



Action for Warm Homes

Policy Briefing (Autumn 2018)

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Major Developments in the Last Quarter

Price Caps

ECO 3

Private Rented Sector

NIC NIA

New Labour Party Policies



Price Caps – What it means for vulnerable customers

Good for Vulnerable Customers

- ✓ Protects SVT customers from unfair price rises
- ✓ Average £70 saving for SVT customers
- ✓ Incentive for suppliers to become more efficient

Bad for Vulnerable Customers

- ✗ Moves WHD recipients from the safeguard tariff to the default cap, introducing a time limit and potentially increasing prices¹ in the future

Price Caps are good, but flawed and don't do enough to “bridge the gap”

¹Because the default tariff accounts for some costs that the safeguard tariff does not (such as smart metering costs), we expect it to rise at a quicker pace.



ECO 3 – Changes to Scheme

Targeting

Scheme now is exclusively for the affordable warmth segment.

Rural

Suppliers required to meet 15% of their obligation through in rural areas. A minimum of 17,000 solid walled homes must be treated every year

Innovation

Up to 10% of a supplier's obligation can be met through innovation.

Oil

ECO 3 will allow limited oil boiler delivery to take place within the broken heating system cap

Private Rental Sector

Landlords with EPC F/G properties will **not** be able to access ECO

Obligation Thresholds

Thresholds for supplier participation will decrease from 250,000 accounts to 150,000 in a phased approach

 Department for Business, Energy & Industrial Strategy

ENERGY COMPANY OBLIGATION: ECO3, 2018 TO 2022

The Government Response to the ECO3, 2018 to 2022 Consultation

July 2018



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Challenges within the ECO Scheme

Oil boiler inclusion is severely limited

Innovation projects need to be carefully considered to ensure benefit to vulnerable customers

Funding insufficient to meet fuel poverty targets

Solid wall requirement not enough

Legislation is late – early delivery will be risky and therefore difficult

Link with Minimum Energy Efficiency Standards (MEES)

- Last year, government consulted on changes to MEES in the private rental sector
- The main proposals were:
 - To remove the ‘no cost to the landlord’ principle
 - To implement a cap (proposed @ £2.5k) on the required contribution when upgrading an EPC F or G rated property to EPC E.

Landlords of F/G properties will not have access to ECO, so £2.5k will not go far enough for the majority of measures.

National Infrastructure Assessment



- NIC have published their NIA
- Recommendations around domestic homes include:
 - Setting a target of improving 21,000 measures/week by 2020
 - Allocating £3.8m to spend on upgrading social housing
 - Trial innovative approaches to energy efficiency
 - Tighten PRS regulations

Labour Party Policy Paper

- Labour have released a policy paper with a number of updated policies:



**Area Based National
Energy Efficiency
Programme worth
£2.3bn/year**



**Zero Carbon Homes
Standard, prioritising
affordable homes**



**Tighten PRS
regulations**



**Ensure houses are fit
for human habitation**



What's coming up?

Consultation
on the future
of WHD
scheme

2018

2019

Comprehensive
spending
review

Network
regulation
review (RIIO-2)



Action for Warm Homes

- Our free local [training and awareness](#) programme is live. If you reach any one of our target groups* and would like to understand more about:
 - What the smart meter rollout is?
 - How smart meters work?
 - What protections are in place for vulnerable consumers?
 - What obligations the suppliers have?
 - What are the myths, what are the real challenges and what is being done to overcome them?
 - How best to engage with the in-home display?
 - What further support is available?
- Get in touch to book a place on our training or request an in-house bite size briefing by contacting communities@nea.org.uk
- To stay up to date with future updates (including upcoming funding opportunities) sign up to our newsletter at www.nea.org.uk/smartenergygb/e-newsletter

*Our target groups in 2018 are:

- people over 60 with or without personal internet access
- people who are severe or profoundly D/deaf
- people on a low income

CAF Charities Aid
Foundation



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Online Fuel Poverty Resource

An online resource hub with all you need to deliver community fuel poverty activities / events.

Free to download resources such as;

- Posters, presentations, games, templates, leaflets and much more
- Handy 'Starter Kits' to make getting started easier
- Regular 'Focus On' articles to keep you up to date on current topics/issues
- Examples of good practice from around the country
- News and bulletins from NEA

Developed by NEA with support from British Gas.



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Secondment opportunities at NEA



If you are interested please contact Peter Sumbly, Director of Development and Delivery peter.sumbly@nea.org.uk

Full details can be found on our website

<https://www.nea.org.uk/about-us/vacancies/>



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Thank you

Any Questions?

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