



DEBATE PACK

Number CDP 2016/0029, 3 February 2016

Debate Pack: Fuel Poverty

David Hough
Ed White
Cassie Barton

Summary

This debate pack is prepared for a Westminster Hall debate on Wednesday 3 February 2016 at 09:30 am to 11:00 am

The Member in charge is **Derek Thomas MP**.

Contents

1.	The extent of fuel poverty in the UK	2
1.1	Measuring fuel poverty	2
1.2	Fuel poverty in England	3
	Trends in fuel poverty	3
1.3	Fuel poverty in Wales	6
1.4	Fuel poverty in Scotland	7
1.5	Fuel poverty in Northern Ireland	8
1.6	Comparing fuel poverty across the UK	9
2.	Summary	10
2.1	Fuel poverty definitions	10
2.2	Current UK Government fuel poverty initiatives	11
2.3	Fuel Poverty: policy history	11
3.	Press Articles	14
4.	Press releases	16
5.	Parliamentary Questions	25
6.	Other Parliamentary material	36
7.	Further Reading	41

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. The extent of fuel poverty in the UK

1.1 Measuring fuel poverty

Until 2013, a single definition of fuel poverty was used across the UK: a household was defined as being fuel poor if they needed to spend more than 10% of their income to keep their home at a reasonable temperature. This definition is still used in Scotland, Wales, and Northern Ireland.

However, England has since adopted the 'Low Income High Costs' (LIHC) definition of fuel poverty. Under this definition, a household is fuel poor if:

- the amount they would need to spend to keep their home at a reasonable temperature is above the national median level
- and if they spent that amount, their leftover income would be below the official poverty line.¹

In both definitions, a 'reasonable' temperature is typically defined as 21°C in the living room and 18°C in other rooms.²

The LIHC measure was developed by Professor Sir John Hills as part of an independent review of fuel poverty conducted for DECC. Hills published a final report in March 2012 recommending that DECC adopt the LIHC measure. Following a consultation, DECC announced their intention to adopt the measure in July 2013.³

The LIHC definition of fuel poverty can be used to produce two different indicators:

- **The extent of fuel poverty** – the number of households meeting the LIHC definition of 'fuel poor'.
- **The depth of fuel poverty** – measured by looking at the difference between fuel-poor households' required energy costs and the median required energy costs.

Fuel poverty is affected by three key factors: a household's income, their fuel costs, and their energy consumption. In practice, energy consumption is primarily affected by the energy-efficiency of the household's dwelling.

Energy prices generally rose in the 10 years leading up to 2013 (more information on trends in energy prices is available in the Library's [Energy prices](#) briefing paper). In the devolved administrations, this trend is reflected in a rise in the number of households defined as fuel poor. This is because the 10% measure is sensitive to changes in energy prices.

¹ DECC, [Annual fuel poverty statistics report: 2015](#)

² Ibid.

³ DECC/CASE (Centre for Analysis of Social Exclusion, LSE), [Getting the measure of fuel poverty](#)

In England, the number of households defined as fuel poor did not rise in the same way. This is because the LIHC indicator is designed to be less sensitive to energy prices. Because the measure is relative, price changes that have a similar effect on all households do not cause the number of fuel poor households to increase.

However, rising energy prices are associated with greater depth of fuel poverty – the fuel poverty gap in England has grown as energy prices have risen. In 2013 the gap reduced despite an increase in energy prices, primarily because of rising incomes amongst fuel poor households.

1.2 Fuel poverty in England

Trends in fuel poverty

In England, fuel poverty is measured using the LIHC indicator described above. The Department for Energy and Climate Change (DECC) produce estimates of the extent and depth of fuel poverty in England. Estimates are currently available up to 2013.

DECC estimates that in 2013 there were 2,347,000 households in fuel poverty (10.4% of all households in England). Of these, 1,821,000 were ‘vulnerable’ households – those containing at least one person who is elderly, a child, disabled or living with a long-term illness.⁴

DECC also produce an estimate of the fuel poverty gap: on average, fuel-poor households had to pay £374 more than the median amount for fuel in 2013. For vulnerable households, the gap was slightly larger at £392.⁵ The aggregate fuel poverty gap for all fuel poor households in England in 2013 came to £877m.⁶

Figure 1 shows trends in the number of fuel-poor households and the fuel poverty gap since 2003. There has been a small reduction in the number of fuel-poor households since 2003, when 2,414,000 households (11.6% of the total) were in fuel poverty. The lowest *number* of fuel-poor households occurred in 2006 (2,276,000 households). However, this represented a slightly higher *proportion* of households than in 2013 (10.7% compared to 10.4%) because of growth in the population more generally.⁷

The average fuel poverty gap increased from £231 in 2003 to £374 in 2013 – however, the 2013 figure represents a fall of 2.9% in real terms from its highest point of £385 in 2012.

⁴ DECC, [Fuel poverty detailed tables: 2013](#)

⁵ All prices relating to the fuel poverty gap have been provided by DECC in December 2014 prices.

⁶ Ibid.

⁷ DECC, [Fuel poverty trends: 2003-2013](#)

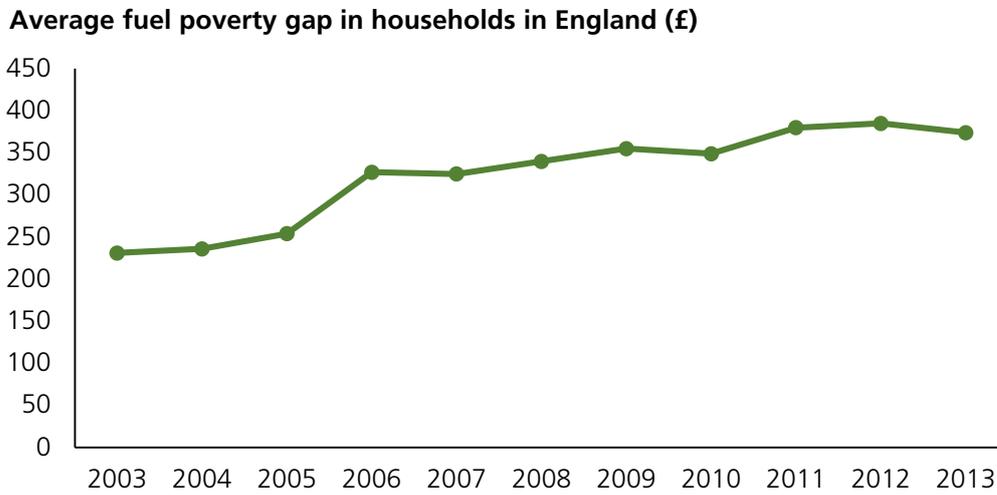
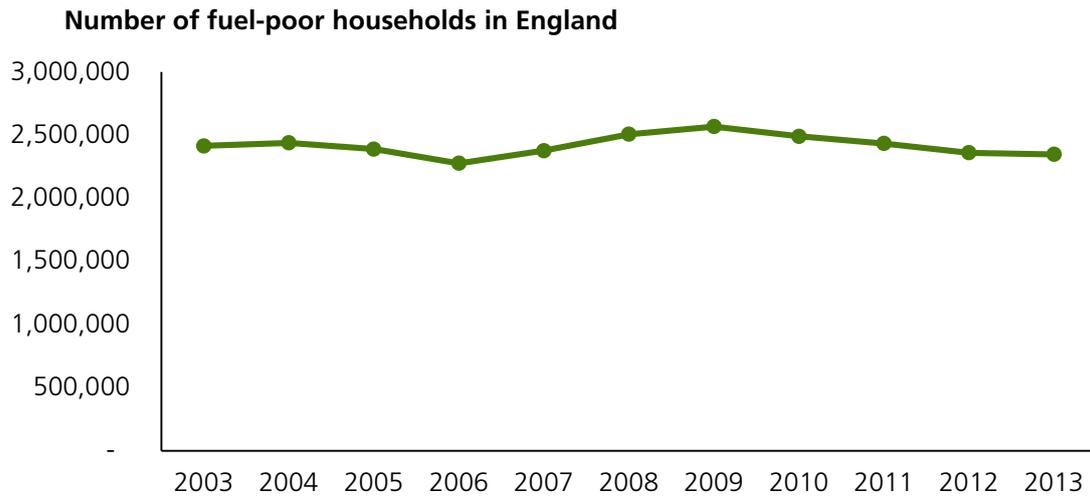


Figure 1: Number of households in fuel poverty and average fuel poverty gap, England 2003-2013

Source: Department for Energy and Climate Change, [Fuel poverty trends: 2003-2013](#)

Fuel poverty by region

Figures 2 and 3 show how the extent and depth of fuel poverty have changed in each region in England between 2003 and 2013. In 2003, the North East and Yorkshire & the Humber had the highest proportion of households in fuel poverty (17% each). In 2013, the highest proportions were in the North East and the South West (12% each). The depth of fuel poverty increased across all regions but the South West remained the region with the largest average fuel poverty gap, rising from £291 in 2003 to £447 in 2013.

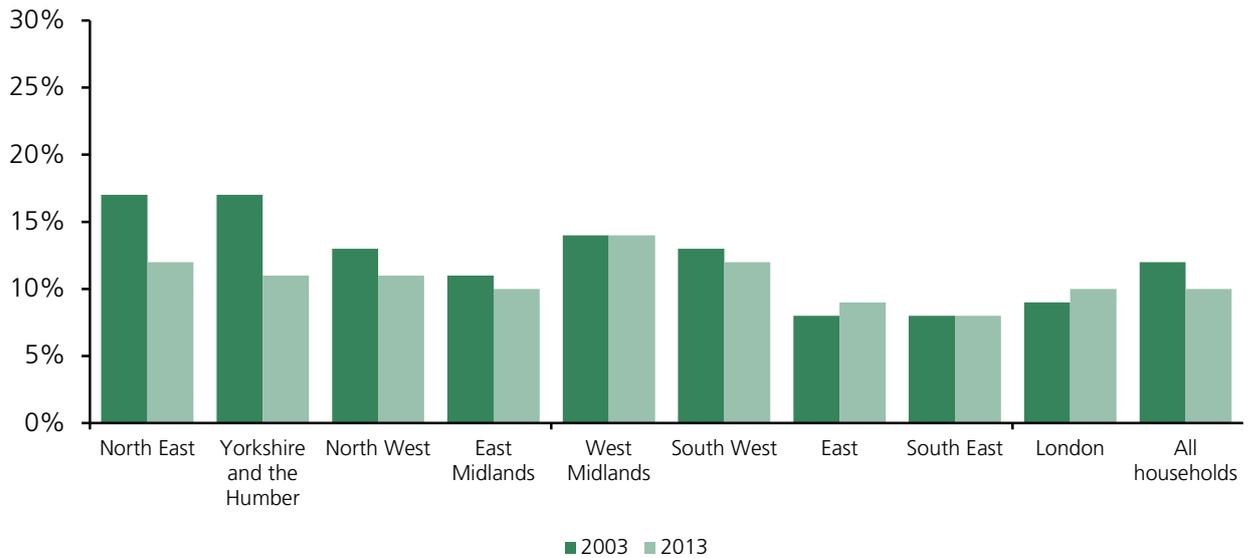


Figure 2: Proportion of households defined as fuel-poor in the regions and across England.

Source: Department for Energy and Climate Change, [Fuel poverty trends: 2003-2013](#)

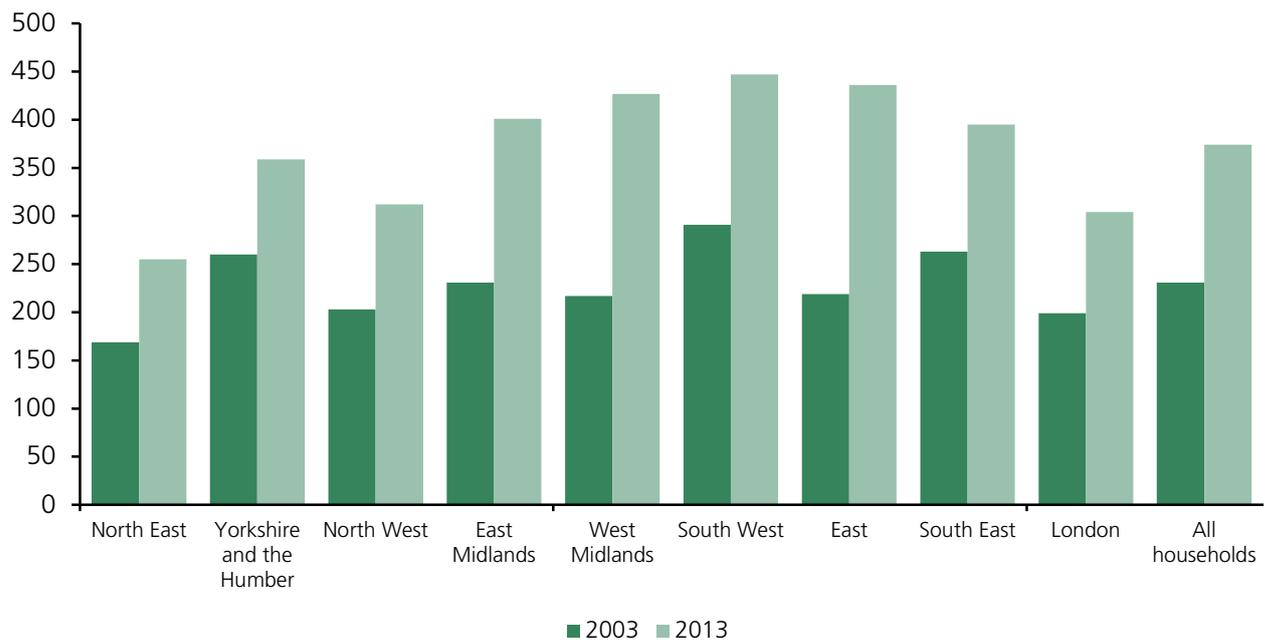


Figure 3: Average fuel poverty gap (£) in regions and across England.

Source: Department for Energy and Climate Change, [Fuel poverty trends: 2003-2013](#)

1.3 Fuel poverty in Wales

In Wales, a household is defined as being in fuel poverty if they need to spend over 10% of their income on keeping their home at a reasonable temperature. The Welsh Government has produced a set of projections of levels of fuel poverty up to 2012, based on data from the 2008 *Living in Wales* survey.

The projections estimate that there were 386,000 households in fuel poverty in 2012 (30% of all households) of which 328,000 were vulnerable (i.e. households containing someone who is elderly, a child, disabled or living with a long-term illness). This represents an increase from 2008, when there were an estimated 332,000 households in fuel poverty (26% of all households) of which 285,000 were vulnerable⁸.

Figure 4 shows estimated fuel poverty levels over time. Figures for 2004 and 2008 are based on survey data – all other points are projections.

⁸ Welsh Government, [Wales Fuel Poverty Projection Tool: 2011/2012 report](#)

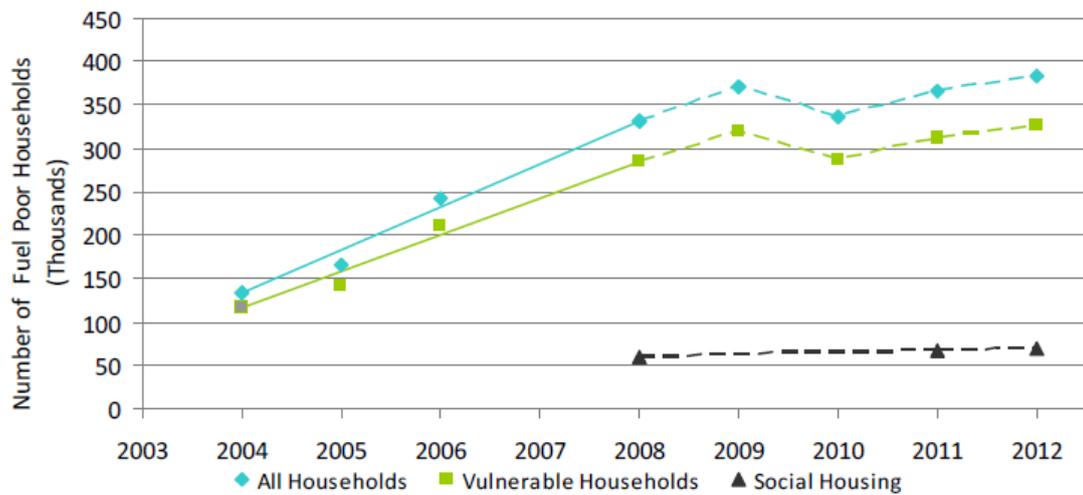


Figure 4: Number of fuel poor households in Wales, 2004-2012

Source: Welsh Government, [Wales Fuel Poverty Projection Tool: 2011/2012 report](#)

1.4 Fuel poverty in Scotland

In Scotland, a household is defined as being in fuel poverty if they need to spend over 10% of their income on keeping their home at a reasonable temperature. The Scottish Government has produced estimates of the number of households in fuel poverty in Scotland from 2010, shown in Figure 5. A secondary estimate was made in October 2011 following a large increase in energy prices during that year.

In 2013, there were an estimated 940,000 households in fuel poverty (39.1% of all households). This represents an increase from 818,000 households in 2010 (34.7% of all households).⁹

⁹ Scottish Government Directorate for Housing, Regeneration and Welfare, [Scottish House Conditions Survey: 2013 Key Findings](#)

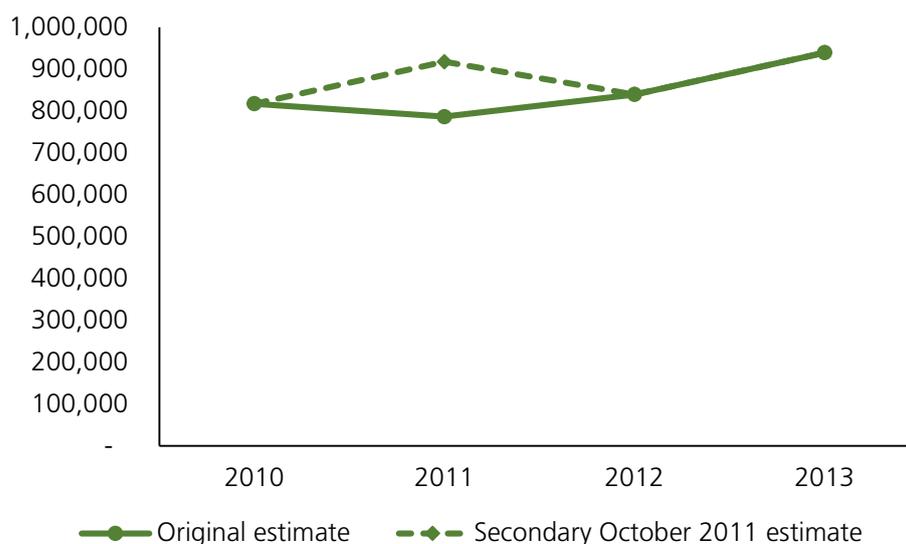


Figure 5: Number of fuel poor households in Scotland, 2010-2013
 Source: Scottish Government Directorate for Housing, Regeneration and Welfare, [Scottish House Conditions Survey: 2013 Key Findings](#)

1.5 Fuel poverty in Northern Ireland

In Northern Ireland, a household is defined as being in fuel poverty if they need to spend over 10% of their income on keeping their home at a reasonable temperature. The Northern Ireland Housing Executive (NIHE) have produced estimates of the extent of fuel poverty in Northern Ireland using data from the 2011 Northern Ireland House Condition Survey. Their estimates are shown in Figure 6. According to their estimates, there were 294,000 fuel-poor households in Northern Ireland in 2011 (42% of all households). This represents an increase from 167,000 households in 2001 (27% of all households).¹⁰

Year	2001	2004	2006	2009	2011
Number of households	167,000	146,000	226,000	302,000	294,000

Figure 6: Number of fuel poor households in Northern Ireland, 2001-2011

Source: NIHE, [Northern Ireland House Condition Survey 2011: Main Report](#)

The higher fuel poverty rate in Northern Ireland than in Scotland or Wales has been attributed to a combination of factors including lower incomes, higher fuel prices and greater use of oil, electricity and solid fuel for heating.¹¹

¹⁰ NIHE, [Northern Ireland House Condition Survey 2011: Main Report](#)

¹¹ Ibid.

1.6 Comparing fuel poverty across the UK

It is possible to compare the extent of fuel poverty across the UK if the 10% definition is applied to England as well as the devolved administrations.

DECC produce the following table showing the number and proportion of households in fuel poverty in recent years:

Country	Number of fuel poor households (millions)		Proportion of the population fuel poor (%)	
	2012	2013	2012	2013
England	2.61	2.73	12%	12%
Scotland	0.84	0.94	35%	39%
Wales	0.39	*	30%	*
Northern Ireland (2011)	0.29	*	42%	*

*no estimate available

Figure 7: Number and proportion of fuel-poor households in the UK under the 10% definition of fuel poverty.

Source: [DECC, Annual fuel poverty statistics report: 2015](#)

These figures have been used to estimate that there were around 4.5 million fuel-poor households in the UK, representing 17% of all households.¹²

¹² DECC, [Annual fuel poverty statistics report: 2015](#)

2. Summary

2.1 Fuel poverty definitions

Fuel poverty in **England** is measured by the Low Income High Costs definition, which considers a household to be in fuel poverty if:

- they have required fuel costs that are above average (the national median level)
- were they to spend that amount they would be left with a residual income below the official poverty line

Previously the UK Fuel Poverty Strategy published in November 2001 had recommended that the numbers of households suffering fuel poverty in England should be displayed using two main definitions. These are as follows:

- A household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income (*including* Housing Benefit or Income Support for Mortgage Interest) on all household fuel use;
- A household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income (*excluding* Housing Benefit and Income Support for Mortgage Interest) on all household fuel use.

The **Scottish and Welsh** definition of fuel poverty is set out in the Scottish Fuel Poverty Statement (2002), it follows the 2001 definition above:

'A household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income (including Housing Benefit or Income Support for Mortgage Interest) on all household fuel use'

Extreme fuel poverty indicates that a household would have to spend more than 20% of its income to maintain a satisfactory heating regime.

The Scottish Government commissioned, on behalf of the Fuel Poverty Forum (FPF), a review of the evidence in relation to the assumptions underpinning the definition of fuel poverty in Scotland and this [research is now completed](#). However, the Forum considers that the outcome of the research, while exceptionally useful, does not support informed reason to change any of the underpinning values of the definition at this time. It is now the Fuel Poverty Forum's intention to engage in discussions with stakeholders before making any final decision on recommended changes.

2.2 Current UK Government fuel poverty initiatives

A range of measures are currently available to help alleviate fuel poverty. Targeted support includes direct financial assistance for paying bills (eg the [Warm Home Discount](#) and [Winter Fuel Payment](#)) and energy saving measures (eg Energy Company Obligation [ECO](#)) to help reduce costs. They are covered in the Library Note, [Help with energy bills](#). The Government has withdrawn funding from the Green Deal Scheme which was the main, though much criticised, policy for promoting energy efficiency in the home. The [Government has also indicated](#) that changes will be made to the Energy Company Obligation so that its help is “concentrated on those in greatest need” from 2017. The Autumn Statement 2015 announced the Warm Home Discount scheme will [be extended to 2020-2021](#).

2.3 Fuel Poverty: policy history

The statutory requirement to address fuel poverty was at the centre of the [Warm Homes and Energy Conservation Act \(WHECA\)](#) which was passed with cross party support in 2000.

Following an announcement in the October 2010 spending review¹³, Professor John Hills of the LSE conducted an independent review of fuel poverty for England and Wales, for DECC. Hill’s interim report¹⁴ addressed the problem of measuring fuel poverty, and his final report [Getting the measure of fuel poverty: Final report of the fuel poverty review](#)¹⁵ was published in March 2012. In September 2012 the Government ran a [consultation on proposed changes to the fuel poverty measurement framework](#) to which they responded on 9 July 2013.

A new definition of fuel poverty has been adopted which finds a household to be fuel poor if their income is below the poverty line (taking into account their energy costs); and their energy costs are higher than is typical for their household type. It also uses a fuel poverty gap (i.e. the difference between a household’s bill and what it would need for them to no longer be fuel poor).

A [framework for future action on fuel poverty](#) was published in July 2013 which sets out the way the Coalition Government intended to measure fuel poverty going forward and the action it intends to take to help people who are fuel poor.

In July 2014 the Coalition Government consulted on proposals for a new fuel poverty strategy following on from the 2013 paper. The consultation is based around 4 key principles:

¹³ HM Treasury Spending Review 2010 [press notices](#) October 2010

¹⁴ [Fuel Poverty: The problem and its measurement](#) October 2011

¹⁵ John Hills, CASE Report 72, March 2012

- A new fuel poverty objective - the new target - and an ambition to improve the energy efficiency standards of fuel poor homes.
- A roadmap to meet the target based around the following themes:
 - Warmer homes: cutting bills and increasing comfort in the coldest low-income homes, making a real and lasting difference through energy efficiency and heating improvements.
 - Supporting people: helping people directly with their energy bills and helping to increase incomes
 - Fairer markets: ensuring that everyone can take action and benefit from a more open energy market
 - Improving delivery: making the most of the support available, getting it to the right people, and working together to support fuel poor households – recognising that fuel poverty is not a problem that central government can tackle alone
- An approach to assessing progress towards the target and how we will review the strategy over time. This will enable us to take account of the latest understanding of fuel poverty, developments in technology, and changes in the wider policy landscape.

At the same time as the consultation the Coalition Government also published [a review of research evidence into fuel poverty](#). This noted key findings of:

- householders' awareness and understanding of energy efficiency in the home can be driven by a complex array of factors, but that comfort and cost were key issues.
- Households employed a wide range of efficiency (how to make the most efficient use of the heat) and sufficiency (what is the minimum that is required for a 'manageable' level of warmth) strategies to heat their homes within their budgets, and there is evidence to suggest a generational divide in preferences (and needs) for different types and forms of home heating. For example, older people who grew up with solid fuel heating or proximal heaters are more likely to utilise these forms of heating than younger generations.
- There appears to be capacity for at risk or vulnerable households, particularly older people, to improve on the use of their current systems, including better informed use of heating systems, timers and thermostat controls, cladding hot water

tanks, insulation of windows and the use of draft excluders. Various factors could trigger such behaviour change, such as advice and clear information from a trusted source and financial incentives. However, barriers to change do exist. The process of switching energy supplier, for example, is seen as too complex and uncertain for many to feel that they can, or have the ability to, change. Evidence suggests some poorer households have anxiety about change, for fear of incurring financial costs and upsetting carefully designed coping strategies. Financial savings from switching suppliers or installing energy efficient measures had to be sufficiently large for some individuals to consider it worth the effort.

A [response](#) to the consultation was published on 3 March 2015 alongside a [Cutting the cost of keeping warm: a fuel poverty strategy for England](#). The New Strategy builds on the policy described in the consultation. A summary and policy history are included in the first two sections of the document and make useful reading. The launch of the strategy was accompanied by this [Ministerial Statement](#).

Ofgem has undertaken work and developed a [Consumer Vulnerability Strategy](#), published in July 2013 that aims to address problems vulnerable groups face including poverty premium issues.

3. Press Articles

The Guardian
January 27, 2016
[Criticism surrounds appointments to fuel poverty watchdog](#)
Rowena Mason

Independent
16 January 2016
[Energy bills, the Big Six and the scandal of people dying of cold in their own homes](#)
Geoffrey Lean

Independent.co.uk
November 28, 2015
[Fuel poverty: England's poorest households won't all be properly heated for nearly 100 years; Poorest and coldest households receiving improved insulation at a rate of only 1 per cent a year](#)
Mark Leftly

The Guardian
November 18, 2015
[Thousands of social tenants will lose out if solar subsidies cuts go ahead](#)
Emma Howard

Independent
[Cold winter in store for many who can't pay energy bills](#)
November 18, 2015
Simon Read

The Guardian
[The UK's fuel poverty crisis can, and must, be fixed](#)
October 27, 2015
Phil Levermore

Independent
[If you're in fuel poverty, British Gas might come to the rescue. Trust me, it's true](#)
September 19, 2015
Simon Read

The Telegraph
[SNP 'U-turn' over middle-class winter fuel allowance cut](#)
October 13, 2015
Simon Johnson

The Guardian
[Millions of Britons are overpaying for energy, says competition report](#)
July 7, 2015
Terry Macalister

Independent
[Social tenants locked into energy tariff for 40 years](#)
May 5, 2015
Simon Read

Independent
["Still people die because they can't afford the heating bills"](#)
May 1, 2015
Simon Read

The Guardian
[Fuel banks pilot scheme aims to address austerity-era dilemma of 'heat or eat'](#)
April 24, 2015
Patrick Butler

The Guardian
[Cold homes 'causing more respiratory illness in England than Sweden'](#)
March 19, 2015
Denis Campbell

The Telegraph
[GPs to 'prescribe a boiler' to patients living in cold homes](#)
May 19, 2015
Emily Gosden

The Guardian
[Landlords to be banned from letting draughtiest homes](#)
February 5, 2015
Adam Vaughan

The Independent
[More than one million British families now live in fuel poverty](#)
December 23, 2014
Nigel Morris

4. Press releases

National Energy Action

5 November 2015

The Cold Homes Crisis – Can We Afford To Wait?

NEA highlights chilling shortfall of help for poorer energy consumers and need for action in the comprehensive spending review

Cold homes are currently a bigger killer across the UK than road accidents, alcohol or drug abuse

Fuel poverty charity, National Energy Action (NEA), has today warned that all measures to help poorer households will shortly expire. They have called on the UK government to respond to feedback from a recent poll of those at the sharp end of this issue which shows 93% are not confident that there are sufficient resources to help fuel poor households as required by new statutory targets. 82% say that most low income vulnerable households may receive little or no assistance from current policies despite being eligible for help. The warning comes as NEA launches the Warm Homes Campaign today.

Chief executive of NEA, Jenny Saunders OBE, comments:

“NEA is urging policy makers to set out clearly how they will adequately resource initiatives that make homes warmer and healthier and in turn encourage economic growth. Specifically, we have today outlined the key areas the UK government must prioritise within the upcoming comprehensive spending review.

“We want the next supplier obligation to mark an ambitious commitment to reduce fuel poverty across Great Britain and for the UK government to also secure non-departmental capital infrastructure funds to deliver energy efficiency improvements through local partners. The impact of these programmes will not be immediate so we are also urging the government to continue and expand the Warm Home Discount scheme.

“Through a range of activities with our supporters and other partners we hope this campaign will demonstrate that by investing in warmth and upgrading Britain’s coldest homes it is possible to improve millions of people’s lives while boosting the economy and creating local jobs”.

Editor’s Notes

- National Energy Action (NEA) is the leading fuel poverty charity. For further information visit nea.org.uk.
- The Warm Homes Campaign, coordinated by NEA is a national campaign aimed at raising awareness of the problem of fuel poverty and the solutions available for those struggling to heat their homes affordably. The 2015 Campaign launches on 5 November 2015 and will continue to run throughout the winter ending on Fuel Poverty Awareness Day on 26 February 2016.
- Throughout the campaign, a number of events will be organised to demonstrate the work that is being done at a local level to tackle fuel poverty. NEA members, stakeholders, MPs and other

politicians, and members of the public will be asked to help highlight the issues. Follow us at [@NEA_UKCharity](#).

- There are 4.5 million low income households across the UK whose health and wellbeing is being severely affected as they struggle to afford the energy they need. NEA has estimated that by 2030 over 125,000 vulnerable people across the UK could die needlessly due to living in a cold home. Furthermore, national health services could spend billions treating cold-related morbidity, in excess of £22bn in England and Wales alone over the same 15 year period. However, current resources to tackle the problem are less than half of what is required to meet new fuel poverty targets.
- NEA received over 70 responses to an online questionnaire from a range of agencies at the sharp end of this issue (generators, supply chain companies, charities, local authorities etc.) who were asked non-leading questions on current ECO delivery. 93% of their supporters were not confident that there were sufficient resources under ECO to deliver measures to fuel poor households as required by statutory targets across Great Britain and 82% were not confident that ECO provides sufficient access for low income vulnerable households that may be eligible for help but still receive little or no assistance from the current policy.
- Health impacts caused by cold homes predominantly relate to cardiovascular and respiratory problems. Low temperatures also diminish resistance to infection and encourage damp and mould growth in the home. Cold indoor conditions have also been linked to poor mental health resulting from anxiety and stress. Social isolation can be exacerbated where the home does not present a welcoming environment and there is evidence that cold homes can reduce educational attainment. Advice and support and practical heating and insulation improvements can help address all of these problems.
- The recognised benefits of acting to end fuel poverty in a local area include: reductions in bills and energy arrears which can increase spending within poorer communities; better living conditions and significant positive direct impacts on public health and fewer premature winter deaths; reductions in bills can lead to less stress and better mental health for occupants; local employment from a more buoyant energy efficiency industry will create more demand for local low and medium skilled labour and better local air quality.
- Adequate investment in domestic energy efficiency nationally can return over £3 returned to the economy per £1 invested by central government; help create a 26% reduction in imports of natural gas in 2030, worth £2.7bn in that year; domestic consumers could save over £8 billion per annum in total energy bill savings; increase relative GDP by 0.6% by 2030; increase employment by up to 108,000 net jobs and help reduce carbon dioxide emissions by 23.6MtCO₂ reductions per annum by 2030, after accounting for rebound effects.
- The Warm Homes Campaign Awards will run alongside the Warm Homes Campaign and provide grants of £500 to enable 40 not-for-profit and statutory organisations based in England and Wales with the funds needed to support relevant events and activities

taking place during the campaign period. [For further information click here.](#)

Department of Energy and Climate Change
Residents across England win share of £25 million to warm their homes

03 Sep 2015

More than 7,000 households across England will benefit from £25 million worth of government funding to tackle fuel poverty and keep bills low.

The £25 million Central Heating Fund competition opened in March to local authorities across England asking for plans to support local people living in homes that are not connected to the gas grid. Twenty projects across England have been awarded funding; these new and existing projects will deliver services to those who need it the most.

The result is that hardworking bill payers living in fuel poor households will have central heating installed for the first time. Once installed, central heating can help households save up to £1,000 a year as well as keeping their homes warm more effectively.

Energy Minister Lord Bourne said:

“We are determined to help hardworking families keep their homes warmer for less and we recognise that households not connected to the gas grid can pay over the odds for their heating.

“So we are taking action by backing these innovative projects that will help the people who need it most by focusing on central heating for the first time – cutting bills and keeping homes warmer. Projects like this show how much the government and local councils can achieve working together to secure a better future for local communities.”

The Department for Energy and Climate Change received more than 80 proposals from more than 100 local authorities. The proposals were assessed on how they met the funding criteria which included value for money and how the plans would offer ongoing support to cut bills.

From autumn local councils will begin to install central heating systems in local fuel poor households. The government will continue to work closely with local authorities to implement their winning proposals, to make sure that the results inform future work to help hardworking bill payers living in fuel poverty

Department of Energy and Climate Change
Fuel poverty report shows improvement

30 May 2015

The 2013 annual fuel poverty report for England was released recently.

The report analyses data from English Housing Survey to measure the impact of fuel poverty in England. A combination of rising incomes and energy efficiency improvements in low income households has seen a decrease in the fuel poverty gap from £909 million in 2012 to £877 million in 2013, with an overall reduction of £32 million. There has also been an improvement in fuel poverty levels in England from 2.36 million in 2012 to 2.35 million in 2013.

These improvements are encouraging because they show that we are moving in the right direction and that by helping low income households improve their energy efficiency we can make a real difference in helping to keep their bills down.

Citizens Advice

28 May 2015

Funding and responsibility for tackling fuel poverty in England should be devolved to councils

As the latest fuel poverty statistics are published, Citizens Advice is calling for programmes to help the fuel poor in England to be delivered by local authorities rather than energy suppliers.

The number of households in fuel poverty in England in 2013 was estimated at 2.35 million, according to the latest figures released today by the Department for Energy and Climate Change.

With a new government in place, and findings from a major Competitions and Markets Authority (CMA) investigation into the energy industry due soon, the charity says this is an important time for the industry.

Gillian Guy, Chief Executive of Citizens Advice, said:

“Today’s figures are a brutal reminder of the scale of fuel poverty.

“Millions of people can’t afford to keep their heating and lights on and this has a devastating impact.

“There is a real opportunity for the Government and the CMA to help those who are failed by the energy market and aren’t benefiting from existing fuel poverty programmes.

“This is the crucial time to make sure the market is working for all consumers and that those who are struggling are getting the necessary support.”

Two reports published today by Citizens Advice show how government and regulators could help tackle fuel poverty.

In its report, [Closer to home](#), Citizens Advice says giving local councils responsibility and resources for improving fuel poor homes would be

more effective in tackling fuel poverty. Currently it is down to suppliers to deliver energy efficiency programmes.

Nearly £1 billion per year is currently taken out of energy consumers' bills to pay for energy efficiency measures. The report says diverting this funding to councils would be more effective as they better understand the housing in their area and residents' circumstances.

Citizens Advice also says many vulnerable customers are being penalised with higher energy prices.

A second report, [Energy tariff options for consumers in vulnerable situations](#), commissioned from the Centre for Sustainable Energy, assesses potential solutions.

The report estimates just 12 per cent of the lowest income consumers are on the cheapest tariffs, and that 74 per cent of this group has never switched. This compares with 70 per cent of the highest earners being on the cheapest deals, and just 29 per cent in that group having never switched.

The charity and consumer advocate believes exploring the introduction a backstop tariff, a low-priced option which eligible customers would be transferred to automatically, could help those struggling to afford their bills.

Department of Energy and Climate Change A strategy to end cold homes for good

04 Mar 2015

Yesterday's new Fuel poverty strategy sets out a revolutionary approach to identifying and targeting England's energy inefficient homes.

Future governments will now, for the first time, be required by law to tackle fuel poverty by making the coldest, leakiest homes in England more energy efficient.

This new Fuel poverty strategy – the first for over a decade – outlines challenges and actions for the next 15 years to ensure future Governments take the right steps to tackle fuel poverty and get help to those who need it most.

A new legally binding target – in force since December 2014 – is at the heart of the new strategy. It requires a minimum standard of energy efficiency (Band C) for as many fuel poor homes as reasonably practicable by 2030.

Early measures to tackle the problem of fuel poverty and hit the new target include:

- New regulations so from April 2018 private landlords cannot rent out energy inefficient properties (homes with Energy Performance ratings below 'E')
- Tackling the problem of fuel poverty in off gas grid properties with a new £25 million fund to help people install central heating systems for the first time

- Extending the successful ECO scheme to 2017, so that a further 500,000 properties will be made cheaper and easier to heat, building on the one million homes that ECO and the Green Deal have helped in the last 2 years

The strategy prepares the ground for future new measures with a series of pilots focused on priority areas, ranging from health aspects of fuel poverty through to specific housing types like off gas grid properties and park homes.

A £3 million pot for such pilots will see £1 million released immediately to scale up local 'warmth-on-prescription' projects to help primary healthcare professionals such as GPs play a much larger part in tackling fuel poverty. In the coming months up to £2 million more will be released to support innovation pilots, not just in health but also for off gas grid, park homes and community energy approaches.

Unveiling the strategy, Energy and Climate Change Secretary Ed Davey said yesterday:

Today marks a crucial step towards a future free from cold homes and bloated energy bills in England. We now have a legally binding commitment to plug our draughtiest houses – adding to the 1 million homes we've made warmer and cheaper to heat.

From tackling fuel poverty in the private rented sector to facing up properly to the challenges of rural off gas grid fuel poverty, this strategy marks a significant change from the old approach.

Yet even as we implement new regulations and new spending priorities to make homes warmer, we are planning for the next phase of cutting fuel poverty, with a series of key pilots, especially into the link between improving health and cutting fuel poverty.

Households in fuel poverty in the least energy efficient homes (Bands F and G) typically face energy costs that are £1,000 more than those in higher quality homes. To help focus support where it is needed most, the strategy introduces interim milestones to get as many as fuel poor homes as reasonably practicable up to a minimum energy efficiency rating of Band E by 2020 and Band D by 2025.

Minister for Energy and Climate Change Amber Rudd:

We want the fall in levels of fuel poverty seen under this Government to continue - so that cold homes are gone for good.

That's the future we're presenting, alongside our ambitious targets, so even more households can join the 1 million homes already reaping the benefits of lower energy bills and warmer homes this winter.

Last month, the government laid draft regulations to introduce minimum energy efficiency standards that will see up to 1 million people renting from private landlords benefit from warmer and cheaper to heat homes. Many of the poorest tenants will benefit and, with government support, landlords can improve their properties at no upfront cost – and landlords will only have to make improvements that are cost-effective. This will be backed by a new law to give tenants the

right from April 2016 to request consent for improvements that the landlord cannot unreasonably refuse.

Nearly 2 million heating and energy efficiency measures have already been installed across the country. With ECO being extended to 2017 an extra half a million people will be able to keep warm for less, including many low-income, vulnerable households. This is on top of half a billion pounds of investment in energy efficiency schemes over three years, including the Green Deal Home Improvement Fund.

Dr Tim Ballard, Vice-Chair of the Royal College of General Practitioners, said:

The Royal College of GPs welcomes this new fuel poverty strategy. It marks an important turning point in acting on what we have known for some time: that cold homes contribute to the most vulnerable people being unhealthy and can even be lethal for them.

The new strategy provides a long-term framework in which the health sector has a vital role to play, in partnership with Government. The new funding for health-related pilot projects is especially needed and will help build the case for more investment to cut the cost of warmth and help reduce the burden of cold homes on the health service.

Note to editors

- The new [Fuel poverty strategy](#)
- More information on the [Private Rental Sector Regulations](#)
- Fuel poverty is calculated by modelling the fuel bills of households in England to ensure they maintain an adequate standard of warmth, based on the characteristics of the householders, the dwelling characteristics and energy prices.
- Under the Low Income High Cost (LIHC) definition a household is considered to be fuel poor where:
- They have required fuel costs that are above the national median level.
- Were they to spend that amount, they would be left with a residual income below the official poverty line.

For more information on what grants and schemes you may be eligible for call the Energy Saving Advice Service on 0300 123 1234 (open Mon-Fri 0900-2000, Sat 1000-1400) or Home Energy Scotland on 0800 808 2282 (open Mon-Fri 0800-2000, Sat 0900-1700) or visit the [Keep warm this winter web pages](#).

Centre for the Analysis of Social Exclusion Independent Review Projects Fuel Poverty to Worsen and Calls for Reinvigorated Strategy

15 March 2012

Professor John Hills today publishes the final report of his independent review of fuel poverty. The review confirms that fuel poverty is a serious national problem and shows that it is set to rise rapidly. It affects people

with low incomes and energy costs above typical levels. It proposes a new way of measuring the problem, focused both on the number of people affected and the severity of the problem they face. Using the proposed measure:

- Nearly 8 million people in England, within 2.7 million households, both had low incomes and faced high energy costs in 2009 (the most recent year with available data). These households faced costs to keep warm that added up to £1.1 billion more than middle or higher income people with typical costs.
- The review's central projection is that this "fuel poverty gap" – already three-quarters higher than in 2003 – will rise by a further half, to £1.7 billion by 2016.
- This means fuel poor households will face costs nearly £600 a year higher on average than better-off households with typical costs.
- The report also argues that:
- Fuel poverty exacerbates other hardship faced by those on low incomes, has serious health effects (including contributing to extra deaths every winter), and acts as a block to efforts to cut carbon emissions.
- The current official way of measuring it, based on whether a household would need to spend more than 10 per cent of its income on energy, is flawed, giving a misleading impression of trends, excluding some affected by the problem at some times and including people with high incomes at others.
- Interventions targeted on the core of the problem – especially those that improve the energy efficiency of homes lived in by people with low incomes – can make a substantial difference, but the impact of those planned to be in place by 2016 is only to reduce the problem by a tenth.

Professor Hills said:

There is no doubt that fuel poverty is a serious national problem – increasing hardship, contributing to winter deaths and other health problems, and blocking policies to combat climate change. But the official measure has fed complacency at times and gloom about the impact of policies at others.

When one focuses on the core of the problem in the way I propose, the outlook is profoundly disappointing, with the scale of the problem heading to be nearly three times higher in 2016 – the date legislation set for its elimination – than in 2003.

But this daunting problem is one with solutions. Our analysis shows that improving the housing of those at risk is the most cost-effective way of tackling the problem, cutting energy waste, with large long-term benefits to society as a whole. We need a renewed and ambitious strategy to do this.

Notes to Editors

1. After its publication copies of the final report, *Getting the measure of fuel poverty*, will be available at:

www.decc.gov.uk/hillsfuelpovertyreview

<http://sticerd.lse.ac.uk/case/> (as CASE report 72)

The interim report (CASE report 69) is also available at these addresses.

3. Professor John Hills, Director of the Centre for Analysis of Social Exclusion (CASE) at the London School of Economics, was appointed in March 2011 to conduct an independent review from first principles of the fuel poverty definition and target. See www.decc.gov.uk/hillsfuelpovertyreview for additional background. A consultative interim report was published in October 2011.

4. The approach set out in the report would capture households where required spending is higher than the median (typical) required levels and where spending this amount would reduce household income below the poverty line. The report finds that 7.8 million people in 2.7 million households were in this position in England in 2009, compared to 7.2 million people in 2.8 million households in 1996. This definition reflects the wording of the Warm Homes and Energy Conservation Act 2000, which states:

"A person is to be regarded as living "in fuel poverty" if he [sic] is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost."

5. The new indicator is supplemented by a "fuel poverty gap" which is the difference between the required spending faced by fuel poor households and the median level. In England in 2009, the aggregate gap was £1.1 billion, with an average gap of £414 per household. The gap shows how badly fuel poverty affects those households who experience it. It has risen since 2003 as rising prices have increased bills and have pulled more people into fuel poverty.

6. The current definition of fuel poverty is based on a ratio of required spending to income: if a household would need to spend more than 10 per cent of its net income (before housing costs) to achieve adequate warmth, it is classed as fuel poor. Using this definition, fuel poverty was said to have fallen by four-fifths between 1996 and 2004 (from 5.1 million to 1.2 million households) but has more than trebled since. The latest official statistics, published in July 2011 and relating to 2009, found 4.0 million households (containing 7.4 million people) to be fuel poor in England.

7. Technical enquiries about the content of the report may be addressed to:

hillsfuelpovertyreview@decc.gsi.gov.uk

5. Parliamentary Questions

Asked by: Newlands, Gavin

To ask the Secretary of State for Energy and Climate Change, what steps she is taking to reduce the level of fuel poverty.

Answering member: Amber Rudd Department for Energy and Climate Change

A reformed domestic supplier obligation (ECO) from April 2017, which will run for 5 years, will upgrade the energy efficiency of over 200,000 homes per year tackling the root cause of fuel poverty. Our extension of the Warm Home Discount to 2020/21 at current levels of £320m per annum will also help vulnerable households with their energy bills.

We intend to focus our efforts through ECO and the Warm Home Discount more effectively on the fuel poor, and will be consulting on our future approach in the spring.

07 Jan 2016 | Written questions | Answered | House of Commons | 902839

Asked by: Gavin Newlands (Paisley and Renfrewshire North)

The rate of fuel poverty across the UK is very high, which is why I welcome the Scottish Government's £200 million warm homes scheme to help reduce bills for low-income households. Such households are more likely to pay their bills using prepayment meters, but these are more than £200 per year more expensive than the cheapest direct debit bill. What measures will the Secretary of State introduce to ensure that customers using meters have access to the lower energy prices available to those using other payment methods?

Answered by: Amber Rudd | Energy and Climate Change

I am well aware of the issue of fuel poverty. In Paisley and Renfrewshire North, there are energy company obligation measures in place that I believe will help the hon. Gentleman's constituents. By September 2015, some 119 measures per 1,000 households had been installed, which compares to the average of 77 per 1,000 in the rest of the UK. He can rest assured, however, that we are focused on making sure that bills stay low and fuel poverty is addressed, and the ECO system is one of the best ways for us to do that.

07 Jan 2016 | | House of Commons chamber | 604 c432

Asked by: Thomas-Symonds, Nick

To ask the Secretary of State for Work and Pensions, what steps his Department has taken to seek the views of pensioners on (a) his Department's policies and (b) winter fuel allowance since the closure of the UK Advisory Forum on Ageing.

Answering member: Justin Tomlinson | Department for Work and Pensions

The UK Advisory Forum on Ageing closed on 2nd December 2015. Since then the Department has continued to work with older people, employers, the financial services industry and other stakeholders on issues such as simplifying automatic enrolment into workplace pensions, the introduction of the new State Pension, and fuller working lives. For example, the Department has conducted structured research into the attitudes of people over 50 to fuller working lives, the new State Pension, and Class 3A Voluntary National Insurance Contributions. The Department is also working with the Money Matters Working Group of the Age Action Alliance on increasing take-up of benefits by older people, and especially take-up of Pension Credit.

With specific regard to the Winter Fuel Payment, the Government has committed to help provide dignity and security in retirement by protecting it and other pensioner benefits, such as free bus passes, for the lifetime of this Parliament. Where issues arise linked to older people and fuel poverty, both the Department for Work and Pensions and the Department for Energy and Climate Change are active members of the Safe, Warm Homes Working Group of the Age Action Alliance, which is a valuable forum for both developing both policy and innovative ways of delivering support and advice to older people.

21 Dec 2015 | Written questions | Answered | House of Commons | 19732

Asked by: Godsiff, Mr Roger

To ask the Secretary of State for Energy and Climate Change, what targets the Government has set for improving the energy efficiency of low-income homes.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

The Government is committed to meeting its legally binding target to help as many fuel poor homes as reasonably practicable reach energy efficiency Band C by 2030, with interim targets on Band E by 2020 and Band D by 2025.

This Government has also set a specific goal of insulating 1 million homes by the end of this Parliament, in line with our commitments on fuel poverty.

A reformed domestic supplier obligation (ECO) from April 2017 will upgrade the energy efficiency of well over 200,000 homes per year. This will help to tackle the root cause of fuel poverty and continue to deliver on our commitment to help 1 million more homes this Parliament. We are providing support for households to improve their energy efficiency through the new supplier obligation, which will run for 5 years.

Our extension of the Warm Home Discount to 2020/21 at current levels of £320m pa will also help households who are at most risk of fuel poverty with their energy bills.

10 Dec 2015 | Written questions | Answered | House of Commons | 18979

Asked by: Dodds, Mr Nigel

To ask the Secretary of State for Energy and Climate Change, what assessment she has made of the effectiveness of the Warm Home Discount Scheme; and what plans she has to extend that scheme to Belfast.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

The Warm Home Discount Scheme helps over 2 million low income and vulnerable households each year and has provided a total of £1.1 billion of direct assistance since the scheme began. The Government announced in the Spending Review on 25 November 2015 that the Warm Home Discount scheme would be extended to 2020/21 at current levels of £320m per year, rising with inflation, to help households who are at risk of fuel poverty with their energy bills.

The issue of fuel poverty is devolved to the Northern Ireland Executive, which decides its own fuel poverty objectives and policies.

01 Dec 2015 | Written questions | Answered | House of Commons | 17638

Asked by: Lewis, Clive

To ask the Secretary of State for Energy and Climate Change, with reference to chart 4.2 of the Annual Fuel Poverty Statistics Report 2015, published by her Department on 28 May 2015, what proportion of the (a) local authority, (b) owner-occupied, (c) private rented and (d) housing association households are in fuel poverty.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

The number and proportion of fuel poor households in England by tenure are shown below:

The number and proportion of fuel poor households in England by tenure

Tenure	Local Authority	Owner occupied	Private Rented	Housing Association
2003 - Number of fuel poor households (000s)	496	1,220	483	215
2003 - Proportion of households (%)	21	8	25	14
2013 - Number of fuel poor households (000s)	193	1,104	816	234
2013 - Proportion of households (%)	12	8	19	10

23 Nov 2015 | House of Commons | 15089

Asked by: Clive Lewis

Let us get to the crux of this issue. The Department's stated goal is for as many fuel-poor homes as is reasonably practicable to be rated at least at band C for energy efficiency by 2030. However, between 2010 and 2013 that was achieved for only 70,000 fuel-poor households, leaving 95% still to be improved. Does the Minister accept that at that rate of progress, her Department will miss its 2030 target by 100 years?

Answered by: Andrea Leadsom | Department of Energy and Climate Change

I do not agree with that. The key point is that an enormous number of homes do not currently reach the band C efficiency level, and we are determined to improve that as far as possible. That is why my right hon. Friend the Secretary of State announced yesterday that we will focus all our energy efficiency and fuel poverty budgets on the most needy. That is vital.

19 Nov 2015 | House of Commons | 602 c809

Asked by: Judith Cummins

With the withdrawal of Government funding for the green deal finance company, it is now even harder for overstretched families to afford energy efficiency schemes in their homes. Too often, poor quality housing stock leaves families in fuel poverty. What funding will the Minister introduce to help families to save money on their increasingly unaffordable energy bills?

Answering member: Andrea Leadsom | Department of Energy and Climate Change

The green deal plan was a small percentage of our measures, and it was closed to new entrants precisely because it did not have the take-up that we had hoped for. Some 96% of installed measures are delivered through ECO, and as I have explained, we have put in a bid to focus our ECO even more on the fuel poor, which is our top priority.

19 Nov 2015 | House of Commons | 602 c808

Asked by: Ms Karin Smyth

To ask the Secretary of State for Energy and Climate Change, how many children were living in households classed as being in fuel poverty in (a) Bristol South constituency, (b) Bristol, (c) the South West and (d) England in each year since 2010?

Answering member: Andrea Leadsom | Department for Energy and Climate Change

Fuel poverty is measured at the household level rather than the individual level and detailed data on the age of household occupants is not available at the sub-regional level.

The table below shows the number of fuel poor households which contain at least one child under the age of 16 in (a) England and (b) the South West, in each year since 2010.

Number and proportion of fuel poor households with at least one child under 16

	England		South West	
	(000s)	%	(000s)	%
2013	1064	45	115	42
2012	1101	47	77	35
2011	1029	42	74	33
2010	988	40	74	29

Government is committed to supporting fuel poor households in line with our fuel poverty obligations. For example, the Energy Company Obligation supports around 260,000 households per year on low incomes or in low income areas with insulation and heating measures to bring their bills down. Further, the Warm Home Discount provided support to over 2 million low income households with £140 discounts on their electricity bill last winter.

18 Jun 2015 | House of Commons | W900406

Asked by: Seema Kennedy

To ask the Secretary of State for Energy and Climate Change, what steps she is taking to ensure that the fuel poverty strategy benefits people living in park homes.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

The Government will be guided by the fuel poverty strategy published in March 2015 which sets out a clear policy of working towards improving energy efficiency standards across the English housing stock, including in the homes of the fuel poor. The strategy highlighted a concern relating to issues faced by park home residents in keeping their homes warm. Therefore, the Government is undertaking further research and working with stakeholders to understand the drivers of fuel poverty in park homes.

DECC has also been ensuring park homes residents are able to benefit from our existing schemes targeted at the fuel poor such as the Energy Company Obligation (ECO) and Warm Home Discount (WHD).

21 Jul 2015 | House of Commons | W7569

Asked by Lord Browne of Belmont

To ask Her Majesty's Government what steps they are currently taking to reduce fuel poverty among older people; and what further steps they plan to take.

Answering member: Lord Bourne of Aberystwyth | Department for Energy and Climate Change

Government is fully committed to tackling fuel poverty, including meeting a new 2030 target now enshrined in law.

In policies such as the Warm Home Discount and the Energy Company Obligation continue to deliver vital support to millions of low income and vulnerable homes each year, with households in receipt of Pension Credit being eligible for assistance under both policies.

The Government will be guided by the fuel poverty strategy published in March 2015, which sets out a clear policy of working towards improving energy efficiency standards across the English housing stock, including in the homes of the fuel poor.

17 Jul 2015 | House of Lords | HL1284

Asked by Jonathan Reynolds

To ask the Secretary of State for Energy and Climate Change, how many fuel-poor households there are for which her Department plans to fund insulation measures over the next five years.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

The Government is fully committed to tackling fuel poverty in England, including meeting the 2030 target now enshrined in law.

Decisions on future energy bill and energy efficiency support for consumers have not yet been taken. The Government will be guided by the fuel poverty strategy published in March 2015, which sets out a clear policy of working towards improving energy efficiency standards across the English housing stock, including in the homes of the fuel poor.

In the meantime, the Energy Company Obligation, currently in place to March 2017, will support insulation and heating measures in fuel poor homes. The Impact Assessment is available here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/373650/ECO_IA_with_SoS_e-sigf_v2.pdf

This year, we are also delivering a £25m central heating fund focused on increased support for those in fuel poverty off the mains gas grid.

18 Jun 2015 | House of Commons | W2416

Asked by: Pamela Nash

To ask the Secretary of State for Energy and Climate Change, how many households in fuel poverty in (a) the UK, (b) Scotland, (c) England, (d) Wales and (e) Northern Ireland used prepayment meters to pay for (i) gas and (ii) electricity in each year since May 2010; and what the average monthly bill of such households was.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

For the first part of this question, I refer the hon. Member to the answer I gave her on 12th March to Question 226662:

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2015-03-09/226662/>

DECC do not have data on average actual bills for the fuel poor, or any particular cut of them, as fuel poverty estimates are produced on a notional basis (what the bill would be for a household if they used sufficient energy to meet the heating requirement for the home they live in). A large volume of data on fuel poverty is available on the DECC web site at: <https://www.gov.uk/government/collections/fuel-poverty-statistics>.

24 Mar 2015 | House of Commons | W226764

Asked by: Paisley, Ian

To ask the Secretary of State for Energy and Climate Change, if he will make it his policy to implement the Affordable Warmth Manifesto published by the End Fuel Poverty Coalition in September 2014.

Answering member: Andrea Leadsom | Department for Energy and Climate Change

There has been a constant decrease in fuel poverty since 2010, Government is committed to tackling fuel poverty.

We have a strong package of policies delivering assistance to the fuel poor, these include; The Energy Company Obligation (ECO), The Warm Home Discount Scheme, The Big Energy Saving Network, Winter Fuel Payments and Cold Weather Payments. The Affordable Warmth element of ECO alone has delivered around 398,000 measures to around 313,000 low income and vulnerable households to the end of November 2014.

In addition, we have introduced a new fuel poverty target for England to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency standard of Band C by 2030.

23 Feb 2015 | House of Commons | W222995

Asked by: Lord Wigley

To ask Her Majesty's Government which areas they define as the poorest quarter of rural areas for the purposes of eligibility for assistance with the provision of gas.

Answering member: Baroness Verma | Department for Energy and Climate Change

Ofgem operates a scheme – the Fuel Poor Network Extension Scheme (FPNES) which provides support to eligible households in relation to the

provision of mains gas. At present, if a household is within the 20% most deprived areas in Great Britain it may be eligible under this scheme. These areas are identified using the Index of Multiple Deprivation (IMD) measured at the lower super output area (LSOA) level. Note that there are separate IMDs for England, Scotland and Wales.

Ofgem is currently conducting a review of FPNES. We expect the outcome of the review to be published in March 2015.

05 Feb 2015 | House of Lords | W4511

Asked by: Pat Glass, (North West Durham), Labour

To ask the Secretary of State for Energy and Climate Change, if he will bring forward legislative proposals to ensure that families with children are treated as a vulnerable group by energy companies.

Answering member: Matthew Hancock | Department for Energy and Climate Change

A new Strategy and Policy Statement, which Government consulted on last year makes it clear that helping vulnerable households is one of the Government's strategic priorities to which Ofgem should have regard when carrying out its regulatory functions. The statement will replace the existing Social and Environmental Statutory Guidance to the Gas and Electricity Market Authority, as recommended by the Ofgem Review of 2010-11.

02 Feb 2015 | House of Commons | W221924

Asked by: Gregory Campbell

To ask the Secretary of State for Energy and Climate Change, if he will discuss with his counterparts in the devolved administrations the merits of a common formula for the Warm Home discount and grant schemes across all those administrations.

Answering member: Amber Rudd | Department for Energy and Climate Change

The Warm Home Discount Scheme operates to a single set of rules across Great Britain.

The scheme does not apply in Northern Ireland as fuel poverty is devolved to the Northern Ireland Executive, which decides its own fuel poverty objectives and policies.

23 Jan 2015 | House of Commons | W221330

Asked by: Mr Angus Brendan MacNeil

To ask the Secretary of State for Energy and Climate Change, with reference to the Government's Fuel Poverty Consultation document of July 2014, if he will review his policy so that the off grid gas sector will

be eligible for supporting measures such as the upgrading of old oil fired boilers.

Answering member: Amber Rudd | Department for Energy and Climate Change

Supporting off-grid households is an important principle in our approach to tackling fuel poverty. In England, the use of a new indicator – the fuel poverty gap – has highlighted the particular circumstances such households can face.

We are making a number of changes to policies to ensure increased levels of support to such households. For example, we have made changes to the operation of ECO to create incentives for energy suppliers to deliver more measures in these non-gas fuelled homes, including oil fired boilers replacements. While fuel poverty is a devolved issue, ECO operates across Great Britain, and these changes could have an impact in Scotland.

Furthermore, at Autumn Statement 2014, the Government announced new funding in England to support off-grid households (with Barnett consequential).

09 Jan 2015 | House of Commons | W219876

Asked by: Caroline Flint

To ask the Secretary of State for Energy and Climate Change, what estimate his Department has made of the number of fuel poor households in the private rented sector living in properties with an energy performance certificate rating of (a) A, (b) B, (c) C, (d) D, (e) E, (f) F and (g) G.

Answering member: Amber Rudd | Department for Energy and Climate Change

The estimated number of fuel poor households under the Low Income High Costs (LIHC) definition living in the private rented sector, in England in 2010-2012 by Standard Assessment (SAP) band are given below. Due to small sample sizes some SAP bands have been aggregated.

The estimated number of fuel poor households in England

Standardised Assessment band (SAP)	2012		All private rented households (000s)
	Fuel Poor (000s)	Non-Fuel Poor (000s)	
A/B/C/D	217	2,373	2,591
E	393	588	982
F/G	145	212	357
Total	755	3,174	3,929
	2011		
A/B/C/D	191	2,055	2,246
E	402	673	1,075
F/G	190	206	396
Total	782	2,934	3,716
	2010		
A/B/C/D	141	1,732	1,874
E	377	714	1,091
F/G	183	253	436
Total	701	2,700	3,401

Notes:

The above is based on the Low Income High Costs (LIHC) definition living in the private rented sector, in England in 2010-2012 by Standard Assessment (SAP) band

10 Dec 2014 | House of Commons | W216840**Asked by: Caroline Flint**

To ask the Secretary of State for Energy and Climate Change, what estimate his Department has made of the proportion of funding from the Energy Companies Obligation directed to non-fuel-poor households.

Answering member: Amber Rudd | Department for Energy and Climate Change

The Energy Company Obligation (ECO) uses a range of proxies to find low income and vulnerable households at risk of fuel poverty. These proxies are used to define eligibility for the Affordable Warmth and Carbon Savings Community Obligation elements of ECO.

21 Nov 2014 | House of Commons | W214565**Asked by: Frank Field**

To ask the Secretary of State for Energy and Climate Change, if he will take steps to ensure that no child living in poverty grows up in a cold home.

Answering member: Amber Rudd | Department for Energy and Climate Change

Our new fuel poverty target will focus on improving the energy efficiency of all fuel poor households, including children in poor households. We will be starting with the most inefficient and coldest homes first.

We have a strong package of policies already delivering assistance and making steps to help those in need. Under our current plans from April 2018, domestic and non-domestic privately rented property will need to

meet a minimum standard, which we have proposed to be an E EPC rating.

Meanwhile, we continue to provide help to the most vulnerable by supporting over 2 million households a year with the Warm Home Discount as well as providing Winter Fuel Payments of up to £300.

We also have in place the Big Energy Saving Network which is providing outreach to consumers, helping them understand tariffs and switching options as well as how they could benefit from energy efficiency programmes available to them.

Our Energy Company Obligation (ECO) funds efficient boilers and insulation measures to low income and vulnerable households is now guaranteed until at least 2017. This has contributed to Government's target of improving the energy efficiency of 1million homes from January 2013 to March 2015.

We have already made significant progress towards achieving this with around 797,000 homes improved through a combination of ECO, Green Deal Cashback, Green Deal finance and the Green Deal Home Improvement Fund to the end of August 2014.

03 Nov 2014 | House of Commons | W212423

Asked by: Caroline Flint

To ask the Secretary of State for Energy and Climate Change, what estimate his Department has made of the number of fuel poor households under the low-income high costs definition in (a) Wales and (b) Scotland.

Answering member: Amber Rudd | Department for Energy and Climate Change

Fuel poverty is a devolved matter. The 2014 fuel poverty statistics include a discussion of fuel poverty in the United Kingdom. They are available here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/319280/Fuel_Poverty_Report_Final.pdf.

10 Sep 2014 | House of Commons | W208328

6. Other Parliamentary material

Debates

Westminster Hall Debate

Fuel Poverty

[HC Deb 24 Nov 2015 cc353-370WH](#)

Note: Digital debate took place on Money Saving Expert.

[Extract...]

The Minister of State, Department of Energy and Climate Change

(Andrea Leadsom): I congratulate the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) on securing a debate on such an important topic. I can absolutely assure him that, as my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) explained, we are all here to try to make a positive difference, and my heart is absolutely in this debate.

As we all appreciate in this Chamber, the fight against fuel poverty is a significant challenge. Some 2.35 million households in England were fuel poor according to the latest statistics. In Scotland, as so many Members have mentioned, fuel poverty affects nearly 40% of the population. In Wales, 400,000 households are affected. In Northern Ireland, the figure is nearly 300,000. We all use different measures of poverty, but it is a very serious issue, and the Government are determined to make sure that the price people pay for energy is as low as possible, which is why we have been acting to ensure that the impact on bills of paying for clean energy is controlled, limited and, where we can, lowered. We are also committed to making sure the market works effectively for consumers, including through our commitment to implementing as fast as possible the final recommendations of the Competition and Markets Authority, once those are achieved.

As the hon. Member for Inverness, Nairn, Badenoch and Strathspey knows, action on fuel poverty is devolved. I am sure he and his hon. Friends will be raising their suggestions for action on fuel poverty with the SNP Government in Scotland, as well as with me. I am absolutely committed to the responsibility that we have in the UK to tackle fuel poverty, but I note that alongside different measures of fuel poverty, different approaches are being taken by our nations to tackling the issue.

So there are GB-wide schemes that are designed to tackle the underlying causes of fuel poverty: inefficient housing through the energy companies obligation, and low household income through the warm home discount. We are working with both the Scottish and Welsh Governments on how these policies can be effectively amended to tackle the root causes of fuel poverty in all nations.

The devolved nature of fuel poverty enables different nations to take the action that is appropriate for them. Each of our nations has policies tailored to address fuel poverty at the local level, such as *Nest* and

Arbed in Wales, the central heating fund in England or the home energy efficiency programmes for Scotland.

I can assure hon. Members that we are working closely with the Scottish Government to set up a process and methodology for evaluating the impacts of schemes implemented in Scotland, on their own and in conjunction with schemes implemented in England and Wales, on the GB energy market, alongside other relevant UK obligations.

Hon. Members have mentioned energy prices for their constituents, particularly in Scotland. Our top priority is to keep bills down. This year, £57 million has been spent to protect bill payers in the north of Scotland from the high costs of distributing electricity. This represents a benefit of around £40 a year for each household in the north of Scotland.

Any move towards a single national network charge would produce winners and losers, a point highlighted in Ofgem's recent report. For Scotland specifically, 1.8 million households would face higher bills and 700,000 would see reductions. It is not a simple question, but I can assure hon. Members that I am committed to launching a public consultation around the end of the year to review the most appropriate level of support for electricity distribution charges in the north of the country.

I want to turn briefly to the action this Government have taken to tackle fuel poverty. More than 1.2 million households are seeing lower bills due to energy efficiency improvements through the ECO. We are committed to ensuring that a million more get the same benefits by the end of this Parliament. But as the Secretary of State for Energy and Climate Change, my right hon. Friend the Member for Hastings and Rye (Amber Rudd), said last week, we are determined that the support available will be focused on those who need it most.

Our policies are having an impact. Since April 2010, Government policies have supported the insulation of 3.8 million lofts and 2.1 million cavities, and in 2013 we saw a fall in both the absolute number of households in fuel poverty, and in the fuel poverty gap. We are also determined to help households that, as hon. Members have mentioned, are off the mains gas grid and more likely to face higher energy costs, as well as more than twice as likely to be in fuel poverty. Off-gas-grid homes will have a focus in the central heating fund, specifically on dealing with the off-gas grid.

Adjournment Debate
Domestic Oil Purchasing Syndicates
[HC Deb 07 Dec 2015 cc830-8](#)

Adjournment Debate
Pre-payment Meters
[HC Deb 01 Dec 2015 | cc311-320](#)

Westminster Hall Debate
Energy Policy and Living Standards
[10 Dec 2014 589 cc353-362WH](#)

Westminster Hall Debate
Domestic Energy Efficiency
[21 Oct 2014 586 cc228-235WH](#)

Energy and Climate Change Committee

Oral evidence: [Home energy efficiency and demand reduction, HC 552](#)
19 January 2016

Oral evidence: [Home energy efficiency and demand reduction](#), HC 552
8 December 2015

Oral evidence: [Home Energy Efficiency and Demand Reduction](#), HC 552
17 November 2015

Oral evidence: [Home Energy Efficiency and Demand Reduction](#), HC 552
3 November 2015

Early Day Motions

CHRISTIANS AGAINST POVERTY REPORT ON PREPAYMENT METERS

That this House welcomes the new report, *The Poor Pay More*, published by Christians Against Poverty, a charity which helps thousands of people each year struggling with unmanageable debt; acknowledges the report's conclusion that people using pre-payment meters (PPMs), which are used by 39 per cent of CAP's clients, are being forced to pay more on their energy bills because they are unable to access the same tariffs as people who pay their energy bills by credit, and that there are 266,000 households in arrears on their PPM who will self-limit their energy use this winter; endorses the report's recommendations, particularly that PPM users should access the same tariffs as monthly direct debit customers, that accountability structures that place a responsibility on energy suppliers to act on those who self-disconnect should be established, and that awareness about standing charges amongst consumers should be raised; and therefore encourages the Government to pursue reform in this area and support vulnerable people who use PPMs.

!4 December 2015 House of Commons | 865 (session 2015-16)

WARM HOME DISCOUNT SCHEME - EXCLUSION OF NORTHERN IRELAND

That this House notes with concern the exclusion of pensioners resident in Northern Ireland from the Warm Home Discount Scheme since its inception in 2011; recalls that the Department of Energy and Climate Change (DECC), in its Fuel Poverty Statistics Methodology and User Manual, described fuel poverty as a partially-devolved matter and has stated that the purpose of the Warm Home Discount Scheme is to reduce fuel poverty in the UK; acknowledges that, despite having high levels of fuel poverty amongst pensioners, Northern Ireland is the only region of the UK that is excluded from the scheme; further notes the strong case being made by Age Sector Platform reflecting a Pensioners' Parliament resolution on these issues; and calls on ministers in DECC to enter into discussions with the Northern Ireland Executive in order to agree the extension of this important scheme so that pensioners in Northern Ireland can enjoy the benefits of this annual rebate on the cost of household energy bills.

18 Nov 2015 House of Commons | 721 (session 2015-16)

OUR POWER ENERGY

That this House welcomes the establishment of Our Power Energy, the first UK energy company to operate on a non-profit distribution basis, which hopes to reduce bills to customers by as much as 10 per cent; recognises that Our Power Energy has been founded by 35 organisations, including many of Scotland's housing associations, and has been supported by £2.5 million from the Scottish Government and a further £1 million from Social Investment Scotland; and, given that fuel poverty currently sits at its highest level in a decade and energy bills have risen by seven per cent between 2012 and 2013, looks forward to

Our Power Energy starting to trade later this year in direct competition with the Big Six energy suppliers.

16 Jul 2015 | House of Commons | 323 (session 2015-16)

[ENDING COLD HOMES](#)

That this House welcomes the *Ending Cold Homes: Affordable Warmth Manifesto* launched by the End Fuel Poverty Coalition, an alliance of over 50 poverty, environmental and consumer groups, trade unions and other civil society organisations; supports the Manifesto's core aim of ending the misery of fuel poverty in the UK; further supports the six key pledges set out in the Manifesto: to improve the energy efficiency standards of all low income homes to Energy Performance Certificate (EPC) Band C by 2025, to make energy efficiency a national infrastructure priority, to implement a cross-departmental fuel poverty strategy, to use trusted agencies and organisations, such as local authorities, to improve homes and encourage health and social workers to refer people for home improvements, to require fuel companies to provide a better deal for low income households, with rebates on fuel bills to all low income consumers and to ensure employment and income policies provide a sufficient income to pay fuel bills and maintain a good standard of living; and therefore urges current and future governments to support the Affordable Warmth Manifesto and take immediate action on fuel poverty to improve the quality of millions of people's lives across the UK.

17 Dec 2014 | House of Commons | 643 (session 2014-15)

7. Further Reading

Department for Energy and Climate Change (DECC)

[*Annual Fuel Poverty Statistics Report, 2015*](#)

28 May 2015

Department for Energy and Climate Change (DECC)

Fuel Poverty Advisory Group (for England)

[*12th annual report 2013-14*](#)

23 February 2015

Energy and Climate Change Committee Inquiry

[*Home energy efficiency and demand reduction*](#)

Written evidence submitted by the [National Energy Action](#) (HEE0031)

October 2015

Energy and Climate Change Committee

[*Energy Prices, Profits and Poverty: Government and Ofgem Responses to the Committee's Fifth Report of Session 2013–14*](#)

Fifth Special Report of Session 2013–14, HC 717, 10 October 2013

Energy and Climate Change Committee

[*Energy Prices, Profits and Poverty*](#)

Fifth Report of Session 2013–14, 29 July 2013

Volume I and Volume II

Centre for Analysis of Social Exclusion

[*Getting the measure of fuel poverty: Final Report of the Fuel Poverty Review*](#)

John Hills

CASE Report 77, 22 March 2012

House of Commons Library Note

[*ECO, the Energy Company Obligation*](#)

14 December 2015

House of Commons Library Note

[*Warm Home Discount*](#)

8 January 2016

Energy Saving Advice Service [Website](#)

Home Energy Scotland [Website](#)

Energy UK [Fuel poverty](#)

About the Library

The House of Commons Library research service provides MPs and their staff with the impartial briefing and evidence base they need to do their work in scrutinising Government, proposing legislation, and supporting constituents.

As well as providing MPs with a confidential service we publish open briefing papers, which are available on the Parliament website.

Every effort is made to ensure that the information contained in these publically available research briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Authors are available to discuss the content of this briefing only with Members and their staff.

If you have any general questions about the work of the House of Commons you can email hcinfo@parliament.uk.

Disclaimer

This information is provided to Members of Parliament in support of their parliamentary duties. It is a general briefing only and should not be relied on as a substitute for specific advice. The House of Commons or the author(s) shall not be liable for any errors or omissions, or for any loss or damage of any kind arising from its use, and may remove, vary or amend any information at any time without prior notice.

The House of Commons accepts no responsibility for any references or links to, or the content of, information maintained by third parties. This information is provided subject to the [conditions of the Open Parliament Licence](#).