



# ‘Tackling the Worst First’ What does this mean & how much will it cost?

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**Katherine Shadwell, Partnerships Development Manager**  
Policy & Partnerships Team, AgilityEco

# About AgilityEco



At AgilityEco, we've made it our mission to play **a major role in eliminating fuel poverty**, to deliver tangible and permanent improvements for low income and vulnerable households and to **prepare Britain's homes for Net Zero**.

**Our vision is a warm, efficient and healthy home for everyone.** We believe by reducing utility bills through energy efficiency and helping people stay warm and well, we will be able to support the most vulnerable in society.

We achieve our mission by bringing together **high-quality vulnerable customer support, funding and delivery of energy efficiency measures** and **local partnerships** with local authorities, charities and social enterprises at the centre.



# Fuel Poverty – 2030 Target

It is estimated that **3.2 million households** in England live in fuel poverty, are unable to afford their energy bills and often must make the difficult choices around their energy consumption.

**The fuel poverty target is to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of band C, by 2030.**

There are further milestones within this..

- as many fuel poor homes as is reasonably practicable to **band E by 2020**
- as many fuel poor homes as is reasonably practicable to **band D by 2025**

The government 2019 definition of a ‘fuel poor’ household is: having a residual income below the poverty line (after energy costs) & living in a home with an EPC rating below C.

# Tackling the Worst First

## What does it mean?

**Prioritising households on the lowest incomes and in the least energy efficient homes.**

## What's being done already?

Grant funding (e.g. Green Homes Grant Local Authority Delivery) is primarily focused on **EPC D, E, F & G rated homes** & low income households. Homes with a low EPC rating are likely to have high energy bills and may have expensive heating and little insulation. Some homes are also 'hard to treat'.

Where possible, a **fabric first approach** to helping households is used.

**Fabric first focuses on reducing a home's heat loss.** This was you can achieve a low carbon, sustainable house that's affordable to heat.





# How is the government meeting the challenge?

There are currently a number of programmes/funding streams running...

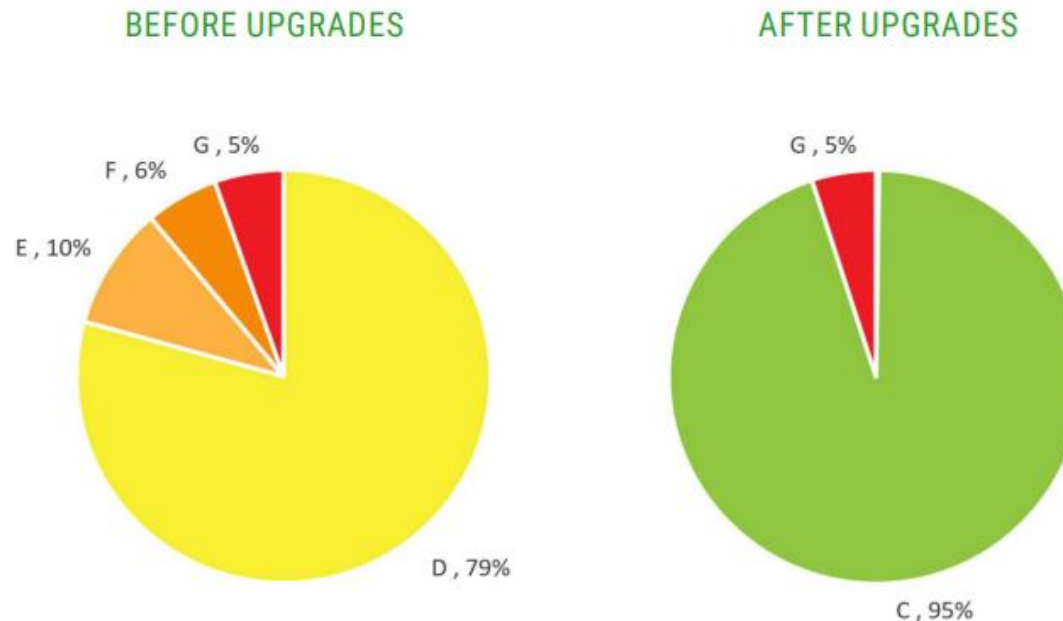
- **Green Homes Grant – Local Authority Delivery**: currently being delivered in Portsmouth & surrounding local authority areas.
- **Home Upgrade Grant (HUG)**: government manifesto commitment of £2.5 billion to be made available, first £150 million has been released through Sustainable Warmth competition.
- **Energy Company Obligation (ECO)** is an obligation placed on the largest energy suppliers to support households to install energy improvements.
- **Private Rented Sector Minimum Energy Efficiency Standards**  
Since 1 April 2020 landlords can no longer rent out properties with an EPC rating of F or G.



# Reaching the target – will it cost more?

We believe a sum of at least **£18 billion in additional funding is required to fill the gap** between pledged government spending and the investment needed to achieve the 2030 fuel poverty targets.

With **£22 billion of funding**, we believe the following outcomes for the lowest rated homes could be achieved by 2030:



# How can better targeting help?

If current committed funding is spent, PRS MEES is enforced and the current schemes are extended to 2030, this funding gap will reduce, but we estimate **we will still need an extra £10 billion to reach the government's targets.**

Our analysis on current targeting rates has found that **31 homes are fuel poor for every 100 that receive measures.**



It is estimated that **£34 billion of funding, more than twice that currently committed, will be needed for that £10 billion to reach those homes that fall within the narrow definition of fuel poor.**

However, we note the additional help for those outside the strict definition of fuel poor will still achieve significant improvements in the lives of millions of low income or otherwise vulnerable people.

# End fuel poverty by 2030 – what needs to happen?

## 1. More Money, Better Spent

Recognise the need for more funding to deliver 2030 targets, and greater efficiency through data sharing and improved targeting.



## 2. Smarter Local Partnering

Leverage the unique strengths of local authorities by building long-term stable partnerships. Ensuring greater recognition of the unique role of local authorities and their partners (such as providing local coordination and a trusted brand).



## 3. Help for All Vulnerable Customers

Provide help that customers need, including holistic interventions such as physical measures, switching, energy advice, safety checks and debt and benefit advice.







# Thank you for listening, any questions?

Data and figures presented are sourced from our latest research, commissioned by AgilityEco and produced by Genserv: <https://www.agilityeco.co.uk/news/funding-meet-fuel-poverty-target-falls-%C2%A318bn-short>

w: [www.agilityeco.co.uk](http://www.agilityeco.co.uk)  
e: [enquiries@agilityeco.co.uk](mailto:enquiries@agilityeco.co.uk)

