



Committee on Fuel Poverty

Minutes of Committee on Fuel Poverty (CFP) formal meeting: 13th March 2023

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

Invited guests in attendance were officials from the Department for Energy Security and Net Zero, Energy UK and London Economics.

Agenda Item 1: Chair's Welcome, Members Interests and Minutes of Last Meetings

1. The Chair welcomed members and thanked members for their engagement.
2. No new member interests were declared.
3. Members cleared minutes for January and February meeting and no issues were raised.

Agenda Item 2: Action Log - Update on Progress

4. Members reviewed the new format of the action log and made further suggestions. This included creating a stronger link between actions and the CFP Work Plan in order to assist when drafting the Annual Report.

Agenda Item 3: Stakeholder Engagement

5. Members noted there were some additional stakeholder engagements which they would share to be added to the log.

Agenda Item 4: Department for Energy Security and Net Zero Policy Update (referred to as the Department)

6. The Department referenced engagement with Minister Solloway in her new roles as Parliamentary Under Secretary of State (Minister for Energy Consumers and Affordability), noting that she is very engaged with fuel poverty as an issue. It was noted that Chair of the Committee would be meeting with Minister Solloway on 14th March 2023.

7. The Department provided an update on plans around review of the fuel poverty strategy. The Committee were invited to consider their role in feeding into that work.
8. The Committee questioned how ambitious the department could be in a future strategy. The Committee noted that they could use their Annual Report to address this point.
9. The Department relayed that the ECO+ government response to consultation would be published in due course.
10. The Department confirmed that the Energy Efficiency Taskforce has been established and the terms of reference published online. Discussions were ongoing around the remit of the Taskforce which will be focused on delivery rather than policy development (e.g. supply chain, mobilising industry).
11. The Committee discussed their thoughts around the potential focus of the Taskforce and the need to keep the consumer at the heart of discussions

ACTION: The Department to provide a summary of HMG priorities in fuel poverty space.

ACTION B: The Department to share Terms of Reference for Taskforce with the Committee.

Agenda Item 5: Department for Energy Security and Net Zero Updates, *Financial Support Schemes*

12. The Department provided an update on the delivery of the Energy Bill Support Scheme (EBSS) – overall, the scheme has delivered 99% of total payments as of 1st February.
13. The main area of concern is the paper delivery voucher scheme for pre-payment meter customers. Current statistics (as of 1st February) are 98% delivered, 76% redeemed, with 1.9million outstanding vouchers equating to £125 million worth of unclaimed support.
14. Data had been published which shows the lowest rate of paper vouchers being claimed is in London. Officials are considering options to encourage further action to drive uptake.
15. The Committee queried what had already been done to try and ensure more vouchers were claimed. The Department explained they are in regular discussion with the Post Office and PayPoint to explore further action which

could be taken. Multiple options have been explored with suppliers and implemented, including multi-channel communications, mail shots, community outreach. Even the feasibility of physically going round houses to add the top up was considered. This option is not seen as a complete solution as it would not be able to roll out at sufficient scale.

16. The Department mentioned there will be further EBSS voucher statistics released, it is expected that this will be before the end of March, including uptake split by Parliamentary constituency.
17. The Department gave an update on the Warm Home Discount (WHD). The call centre will remain open until the end of March for follow up calls from customers having closed for new claims at the end of February. The official statistics for the number of rebates provided will be published in May or June.
18. Experience in England and Wales has shown a challenge in communicating the changes made to scheme. For some households their non-eligibility was a surprise, there was some inaccurate media reporting and a number of energy suppliers mentioned the various types of energy help provided has confused some households. A formal evaluation of the delivery of Warm Home Discount in 2022/23 is expected to start in the summer.

ACTION A: The Department to share further information on WHD delivery this past winter in a note for the CFP – once that information has been provided to Ministers

Agenda Item 6: Department for Energy Security and Net Zero Updates, *Energy Efficiency Schemes*

19. The Department provided an update on progress on the Social Housing Decarbonisation Fund (SHDF) and the Home Upgrade Grant (HUG), including the latest waves/phases and most recent funding allocations.
20. SHDF Wave 2 and HUG Phase 2, through recent allocations, would be looking to allocate £1.4 billion of funding across 150 projects in England.
21. There is also co-funding contributing to SHDF, provided by local authorities and housing associations, which would be around an additional £1.1 billion over the next 2.5 years, bringing the total to approximately £1.9 billion, upgrading around 90,000 homes.

22. SHDF put resource and focus on the underrepresented regions and engaged with Mayors and others across the sector to help ensure a balanced regional spread.
23. SHDF were allocated £800 million at the last spending review. This latest wave of funding resulted in £778 million successful bids. HUG had up to £700 million and allocated £583 million but have an agreement to over allocate by 8% available to draw upon if local authorities are successfully delivering.
24. HUG have 282 local authorities signed up which are involved in 45 projects – only three rural local authorities and 20 urban local authorities in England did not apply.
25. HUG has been amended to no longer ask details about the home, costs, or the measures to be installed at the initial application stage as local authorities would not have actuals at this stage for this information and would instead have to give estimates. This information is now requested after the award funding on a rolling basis during the delivery window when the information is sent to the Department in batches for approval to upgrade the homes included.

ACTION A: The Department to provide the CFP with the energy efficiency schemes slides presented in the meeting, including identical slide from previous years (broken down by regions) - including for SHDF.

Agenda Item 7: Fuel Poverty Statistics – update post release

26. The Department's fuel poverty statistician gave an insight into the thoughts and feedback from stakeholders post publication of the fuel poverty statistics on the 28th February 2023.

Agenda Item 8: Energy UK – 2022 Overview and Forward Look (Madeline Costello, Retail Team)

27. Energy UK stated that the current challenges faced by households are widely understood by stakeholders.
28. Work done in the past year included:
 - Good Practice - looking at customer service and created a good practice document.
 - Conducted a roundtable with Citizens Advice, Ofgem, UK Finance to see how they have adapted customer service since COVID exploring their experience of what worked, what didn't and forward look.

29. Energy UK have created a domestic energy consumer advice document, this document is a Q&A pack produced alongside the Department, Citizens Advice and Ofgem for front line advisors. The document includes example questions with responses to ensure appropriate advice is given and enabling advisors to signpost to more information where necessary. This advice is updated regularly.
30. Energy UK launched a Vulnerability Commitment in 2021 a set of commitments developed by energy suppliers, consumer and charity groups and vulnerable consumers. The Vulnerability Commitment is independently chaired to ensure that commitments are understood and relevant to all. The Vulnerability Commitment currently has 14 signatories covering 90% of the retail market.
31. Each year, signatories are required to evidence their processes at panel hearings. Energy UK explained that hearings are not published but practices learned from suppliers' on how they meet the Vulnerability Commitment are published in a good practice guide.
32. The Committee asked what Energy UK and suppliers are doing to increase EBSS voucher take up in an innovative way.
33. Energy UK has taken action to encourage the uptake of vouchers under the EBSS, working closely with PayPoint, Post Office and Citizens Advice. This has included encouraging consumers to ensure contact details are up to date and investigating the use of automatic payment through smart pre-payment to reduce the chance of scams.
34. One way in which they have been innovative is to create posters to display in places where consumers redeem these vouchers. These posters set expectations, remind of details and include any key dates. It is difficult to analyse whether poster specifically made impact. These posters are currently in English. Energy UK have previously worked with NEA to translate energy guidance posters to four other languages.
35. Energy UK confirmed that they reissue and reevaluate what is included within the Vulnerability Commitment to ensure the commitments are updated and that they remain relevant.
36. In Energy UK's ECO+ paper ([ECO+: The energy industry's proposal for powering up the domestic energy efficiency market, Energy UK, September 2022, published and available online](#)), they explored subsidies for building fabrics for owner occupied households in Council Tax bands from A to D.

ACTION A: Energy UK to share materials, specifically [Vulnerability Commitments](#) with the CFP.

ACTION B: Invite the Vulnerability Commitment Chair (Energy UK) to a future CFP meeting.

Agenda Item 9: CFP Research Project Update from London Economics (Joscelyn Miller, Wouter Landzaat)

37. London Economics provided an update on the research project and the workshops they have been conducting with a variety of industry experts, consumer advocacy groups, housing groups and those in the energy market. There has been very good engagement across the board.

38. Three workshops to be held during this week which they would incorporate into their draft report. They will be providing CFP anonymised transcripts of the workshops.

39. To ensure the lived experience of consumers is considered during the workshops, there have been discussions with front line advisors including a number of charities and Citizens Advice. This has helped provide different perspectives and information on living conditions to explore the challenges.

ACTION A: CFP to create a foreword/mission statement for Research Project.

Agenda Item 10: Forward Look

40. Anthony highlighted themes emerging where schemes are poorly targeted or where not all resources are allocated. Liz stated that the complexity of schemes is a contributing factor.

41. The Committee suggested schemes should be tested prior to full roll out to see what works and what doesn't. The Committee questioned whether there was going to be more focus on fuel poverty going forwards following the Machinery of Government changes establishing the department focused on Energy Security and Net Zero.

ACTION A: Schedule meeting with Ofgem by the end of March.

AOB

42. The next official CFP meeting is scheduled for 15th May 2023.