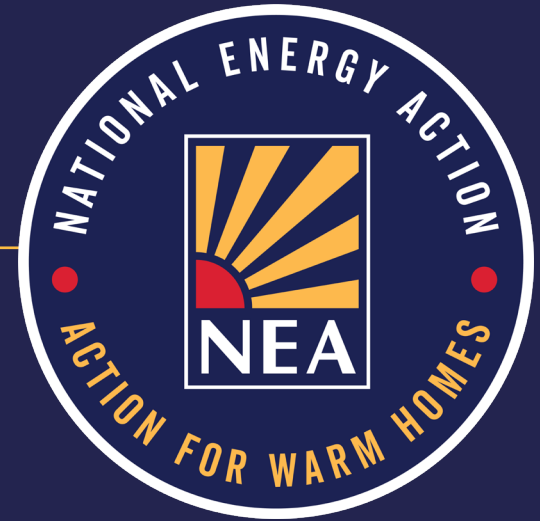


Maya Fitchett - Policy Analyst, NEA

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# England's Fuel Poverty Strategy



# Defining fuel poverty

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England	Scotland	Wales	Northern Ireland
<p>England uses the LILEE definition. A household is deemed to be living in fuel poverty if they:</p> <ol style="list-style-type: none"><li>1) Live on a low income (defined as less than 60% of the median income); and</li><li>2) Live in a house with an EPC of D or below.</li></ol>	<p>In Scotland, a household is deemed to be living in fuel poverty if:</p> <ol style="list-style-type: none"><li>1) They must pay more than 10% of the household's adjusted income (after housing costs) to maintain a satisfactory heating regime; and</li><li>2) The remaining adjusted net income is less than 90% of the UK Minimum Income Standard.</li></ol>	<p>In Wales, a household is deemed to be living in fuel poverty if they must pay more than 10% of their full household income to maintain a satisfactory heating regime.</p>	<p>In Northern Ireland, a household is deemed to be living in fuel poverty if it is required to spend an excess of 10% of its household income on all fuel use to maintain a satisfactory heating regime.</p>

# Timeline

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## Policy and regulatory background

- 2000: Fuel poverty is defined in the Warm Homes and Energy Conservation Act as *"a person [who] is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost"*.
- 2014: The government introduce a legislative fuel poverty target of all fuel poor homes to EPC C by 2030 (with interim targets of all fuel poor homes to EPC E by 2020 and EPC D by 2025)
- 2015: The first fuel poverty strategy in over a decade is published, **'Cutting the cost of keeping warm'**.
- 2019: An updated fuel poverty strategy is consulted on.
- 2021: The renewed fuel poverty strategy is published, with the new LILEE definition.



# England's 2021 fuel poverty strategy

## **Sustainable warmth: protecting vulnerable households in England**

- This set out plans to:
  - Invest into the Home Upgrade Grant
  - Extend the Energy Company Obligation
  - Continuation of the Green Home Grant and Local Authority Delivery
  - Extend the Warm Home Discount
  - Increase Minimum Energy Efficiency Standards (MEES) in the private rented sector
  - Implement the Future Homes Standard and Decent Homes Standard
- Guiding principles:
  - Worst first
  - Cost effectiveness
  - Vulnerability
  - Sustainability



# Reflections

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## NEA's thoughts

- Overall, positive in building on the previous strategy
  - Improved funding and energy efficiency scheme landscape
  - Move away from 'Low Income, High Cost' (LIHC) welcome and necessary
  - Worst first welcomed, although some concerns about conflict between sustainability principle and fuel poverty aims
- However, it fell short in some areas...
  - Targets/milestones not updated, and no updated policy plan
- And crucially, it needs to be updated in line with current contexts
  - Covid 19 pandemic
  - Cost-of-living crisis and energy crisis
  - £3.3tn debt in energy market
  - Must be cross-departmental (DESNZ, MHCLG, DHSC)



# Our priorities

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**New, more ambitious cross-departmental strategies are desperately needed in light of the energy crisis.**

- England should retain its 2030 target and accelerate its path towards this statutory requirement
- The fuel poverty strategy must be cross-departmental (at a minimum, sitting across DESNZ, MHCLG and DHSC)
- The strategy should consider accessibility, including ending postcode lotteries
- Failed schemes must be rectified
- Collaboration across the UK's four nations



# Fuel poverty and the 'missions'

## **Labour's manifesto: Mission-driven government**

- 1) Kickstart economic growth
- 2) Make Britain a clean energy superpower
- 4) Break down barriers to opportunity
- 5) Build an NHS fit for the future



# Thank you for your time.

Any questions?

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