

Consultation Response

Review of the Fuel Poverty Strategy for England

Department for Energy Security and Net Zero (DESNZ)

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About this consultation

Government is consulting on proposals for a new fuel poverty strategy for England. The Secretary of State for Energy Security and Net Zero is legally obligated to set a target to address fuel poverty and to produce and publish a plan to meet that target.

The consultation has arisen as a result of a review into progress towards the statutory fuel poverty target, to upgrade as many fuel poor households as is reasonably practicable to a minimum energy efficiency rating of Band C by 31st December 2030, under the 2021 fuel poverty strategy. The review found that progress towards the target has stalled and that a new strategy is required.

The responses to this consultation will inform the development of the fuel poverty strategy.

Key points and recommendations

- The LILEE definition is insufficient for understanding the full extent of fuel poverty in England. A formal definition for fuel poverty, which measures the affordability of energy, should be adopted alongside LILEE.
- The Government should move from a worst-first to a warmth-first principle, focussing on the depth of fuel poverty instead of the adequacy of housing.
- The new strategy will require a better way of understanding vulnerability in the energy sector. To achieve this, Age UK believes that Government, and Ofgem, will need to reform the Priority Services Register to vastly improve the quality of data held on it.
- Bill support must continue from winter 2026 to 2027. In the limited time between now and then, the Government should extend the Warm Home Discount scheme. Crucially, the level of the rebate should be tied to the cost of energy – which would protect consumers from price shocks.
- Over time, the scheme should be evolved, both in terms of eligibility criteria and the mechanism for support. The optimal delivery mechanism would be a unit-rate discount. Eligibility can be facilitated through income-based data matching.
- Continued funding for independent advice and energy support, through the industry initiatives component of the Warm Home Discount scheme, will help support fuel poor households over the long term.

About Age UK

Age UK is a national charity that works with a network of partners, including Age Scotland, Age Cymru, Age NI and local Age UKs across England, to help everyone make the most

of later life, whatever their circumstances. In the UK, the Charity helps more than seven million older people each year by providing advice and support. It also researches and campaigns on the issues that matter most to older people. Its work focuses on ensuring that older people: have enough money; enjoy life and feel well; receive high quality health and care; are comfortable, safe and secure at home; and feel valued and able to participate.

Executive Summary

Age UK welcome the efforts of the Government to update the fuel poverty strategy, following years of persistently high energy prices and a cost-of-living crisis which have changed the energy landscape completely.

With no end in sight to the elevated cost of energy, 9 million households in England are estimated to have spent more than 10% of their budgets on energy costs. For the older people that Age UK support, the situation is tough. The aggregate fuel poverty gap of households with a resident over 50 is £705mn, compared to £408mn for households where the oldest resident is younger than 50.¹ Around 60% of fuel poor households have a resident over 50 years old, and 40% have a resident over 60 years old.

With that in mind, Age UK believes it is vital that the updated Fuel Poverty strategy should be more ambitious than ever before. Whether or not the target is achieved by 2030, it should be the Government's ambition to eradicate fuel poverty in the shortest timeframe possible, recognising that the strategy must take a cost-effective approach.

There are several priorities that Age UK would like to see in the updated strategy, including generating engagement between fuel poor households and the energy market; reflecting on the role and value of the Priority Services Register, with a view of improving the quality of data held on the register; designing an energy affordability scheme which insulates households in or at risk of fuel poverty from volatile energy costs.

We hope that the Government is open to considering all options and we look forward to working with the department in order to drive the strategy forward.

Consultation questions

1. Should the 2030 fuel poverty target be retained? Please explain your reasoning.

Age UK believes that the updated Fuel Poverty strategy should be more ambitious than ever before. Not only should the target be retained, but the strategy should also have much greater scope to treat the symptoms of fuel poverty over the long term, for example by including greater investment in tackling energy inefficiencies across the housing stock. We believe that any fuel poverty target should allow for a cost-effective, considered and meaningful approach that deals with short, medium and long-term issues in turn, linking these with realistic solutions for households, in particular those on lower incomes.

There is a risk that maintaining the target means it is unlikely to be achieved without an unprecedented increase in the number of homes being upgraded, and an increase in the level of direct financial support for vulnerable households. To achieve the current target, the Government would have to move much faster than current plans allow for.^{2 3 4}

Whether or not the target is achieved by 2030, it should be the Government's ambition to eradicate fuel poverty in the shortest timeframe that is possible. If the target is moved, efforts to tackle fuel poverty should not slow down as a result. If Government decides to move the target, it should also demonstrate how a more distant target would allow for improved outcomes for fuel poor households.

4. What are your views on:

A. retaining the Low Income Low Energy Efficiency metric as a measure of structural fuel poverty and as the official measure of progress to the statutory fuel poverty target in England?

By itself, LILEE is an inadequate measure of fuel poverty in England. While Age UK recognises the importance of having a metric which can account for changes to energy efficiency, the definition does not sufficiently account for fluctuations in fuel prices. Fuel prices are due to remain at elevated levels until the end of the decade. It is therefore important to ensure that households in fuel stress are accounted for in the Government's ambitions. However, Age UK does not believe that LILEE should be displaced by an affordability definition. It should either be altered to account for affordability, or an affordability definition should be adopted alongside it.

The LILEE metric does not define “*households living in energy efficiency Band A, B or C homes who may be unable to afford sufficient energy to keep warm due to a very low income*” as fuel poor. It is an absolute measure in relation to energy efficiency meaning that it is more of a home energy efficiency metric than a fuel poverty metric. For it to be a fuel poverty metric it must hold that by improving the energy efficiency rating of a home to at least a band C, that household will now be able to afford to maintain an adequate standard of warmth and yet that may not be the case for the poorest households who are forced to limit energy use by affordability constraints.

In 2023, under the LILEE metric, 13% of households in England (3.2m) were fuel poor. A further 15.2% (3.7m) had a household income below the official poverty line after spending on (modelled) energy costs but were not considered fuel poor as their homes had an energy efficiency rating band of C or above. So, under the LILEE metric there is the perplexing scenario in which households spending a high proportion of their income on energy are not considered fuel poor.

The UK Government wish to “...*take proactive steps to ensure that energy is affordable, and that those in the greatest need are first in line for energy efficiency upgrades... that can cut bills*” and so a fuel poverty metric needs to ideally drive both elements – affordability and energy efficiency.

The LILEE metric drives energy efficiency and not affordability, and yet, it can be revised to better achieve the balance between affordability and energy efficiency if it is changed to be a weighted measure of the two groups: Low Income Low Energy Efficiency and Low Income High Energy Efficiency. We **call this revised measure LILEE+**.

Table 1 below shows how the LILEE+ metric compares to the LILEE metric. It shows that in 2023, 13% of households (3.2m) were fuel poor under the LILEE metric and that this figure would have been 14.2% (3.5m) under the LILEE+ metric. Whilst this is not a huge difference – purposefully by LILEE+ being a weighted metric⁵ - it does however mean **under the LILEE+ measure both affordability and energy efficiency rating drive the fuel poverty measure**. This is not the case under LILEE because the ability for affordability to drive the measure is conditional on the energy efficiency rating (i.e. irrespective of affordability, homes with energy efficiency rating of band C or above cannot be fuel poor).

Table 1: fuel poverty in England (2023) under the LILEE and LILEE+ metrics

	LILEE		LILEE+	
	Number of households (millions)	Proportion of households that are in this group	Number of households (millions)	Proportion of households that are in this group
Low Income Low Energy Efficiency	3.2	13.0%	3.5	14.2%
Low Income High Energy Efficiency	3.7	15.2%		
High Income Low Energy Efficiency	8.9	36.4%	8.9	36.4%
High Income High Energy Efficiency	8.7	35.4%	8.7	35.4%
All households	24.5	100%	24.5	100% ⁶

Source: Age UK analysis of Fuel Poverty Statistics for England, 2024 (2023 data)

The proposed LILEE+ metric as a measure of fuel poverty:

- maintains a single metric (for simplicity)
- means both affordability and energy efficiency rating drive fuel poverty rates
- builds on the existing official measure of fuel poverty in England

B. whether to adopt an additional indicator to monitor the impact of energy prices on the affordability of energy?

As noted above, the LILEE definition offers value in recognising improvements to energy efficiency across households in England. However, it is insufficient by itself to reflect the experience of fuel poverty. This has been demonstrated clearly through the period of the energy crisis, where households' energy costs more than doubled but levels of fuel poverty under LILEE stagnated. Compared to the unofficial 10% definition, which demonstrated a significant increase to fuel stress, it is clear to Age UK that LILEE cannot be used by itself to monitor the impact of energy prices on the affordability of energy.

C. the form of an energy affordability indicator, including whether this should include an income constraint and considerations on the basis on which to determine unaffordable energy requirements?

The 10% indicator (Wales, Scotland & Northern Ireland) is most commonly suggested as the appropriate affordability indicator. Under this definition, a household is considered to be fuel poor if it is reported to spend more than 10% of its income on fuel, to maintain adequate standard of warmth. Age UK's concern with this measure is that it includes high-income households who are able to afford high energy spend. The need for having a simple measure is understandable, so Age UK suggests that if LILEE remains unchanged, and a 10% measure is adopted, it is refined, so the measure defines households as fuel poor if they spend more than 10% of their household income (AHC) on energy and are living below the relative poverty line.

In 2021, 21% (4.9m) households living in England were defined to be fuel poor under this definition. With this revision to the definition, the figure would fall to 16% (3.9m).

	not living in poverty	living in poverty	Total
Not in fuel stress -	72%	8%	80%
In fuel stress - AHC	4%	16%	21%
Total	76%	24%	100%

5. What are your views on adapting or implementing the Worst First principle, in order to maximise the number of fuel poor homes brought to Band C while ensuring that the worst homes are not left behind? Please provide any supporting evidence.

Age UK believes that the worst first principle should focus on the circumstances of people in fuel poverty, as opposed to the energy efficiency of the household. There is a probable relationship between households in the worst conditions (according to their EPC level) and the level of fuel poverty experienced by the people in the household. Instead of focussing primarily on households with a lower EPC, the Government should focus on targeting groups with the greatest fuel poverty gap.

The latest fuel poverty data demonstrates that households where the oldest resident is over 50 years old have an average fuel poverty gap that is greater than the average across all households. The aggregate fuel poverty gap of households with a resident over 50 is £705mn, compared to £408mn for households where the oldest resident is younger than 50.⁷ Around 60% of fuel poor households have a resident over 50 years old, and 40% have a resident over 60 years old.

By shifting the worst first principle from focussing on the adequacy of housing to the depth of fuel poverty, affordability and efficiency schemes would need to be structured to provide tiered support. Households experiencing a greater depth of fuel poverty should have access to higher levels of support.

7. What are your views on how we could better define or implement the vulnerability principle? Please provide any supporting evidence.

Better incorporation of health inequalities and vulnerabilities within the fuel poverty strategy will require significant improvement to how vulnerability is identified and measured in the energy sector. In 2023, it is estimated that 67% of fuel poor households contain at least one occupant who meets one of the vulnerability criteria, according to National Institute for Health and Care Excellence (NICE) NG6 guidance on Excess Winter Deaths and Illness and the Health Risks Associated with Cold Home.⁸

That will provide a foundation for the Government to improve the targeting of fuel poverty policies, and to measure their impact on households with specific vulnerabilities.

Age UK believes that reforms to the Priority Services Register (PSR) could provide valuable information towards the development of fuel poverty policies but requires reform in order to do so.

Much work has been done over recent years to develop the PSR into a “tell us once” system. While this work is important, there has been considerably less focus on whether the PSR is robust in terms of the quality of data that it holds, and what purpose that data serves. Eligibility for the PSR covers a variety of consumer circumstances, ranging from temporary circumstances such as pregnancy, and long-term medical conditions resulting in dependency on energy and water.

Over the past few years, the PSR has increased in size to capture consumers seeking additional protection through the energy crisis. It has arguably been overstretched, with some suppliers anecdotally reporting that up to 50% of their consumers are on the PSR. However, PSR data is often outdated regarding information of vulnerabilities.

The focus of reforming the PSR should not be on the quantity of households registered, but the quality of that data itself, ensuring that it is reliable and updated as circumstances change. For some of the PSR needs codes, such as health conditions resulting in medical dependency on energy access, there is greater importance for assuring that all households are captured because of their higher consumption needs leave them at an elevated risk of fuel poverty.

In the first instance, there must be a focus on improving the data quality for needs codes relating to a medical dependency on energy. This could be achieved by collaborating with health-based organisations who hold data on the clients they support.

The PSR can and should mitigate the risk of negative outcomes for households at risk of fuel poverty. Government should work with Ofgem to ensure that the PSR adequately captures those at risk. In doing so, the PSR could be used as a mechanism for targeting support (forming part of scheme eligibility), as well as being used for measuring the impact of energy policy on households with certain vulnerabilities.

In the coming years, during the course of the updated strategy, there are likely to be significant decisions made about reforming the energy market to drive decarbonisation. These changes could impact existing services provided through the PSR, but also levels of fuel poverty amongst households with different vulnerabilities.

For instance, if the UK transitions away from supplying households with gas, and focuses on electrification, the decommissioning of the gas grid will impact households who have a gas supply. Ensuring the data on the PSR is of a high quality will allow for Government to understand how many households with a particular vulnerability are impacted, what the impact is, and whether interventions are necessary to prevent or limit fuel poverty.

To improve implementation of the vulnerability principle, these are some actions which could be taken:

- A review of the PSR, the uptake of the services offered and an audit of how energy suppliers currently make use of the data.
- Consult on options to improve data quality within the PSR
- Targeted promotion of services tailored to different vulnerabilities, including collaboration with health organisations.
- Consideration given for bespoke funding for suppliers to recover the costs of PSR-led activity within the energy price cap (similar to in scale to DNOs).
- An Ofgem commitment to enhance monitoring and reporting of PSRs?

12.What are your priority recommendations for the design of energy bill support for fuel poor households?

Age UK has several recommendations for the design of energy bill support. Energy prices have risen again, for the third consecutive period, meaning a bill for an average household is £1849 as of April 2025. Independent forecasters predict that that prices will remain at elevated levels, compared to the average cost of energy before 2022, for the rest of the decade.⁹

At the same time, the relative value of energy support has been decreasing. From the start of the price cap in 2019 up until 2022, a Warm Home Discount (WHD) scheme rebate covered between 12-14% of a typical user's annual energy bill, assuming they were on a default tariff.

From 2022 onwards, the value of a Warm Home Discount scheme rebate has been between 3-8% of a typical annual bill. As the current iteration of the Warm Home Discount scheme is due to end in April 2026, now is the time to explore more a more effective mechanism for supporting energy consumers and reducing fuel poverty.

What form support should take

Age UK is calling on the Government to introduce a social tariff. A social tariff could take several forms. For example, a flat-rate of support (such as the WHD already provides) or a unit-rate discount. It is vital to ensure a continuity of support. The scheduled expiration of the WHD scheme in 2026 means that the mechanism for future support will need to be decided upon soon.

For simplicity, and deliverability, Age UK's preference is for the Government to continue to deliver flat-rate support from winter 2026 to 2027, by extending the Warm Home Discount scheme. This should be done with an intention to **evolve the scheme from providing flat-rate support to providing a more effective unit-rate discount**. Such an approach is achievable, and pragmatic, considering the short amount of time available for developing the policy which follows this iteration of the scheme.

Delivering support via a unit-rate discount is both achievable and optimal, though it will take time and careful consideration to develop a scheme that provides value for tax payers and bill payers (depending on the funding mechanism), without being administratively challenging to deliver.

Regardless of the mechanism, Age UK believes the Government should set the rate of energy support at a level which is connected to fuel stress¹⁰, or whichever definition the government chooses as an affordability measure for fuel poverty. To achieve this, the Government could tie the value of support to:

- The wholesale cost of energy
- The energy price cap level
- A proportion of the average fuel poverty gap

Connecting the value of support to fuel stress would ensure consumers a level of protection from future price shocks, while also **ensuring the cost of delivering support**

is tapered over time, as the benefits of GB energy, the Warm Homes Plan, and other Government energy policy priorities lower energy costs for everyone.

Who should receive support

Age UK believes that eligibility should include recipients of income-related means-tested benefits, disability benefits, and Carer's Allowance. Alongside this, households defined as living in relative poverty or just above the poverty line, identified using new data matching or proxy criteria, should be eligible, as well as those missing out on access to the benefits system but still at risk of fuel poverty. Age UK analysis shows that these criteria would ensure support for the 10 million UK households at greatest risk from fuel poverty.¹¹

Data matching (the process of identifying eligible consumers without requiring an application) will be vital for ensuring successful policy delivery. The ability to data match right now is limited to households in receipt of a means tested benefit, though the Government is working to improve the availability of household income data, which would allow for enhanced data matching in the future. Eligibility may therefore need to be iteratively altered, in accordance with the development of data matching work.

Industry Initiatives

There will always be limitations in how much funding is available for energy support, and how effectively that support can be targeted. Under the current WHD scheme, these limitations are mitigated through "Industry Initiatives". In the last scheme year, the Industry Initiatives budget was around £75mn – about 13% of the overall WHD budget.

Industry Initiatives target households in or at risk of fuel poverty, including households that don't have a direct relationship with an energy supplier, and those who do not qualify for a rebate (such as consumers with disabilities or long-term health conditions).

For 14 years, Age UK has provided a 'Warm Homes Programme', funded through the Industry Initiatives component of Warm Home Discount. The scheme has generated £18 of support for every £1 of funding. Over the past three years, amidst high energy prices, the average return on investment has been even higher, at £21 for every £1 spent. The support includes benefit entitlement checks and home energy checks, each of which deliver lasting support, often beyond the value that a single rebate can deliver. The continuation of Industry Initiatives is crucial for ensuring that a limited scheme budget can go as far as possible to reduce fuel poverty.

13.What do you think are the priorities for government to support fuel poor households in accessing the energy market fairly and effectively?

There are three areas where Government and Ofgem have a role in supporting fuel poor households to access the energy market fairly and effectively:

Building trust

The purpose of introducing the price cap was to reduce loyalty premiums by reducing the cross-subsidisation of engaged consumers on fixed-term contracts by disengaged consumers on default tariffs - more broadly phrased as being to tackle high levels of distrust among consumers that they were not being charged a fair price. Research conducted by Public First explored public attitudes towards energy, five years since the introduction of the price cap. More than half of surveyed households believed that the price cap is the only thing stopping energy suppliers from charging more, that it protects vulnerable and low-income households and that the price cap means that consumers are not charged unfair prices. In other words, there is still a clear mistrust of energy suppliers – and plenty of reason for consumers to worry about engagement.

Part of the issue is that prior to the price cap, increases in energy costs were often explained by suppliers to be the result of policy cost increases but these increases were not properly evidenced. Inadequately explained price rises resulted in mistrust from the public over policy levies.

Transparency in the make-up of energy prices will allow consumers, and organisations such as Age UK, to understand and scrutinise pricing decisions in a more evidence-based way. This is fundamental for ensuring markets work in the interests of consumers. Both Government and Ofgem has a major role to play in maintaining and building on transparency and confidence.

As energy markets will evolve, primarily through the introduction of Marketwide Half-Hourly Settlement (MHHS) and reforms to electricity markets (such as through REMA), the government should be mindful of how these changes will impact fuel poor households. Age UK believes that a commitment to an ongoing price protection mechanism, such as the energy price cap, is needed especially for consumers who are unable to engage in the energy market. If the price cap is ended, levels of distrust may increase. Costs for disengaged consumers may also increase, leading to higher levels of fuel poverty.

Smart meters

The Government has placed considerable importance on the rollout of smart meters, but not enough on ensuring that smart meters work for consumers. Broken smart meters can lead to higher bills, but they can also generate distrust. In having a smart meter installed, consumers are promised several benefits, including:

- Enhanced visibility of consumption levels, and opportunity to cut back on usage, leading to lower bills.
- Access to smart tariffs – often more complicated, but generally cheaper for those that can access them.
- Automatic billing.

When they don't work, consumers get none of these benefits. Additionally, there can be significant downside for consumers. A smart meter that is not working can lead to bill shocks, where estimated meter readings – used during the period for which a smart meter is not connected - are converted into a “back bill”. Where a smart meter is disconnected, there is not very much that a bill payer can do about it. Age UK’s view is that there is too much responsibility being placed on consumers for ensuring that smart meters are beneficial for them.

As a result, Age UK believes is right that Ofgem are considering introducing Guaranteed Standards of Performance for smart meters. They will shift the responsibility for keeping smart meters functional from consumers to suppliers. By providing financial incentives for suppliers to establish and maintain a smart meter’s connection to their systems, GSoPs will also reassure consumers that they will receive compensation if their smart meter is not working how it should be. These changes may not be implemented, but Age UK believes the government should recognise through its Fuel Poverty Strategy that **ensuring smart meters are functional is an important way of generating engagement between fuel poor households and the energy market.**

On the other hand, Age UK has been told by older people that they are finding the in-home display on their smart meter a source of anxiety – and know that this is true for many households of all ages. When older people are struggling with their bills, as considerable numbers are right now, the constant pressure of watching the display dipping into the red after only a few hours of putting the heating on is understandably distressing. Until the government deliver tailored support to those for whom smart meters are a frightening reminder of just how unaffordable their energy bills currently are, or energy prices drop significantly from current levels, there is a risk that many consumers will not utilise smart meters as they are intended.

Facilitating understanding

Many consumers do not understand the numerical element of the information they receive. Age UK suspects this is an obstacle for engagement in the energy market. Remarkably, around 20 million of the working-age population of England have the numeracy level that is expected of primary school children. That’s around half of the working-age population. The equivalent figure for literacy is around 6 million adults. In addition, analysis by Plain Numbers¹² demonstrates that there is a significant distinction between how consumers

perceive their ability to understand information, and their actual understanding of information.

Age UK's own report into literacy and numeracy skills among older people show that around 9 million adults in the UK have low literacy or numeracy skills. For older adults (aged 50 and over), an estimated 6 million have difficulties with maths, and the same number have difficulties with literacy.¹³ We are concerned that many of this cohort find it difficult to engage with the energy market, because it's tricky for them to understand how they would be better off, and worry about being convinced to sign up to a more expensive products by unscrupulous suppliers.

Consumer understanding is a key pillar of Ofgem's Consumer Confidence Plan. **The ability of consumers to understand the market should form the basis of any plan to improve engagement within the Fuel Poverty Strategy.** To achieve better consumer understanding, the government could, for instance, encourage Ofgem to learn from the FCA's work on vulnerability. It could also encourage Ofgem to alter Supplier Licence Conditions (SLCs) to ensure that numerical information is delivered more clearly.

14. What are your views on how to improve targeting of fuel poor households?

As noted in our response to question 12, data matching (the process of identifying eligible consumers without requiring an application) will be vital for ensuring successful targeting. The ability to data match right now is limited to households in receipt of a means tested benefit, though Age UK are aware that the Government is working to improve the availability of household income data, which would allow for enhanced data matching in the future.

The development of data matching capability is vital for improving the targeting of fuel poor households, along with reform to how fuel poverty is defined. As mentioned in response to question 4, LILEE does not count households with income (after housing costs and modelled energy costs) below the official poverty line as being in fuel poverty if their accommodation has a fuel poverty energy efficiency rating of C or above. That's why the development of an affordability definition is crucial. Under LILEE, millions of households experiencing fuel stress could be excluded from receiving support.

16. How could access to quality advice be improved to support the fuel poor? Where should advice be targeted?

Access to quality advice for fuel poor households can be funded through schemes such as the Warm Home Discount. There will always be limitations in how much funding is available for energy support and energy efficiency schemes, and how effectively that support can be targeted. Under the current Warm Home Discount scheme, the risk of

support not reaching fuel poor households is mitigated through “Industry Initiatives”. In the last scheme year, the Industry Initiatives budget was around £75mn – about 13% of the overall WHD budget.

Industry Initiatives target households in or at risk of fuel poverty, including households that don't have a direct relationship with an energy supplier, and those who do not qualify for support (such as consumers with disabilities or long-term health conditions).

See response to question 12 for examples of the impact that Age UK has delivered through services funded by industry initiatives.

For the development of future fuel poverty policy, the inclusion of an “Industry Initiatives” component will ensure greater access to quality advice, while ensuring that a limited scheme budget can go as far as possible in providing direct and lasting support.

Future iterations of energy efficiency schemes, such as ECO, or an alternative supplier obligation, would benefit from including a funding mechanism for trusted third parties to provide advice and guidance to households in or at risk of fuel poverty. Recent examples of poor-quality work completed through ECO4 and GBIS highlight that access to quality advice will help with two issues: getting consumers support they are entitled to, and providing reassurance, and guidance, if necessary, on what to do if things go wrong.¹⁴

¹ Data from the 2024 fuel poverty estimates.

² The CCC estimate that under a balanced pathway towards reducing carbon emissions by 2050, fuel poverty levels between 2025 and 2030 would fall by 11%.

³ Analysis from 2024, by National Energy Action, estimated a shortfall of £18bn needed to reduce Fuel Poverty by 90% in time for the 2030 target. Since then, the government has committed to £6.6 bn of additional spending, over this Parliament, for its Warm Homes Plan. It is vital that as much of this funding as possible goes directly towards supporting fuel poor households.

⁴ Analysis by Public First also estimates a shortfall of about £18bn, assuming all existing funding is also fully spent.

⁵ If rather than a weighted measure, the two groups - Low Income Low Energy Efficiency and Low Income High Energy Efficiency – were added together the measure would simply be based on affordability as fuel poor homes would be those whose household income was below the official poverty line after spend on (modelled) energy costs (i.e. the energy efficiency rating would play no role).

⁶ Under the LILEE+ definition the figure is a **weighted average** and so should not be added together to sum to a total of 100%

⁷ Data from the 2024 fuel poverty estimates.

⁸ 2025, [review of the fuel poverty strategy](#)

⁹ <https://www.cornwall-insight.com/press-and-media/press-release/price-cap-forecasts-fall-but-wholesale-market-remains-volatile/>

¹⁰ Fuel stress can broadly be defined according to whether a household needs to spend more than 10 per cent of their income after-housing-costs on heating their homes. Latest figures from DESNZ indicate that 8.99 million households met this threshold in 2024.

¹¹ Age UK, 2023. Research Note: Distributional impact of differing proposals for the introduction of a Social Tariff for energy use at home. Age UK. [Online]. Available at: <https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-andbriefings/safe-at-home/distributional-impact-of-differing-proposals-for-introducing-an-energy-socialtariff-june-2023.pdf>. [Accessed 02/10/23].

¹² Analysis by [Plain Numbers](#)

¹³ Age UK / Learning and Work Institute (2024), Older people and essential skills

¹⁴ <https://www.gov.uk/government/news/action-taken-to-protect-households-with-poor-quality-insulation>