

Fuel Poverty Advisory Group Annual Report Warns of Serious Fuel Poverty Funding Shortfall.

The Fuel Poverty Advisory Group (FPAG) today published its Annual Report for 2007. In it, FPAG welcomes the Government's recent announcements in the Budget about the expansion of the energy suppliers' social programmes and about prices for prepayment customers. It is now important that these should be implemented rapidly and effectively, and also that the energy suppliers should be allowed to devote part of their extra expenditure to improved energy efficiency for low income households.

The FPAG Report highlights FPAG's continuing serious concerns about the shortfall in funding for the Government's programmes to meet the legally binding fuel poverty targets. The number of households in fuel poverty in England is likely, according to the Report, to be over 3m in 2008 – the highest level for nearly a decade. Of these 2.3m will be vulnerable households.

The Report expresses surprise that fuel poverty has been relegated to a minor status in the Government's Public Service and Target Framework and that fuel poverty has been omitted from the serious Government targets.

The FPAG Report calculates that £770m pa will on average, over the period 2008-2011, be spent by Government, Local Authorities, and energy suppliers on fuel poverty programmes, which increase the energy efficiency of the homes and heating of low income households. This is a substantial sum. However, it is considerably less than the programmes of £1bn pa, which FPAG estimates are needed from 2008 to 2016, in order to meet the Government's legal target of eradicating fuel poverty.

Peter Lehmann, Chair of FPAG, commented:

“The Government has done a great deal on fuel poverty. However they have not fully recognized the importance, in a world of high energy prices, of securing the highest possible energy efficiency – hence energy bills as low as possible – in the homes of low income and vulnerable households.

It is difficult, in particular, to understand why spending on Warm Front, the Government's flagship fuel poverty programme is being cut by nearly 25% in real terms in 2008-2011, compared with 2007-8. FPAG has proposed a number of ways of funding, at the very least, a maintenance of current levels of Warm Front.”

Notes for editors

For further information contact Peter Lehmann, Chair of the Fuel Poverty Advisory Group, on 07770653000

The FPAG 2007 Annual Report can be found at <http://www.berr.gov.uk/files/file45365.pdf>

The Fuel Poverty Advisory Group is appointed by the Government to advise it on the practical measures needed to meet its fuel poverty targets.

A household is defined as being in fuel poverty if it has to spend more than 10% of its income in order to meet its heating and other energy needs.

The statutory fuel poverty targets are laid down in the Warm Homes and Energy Conservation Act 2000. http://www.opsi.gov.uk/acts/acts2000/ukpga_20000031_en_1

The Government's Annual Fuel Poverty Progress Report, published December 2007, is at <http://www.berr.gov.uk/files/file42720.pdf>