a. Do you agree with (a) the proposed obligation phases for the future scheme?

Yes – and an evaluation of each phase should be shared with stakeholders to monitor progress against intended outcomes.

84b. Do you agree with (b) the proposal to retain the 1 February deadline for suppliers to notify Ofgem, and for suppliers to be notified of their obligation on or before 7 March, prior to the commencement of the next phase?

85. Do you agree with the proposal to retain the mechanism for the trading of obligations and setting the deadline for applications as 30 September 2025?



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Yes.

86. Do you agree with the proposal to retain the mechanism for the transfer of qualifying actions and setting the deadline for applications as 30 June 2026?

Yes.

87. Do you agree that an application for the transfer of qualifying actions should not be approved, if there is significant risk that the applicant supplier would be unable to deliver its obligation?

Yes.

88. What actions do you consider appropriate to reduce the level of technical monitoring (tm) fails for loft insulation?

Extended guarantees of the product and workmanship alongside independent onsite technical monitoring of works.

89. Should the guarantee durations for loft insulation and boilers be increased and to what duration?

Yes – 6 years.

90. What should be required for heating repair guarantee scope and length to ensure that these measures can be delivered through the scheme with appropriate consumer protection?

No comment.

91. If appropriate safeguards are put in place to prevent eco guarantee requirements being changed without sufficient consultation with beis and wider industry, should all eco guarantee requirements be mandated via Trustmark registration and compliance, rather than through ECO regulations?

BEIS need to be satisfied that energy efficiency data is accurate, current and available to householders wherever data is stored

92. Do you agree that all measures (excluding DHS) referenced in the latest versions of PAS2035 and PAS2030 should be installed in accordance with these standards and delivered by a PAS-certified installer?

Yes.

93. Should this requirement be enforced entirely via Trustmark registration and compliance, and therefore not referenced in eco legislation for ECO4?

No comment.





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94. Do you agree with our proposal to retain the innovation measure mechanism, which would be capped at 10% of a supplier's obligation?

Yes.

95. Do you agree with our proposal to introduce a 'high' level of uplift of 45%, alongside the current 'standard' 25%, based on a distinction between a moderate improvement and substantial improvement, decided upon by the tap?

Yes.

96. Do you agree with our proposal to expand on the current criteria for determining whether there is an improvement to include environmental impact consumer care and delivery costs?

Yes.

97. Do you agree with our proposal to reward sponsoring suppliers with an increased uplift of 2% after application approval?

Yes.

98. Given the proposed reforms to eco4 and the continued focus on providing support to low income, vulnerable and fuel poor householders, should the da mechanism be retained for ECO4, and be the vehicle used in providing support for single measure product testing? Are there any other mechanisms that may be better suited to product testing?

No – there are other routes for testing products with low TRLS.

99. Do you agree with our proposed approach to a reformed in-situ performance mechanism, including piloting methodologies tested through the SMETER trials?

Yes – with all results shared across the industry.