

FUEL POVERTY & ENERGY EFFICIENCY



Newsletter - November 2017

UK-wide policy

Update on Clean Growth Plan and National Infrastructure Commission

On the 12 October, the UK Government published the long awaited Clean Growth Strategy. [Click here to read it.](#) The report reiterated the Conservative manifesto commitment to get all fuel poor homes up to Band C by 2030 and also committed to energy efficiency schemes being extended to at least 2028 (with a review in 2022). The Government also noted they were aiming to get the Private Rented Sector (PRS) up to Band C by 2030, looking at how the social sector can meet the same standard and consulting on making the PRS regulations more effective. The report also confirmed that the Energy Saving Advice Service (ESAS) helpline would close but the Government was still committed to offering an online service and other opportunities to tailor advice on improving energy efficiency of homes. The move to close ESAS and introduce a new online advice resource was already expected following the Each Home Counts Review. The UK Government also announced further trials aimed at building a market for energy efficiency, issued a consultation on reforming of the Green Deal framework and released a [BEIS - Consultation outcome: Heat in Buildings - The Future of Heat \(Updated\)](#).

The following day (13 Oct), the National Infrastructure Commission launched its consultation on its draft National Infrastructure Assessment. In a hugely welcome development, the document stated that one of the key priorities for achieving low-cost, low carbon is clear; to improve domestic energy efficiency. The report states "The UK has old and leaky buildings, which means households and firms use far more heat than should be required, pushing up consumer bills and increasing the costs of moving towards low carbon heating in the longer term". The Commission will undertake a bespoke study for April which will consider how an ambitious programme of energy efficiency improvements could rectify this. FPEEG will continue to urge the UK Government to declare energy efficiency a national infrastructure priority to help unlock much needed resources to fund energy efficiency programmes overall.

To read the NIA summary document [click here](#).



Heat decarbonisation debate warms up

Earlier this year NEA, the Secretariat for FPEEG commissioned a new report into heat decarbonisation and its potential impacts on social equity and fuel poverty. Over 90% of today's homes will still be in use in 2050 and a major programme will be needed to decarbonise the way we consume heat if we



New vision for an energy efficiency delivery plan

A new report by Frontier Economics recommends a comprehensive Buildings Energy Infrastructure Programme to achieve major energy savings in UK homes. Key recommendations include introducing a new target for all low-income households achieving a C rating by 2030 and subsidies

are to meet both fuel poverty and national carbon targets.

The report was recently published. The main findings are decarbonising domestic heating will require retrofitting an average of 20,000 properties each and every week for 20 to 25 years. The report reviews a number of potential approaches, all of which could involve significant investment. The costs could be socialised across energy bills and/or taxation and if recovered evenly across 20 years through levies on energy bills, could create an extra 0.6 million to 2.6 million fuel poor households in GB (on the 10% measure). With the high costs of decarbonisation the report highlights that we need to consider options for mitigating the impacts on fuel poverty. The main recommendation is to move now on no regrets “win-win” solutions targeting fuel poverty reduction and wider energy efficiency deployment. In the short-term the Renewable Heat Incentive (RHI) could be better targeted on fuel poverty alleviation. To download the full report [click here](#).

for all low-income home-owners to make energy efficiency renovations to their properties. The report hopes to build on the recent strong cross-party consensus on the need for more ambitious policies, the strong case for central investment and the opportunity for domestic energy efficiency to be regarded as a hugely important infrastructure priority.

The report also builds on a recent UK Energy Research Centre (UKERC) and Centre on Innovation and Energy Demand (CIED) study that demonstrated how cost-effective investments of energy efficiency to 2035 could save around one quarter of the energy currently used, an average saving of £270 per household per year at current energy prices. This saving is approximately equivalent to the output of six nuclear power stations the size of Hinkley Point C. Using Treasury guidance for policy appraisal, this investment has an estimated net present value of £7.5 billion. Read the Action Plan [here](#). To read the UKERC and CIED report click [here](#).

GB-wide policy

Update on new price cap

At the party conference the prime minister announced the UK government would introduce a new parliamentary bill that will give Ofgem power to introduce a standard variable tariff (SVT) wide price cap. BEIS published the ‘Draft Domestic Gas and Electricity (Tariff Cap) Bill’ on 12 October. [Click here to read it](#). [Click here to read the accompanying press release](#). The draft bill will “Limit the cost of standard variable tariffs (SVTs) and other default tariffs that customers are moved onto at the end of a fixed-term deal”. The bill will require Ofgem to consult and impose the cap as soon as practicable after the legislation is passed. The publication of the bill followed 192 MPs signing a cross-party letter calling on to the UK government to extend current price protections to more households.

On 11 October Ofgem also confirmed that they would extend price protection to 1 million more vulnerable households this winter. This new safeguard tariff would apply to customers receiving the Warm Home Discount from a supplier who is required to participate in this government scheme. Ofgem stated they expect that the safeguard tariff will be in place by February 2018 and provide short term relief for vulnerable customers, ahead of government plans for an energy price cap being realised. Ofgem has also stated they will work alongside government to provide price protection to all standard tariff customers as soon as possible if legislation is passed.

Update on warrant charges for prepayment meters

On 10 November Ofgem announced a £150 cap on charges for installing pre-payment meters (PPMs) under warrant for customers in debt, and banned charges for the most vulnerable.

Suppliers can apply to the court and install a prepayment meter under warrant, as a last resort when customers fall into debt. Under current rules, suppliers can charge warrant costs back to affected customers. These charges, which can include court costs, are on average £400 for a dual fuel customer but can range up to £900 and risk pushing these customers further into debt.

Following consultation, Ofgem has announced measures to protect consumers from unnecessary hardship due to having a prepayment meter installed under warrant.

As well as the cap, these measures prohibit suppliers levying any prepayment meter warrant charges, and banning these installations entirely, for the most vulnerable customers. This includes, for example, prohibiting charges for people in severe financial difficulty, and banning installations entirely for people for whom the experience would be severely traumatic, for example, due to mental health issues.

Update on the Private Rented Sector in England

The Coalition Government introduced minimum energy performance standards in the worst Private Rented Properties in England and Wales in 2011 which come into force from next year. From April 2018, landlords should not be able to rent out properties with energy efficiency ratings below EPC Band E (the worst properties), however, critically a wide set of exemptions apply. There is now an urgent need to provide clarity on how landlords will be required to meet these requirements or make the UK Government remove these 'get outs'. The Private Rented Sector (PRS) Coalition have helped establish a new campaign led by charity 10:10 which is highlighting these loopholes. The campaign kicked off 2 October with a giant 'loophole' positioned outside BEIS, which got a number of people talking!

Research reports

Behaviours and attitudes of the fuel poor in England

This research report was published by BEIS on 9 November and includes some useful insights and a power-point presentation focussing on some of the issues facing fuel poor households. [The report can be found here.](#)

Forthcoming meetings & events



28 November 2017

Discussing Carbon Monoxide and Domestic Gas Safety

Tuesday 28th November 2017 Time, 3-5pm, The Boothroyd Room, Portcullis House

The All-Party Parliamentary Group on Fuel Poverty and Energy Efficiency (FPEEG) invites you to the Parliamentary launch of new research investigating the links between fuel poverty and carbon monoxide (CO) risk in low income households.

Chair: **Grahame Morris MP**

Panellists:

- **Baroness Finlay of Llandaff**, Co-chair of the All-Party Parliamentary Group on Carbon Monoxide Poisoning
- **Christopher Bielby**, Chair of the Gas Safety Trust
- **Tom Bell**, Chair of the Gas Distribution Network CO Best Practice Group
- **Juliette Burroughs**, National Energy Action, report author
- **Peter Smith**, Director of Policy and Research at National Energy Action

Panellists will provide unique perspectives on the relationship between fuel poverty, low household income, gas safety and CO risk. There will also be opportunity to discuss key findings and recommendations from the report.



6 December 2017

Albert Owen MP hosting a parliamentary drop-in in **Room W2 in Westminster Hall from 9am-11am on the 6 December** themed around fuel poverty and smart meters. For further information contact [Brian Hart](#).

6 February 2018



APPG Fuel Poverty & Energy Efficiency Group Annual Dinner

Next year's dinner will be held on **6 February from 7pm in One Great George Street, Westminster**. Formal invitations will be mailed out before Christmas, but in the mean time please pencil in your diary.

The dinner is sponsored by the gas distribution networks Cadent Gas, Northern Gas Networks, SGN and Wales & West Utilities.

News



What is Fuel Poverty? Free online training course

For over 30 years NEA, the national fuel poverty charity, has offered an extensive range of qualifications, training courses and educational resources to cover key issues associated with fuel poverty, fuel debt, affordable warmth and delivering practical energy efficiency advice.

What is Fuel Poverty? is a free online training course developed by NEA on behalf of FPEEG.

The course will be of benefit to MPs, MSPs, AMs, MLAs, councillors and parliamentary/ward surgery staff and will:

- Explain the causes of fuel poverty
- Outline current national policies
- Outline the key differences between the UK nations
- Classify the national measures of fuel poverty and various indicators of identifying a fuel poor households
- Outline the potential health, social and economic impacts
- Identify assistance and advice-giving agencies

This training course meets the ISO 9001 quality standards.

For more information visit the [FPEEG website](http://fpeeg.org.uk).

CALL FOR NOTICES

If you have any notices that you would like to be included in the next newsletter, please send them to secretariat@fpeeg.org.uk.

The FPEEG secretariat is provided by National Energy Action, an independent charity, registration no. 290511, Registered in England no. 1853927. Registered office: West One, Forth Banks, Newcastle upon Tyne, NE1 3PA



Action for Warm Homes

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