



Committee on Fuel Poverty

Minutes of Committee on Fuel Poverty (CFP) meeting: 9th January 2023

Members Present: Caroline Flint (Chair), Liz Bisset, Anthony Pygram, Gordon McGregor, Belinda Littleton and Anu Singh.

Invited guests in attendance were BEIS officials.

Agenda Item 1: Chair's Welcome

1. The Chair welcomed members and thanked members for their engagement.

Agenda Item 1: Updates on Stakeholder Engagement and Action Log

2. Members discussed stakeholder engagements that have not been included to be sent to the secretariat.
3. Members discussed adapting the action log to a streamlined document.

Agenda Item 2: Discussion on Research Project topics

4. BEIS gave an update regarding the CFP research project, the deadline was extended to 11th January following a request from a prospective bidder, pushing the start date back two days.
5. The CFP requested BEIS support with creating marketing materials to announce the research publicly once research officially awarded and initiated.
6. Belinda stated Energy UK have expressed an interest in helping CFP meet their goals as they have several suppliers who have signed up to the vulnerability commitment.
7. Members did some stakeholder mapping to identify those who would be effective supporting the CFP or provide a good evidence base – Liz mentioned the Anti Fuel Poverty Coalition who have several stakeholders, Child Poverty Action Group, Chartered Institute of Housing, National Housing Federation, Resolution Foundation, ADAS (RSK group), Fuel Bank Foundation, Institute of Health Equity.
8. CFP noted that the research project for 2023-24 could be considered as a 'part two' [of this years project] and should be a follow-up of the findings of the 2022-23 project.
9. Gordon mentioned the £20,000 budget remaining for 2022/23 and queried if BEIS could consider using the findings to inform fuel poverty data/statistics. BEIS confirmed that it would not be possible to take this forward in year.
10. Belinda noted that due to not knowing the cost of the current research project until bids are received the remaining budget should be retained for now.

11. The CFP discussed the National Energy Efficiency Data-Framework (NEED) database which is managed in part by the Energy Savings Trust and others which gather information from various sources but doesn't use Census data.
12. Gordon highlighted the scale of funding BEIS are committing to fund research into generation and transmission activities which appears highly disproportionate to amount allocated to understanding the fuel poverty crisis.

ACTION A: BEIS/CFP – Schedule meeting to discuss 2023/24 research project proposals

ACTION B: BEIS – Schedule follow up meeting on data – Gordon & Liz (can extend invite to others), BEIS representatives – Stephen & colleague(s) and policy team

ACTION C: BEIS – Draft lines and statement to go on CFP webpages for launch of research project outlining aims and benefits

Agenda Item 7: Stakeholder engagement planning for 2023

13. Caroline discussed the need to create a list of priority stakeholders that CFP will focus on over the year with individual members making use of existing links/expertise to be point person for different groups.
14. Anu highlighted two main things needed from stakeholder engagement: how to collate a group of stakeholders that will keep the committee informed and looking for where the fulcrums of power are in cross-government stakeholders so they can be influenced by the Committee.
15. Gordon proposed using the framework of topics in the letter to the Prime Minister to identify stakeholders against areas. Within there could be two different types of stakeholders: one is the core stakeholder i.e., energy company/energy efficiency company and second is issue-based stakeholders.
16. Liz discussed an issue with government programmes tending to be short term and having short delivery time scales resulting in small uptake. She also flagged income assistance and that it would be helpful to discuss the CFP position on targeting.
17. Anu raised two principles regarding targeting. Having placed based local knowledge to give a person-based view of targeting. Using Artificial Intelligence (AI) to better predict targeting of certain groups.
18. Gordon suggested the Committee put some thought on taking a mid-price point view for planning assumptions in relation to future gas price fluctuation. The Committee would consider putting some informal questions to BEIS to understand how future price assumptions are factored into decisions on policies.

ACTION A: BEIS/CFP – CFP to hold a webinar with invited stakeholders concerning AI as a targeting method. BEIS to suggest possible invitees to take part and organise event.

ACTION B: BEIS – Provide summary note on previous CFP AI research project

ACTION C: CFP/BEIS – CFP to take a revised look at stakeholder map, ensuring appropriate stakeholders present and update contacts where needed. Caroline to

circulate questionnaire/framework to Members to map stakeholders (such as new stakeholders to engage). BEIS to support.

Agenda Item 4: Update on energy efficiency programmes

19. Olivia (BEIS) gave an update. She highlighted the Autumn Statement announcements including a 15% energy reduction target by 2030 and current work on how this will be met.
20. Following the conclusion of the consultation on ECO+, BEIS are working on proposed scheme details.
21. Energy Efficiency Task Force – work is ongoing around the scope of work and membership. This is likely to be focused on the supply chain to meet energy efficiency targets.
22. Gordon asked how regional energy efficiency will be tackled and suggested putting the consumer at the centre of the Task Force objectives as opposed to the supply chain.
23. Olivia noted that as detail of the Task Force is yet to be confirmed she is unable to go into specifics of their approach. There will be opportunities for the CFP to liaise with the taskforce once it is (or has been) confirmed.
24. On regional based delivery, Olivia stated that BEIS are working with local authorities to build capability in accessing schemes.
25. Olivia noted the Energy Company Obligation ECO3 evaluation findings – and that it might be possible to share a version with the CFP. During the qualitative evaluation of ECO3, consumer dissatisfaction with the process was identified. This is being discussed and reviewed internally. If the Task Force remit includes the supply chain, there is the potential that this could be investigated further.
26. ECO 4 numbers are now looking more in line with the run rate expected. However, Ofgem and BEIS will continue to monitor delivery by individual energy suppliers from formal compliance and scheme design perspectives. Alongside this BEIS will look at experience of other capital schemes and delivery performance for any recurring themes.
27. Olivia mentioned that BEIS have updated cost assumptions under the recent ECO+ consultation whilst keeping cost assumptions the same under ECO4. Monitoring of deployment will continue to consider if any adjustments to cost assumptions need to be made.

ACTION A: CFP – CFP to share expectations of Energy Efficiency Taskforce once announced

ACTION B: BEIS – ECO3 evaluation – look to share findings (currently unpublished) in some form with the CFP (including information on consumer experience)

Agenda Item 3: Discussion on defining Fuel Poverty and targeting

28. The paper looks at whether the money that is being directed towards fuel poverty is having the best use made of it. He noted that most schemes have

more money going to non-fuel poor households than to fuel poor households and when money is reaching the fuel poor, around 20% of that goes towards trying to find them.

29. Liz mentioned that debates have been focused more on how efficiently money is being spent as opposed to some of the inevitable costs of a targeted programme. Gordon suggested work on targeting should focus on future schemes or programmes and how to maximise the contribution to those who are fuel poor. He recommended the Committee think of ideas as a business case for why energy efficiency amongst those who are most fuel poor makes economic sense. Caroline added that there is a need to both identify the problems and give recommendations and from a consumer perspective.

ACTION A: BEIS – Confirm whether Ofgem publish company level delivery of

ECOACTION B: CFP – Stemming from Anthony’s paper (discussed at 9 Jan meeting), develop proposal for a session on targeting with stakeholders. BEIS to support.

Fuel Poverty Statistics Update

30. Stephen (BEIS) advised that whilst the census doesn’t collect data on energy consumption, energy efficiency or income 2011 census data has been used in sub regional fuel poverty modelling.
31. He noted work is in hand to move away from census-based modelling for the subregional statistics with a greater use of administrative data. This would use Energy Performance Certificate (EPC) information for properties where available, with inputted EPCs based on data science for properties where EPC not present. For example, nearest neighbour techniques where missing data is estimated based on similar dwellings in the area to estimate EPC and other administrative data sources. We also hope to receive information from DWP (Department of Work and Pensions) regarding addresses/energy efficiency of homes of Warm Home Discount recipients which would allow the calculation of the Fuel Poverty Energy Efficiency rating to be made.
32. The 2023 annual fuel poverty statistics are pre-announced for publication in February.
33. This is expected to include 2021 figures and a focus on the one-year projection (2022) being a headline figure.
34. On energy efficiency, the English Housing Survey published in December 2022 showed the share of A-C homes went up over from 46% in 2020 - 47% in 2021 but this number has not been filtered to the low income and has not got Warm Home Discount applied.
35. Regarding 2022/23, Stephen said there will be some energy efficiency in addition the expansion of WHD will partially affect 2022 and fully affect 2023.
36. Regarding housing costs, Stephen stated for 2022 he doesn’t think it would be particularly bad in terms of mortgage rates because the changes occurred late in 2022 and only a few fixed rate mortgages will need renewing in 2022; however, in the 2023 data there will be a significant impact on housing costs due to a possible 3-4% increase on their mortgage rate. However, due to a relative after housing cost measure, this could make fuel poverty go down

because the median household is probably going to have a bigger mortgage impact than the marginal fuel poor.

37. Regarding prices, Stephen stated in 2021 prices are up a bit because of lower prices in 2020 due to the pandemic. Stephen stated there will be a significant increase in the fuel poverty gap for 2022 and possibly the energy efficiency progress eroded because of the price impact.

Agenda Item 8: Direction of the CFP for 2023

38. Caroline discussed creating a draft framework timetable for the Committee over the coming months including plans to produce the Annual Report and areas of focus for future discussion.
39. Gordon stated it would be good to know what BEIS, OFGEM and other stakeholders are doing over the next 12 months to time the committee's interventions and support.

ACTION A: BEIS – Provide summary of support confirmed for next financial year – cost of living etc.

ACTION B: BEIS – Provide summary of key actions across BEIS and where possible OGDs/Ofgem in fuel poverty space.