

# Making the Fuel Poverty and Carbon Targets a Reality

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# What are our ambitions?

## Helping the vulnerable

- How do we help the vulnerable on a permanent basis?
- Do we look to treat the property or the occupant?
- How do we locate and identify the “vulnerable”?



## Reducing our carbon

- What are the cost effective solutions?
- What about the future direction and solutions?
- What can we afford?
- How does this link into delivery for the vulnerable?

# What is stopping us right now?



## Locating the vulnerable households that still need measures

- Who is best positioned to do this?
- What measures should be permitted?
- What about Data Sharing? Breach of privacy or common sense

## Not an unlimited budget?

- 20% of Energy customers now use small suppliers and hence do not pay towards ECO and WHD
- Health benefits of warm dry homes are now widely accepted as reality but very little funding is provided
- Manifesto states all vulnerable to be at EPC C by 2030, what does this mean?



Essential to work together across industry to maximise funding pots, improve targeting abilities and cost efficiency

## Delivering the Obligation - the needs

- Stability and Longevity
- Clarity on measures and certainty
- Ability to deliver to ALL – vulnerable only will escalate costs to the supply chain and overall we will achieve less
- Flexibility
- More delivery less bureaucracy
- Strong interface with other projects with similar objectives and funding streams

Overall the current ambitions will not be met without changes in funding and cost effectiveness

# Locating the Households?

- Who is best to locate vulnerable households?
  - Energy Companies
  - Local Authorities
  - DWP
  - Doctors and NHS
  - Third Sector Organisations



E.ON have joined in partnership with European Space Agency to develop software and use satellite technology overlaid with earth based information to better target our activities

## Being cost effective?

- Securing third party contributions: householder, LA, Health, Devolved Government
- Maximising impact on an area, carefully selected, by using fund mix to help as many homes as possible
- Using local knowledge and supply chains
- Securing long term wins



There will never be enough money to do everything so we need to ensure it goes as far as we can possibly make it.

# The future post September 2018



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## Conservative manifesto commitment and current legislation

The 2017 Conservative Manifesto stated:

*"An energy efficient home is a more affordable and healthy home. We will improve the energy efficiency of existing homes, especially for the least well off, by committing to upgrading all fuel poor homes to EPC Band C by 2030."*

Existing legislation sets out a similar target to improve as many fuel poor homes as is reasonably practicable to **Band C by 2030**, with interim milestones to improve homes to at least a **Band E by 2020** and **Band D by 2025**.



The Energy Company Obligation (ECO) is a government energy efficiency scheme to help reduce carbon emissions and tackle fuel poverty.

# The future post September 2018

The Government are due to consult on a new scheme to replace ECO2t in the near future (early 2018).

- Widely held that the consultation will be published post March 2018.
- The new scheme will need to be passed by Parliament.
- There have previously been transition periods between schemes.



The government has made a longer term commitment towards a supplier obligation until at least 2022.

# The Challenge

- Currently we have no visibility of sufficient funding to achieve our ambitions
- Even if we had it the current supply chain could not deliver
- The political structure is not in place



It is currently essential that we spread what we have available to us as cost effectively as possible, by working together, improving targeting and ensuring that every measure intervention has longevity in effect.

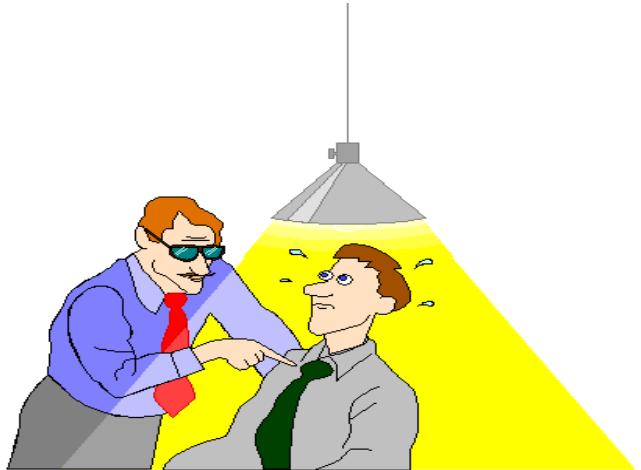
## And finally, the elephant in the room!



- What about the “others”?
- Those who do not/will not/can not apply for proxy benefits are often in greater need than those that do
- Those who are just outside the benefit criteria but still having major problems meeting their commitments, these could easily become tomorrow’s “vulnerable”

Should our focus be on “future proofing” the property hence reducing the carbon emissions and energy use and resultant fuel poverty regardless of its occupancy?

# Questions ?



# Thank You

