



# Committee on Fuel Poverty

## **Minutes of Committee on Fuel Poverty (CFP) formal meeting:**

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

Invited guests in attendance: Minister Solloway and officials from the Department for Energy Security and Net Zero (DESNZ).

*The first part of the meeting was a discussion with Minister Solloway.*

### **Agenda Item 1: Minister Solloway**

*Caroline Flint*

1. Caroline welcomed Minister Solloway and introductions were made by the Committee members.
2. Caroline provided an overview of the Committee's role and provided a summary of the Committee's recently published research ('Understanding the challenges faced by fuel poor households' over the course of Winter 2022-23, published May 2023) and annual report (Meeting of Missing the Milestones, published June 2023).
3. The Committee's annual report highlights the risk of missing the 2025 milestone and 2030 statutory target. The report includes 5 key recommendations:
  - o **1. Ensure a robust Fuel Poverty Strategy and effective measurement of fuel poverty that leaves no one behind.**
  - o **2. Improve targeting of payments to support bills and better targeted energy efficiency programmes to meet the Government's target and milestones.**
  - o **3. Improve affordability of bills through fairer pricing and better regulation to protect the fuel poor.**
  - o **4. A shared mission to tackle fuel poverty adopted by Government, local government and the NHS.**
  - o **5. A fair transition to net zero that does not increase fuel poverty.**

*Minister Solloway*

4. Minister Solloway thanked Caroline for her helpful summary and expressed her gratitude toward the Committee for the research, annual report and wider engagement on fuel poverty. The Minister noted that it was extremely helpful to have a group of experts focused on fuel poverty which is such an expansive and complicated issue. The Minister made a number of points.
5. Minister Solloway confirmed the importance of engagement with stakeholders who can provide valuable insight into the experience of low income, vulnerable and fuel poor households. To date this has included engagement with Citizens Advice, National Energy Action as well as the Committee.
6. The Minister reflected on the past few years and the impact of Covid followed by the war in Ukraine on fuel costs. There will be lessons learned looking at the support provided as a result of high energy prices and from the underlying challenges faced by many low income, vulnerable and fuel poor households.
7. Cross departmental working is crucial in tackling fuel poverty. The Minister has met with the Department for Work and Pensions (DWP) regarding disabilities and the Department for Health and Social regarding care homes. DESNZ cannot tackle the issue alone.

#### *Anu Singh – Cross government working*

8. Anu asked the Minister, is there more the Committee can do to curate the cross government working change? The Committee have previously sought to do so through conversations and raising awareness, but are keen, for example, to ensure better use of data across departments.
9. Minister Solloway responded, noting the challenges but importance of cross departmental working. Work at official level is key.
10. Officials also noted the importance of cross government working and advised that officials from across government are being brought together on the issue, particularly in connection with the review of the fuel poverty strategy. It was noted that delivery is key – actions are needed as well as conversation.
11. It was suggested that Minister Solloway could write to other departments to ensure engagement with the board.

#### *Gordon McGregor – energy system and affordability*

12. Gordon reflected that there have been many strategies published, including an Energy Security and Net Zero strategy, but no energy affordability strategy. How can we ensure costs are minimised for consumers?
13. Minister Solloway responded that, in essence, the whole purpose for this new department – Energy Security and Net Zero – is to ensure a greater focus on energy critical issues including energy security and affordability. The issues must be looked at holistically as there is no one solution. Looking more broadly the Minister noted that the Secretary of State has 4 key areas of focus - Energy Security, Consumer Security, Climate Security and Economic Security. The Minister highlighted the importance of considering both the short and the long term to enable effective delivery of support.
14. Gordon welcomed the response and would welcome further data regarding reducing bills by 2035 to help understand what future energy prices might look like.
15. Officials fed in noting that this will be closely linked in with work to review the fuel poverty strategy.
16. Caroline reflected, naturally, energy security will be the Department's first responsibility, but consideration of a fair price is also an important question. Many can't choose to use less energy without underheating and most of these homes are not currently on a net zero transition journey. Energy efficiency improvements are necessary in reducing energy costs and carbon emissions. Where costs are being added to bills, consumers need to know that the investment will be spent wisely.
17. Minister Solloway welcomed views on options and approach – the balance of putting costs on bills with delivering measures.

*Anthony Pygram – Private rented sector*

18. Anthony reported that a third of fuel poor households are living in privately rented homes. Government needs to ensure the right balance between incentives and enforcement. For instance, local authorities need resource to enforce existing regulations.
19. Minister Solloway welcomed views on how we address this issue.
20. Officials fed in, whilst enforcing the standards may be a Department for Levelling Up Housing and Communities (DLUHC) responsibility, it remains a

cross government issue. There is lots of concern at the moment with increased mortgage costs and landlords leaving the sector. The issue is one we will look at across Departments as part of the strategy refresh.

21. Liz Bisset noted that energy efficiency and housing quality go hand in hand and that the amount of damp and mould may have risen as a result of increases in energy prices. It is a fuel poverty issue.
22. The Committee and Minister discussed issues relating to housing quality. The Minister reflected that the most casework she receives as an MP is around housing, and that she will reach out to the Ombudsman.

#### *Liz Bisset – data and targeting*

23. Liz stated we should look to improve targeting of existing programmes. The Warm Home Discount is now much better targeted but others, which use benefits as their main proxy, are less well targeted. Not everyone in fuel poverty receives benefits. Understand there has been quite a pushback in the opportunity to share data. What are the Minister's views on better use of data to improve targeting?
24. Minister Solloway responded, noting recent support schemes and the fact deployment of support had to be done quickly and so understood the targeting/eligibility approach taken. There are learnings going forward to be more directed at those most in need of support. Welcome any thoughts that the Committee has on how we could best target fuel poor households. The Minister stated she was genuinely concerned that vulnerable people are being missed.
25. Liz reflected that when schemes were brought together it helped (e.g. Sustainable Warmth competition) and the need to simplify schemes. Discussion followed about local authorities, who are sometimes best placed to identify those in need of support, but also don't always have the resource to apply for funding or enforce regulations.

#### *Belinda Littleton – fairness in the energy system*

26. Belinda spoke about energy supplier behaviour. Profit levels of suppliers are reportedly very high, whilst there is consistently evidence of poor customer care. What do we expect of suppliers and how should they be regulated?
27. Minister Solloway responded and noted that she and Secretary of State have had very candid meetings with Ofgem about supplier obligations. The actions previously taken to forcefully install PPMs was awful and should never have happened. Will continue to speak with Ofgem about how and why suppliers act the way they do and the need for encouraging more customer focus. Not only around the PPM issue but also debt collection and management. There is a need to ensure consumers are getting a fair deal, whilst acknowledging that businesses need to make a profit. Ofgem's code of practice will likely play an important role, and there will be challenges for both Ofgem and suppliers. The Minister welcomed the views of the Committee.
28. Belinda agreed that it posed a huge challenge and that the Committee can provide further thoughts reflecting the need to think holistically.

#### *Closing of meeting with Minister*

29. The Minister thanked the Committee for the invitation to meet with them and reflected that the Committee are a small but important group as demonstrated today. Candid conversations will remain incredibly useful in addressing fuel poverty. Caroline responded that the Committee would be pleased to help government in testing ideas concerning vulnerable consumers.
30. The Committee looked forward to future engagement.

*The second part of the meeting was a discussion amongst the Committee.*

#### **Agenda Item 2: Chair's Welcome, Members Interests and Minutes of Last Meeting**

1. The Chair welcomed members and thanked them for their engagement. No new member interests declared. Members cleared minutes for May.
2. **Stakeholder engagement:** The Committee discussed aligning actions with stakeholder engagement. Caroline spoke with NEA sponsors who were highly supportive of the shared mission and welcomed the Committee's engagement. Caroline has put together a stakeholder list to map against actions and plans

to seek NEA views. Members will need to consider who leads on which areas (in terms of both stakeholder leads and actions).

### **Agenda Item 3: Review of meetings**

3. Proposed timings and dates agreed for the rest of 2023 and 2024.

### **Agenda Item 4: Annual Report**

4. Caroline thanked everyone for work on the annual report. Caroline will be speaking to the Energy Security and Net Zero Select Committee in September.
5. The Committee discussed how best to communicate the annual report more widely and what should be their focus should be over the coming months to drive delivery against the recommendations.

**Action:** Members to reflect on the recommendations made and consider possible quick wins and priorities for the year ahead. Further, how success can be demonstrated and measured.

### **Agenda Item 5: Reviewing the fuel poverty strategy – DESNZ Official**

6. Officials introduced the workplan to review the fuel poverty strategy, sharing with the Committee proposed scope and considerations.
7. The Committee and officials discussed how best the Committee could engage and add value.

### **Agenda Item 6: Department for Energy Security and Net Zero Update – DESNZ Official**

8. The Great British Insulation Scheme is live now and delivering.
9. The Committee have seen the most recent Warm Home Discount statistics. Officials offered, and the Committee took up, the opportunity to have a session with the Fuel Poverty Statistics lead to learn more about the publication.
10. Officials relayed internal organisation changes which should have minimal impact on how the Committee engages with the department, and notes that DESNZ is moving to a new building in September.

**Action:** DESNZ to organise presentation and discussion on Warm Home Discount statistics.

## **Agenda Item 6: Research Project Discussion**

11. Belinda thanked the Committee and officials for their input into the first phase of the 2023-24 research project. Two focused questions, that hopefully aid both annual report and strategy, have been developed. These have been shared with Members. Now looking for endorsement of the proposed questions so we can go through the procurement process.
12. Discussion followed where the proposed questions were reviewed and agreed. The topics were around ensuring those in fuel poverty were not left behind in the transition to net zero and considering why fuel poor households are not always able to benefit from the relevant schemes.

## **AOB**

13. The next CFP meeting is planned for the 18<sup>th</sup> September.