



FUEL POVERTY & ENERGY EFFICIENCY

NEWSLETTER

February 2018

Policy

Ofgem launch new safeguard tariff and consult on extension

On the 7 February Ofgem launched the new safeguard tariff. The extension of the current prepayment meter cap to those who receive the Warm Home Discount means five million people are now protected from unexpected price rises. This is a welcome step to protect more vulnerable customers but further action is required to safeguard the most vulnerable households and the government, industry and Ofgem need to show greater urgency to break through any remaining barriers to data sharing.

Progress in Clean Growth Strategy and National Infrastructure Commission

January saw consultations on the UK government's Clean Growth Strategy and the National Infrastructure Commission's (NIC) interim National Infrastructure Assessment.

Both publications are welcome, within the Clean Growth Strategy we particularly support the commitment to prioritise current resources on those that need the most help to reduce their high energy costs and also ensure landlords are required to use their own funds to guarantee rental properties are fit for human habitation. However, the UK government must also support the strong case for the re-introduction of adequate central investment, where appropriate.

The UK currently has one the highest rates of fuel poverty and the least energy efficient housing stocks in Europe. Alongside the UK government's recent Clean Growth Strategy, the interim National Infrastructure Assessment (NIA) rightly identifies the need to urgently address energy wastage in UK homes and states that dramatically enhancing energy efficiency must be a key national infrastructure priority. We therefore hope NIC will ensure domestic energy efficiency is retained as a key priority within the final assessment (which will be published July).

Engaging with NAO on their investigation into smart meters

In December, the National Audit Office confirmed they would be undertaking a full value for money study in to the smart meter roll-out. FPEEG has noted the smart roll-out as a focus for this year's work programme and will engage early with the NAO to ensure that their investigation makes a positive impact in improving the roll-out and that any recommendations are acted on swiftly.

A significant concern is that the smart meter roll-out is now significantly back-loaded. This means that most households have less opportunity to enjoy the benefits of smart (and any resulting financial savings) in the years up to 2020. The delay to mass deployment could undermine the government's current cost benefit analysis which assumes there would be steady deployment, with cumulative benefits accruing year on year up to 2020.

BEIS to set out future direction of ECO and WHDS

FPEEG understands that the consultation on the future phase of the scheme will be launched later this month or early March. Ministers appear committed to meeting their previous assurances to target this support on those that need the most help from September 2018. We will urge government to focus on how to help the worst first by enhancing ECO's accessibility or "offer" to vulnerable households and also press for a greater role for ECO flex (likely to be proposed at 25% of the obligation), a softening of the current 'gas boiler caps' and push for ring-fenced minimas that will help ensure the right measures are delivered to make maximum progress to meeting the first fuel poverty milestones (i.e solid wall insulation and first time central heating etc). It is also likely to be proposed that there will be a large ring-fence for innovation.

In addition, the UK government is preparing to issue a consultation on the Warm Home Discount Scheme this month. With the exception of a small increase to industry initiatives, there is likely to be few changes to the WHD for the next scheme year.

Spring Statement 2018

The government will publish its Spring Statement on Tuesday 13 March 2018. Whilst this is not the same as a budget, the announcement may provide an opportunity to assist fuel poor households. In particular we will stress the need to re-consider the overlooked opportunity to provide emergency support in the recent Budget, highlighting that we believe this will have had hugely damaging consequences to the most vulnerable over the current harsh winter.

Recent developments in the private rented sector (applies in England and Wales)

On the 19 December, the government issued proposal to amend the domestic Minimum Level of Energy Efficiency Regulations to introduce a capped landlord financial contribution element. FPEEG has been pushing for this outcome in order to make the forthcoming regulations as effective as possible. The government's preferred cap level is £2,500 per property. This level of cap would leave over 45% of fuel poor households living in band F/G properties without any measures being installed. As a result, we believe the cap should be set higher, at £5K (and this should exclude VAT and the contribution ECO and other and policies provide). Single room HMO tenancies also need to be brought inside the scope of the regulations.

The consultation closes on the 13th March and you can [read the document here](#).

Building up to fuel poverty debate in Parliament

The Fuel Poverty Strategy for England 2015 committed to a statutory requirement for an annual fuel poverty debate in Parliament. The last debate was on 22 March last year so this should be coming up soon. We will be working with the Committee on Fuel Poverty and other related APG's to ensure this year's debate is well attended and well informed.

Members news



ALEO magazine

The *ALEO News* magazine contains a mix of best practice articles on domestic energy efficiency and fuel poverty from around the UK, and includes details of the 2017 ALEO Award winners, as well as a report on the ALEO National Training-Day Conference, held in London on 30 October 2017.

All of the past issues of the magazine can also be downloaded from www.aleo.org.uk/magazine.

If you would like to be added to the mailing list to receive a hard copy of the magazine, please contact rob.leeson@aleo.org.uk.

Forthcoming meetings & events



7 March 2018

Clean Growth Strategy

Monday 7 March 2018, 4.30-6.30pm, Room C, 1
Parliament Street, Westminster

Chair: **Caroline Lucas MP**

Panellists:

- **David Blakemore**, Chair, Committee on Fuel Poverty
- **Peter Smith**, Director of Policy and Research at National Energy Action
- Speaker from BEIS to be confirmed

If you would like to attend this meeting please RSVP to secretariat@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 currently planning the work programme for the coming year. Our initial thoughts are to organise meetings around the following topics:

- The Clean Growth Strategy
- Progress on the Fuel Poverty Strategy
- The Smart Meter Roll-out
- Local Stories series – profiling local initiatives that can be replicated

Are there any other topics, themes or issues you would like FPEEG to focus on? Please email them to secretariat@fpeeg.org.uk.

Free training



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](#).



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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