



Committee on  
Fuel Poverty

Rt Hon Claire Coutinho MP  
Secretary of State for Energy Security and Net Zero  
House of Commons  
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13 November 2023

Dear Secretary of State,

I hope you are relishing the challenges of your new role and the opportunities that comes with a portfolio that is both globally crucial and nationally touches everyone's lives.

The Committee on Fuel Poverty (CFP) wished to share with you our thoughts on the continuing pressures facing fuel poor and vulnerable households this winter. What we know from energy advice stakeholders and energy suppliers, is that for many people, a crisis is still looming as they carry more debt from energy bills and other costs in homes that are not warmer than last winter. Once again putting them at risk in terms of their health and well-being.

The Committee recently met with the Environmental Change Institute (ECI) whose report "Finding the fuel poor and framing better policy" explores how the Government can best target support to those in greatest need and describes the minimum level of support needed to prevent serious suffering this coming winter.

Dr Boardman who has led this work believes that relieving pressure through energy accounts can be done directly and automatically within a relatively short space of

time with the supplier remotely altering the unit rate within the target group including those on legacy prepayment meters.

Using data from smart-enabled prepayment meter customers, we heard further examples of how households reduced their energy consumption last winter to reduce their bills. More than 20% of Priority Service Register (PSR) households disconnected during very cold weather in one region.

The consequences of this self-disconnection and self-rationing can include a colder home, damp and mould, and adverse physical and mental health outcomes.

The latest UK energy prices are expected to remain high, certainly well above the pre-crisis levels when the Ofgem energy price cap was £1,277. The sums households are paying out to heat their homes will be typically, an extra £557 a year the majority of which, will, of course, have to be paid during the winter months.

The standing charges levied on bills has increased very significantly in the last few years and is likely to rise to provide investment to decarbonise our homes, the grid and accelerate progress in the transition towards net zero. This disproportionately impacts those in fuel poverty who facing higher costs as a result of levies, or the cost of their bills mean they use less energy than they need to. This raises the question: is it fair that fuel poor and vulnerable households should be asked to contribute to these policies and to reduce poverty through their bills?

The Committee welcomed the removal of the social and environmental levies from consumer bills in 2022. The removal of these charges into general taxation, which was welcome during the energy crisis, could become a permanent feature. At the very least Government should consider how to mitigate against the impact of additional charges on fuel poor and vulnerable households and we make a number of suggestions in our Annual Report. When considering policies which add to bills, the Committee recommends an assessment of the impact on fuel poverty should be made prior to implementation.

In February 2023 Government announced figures putting the number of fuel poor households in England at 3.26 million – a rise of 100,000. Without the Government's support the impact would have been much worse: an estimated 350,000 households would have been drawn into fuel poverty in 2022. Official forecasts indicate a further rise in fuel poverty to 3.53 million, a rise of 270,000 and a further widening of the fuel poverty gap.

The 2020 Fuel Poverty milestone has been missed. Time is running out to meet the 2025 milestone, which the Government accepts is high risk, unless 704,000 properties that have Energy Performance Certificates of E, F, G are not prioritised for urgent upgrading.

Despite only 20.3% of all households privately renting their homes, 36.6% of all fuel poor live in privately rented accommodation and are subject to the Domestic Minimum Energy Efficiency Standard (MEES) Regulations which sets a minimum energy efficiency level for these properties of EPC Band E.

The Committee's view is that lack of enforcement of the MEES and current regulations which exempt a private rented property from achieving the benchmark if the cost of doing so exceeds £3,500 is affecting progress to meet the Government's milestones and 2030 target. We believe that the PRS should be held to the same high standards as are required in the social rented sector, which have been strengthened in the Social Housing (Regulation) Act, requiring homes to meet decent homes standards. The Renters (Reform) Bill provides an opportunity for private renters be given the same rights to a decent home with adequate thermal comfort. We welcome the support already identified for low-income households on means tested benefits, pensioners and those on certain disability benefits. We are nevertheless concerned that criteria to identify households in need of support needs to go wider than simply benefits as a proxy. We urge you to consider a wider set of indicators of fuel poverty including data that can be identified by energy suppliers from their Priority Service Register (PSR), or patterns of self-disconnection from smart meter readings.

However, the forthcoming Autumn Statement would be a timely intervention to provide assurance about paying bills or self-disconnection and prevent serious suffering this winter.

**The Committee suggests an additional targeted payment for fuel poor and vulnerable households through energy accounts to reduce the cost of this winter's energy bills to provide a vital lifeline to those most at risk.**

**The Autumn Statement is also an opportunity to direct improved enforcement of the MEES, delivery of energy efficiency programmes and landlord engagement to make private rented homes warmer.**

We continue to engage with Minister Solloway and the department regarding the review of the Fuel Poverty Strategy and have made five main recommendations in our Annual Report 2023 "Meeting or Missing the Milestones".

Low income is a key driver of fuel poverty which is why continued price support will still be required for fuel poor and vulnerable households beyond this winter.

But to end fuel poverty also involves finding the right people, in the right homes, more quickly, and making those homes warmer. To be confident of meeting the 2030 target, the Government will have to upgrade to a C rating at least 365,000 D-rated properties per year from 2023 to 2030.

The current circumstances justify the Government going beyond the scale of existing schemes, to substantially ramp up the rate of energy efficiency programmes to fuel poor and vulnerable households.

The Committee is happy to meet to discuss or advise as requested.

Yours faithfully,



**Rt Hon Caroline Flint**  
**Chair – Committee on Fuel Poverty**

**CFP Members:** Liz Bisset; Anuradha Singh; Belinda Littleton, Anthony Pygram and Gordon McGregor

CC.

Rt Hon Jeremy Hunt MP, Chancellor of the Exchequer  
Amanda Solloway, Parliamentary Under Secretary of State for Energy Consumers and Affordability  
Lord Callanan, Lords Parliamentary Under Secretary of State for Energy Efficiency and Green Finance