



The End Fuel Poverty Campaign wants energy efficient homes, decent incomes and low cost fuel for low income households.

Your starters for 2010: E-Briefing Pre-Budget report

The Government announced £150m in extra funding for Warm Front for 2010/11. This represents a significant response to major concerns about next year's Warm Front budget. At a time of significant cutbacks in public expenditure, it represents a significant contribution towards tackling fuel poverty. Many members of the fuel poverty coalition had pressed the Government to provide extra funding and therefore welcomed this announcement.

The Government also announced £50m towards a boiler scrappage scheme. This will consist of a £400 voucher to replace G rated boilers with modern condensing boilers. It is unlikely to provide much benefit to low income households who cannot benefit from Warm Front, given that new boilers typically cost around £2 to 3000. It is estimated that 125,000 households will benefit from the scheme and it is likely to be highly over-subscribed.

Energy Bill

Key areas relating to fuel poverty:

- Introduces new powers for the Government to mandate fuel companies to provide 'fuel poverty schemes', the details of which will be consulted upon this summer.
- The Government intends to introduce 'social price support', part of which will include a mandatory scheme in 2011. This will replace the current voluntary agreement with suppliers that finishes in 2011.
- The Government is currently inclined to only provide mandated support to 'older poorer pensioners'. The mandatory scheme is likely to consist of a fixed sum rebate of £100 on electricity bills.
- The DWP is about to launch a pilot scheme for households in receipt of the guarantee element only of Pension Credit. This is designed to test the data sharing element of the eventual mandatory scheme. Currently, data sharing is only legally allowed for pensioner households.
- The Bill also clarifies Ofgem's objectives on tackling climate change, ensuring secure energy supplies and using methods other than competition to protect the interests of consumers.

The Energy Bill has now reached the Public Bill Committee and is hearing evidence from industry, consumer groups, Ofgem and government.

Link: <http://services.parliament.uk/bills/2009-10/energy.html>

Consumer Focus is about to publish 2 research reports of relevance to the issue. One provides detailed data on fuel companies' current social tariff programmes. The other puts the case for extending the social price support mandate to low income families and disabled people.

Home Energy Management Strategy

The Government intends to release two major consultations on energy efficiency policy and renewable heat in early February. This first consultation builds upon the Government's Heat and Energy Saving Strategy consultation last summer. The new document is likely to contain some important proposals for improving the energy efficiency standards of low income households' homes. We envisage it will set out proposals for the future of Warm Front, the Decent Homes programme, the replacement to fuel companies' CERT (energy efficiency) programmes and the Pay as You Save scheme (PAYS). It is also likely to set out proposals for delivering energy efficiency measures. It is expected that this will include a greater role for local authorities.

Link: www.decc.gov.uk/en/content/cms/consultations/consultations.aspx

Smart Meters

Fuel companies will roll out smart meters to every UK home by 2020. A DECC / Ofgem Strategic Programme Board will publish a prospectus in summer 2010, setting out detailed proposals for the regulatory and commercial framework, as well as define the minimum functions that all smart meters will have to deliver for consumers.

Key issues for those in fuel poverty and other vulnerable consumers:

- Accessibility so that the display devices connected to smart meters can be easily seen and read
- Understanding the implications of the information. This will require advice and education on the uses and benefits of smart meters.
- Safeguards relating to suppliers use of smart meters. It is important that there is an appropriate process for agreeing any changes to supply or debt collection made possible by smart meters.

With smart meters, suppliers can monitor patterns of consumer use and potentially identify problems in the household and can therefore the need for help.

Suppliers will be able to switch consumers easily between credit and prepayment terms and potentially disconnect supply remotely. However, some argue that suppliers should not need to disconnect at all since they can easily switch consumers in arrears to prepayment. Possible future protection includes maintaining supply for prepayment meter consumers at weekends and evenings.

Links: <http://www.decc.gov.uk/en/content/cms/news/pn139/pn139.aspx>
www.ofgem.gov.uk/Media/FactSheets/Documents1/meteringfs.pdf

Election

With the approaching general election, it is important that the issue of fuel poverty is given a high profile. In particular, we want to make sure that all parties confirm that they will honour the legal commitment to eliminate fuel poverty by 2016 and that they set out their proposals for how they intend to achieve this. They will need to acknowledge future challenges in achieving their legal targets, given the impact of the current recession, the likely long term increase in fuel bills and the medium term prospects of severe restrictions on public expenditure.

The Fuel Poverty Coalition can play an important role in making sure fuel poverty is prioritised by all the political parties.

Fuel poverty inquiry

The Energy and Climate Change Committee has issued a call for written evidence for its inquiry into fuel poverty. The inquiry will consider progress against Government fuel poverty targets, the coherence of Government's initiatives on energy efficiency, social tariffs and social price support, winter fuel payments and cold weather payments and support for households not connected to mains gas.

The deadline for the submission of written evidence is **15 February 2010**. Evidence should be sent to ecc@parliament.uk.

Fixing fuel poverty

The doyenne of academic fuel poverty researchers, Dr Brenda Boardman, has just released a new book on fuel poverty. The book examines the factors that contribute to fuel poverty - low incomes, high fuel prices and poor quality housing - and evaluates Government policies to help reduce the problem. It also presents a detailed set of proposals for long-term improvements to the housing stock.

Link: <http://www.earthscan.co.uk/?tabid=101788#>