

Citizens Advice consultation response: Fuel poverty strategy for England



About us

We can all face problems that seem complicated or intimidating. At Citizens Advice we believe no one should have to face these problems without good quality, independent advice. We give people the knowledge and the confidence they need to find their way forward - whoever they are, and whatever their problem.

We provide support in approximately 1,900 locations across England, Wales and the Channel Islands. Our service is delivered by around 19,000 volunteers and 9,800 colleagues.

Through our advocacy work we aim to improve the policies and practices that affect people's lives. No one else sees so many people with so many different kinds of problems, and that gives us a unique insight into the challenges people are facing today.

The fuel poverty target

Question 1: Should the 2030 fuel poverty target be retained?

Please explain your reasoning.

Yes, Citizens Advice agrees that the 2030 fuel poverty target should be retained. The latest figures show that 2.7 million households were in fuel poverty in 2024 according to the Low Income Low Energy Efficiency (LILEE) metric,¹ with millions more struggling to afford their energy bills.² Levels of fuel poverty under the LILEE metric have failed to improve meaningfully since 2019, while rising prices have led to an increased fuel poverty gap since 2022.³

In this context, meeting the 2030 fuel poverty target is undoubtedly a challenge. But continuing price uncertainty in the energy market, and little prospect of energy bills returning to pre-crisis levels in the medium term, make it all the more urgent to act decisively in the coming years.

Approximately 31 million people across the UK live in energy inefficient homes, and records from the 10 years up to 2024 show that homes in England have a median Energy Performance Certificate (EPC) rating of D.⁴ We know that living in an energy inefficient home creates an unnecessary financial burden on households that are already struggling: in 2024 the average home rated EPC Band E would have paid an extra £462 on their energy bills compared to the average EPC Band C home.⁵ And poor energy efficiency also affects people's comfort and wellbeing at home, as well as their health. Citizens Advice analysis has found that bringing all of Great Britain's upgradeable inefficient homes to EPC C would stop 670,000 children developing asthma by 2030 and

¹ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025](#)

² Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

³ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025](#)

⁴ Citizens Advice (2023) [Home Advantage: Unlocking the benefits of energy efficiency](#); ONS (2024) [Energy efficiency of housing in England and Wales: 2024](#)

⁵ Citizens Advice analysis of potential savings for private renters. Based on estimated average differences in energy bills in 2024 for private renters in homes with EPCs of D, E, F and G compared to those in EPC C homes using English Housing Survey statistics on proportions of renters in different EPC bands and Government statistics on energy consumption by EPC .

prevent 6,000 excess winter deaths per year, as well as delivering an estimated £24 billion in cumulative bill savings over the same period.⁶

Fuel poor households need the long-term protection of improved energy efficiency to help them live comfortably and healthily, and insulate them against further price shocks. The 2030 fuel poverty target of bringing as many fuel poor homes as reasonably practicably to EPC C is essential to drive ambitious policy to improve homes this decade.

The value of any fuel poverty target is in its role in identifying and encouraging policies that will alleviate burdens on fuel poor households. As such, the success of the fuel poverty target will be defined by the policies the Government puts in place to support it. We set out further detail on the policies that could support this target in our response to Question 11.

Question 2: What are your views on an alternative fuel poverty target objective and what this objective should be?

As we explain in our answer to Question 1, Citizens Advice supports the retention of the current 2030 fuel poverty target. However, this target alone will not be sufficient to support fuel poor households through the coming decades and the net zero transition. As a result, we agree that the Government must consider additional or longer term targets that could supplement and succeed the 2030 target.

These should be focused on ensuring that fuel poor households are not left behind in the wider net zero transition. The Government's proposed affordability indicator can be central to this goal, helping to shape well-designed policies around bill support. Targeted bill support can act as a bridging measure over the coming years while homes are being upgraded, by providing extra help to fuel poor households who remain in inefficient homes for longer.

Over the longer term, this support can also mitigate risks for fuel poor households who could lose out from policy changes to support the net zero transition. For example, reform of policy levies to make electricity cheaper would have significant benefits for households who use traditional storage heaters and can be in the deepest fuel poverty, and encourage the adoption of heat pumps.⁷ However, those who continue to rely on

⁶ Citizens Advice (2023), [Home Advantage: Unlocking the benefits of energy efficiency](#)

⁷ Citizens Advice (2023), [Balancing act: The implications of transferring policy levies from electricity to gas bills](#)

gas for longer may lose out, but this risk can be mitigated for people on low incomes via well targeted support.

Fuel poor households should also receive extra support to prepare for changes to their homes and the ways they interact with the energy system. Policies to support improved energy efficiency are vital not only to bring down bills now but also to prepare homes to use low carbon heating systems effectively. And the needs of fuel poor households must also be considered as consumers are increasingly asked to use energy flexibly to support the net zero transition. Citizens Advice research has identified additional barriers for some households in engaging with energy flexibility, which could leave them paying higher energy prices in future if adequate backstops aren't put in place.⁸ Inclusive approaches to designing smart energy technologies, better information and appropriate regulation can help to extend the benefits of energy flexibility to more households. This must be backed up by targeted bill support, so that those who can't use energy flexibly - for example, people with high energy needs for medical reasons - don't lose out financially.

Bringing as many homes as reasonably practicable to EPC C or equivalent is a vital first step in addressing fuel poverty. But an ambitious and holistic approach is needed to ensure that fuel poor households are supported to receive the benefits of a future energy system and aren't left at a disadvantage.

Question 3: What are your views on the objective date?

We welcome views on the target date for the current 2030 objective and a date for any alternative objective which could replace or succeed the 2030 target.

Citizens Advice supports the continued use of 2030 as an initial target date. The Government's consultation has already identified that current support won't be sufficient to make the required progress on fuel poverty by this date. A retained 2030 fuel poverty target can help the Government identify the additional support that is required to address fuel poverty this decade, and ensure that the delivery of the Warm Homes Plan is guided by goals around fuel poverty alleviation.

The 2030 timeline also aligns with policies that support fuel poverty reduction, particularly the introduction of improved minimum energy efficiency standards (MEES) in the private rented sector. Over 1 in 5 (22%) of all privately renting households in

⁸ Citizens Advice (2023), [A flexible future: extending the benefits of energy flexibility to more people](#)

England live in fuel poverty,⁹ and poor levels of energy efficiency in the sector lead to higher bills and worse living conditions. But higher MEES could result in dramatic improvements in fuel poverty among private renters. The £462 average bill saving, which homes with the current MEES of EPC E could have achieved in 2024 if their homes were EPC C, is slightly higher than the average fuel poverty gap of £407 for private renters reported from the most recent data.¹⁰ Successfully implementing these reforms could bring over a million households out of fuel poverty.¹¹

Energy inefficient rented homes are also more likely to be uncomfortably cold or facing dangerous damp or mould. Three quarters (75%) of renters in England have experienced damp, mould or excessive cold in a rented property, and more than a third (36%) said they couldn't heat their homes to a comfortable temperature over winter 2024.¹²

Boosting standards in the private rented sector is vital for alleviating fuel poverty overall. And retaining alignment between the proposed backstop to bring all privately rented homes to EPC C (or equivalent under a new system) and the fuel poverty target will help to ensure that these policies support each other.

An ambitious 2030 date can focus minds on well-targeted and meaningful policies. But it remains likely that more work will be required beyond 2030 to boost the energy efficiency of fuel poor homes, and prepare them for wider changes as part of the net zero transition. Additional targets will be needed to continue to support fuel poverty alleviation beyond 2030, as we explore in our response to Question 2.

⁹ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025](#)

¹⁰ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025. Supplementary Tables \(2024 data\): Table 12](#)

¹¹ Department for Energy & Net Zero (2025), [Review of the Fuel Poverty Strategy: consultation document](#)

¹² Citizens Advice (2024), [Through The Roof: How rising rents, rising disrepair and rising evictions are pushing private renters into crisis](#)

Measuring fuel poverty

Question 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?

B) whether to adopt an additional indicator 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?

Please provide any supporting evidence.

A) Retaining the Low Income Low Energy Efficiency metric

We support the Government's proposals to retain the Low Income Low Energy Efficiency (LILEE) metric as a measure of structural fuel poverty and as the official measure of progress to the statutory fuel poverty target in England.

Poor energy efficiency leaves households paying more to live in colder homes, spending money on energy that leaks straight out of walls and windows. As a result, we support LILEE as a fuel poverty metric that incentivises policies to improve the energy efficiency of homes.

Boosting energy efficiency puts money back into the pockets of fuel poor households and allows them to live more healthily and comfortably. Citizens Advice analysis has found that upgrading Great Britain's inefficient homes by 2030 would deliver a cumulative £40 billion in economic and social benefits.¹³ These benefits range from

¹³ Citizens Advice (2023), [Home Advantage: Unlocking the benefits of energy efficiency](#)

direct bill savings to improved physical and mental health, reducing the incidence and severity of a range of cold-related illnesses and ultimately saving lives. And more recent Citizens Advice research found that people who have already been successfully supported to improve the energy efficiency of their homes through Government schemes report impacts that they describe as “life-changing”.¹⁴

One participant, John, told us that having insulation installed under the Great British Insulation Scheme (GBIS) has made his home noticeably warmer. This means he doesn't have to pay to keep the heating on for as long and his children no longer tell him they are cold at home. Another participant, Romesh, said that having his home retrofitted under the Home Upgrade Grant (HUG) has cut his energy bills by up to 40%. He told us that for someone in his financial situation, this was a drastic change.¹⁵

Improved energy efficiency can therefore both boost individual people's quality of life, and provide larger-scale economic and health benefits. Better energy performance leads to long-term improvements to energy affordability and makes households more resilient to price shocks. And retrofitting homes is also key to preparing fuel poor households for the net zero transition. Insulating homes helps to prepare them to use low carbon technologies such as heat pumps effectively, ensuring that fuel poor households aren't left behind in the transition to net zero and mitigating the risk of increased bills when switching heating system.

The LILEE metric can therefore provide the basis for targeting support to improve households' energy efficiency. The fact that it reduces the number of households moving in and out of fuel poverty should make it easier to target support to upgrade homes. And it can also support alignment between fuel poverty targets and wider decarbonisation goals.

B) Adopting an affordability indicator

Citizens Advice supports the introduction of an additional indicator to monitor the impact of energy prices on the affordability of energy.

Despite LILEE's usefulness as a tool to encourage action supporting energy performance, using it as the sole metric does not provide the full picture of households' experiences of fuel poverty. There is a growing disparity between statistics on the number of households in fuel poverty under the LILEE metric and the number of homes

¹⁴ Citizens Advice (2025), [Building Support: Improving consumers' experiences of energy efficiency schemes](#)

¹⁵ Ibid.

who would need to pay more than 10% of their income after housing costs to heat their homes adequately.

This reflects evidence that a broader and increasing group of households is now in energy distress. Citizens Advice research has shown that 3 in 10 (30%) report finding it difficult to afford their energy bills.¹⁶ This is equivalent to over 8 million households,¹⁷ significantly higher than the 2.7 million categorised as fuel poor by the LILEE metric in 2024.¹⁸ This figure is more aligned with the 8.99 million who would have needed to spend more than 10% of their income after housing costs to heat their home to a reasonable temperature in 2024.¹⁹

Citizens Advice also sees the impacts of unaffordable energy bills first hand. In 2024 our advisers helped more than 90,000 people with energy debts, more than any other year on record.²⁰ We know that struggling to repay energy debts or avoid further debt can lead to dangerous consequences. This can include people going without other essentials such as food in order to pay for energy, or rationing their energy use - including self-disconnection for those with prepayment meters. Citizens Advice research found that nearly two thirds (63%) of people in energy debt said that they had had to ration their energy use in the past year as a result of their debt.²¹

If a household is living in an energy efficient home but still needs to spend a high proportion of their income on energy bills or struggles to heat their home to a comfortable temperature, their energy affordability issues won't have been solved even if they are technically not in fuel poverty according to a LILEE metric. And as the Committee on Fuel Poverty points out in its most recent annual report, a situation where millions of households were paying more than 10% of their incomes on energy bills even in EPC C-rated homes would lead to widespread claims that fuel poverty had not been eradicated, despite the categorisations of the LILEE metric.²²

An indicator of energy affordability, used alongside the LILEE metric, would therefore give a more nuanced picture of experiences of fuel poverty. This metric could feed into

¹⁶ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

¹⁷ Ibid.

¹⁸ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025](#)

¹⁹ Ibid.

²⁰ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

²¹ Ibid.

²² Committee on Fuel Poverty (2024), [Can fuel poverty be ended? Committee on Fuel Poverty Annual Report 2024](#)

policies around bill support, to ensure that households living in all types of home are supported to meet rising energy prices.

C) Design of an energy affordability indicator

In theory, a nuanced energy affordability indicator would consider factors around both income and energy needs.

An income constraint as suggested in the Government's consultation could ensure that the fuel poverty strategy remains focused on low income households, and that any support measures are well-targeted. But it would still be important to consider factors that could lead to higher energy needs and therefore higher energy spending, which could push households into fuel poverty even if they aren't on extremely low incomes.

While the energy requirements of the property itself are key to energy spending, with larger and more inefficient homes costing more to heat, the needs of the occupants also play an important role. For example, a household with very young children may need to keep the home at a warmer temperature. Disabled people can also have significantly higher energy needs, particularly if they need to spend more time at home or have a condition that is exacerbated by colder temperatures. Some disabled people may also need to run energy-intensive medical equipment.

This means that any income constraint must be carefully considered, and should not be set too low. For example, a disabled person with medically very high energy needs could find themselves in acute energy distress during periods of high prices even if their household income is above median levels.

But while an ideal affordability indicator might take into account multiple factors around a household's income, property and energy needs, in practice this could add in excessive complexity. The advantage of a straightforward metric such as spending 10% of income after housing costs on energy is that it is easily measurable.

Given that the affordability metric would be a supplementary indicator, the risk of skewing targeting away from low-income households could be more limited, and part of the value of an affordability indicator would be to provide a broader picture of experiences of energy costs. However, in general, the blunter the supplementary measure is, the less useful it will be in designing targeted support, and the more policymakers will need to rely on the primary LILEE measure.

Strategic principles

Question 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.

Citizens Advice continues to support the principle of tackling the worst homes first, meaning those in the deepest fuel poverty. Homes in the lowest EPC bands are significantly more expensive to heat, pushing people further into fuel poverty. The worst first principle is a key way of ensuring that those living in the most energy inefficient homes aren't left behind.

However, we acknowledge the inherent challenges in identifying and cost-effectively upgrading homes in deepest fuel poverty. And the consultation notes that the principle has had limited impact on reducing fuel poverty for households who live in properties rated Band D or below. While policy design reflects the worst first principle through features such as the minimum requirement under ECO4, the principle is also undermined by supplier-led delivery models. These tend to direct support to the easiest to treat homes and easiest to find households, and provide no guarantees of support to households in vulnerable circumstances.

Proposed reforms to the Minimum Energy Efficiency Standards (MEES) in the private rented sector, including an increased cost cap, also offers a pathway to upgrading some of the worst-energy performing homes. 492,000 privately rented homes have extremely poor energy performance ratings of E or below,²³ and more than 20% of all privately renting households live in fuel poverty.²⁴

²³ Ministry of Housing, Communities & Local Government (January 2025), [English Housing Survey 2023 to 2024: headline findings on housing quality and energy efficiency. Annex Table: 2.4](#)

²⁴ Department for Energy & Net Zero (2025), [Annual Fuel Poverty Statistics in England, 2025](#)

Other considerations can also affect the feasibility of the worst first principle, including the cost effectiveness principle and 'reasonably practicable' clause. We explore how to deliver these principles effectively, without undermining the need to support households in the deepest fuel poverty, in our response to Question 9. Effective regulation and financial support, particularly where costs are high, will be crucial for any proposed reforms to have a meaningful impact.

6. What are your views on how we could better define or implement the cost effectiveness principle?

Please provide any supporting evidence.

It is important that any strategy provides value for money and ensures that public funds are allocated in a way that maximises benefit. Citizens Advice analysis has found that upgrading 13 million homes in Great Britain to EPC C would unlock £40 billion in cumulative benefits by 2030, with further benefits of up to £100 billion expected in the following decade to 2040.²⁵ This shows that retrofitting homes can deliver ongoing and increasing economic and social benefits. While investing in energy efficiency improvements offers clear, long-lasting value, determining who pays for improvements will be a crucial element to any strategy.

Funding energy efficiency improvements for homeowners

Long-term public funding will be required to support homeowners in fuel poverty to upgrade their homes. Low income homeowners with EPCs below C should be able to access support through Government schemes. Citizens Advice strongly recommends that all low-income homeowners who are eligible for the Warm Homes: Local Grant scheme should be able to access fully funded upgrades either through the WH:LG or an equivalent scheme. And those on low incomes who are participating in Government schemes should not be required to contribute towards upgrades. Clear communication of this information is essential to ensure maximum uptake of these programmes.

However, while the Warm Homes: Local Grant eligibility criteria is targeted towards those in fuel poverty, not every home that is in or at risk of fuel poverty will be eligible to access support through a Government scheme. Citizens Advice has called for further grants tapered by household income, so that lower and middle income homeowners who may be at risk of fuel poverty can access partial support to upgrade their homes. We expand on our full recommendations for funding energy efficiency upgrades for

²⁵ Citizens Advice (2025) [Home Stretch: How to make energy efficiency upgrades affordable for all homeowners](#)

homeowners in our recent report, [Home Stretch: How to make energy efficiency upgrades affordable for all homeowners](#).

This funding should be allocated in a manner that prioritises efficiency and long-term impact. Smaller and shorter-term schemes and funding pots are inefficient and make it harder to boost consumer awareness or give long-term confidence to supply chains. Centralised, long-term funding is critical for achieving sustainable and effective results. There is also scope for savings through more effective targeting, particularly using data matching to identify eligible households, which can reduce the search costs of energy efficiency schemes.

Funding energy efficiency improvements in the private rented sector

Landlords also have a vital role to play in funding energy efficiency upgrades. We welcome the ongoing consultation on reforms to Minimum Energy Efficiency Standards (MEES) in the private rented sector, including the proposal for an increased cost cap.

Given that landlords are generally more affluent than the average population, many will be in a position to cover the up-front costs of improvements.²⁶ Investing in energy efficiency is also likely to yield long-term savings for landlords, with analysis suggesting that improvements can increase property values by up to 20%.²⁷ Additionally, more efficient homes are less prone to damp and mould, reducing repair costs and the time needed to spend on maintenance.

However, some landlords will need support to meet upfront costs of upgrading their properties. These could include low or zero-interest government-backed loans and tax incentives, which would allow landlords to manage and spread costs over time. The uptake of existing energy efficiency grants in the sector also remains low, with research finding that 14% of homes benefitting from ECO4 and only 7% benefitting from GBIS are privately rented properties.²⁸ However, over half of landlords who told us they would consider selling their properties amidst regulatory changes said that access to grants would persuade them to stay in the market.²⁹ This highlights the need for increased awareness of the available support, alongside financial assistance, to ensure these options are fully utilised.

²⁶ Citizens Advice (2024), [Room for Improvement Preparing landlords for new minimum energy efficiency standards](#)

²⁷ Knight Frank (2022), [Improving your EPC rating could increase your home's value by up to 20%](#)

²⁸ Citizens Advice (2024), [Room for Improvement Preparing landlords for new minimum energy efficiency standards](#)

²⁹ Ibid.

Any promotion of schemes like ECO must also be accompanied by robust safeguards for tenants. As landlords are eligible for funding based on the tenants' incomes or circumstances, it is only fair that tenants directly benefit from the energy efficiency improvements they have qualified for. Protections should include requiring landlords to repay costs if they sell a property that has received funded upgrades within a certain period, to disincentivise landlords who would evict tenants immediately after receiving free upgrades. Tenants should also have clear routes to challenge rent hikes based on improvements that were made through grant funding. These safeguards are essential to ensure that tenants do not face financial disadvantages as a result of participating in schemes that are meant to help them. We offer full recommendations on successfully implementing MEES in our report [Room for Improvement](#).

Considerations around what is reasonably practicable

The cost effectiveness principle is also closely linked to considerations around how many homes it is 'reasonably practicable' to upgrade, and the consultation acknowledges that some homes face limitations that make upgrades costly or unfeasible. But this poses a risk of some households being left behind while others are upgraded. This could leave them continuing to pay higher energy bills, and could affect their ability to use low carbon technologies such as heat pumps in an affordable way. Citizens Advice supports a fabric first approach which prioritises upgrading homes wherever possible, supported by strategies to provide alternative forms of support for those living in homes that cannot be upgraded in a cost effective way. This could include targeted financial assistance or ongoing bill support to compensate for their household's higher energy costs due to their property type. We explore the financial trade-offs between upgrading homes and providing ongoing additional bill support in our response to Q10.

Question 7: What are your views on how we could better define or implement the vulnerability principle?

Please provide any supporting evidence.

Responses could include views on:

- *How to better incorporate consideration of health inequalities and vulnerabilities into fuel poverty policies*
- *How to better target fuel poor households who are vulnerable*
- *How to better track the rates and impacts of fuel poverty on households with specific vulnerabilities*

We support the vulnerability principle as a key way to ensure that the needs of the most at-risk households are reflected in policy design.

The consultation highlights that while the energy crisis has financially affected the majority of consumers, vulnerable households have been disproportionately impacted. Our research reveals that 16% of households with a mental health condition are in debt to their energy supplier, compared to 10% of all respondents. And 60% of bill payers in households with children are concerned about affording their energy over the coming year, compared to 45% of households without children.³⁰ The most effective way to ensure low-income vulnerable households are protected against a backdrop of volatile energy prices is through a reform to the Warm Home Discount that gives more support to those with the highest energy needs. This could include a minimum guaranteed payment for households with children.

Improving data sharing would also enable the Government to develop more sophisticated forms of targeted support in future. The Government should continue to work towards overcoming barriers to data sharing as a priority for unlocking a range of different support. More consistent data collection and sharing across advice organisations would also help to identify the unique challenges faced by different groups. This would help in designing policies and interventions more effectively for different groups.

Fuel poverty schemes must consider those who may have additional needs when upgrading their homes. Some households will encounter additional barriers when accessing retrofit and adopting net-zero measures, and policy design must account for this and offer flexibility and support.

Mariam's story

Mariam participated in recent Citizens Advice research around consumer experiences of energy efficiency schemes. She had a negative experience using ECO4, receiving conflicting advice from contractors about the suitability of different measures for her property and facing difficulties with paperwork and inconsistent communication. Mariam found these challenges especially difficult to deal with as a disabled and neurodivergent person, and said that using capacity on difficult retrofit processes left her less able to manage day-to-day tasks. Mariam told us she believes there needs to be more tailored support and flexibility for individuals with disabilities or chronic illnesses.

³⁰ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

How to better target fuel poor households who are vulnerable

While we emphasise prioritising vulnerable households for financial support, the consultation highlights that an estimated 67% of fuel poor households contain at least one occupant who meets one of the vulnerability criteria.³¹ Therefore, sub-targeting energy efficiency schemes based on additional vulnerability criteria risks unnecessarily complicating delivery. Instead, we propose:

- Integrating vulnerability considerations into the core design of all energy efficiency schemes, ensuring they are accessible and responsive to diverse needs. This would involve enhanced support and improved consumer protections, as we outline in our response to Questions 9 and 11.
- Supporting advice organisations to offer proactive outreach and enhanced support to households in vulnerable circumstances, as outlined in Question 16.
- Establishing secure and efficient data-sharing mechanisms between relevant agencies to identify and support vulnerable households effectively.

Question 8: What are your views on how we could better define or implement the sustainability principle? Please provide any supporting evidence.

Responses could include views on

- *How the transition to net zero can be best implemented for fuel poor households*
- *The role of 'fabric first' in alleviating fuel poverty*
- *The role of fossil fuels within government schemes addressing fuel poverty*
- *How smart technologies, including batteries and solar, could be used to support fuel poor homes*
- *How home retrofit can support climate change adaptation*

How the transition to net zero can best be implemented for fuel poor households

³¹ Department for Energy & Net Zero (2025) [Review of the Fuel Poverty Strategy: consultation document](#)

The transition to net zero has the potential to deliver transformative benefits for fuel poor households, through upgraded homes and an energy system that uses cheaper and more stable renewable energy sources rather than depending on volatile international fossil fuel markets. But there must also be safeguards in place to protect people in fuel poverty from any negative impacts of the transition.

Retrofitting homes

Using a fabric first approach to retrofit homes is a key way to implement the net zero transition in a way that will support fuel poor households, as we outline below and in our response to Question 1. Upgrading the energy efficiency of homes can make them warmer, cheaper and healthier to live in, and also prepare them for low carbon heating. In the private rented sector, more robust minimum energy efficiency standards (MEES) can help to ensure that landlords are providing safe and efficient homes.

And it's also vital to offer comprehensive financial support for fuel poor homeowners to help them make these upgrades. Many are already struggling to make ends meet, and 42% of homeowners with a gross household income of less than £20,000 have less than £100 left per month after paying essential bills.³² It is therefore unrealistic to expect low-income households to pay for energy efficiency measures. We have argued that those on low incomes, who will be at greater risk of fuel poverty, must be supported with fully funded upgrades delivered through mechanisms such as the ECO scheme and Warm Homes: Local Grant. And we have called for this to be supplemented by tapered grants for homeowners who may fall outside eligibility criteria for current schemes, but are unlikely to be able to afford the full cost of measures and may be at higher risk of fuel poverty. We set out full recommendations on financial support for homeowners to upgrade their properties in our recent report [Home Stretch](#).

As well as financial support, we have called for fuel poor households who retrofit their homes to have recourse to robust consumer protections. This is essential to protect people from rogue traders and faulty installations, raising standards across the retrofit market and ensuring that households can access a simple and meaningful redress process if things go wrong. We have argued that this should be backed up by access to independent and personalised advice throughout the retrofit journey. These safeguards are important for all consumers who engage with the retrofit market, but are particularly necessary to protect those in the most vulnerable circumstances who could face more severe detriment if things go wrong. We expand on the need to support fuel

³² Citizens Advice (2025), [Home Stretch: How to make energy efficiency upgrades affordable for all homeowners](#)

poor households through the net zero transition through improved consumer protections and advice provision in our response to Question 9.

Safeguards from impacts of the wider energy transition

Decarbonising our energy system can deliver long-term benefits for fuel poor households. The volatile cost of gas fuelled the rocketing costs that led to the recent energy crisis, and the ongoing historic highs in energy costs. Reliance on gas leaves consumers exposed to price shocks, with particularly harmful consequences for those who are already in fuel poverty. Addressing our reliance on gas is key to stabilising prices for the future, and the Government's 2030 clean power plan should increase energy security and bring prices down.

However, these are long-term benefits which will take time to materialise for consumers. During the transition between reliance on gas and clean power, fuel poor households will need support to make sure they don't lose out. We explore the importance of bill support in protecting consumers through this process in our response to Question 2, to ensure that fuel poor households don't see bills spike if they remain on gas for longer or are affected by the distributional impacts of standing charge reform.

The role of 'fabric first' in alleviating fuel poverty

Like other consumer organisations, Citizens Advice supports a 'fabric first' approach to upgrading homes as part of the net zero transition. Fabric changes deliver concrete and long-term improvements to homes, cutting households' energy bills and helping them to stay warmer and more comfortable in the home. The benefits of fabric changes aren't dependent on external policy contexts, but they can insulate homes against the adverse effects of external influences like price rises or changes to the energy system.

Fabric improvements are also vital for preparing fuel poor homes for low carbon heating. Without appropriate insulation, energy will continue to leak out of windows and walls. And heat pumps won't be able to run as efficiently in poorly insulated homes, requiring larger systems and more energy to heat the home to a comfortable temperature. This is particularly risky for fuel poor homes, who may not be able to absorb these higher costs. Fuel poor households who are used to rationing heating could also end up turning off heating systems if they are paying too much for energy - but because heat pumps work most efficiently when they run for longer periods at lower temperatures, this could in turn raise bills as well as leading to a colder home.

The role of fossil fuels within government schemes addressing fuel poverty

Fuel poverty schemes play a vital role in keeping homes warm, including replacing or repairing broken heating systems. The Government's consultation points out that using these schemes to install fossil fuel boiler replacements for low-income households fulfils fuel poverty aims but does not support progress towards net zero.

We agree that where homes are suitable for heat pumps and appropriately insulated, low-carbon heating systems should be prioritised over fossil fuel replacements in schemes addressing fuel poverty. This can be a key way of supporting fuel poor homes to switch to more efficient heating systems and avoid being left behind as the heating system decarbonises.

But heat pumps are not suitable for every home. If the Government curtails the installation of fossil fuel boilers under fuel poverty schemes, fuel poor households who can't install a heat pump may be left without hot water and heating if their boiler breaks and they're unable to access support.

We also know that installing heat pumps in poorly insulated homes can lead to higher bills. But broken boilers must be replaced urgently to keep households warm and safe, particularly where occupants are vulnerable. This means it isn't feasible to insulate a home before replacing a broken heating system. Intensifying efforts to insulate homes can help ensure that more fuel poor households are heat pump ready when it's time for them to install a new heating system. But households that aren't ready for heat pumps shouldn't be penalised if their boiler breaks.

The role of smart technologies in supporting fuel poor homes

Smart technologies can support fuel poor homes to cut their bills, but the increased role of smart technologies in the energy system also has risks for some households.

Smart meters themselves can deliver immediate benefits to fuel poor homes, including removing the need for estimated bills and providing new ways for prepayment consumers to top up. And consumers who engage with information from their smart meters can also unlock other financial benefits. These range from smart energy services such as Time of Use and export tariffs, to energy efficiency advice tailored to their home and lifestyle.

However, the presence of a smart meter in the home doesn't automatically mean that households can benefit from smart energy services. Some homes that could be classed

as 'smart ready' will remain locked out of these benefits either due to issues with the technology itself or because the occupants of the home have additional barriers to using energy flexibly. Our report [Powering Up Participation](#) is Citizens Advice's guide to making smart energy technology more inclusive.

While most people with smart meters are satisfied with them,³³ Citizens Advice research has found that 20% of people with a smart meter reported having to regularly give manual meter readings to their supplier - and more reported having to give them occasionally.³⁴ These numbers reflect wider problems with some smart meters not communicating wirelessly or energy suppliers not making full use of smart functionality. Households with a smart meter that doesn't work properly may not be able to use smart energy services and therefore won't be able to make the most efficient use of low carbon technologies like electric vehicles and solar panels.

And even if a home is equipped with a fully functional smart meter, many of the benefits will depend on members of the household being able to flex their energy use. But some people have additional barriers to using energy at specific times. This includes those with a health-related need for energy, as well as households with young children and those living in shared privately rented homes.³⁵

Given the overlap between fuel poverty and other vulnerabilities, as well as the high incidence of fuel poverty in the private rented sector, we can't assume that fuel poor households will be able to access and benefit from smart technologies. Citizens Advice's report [A Flexible Future](#) sets out how to expand the benefits of smart technology and energy flexibility to more households. This will require improved information about energy flexibility, appropriate regulation of the smart energy sector and inclusive innovation from industry. But even with these changes, safeguards will be needed to make sure that those with insurmountable barriers to energy flexibility aren't left with higher bills. This must include targeted financial help for those spending excessively high amounts on energy bills.

How home retrofit can support climate change adaptation

Home retrofit is essential for keeping homes warm in colder weather during the winter. And more efficient homes can also make households more resilient to the effects of extreme weather, including hotter temperatures. During heat waves in recent years,

³³ Citizens Advice (2024), [Get Smarter: Ensuring people benefit from smart meters](#)

³⁴ Ibid.

³⁵ Citizens Advice (2023), [A flexible future: extending the benefits of energy flexibility to more people](#)

there have been thousands of excess deaths among over-65s in England.³⁶ But well-installed insulation can keep homes cooler in the summer and help to maintain safe indoor temperatures in hotter weather.

Question 9: Are there any additional principles that you think should be considered for inclusion in the new strategy?

As well as the principles explored in previous questions, Citizens Advice believes that it is essential to adopt a consumer-friendly approach to guide the fuel poverty strategy.

With over 2.7 million households currently living in fuel poverty, meeting the 2030 target hinges on mass consumer engagement. Despite the clear benefits of improved energy efficiency, progress can be hindered by lack of consumer awareness and confidence, as well as insufficient support.³⁷

Many consumers aren't aware of existing schemes, or believe they don't qualify. And our new report [Building Support: Improving consumer experiences of energy efficiency schemes](#) found that some consumers who do engage with government schemes such as ECO4 can struggle to navigate information about the schemes and can face a lottery of experiences. Many also face challenges in finding solutions or accessing redress when problems arise.

Placing consumers at the heart of a revised strategy is fundamental to instilling the confidence needed to engage with the support available. We explore these recommendations in more detail in Q11.

³⁶ UK Health Security Agency (2024), [Heat mortality monitoring report: 2022](#)

³⁷ Citizens Advice (2025), [Building Support: Improving consumer experiences of energy efficiency schemes](#)

Defining reasonably practicable

Question 10: What are your views on the factors set out above which will determine what is 'reasonably practicable' in relation to meeting the fuel poverty target?

Are there any additional factors that should be considered in analysis of the number of homes that can achieve the target level by the target date? Please provide any supporting evidence.

Citizens Advice agrees that there should be more robust interrogation of what will determine what is 'reasonably practicable' in meeting the fuel poverty target. While it may not be feasible to provide an exact percentage of fuel poor homes to be upgraded, there should be clear metrics to define when this has been achieved. This would ensure that the Government is working towards a meaningful, practical target, while allowing for flexibility in the specific number of homes that must be upgraded if there are changes to external contexts.

Value for money

The Government has identified that the number of homes that can be reasonably upgraded will be restricted by property characteristics, with some homes not able to reach EPC C or equivalent. The consultation also points out value for money considerations, and the need for taxpayer funding to deliver societal benefits. We agree with these considerations, but would stress that support for fuel poor households cannot stop at the point where their homes are determined to be impossible to upgrade at a reasonable cost. Ideally, the design of future bill support should provide tiered payments that are based on estimated household energy needs. Homes should be upgraded wherever possible as a priority, enabling occupants to lower costs and use energy in a more sustainable way. Additional bill support could act as a bridging measure to help households pay for energy until their homes can be upgraded. And where it is truly impractical to upgrade homes, fuel poor households should continue to receive extra support with their bills to compensate for the fact that they must continue to live in an inefficient home which is more expensive to run. A tiered Warm Home Discount could be adjusted as more homes are upgraded.

As a result, calculations of value for money should account for whether it is in fact more cost effective in the long term to upgrade homes where possible, rather than providing ongoing additional bill support.

Householder preferences

Even where energy efficiency measures and corresponding Government support is available, not all households will want to take them up. Recent Citizens Advice research found that 69% of homeowners are interested in installing at least one energy efficiency measure in the next 5 years.³⁸ This indicates high, but not universal, interest in upgrading homes.

But as the Government's consultation acknowledges, household interest is not static or final. There is more work for the Government to do to convince households of the value of energy efficiency measures, and support them through the installation process. Citizens Advice has called for a national information campaign about energy efficiency, alongside improved access to independent and personalised advice for those who are looking to retrofit their homes.

And while some financial support exists through energy efficiency schemes, this doesn't mean that all eligible households can access them in practice. Citizens Advice research has found that households have varying and sometimes negative experiences when engaging with energy efficiency schemes, which can lead to some people dropping out of the process altogether. We explore how to boost successful engagement with schemes in our response to Question 11.

The Government's consultation also correctly identifies that trust in the works offered is a key factor in householder preferences around energy efficiency. The current patchwork of consumer protections is insufficient and can leave consumers at risk from rogue traders and botched installations. This can cause severe detriment to consumers, from expensive damage to homes to periods without heating or hot water. And it also affects wider trust in energy efficiency measures and low carbon heating systems, making it less likely that householders will want to make these improvements. We explore how to build trust in low carbon measures through boosted consumer protections in our response to Question 11.

Supply chain

³⁸ Citizens Advice (2025), [Home Stretch: How to make energy efficiency upgrades affordable for all homeowners](#)

We will need to grow the supply chain in order to deliver retrofit at the scale that is needed, not only for fuel poverty targets but to meet overall net zero goals. While supply chain capabilities have the potential to constrain the amount of delivery, clear and long-term policies around retrofit can stimulate growth in the supply chain and give industry the confidence to invest in skills and workforce. This should include long-term investment in energy efficiency schemes, as well as clear communication around policies such as higher minimum energy efficiency standards (MEES) in the private rented sector.

Updating the policy plan to meet the target

Question 11: What are your priority recommendations for an updated plan to improve the energy performance of fuel poor homes?

As we have highlighted, energy efficient homes not only reduce energy bills but also enhance comfort and improve health. However, to ensure these advantages reach as many fuel poor homes as possible, an updated plan must overcome the barriers that are currently hindering widespread consumer engagement in retrofit measures.

Addressing affordability

The median cost of upgrading an owner-occupied home to at least EPC C is £9,000,³⁹ a sum that remains unaffordable for many homeowners - particularly those in fuel poverty. Therefore, targeted government investment in energy efficiency schemes is essential to support the households most in need. As we argue in our response to Question 6, homeowners on the lowest incomes should receive fully funded upgrades under energy efficiency schemes, while those on middle incomes should have access to grants tapered by income. Our [Home Stretch](#) report provides detailed recommendations on making home upgrades affordable for homeowners.

Improving engagement with energy efficiency schemes

Energy efficiency schemes are a key way of providing fuel poor households with funded upgrades, helping to address affordability issues and ultimately meet fuel poverty targets. But schemes need to be well-designed to help consumers engage with them in practice and boost take-up. Given consumers' reliance on family and friends for advice on retrofit,⁴⁰ poor experiences with schemes can also make it less likely that others will apply for them.

³⁹ Ministry of Housing, Communities & Local Government (2025), [English Housing Survey 2023 to 2024: headline findings on housing quality and energy efficiency, Annex Table 2:14](#)

⁴⁰ Citizens Advice (2023), [Home Safe: Giving consumers confidence to install low carbon technologies](#)

As outlined in our response to Question 9, low consumer awareness and inadequate protection hinder large-scale growth in this market. Our research has shown that nearly two-thirds (64%) of homeowners had not heard of the Energy Company Obligation (ECO) scheme,⁴¹ stalling uptake and indicating that more needs to be done to empower consumers to engage with these initiatives. And Citizens Advice qualitative research with people who had engaged with energy efficiency schemes such as ECO4, GBIS and HUG found that many participants struggled to navigate the network of different schemes and find the information they needed. Some also reported struggling to find clear guidance on whether they would need to contribute financially to the work, which could be a major barrier especially for those in fuel poverty.⁴²

When consumers do access schemes, our research found that experiences are often inconsistent. While many had positive experiences with high-quality support, others struggled to progress their applications or find contractors to carry out work. People also had varying experiences with traders, with some experiencing excellent customer service but others facing unnecessary disruption. Complex application processes and disruptive works could be particularly difficult to cope with if households had other needs or vulnerabilities.⁴³ And people also struggled to find support if things went wrong with their upgrade, which we discuss further below.

To improve engagement with energy efficiency schemes and help fuel poor households upgrade their homes, Citizens Advice has recommended:

- Giving consumers access to independent and personalised advice throughout the entire process through a national advice service —before, during, and after consumers engage with energy efficiency schemes or install retrofit measures. This service should be multichannel and offer tailored guidance for each household.
- Boosting awareness through a national information campaign to ensure consumers are informed about the support available to them. Simplifying energy efficiency schemes and improving signposting would also help consumers find the right support.
- Streamlining consumer experiences of schemes so that people have a positive experience regardless of their application route. This must include and improved protections for those installing new technologies, as detailed below.

⁴¹ Citizens Advice (2022), [Insulation Nation: The roadmap to a future of affordable energy bills](#)

⁴² Citizens Advice (2025), [Building Support: Improving consumer experiences of energy efficiency schemes](#)

⁴³ Ibid.

Our full findings on consumers' experiences of energy efficiency schemes are highlighted in our new report [Building Support: Improving consumer experiences of energy efficiency schemes](#).

A robust consumer protections framework

A robust consumer protection framework is an essential foundation for building trust and improving standards. Without safeguards to protect consumers, we risk widespread harm and could jeopardise trust in the net zero transition.

But the current consumer protections landscape isn't sufficient to safeguard consumers. Some people are left without protection, while even those who use accredited installers can struggle to navigate complex redress processes and get the resolution they need. Our research has found that consumers often struggle to access support when things go wrong due to a lack of information and support and a confusing patchwork of consumer bodies and codes.⁴⁴

Affected consumers can face severe consequences to their finances and their comfort at home. Some have to pay to repair damage or replace faulty equipment, while incorrectly installed heating systems can leave people paying higher energy bills. When heating measures don't work properly, some households can be left without heating or hot water. This is particularly concerning where households are already struggling with fuel poverty, particularly if measures have been installed under schemes that are designed to address their affordability issues.

Shona's story

Shona had heat pumps and solar panels installed under the ECO4 scheme after struggling to pay her energy bills. Unfortunately, incorrect heat pump calculations and faulty installation led to her needing to turn off water and heating during Christmas, while undergoing cancer treatment and caring for two children with additional needs. Despite having support from a knowledgeable neighbour and her local MP, no governing body followed up on her complaint for five months. Shona described the redress process as "impossible" and felt that there was no way of holding the traders accountable.⁴⁵

To address these issues, we have called for:

- A single quality mark for the low-carbon home improvements market. This

⁴⁴ Citizens Advice (2024), [Hitting A Wall: Protecting consumers who install net zero technologies](#)

⁴⁵ Ibid.

would provide consistent consumer protection, prevent rogue traders, and enhance brand awareness, offering a clearer path to redress. It should be mandatory for all installers to be accredited under this scheme, whether they are operating as part of Government schemes or in the so-called 'able to pay' market.

- Regulation that guarantees access to a simple redress process, including a single Ombudsman.
- A legal enforcement framework with sufficient powers to ensure there are clear consequences for wrongdoing.
- Access to independent advice throughout the journey, to provide people with tailored information about their consumer rights and their redress options.

Our report [Hitting A Wall](#) sets out our full findings on consumers' experiences of redress processes under Government schemes.

Upgrading the private rented sector

Effective reforms to the Minimum Energy Efficiency Standards (MEES) has the potential to lift over 1 million households out of fuel poverty and significantly advance progress towards the 2030 fuel poverty target. But Citizens Advice research has found that landlord awareness of energy efficiency regulations is low, with only 1 in 5 private landlords able to identify the correct current minimum standards. Landlords were also largely unaware of the currently available support to upgrade homes, with 93% saying they'd never heard of the ECO scheme.⁴⁶

These regulatory changes must be accompanied by adequate support and information for landlords, along with strong enforcement measures to ensure compliance and avoid undue burden on tenants. We explore full recommendations on improving privately rented homes in our report [Room for Improvement](#).

Boosting the supply chain

To accelerate progress towards the 2030 fuel poverty target and ensure energy efficiency upgrades are rolled out at scale, it is crucial that a robust supply chain is in place to meet demand. Drawing lessons from past schemes, such as the rapid ramping up and abrupt closure of the Green Homes Grant, it is vital to secure long-term funding cycles that provide supply chains with the confidence and certainty needed to invest and expand. Strong, consistent policy commitments will enable the industry to invest in training and skills development, ensuring a sufficient workforce of high-quality installers to meet future demand.

⁴⁶ Citizens Advice (2024), [Room for Improvement: Preparing landlords for new minimum energy efficiency standards](#)

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

Responses could include views on:

- *who should receive support*
- *what form that support should take*
- *any additional policies which would contribute to the updated fuel poverty strategy to support fuel poor households with the cost of energy*

We remain in an unprecedented energy debt crisis, with over 8 million households struggling to afford their energy bills.⁴⁷ And things aren't getting better. Average energy bills increased by £111 to £1,849 from April 2025.⁴⁸ Bills are projected to remain significantly higher than historic norms into the future, while continuing volatility around gas prices leaves the UK vulnerable to further price shocks. This could have disastrous results for energy affordability in the coming years. Citizens Advice research has found that nearly 2 in 5 (39%) people say that if energy prices remain the same over the next 5 years and don't reduce, this will impact their ability to afford essentials such as food, rent, and bills. That could leave nearly 11 million households making impossible choices between paying for energy and other essentials.⁴⁹

In this context, energy bill support will be an essential complement to energy efficiency upgrades. Bill support can act as a bridge to long-term affordability by providing direct financial help while people's properties are being upgraded, and during the transition to greater energy independence and use of renewables. Energy bill support will also play an important role for those who live in properties that may not be able to reach sufficient levels of energy efficiency, ensuring that energy bills are affordable for households regardless of the energy efficiency of their home. And it is also necessary to protect households who could see energy bills rise as a result of policy changes to support the net zero transition, as we highlight in our response to Question 2.

A tiered Warm Home Discount

⁴⁷ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

⁴⁸ Money Saving Expert (2025) [What is the Energy Price Cap?](#)

⁴⁹ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

The simplest way to provide energy bill support is by reforming and expanding the existing Warm Home Discount (WHD). Citizens Advice has welcomed Government proposals to expand the WHD to all households receiving means-tested benefits. Around 4.5 million households on means tested benefits don't receive the WHD, so it's vital that this mechanism can reach more people.⁵⁰ We address the proposals in full in our response to the Government's [consultation](#).

However, in the medium term we believe that the most effective way to provide support is through a tiered Warm Home Discount that gives a higher discount to those with higher energy needs, which is achievable using existing data-matching within the scheme. This could provide support of up to a third of a typical bill (currently equivalent to around £570) to approximately 2 million households on means tested benefits with the highest energy needs, with lower amounts of support for approximately 4 million further households. This would be better tailored to people's needs and therefore provide a stronger impact on household budgets, as well as preventing cliff edges of support.

Additional safeguards for households with children

We believe that a tiered WHD, as explained above, would be the best way to target support at lower income households with high energy costs. But there are also other safeguards the Government could provide for households with characteristics that mean they are more likely to be struggling with energy.

For example, households with children are more than twice as likely to be in debt to their energy supplier than the average household, and are more likely to have concerns around paying for energy.⁵¹ An increased 'safeguard' payment for households on means-tested benefits with children and low-income pensioners would help ensure they receive adequate support.

The Government could also use the infrastructure in place for the current WHD to target support in different ways, ensuring interventions remain cost-effective. A hybrid approach could provide both differentiation based on assessed energy costs, alongside guaranteed minimum payments for low-income pensioners and households with dependent children who receive means-tested benefits. This could be provided in addition to the new expanded Warm Home Discount. Our recent report [Frozen in place](#) provides full details on our proposals to target bill support most effectively.

⁵⁰ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

⁵¹ Ibid.

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

Targeted bill support and independent advice are fundamental pillars to supporting fuel poor households to access the energy market fairly, effectively and affordably, as we explore in our responses to relevant questions in this consultation.

But the design of the energy retail market has further consequences for fuel poor households' experiences of energy.

Standing charges

The Government and Ofgem are currently considering reforming standing charges, including a proposal from the regulator to mandate suppliers to offer zero standing charge tariffs as an option for consumers.⁵² While low-usage households may benefit from minor cost savings as a result of these changes, we have consistently warned that some vulnerable and low-income households could face much higher energy costs if moving on to tariffs through which fixed costs are recovered via unit rates. This includes people who have higher energy needs for medical reasons (such as those who rely on continuous usage for medical devices), or use systems like storage heaters to heat their homes. There are also significant risks for prepayment consumers, given that a higher unit rates will increase seasonal variation in costs - making energy more expensive in winter, which increases the risk of self-disconnection.

Given these risks, we have said that longer term reforms could look at alternative ways of recovering fixed costs that may be fairer or tackle the affordability risks, without some of the unintended consequences of the piecemeal reforms that have been considered so far.

Tackling billing issues

Historically high energy prices mean that consumers face even more serious consequences from energy billing issues. Citizens Advice analysis has estimated that the

⁵² Ofgem (2024), [Standing charges: update on our review](#)

average size of a catch-up bill could have increased by more than £800 in 3 years.⁵³ This is particularly acute for households who are already struggling to pay for energy.

There has also been a sharp increase in the number of people coming to Citizens Advice needing support with billing issues. And nationally representative Citizens Advice research in 2024 found that more than 1 in 4 (28%) of households said that they had received an unexpectedly high bill within the previous 3 months.⁵⁴

Suppliers must provide their customers with regular, accurate and easily understandable bills. And where there are issues, suppliers must resolve them quickly. We have argued for changes including limiting the back-billing period for 6 months for customers with smart meters, reducing estimated billing through extending Guaranteed Standards of Performance for smart meters, and improving Ofgem's enforcement where suppliers don't meet billing standards. We set out full recommendations around billing issues in our report [Footing the bill: How the energy bill protection gap is putting strain on households](#).

Introducing a Consumer Duty

The Government's consultation also highlights its work on innovation in the retail market. We have called for Ofgem to go further and faster as it considers current barriers to innovation. We have also called for any reforms to be complemented by a Consumer Duty, which has proven effective in the financial services market. A Consumer Duty would limit the need for prescriptive rules around emerging products and services, while giving the regulator tools to tackle poor practice and offering consumers confidence that they will receive good outcomes and fair value from firms offering innovative services. We explore our full recommendations in our [response to Ofgem's consultation](#) on Innovation in the Energy Market.

⁵³ Citizens Advice (2024), [Footing the bill: How the energy bill protection gap is putting strain on households](#)

⁵⁴ Citizens Advice (2024), [Footing the bill: How the energy bill protection gap is putting strain on households](#)

Strategic enablers to implement the new fuel poverty strategy

14. What are your views on how to improve targeting of fuel poor households? Please provide any supporting evidence.

Responses could include views on:

- *Alternative ways to set criteria to verify the eligibility of fuel poor households*
- *Views on tools that can support better targeting of fuel poor households*
- *How to improve the targeting of support for children and people with health conditions*
- *The role of referrals to help reach vulnerable households*
- *How to target support schemes to hard to reach, or treat, properties.*

As we argue in our response to Question 12, a tiered Warm Home Discount scheme would be the most feasible and effective way to target fuel poor households with additional bill support in the short-term. And increased 'safeguard' payments for households on means-tested benefits with children could improve targeting for children growing up in low-income households.

Targeting a tiered WHD could be achieved using existing data-matching through the current scheme. In the future, the Government should explore more sophisticated ways to target support and how any legal and technical data sharing barriers could be overcome.

This should include continuing to work towards improved data-matching and data sharing. This would improve health data and unlock improved targeting both for bill support and energy efficiency measures.

Referrals can also be a key way of directing consumers to support and helping them to access it in practice. Our response to Questions 15 and 16 below provides further recommendations on how to strengthen referrals within the advice sector so that people can access the help they need.

Question 15: What else could improve partnership and learning to support the fuel poor?

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

We answer Questions 15 and 16 together.

Access to quality advice can be transformative for fuel poor households. And it will only become more important as people continue to face the impacts of historically high energy prices, and will increasingly be required to make changes as part of the net zero transition. Quality advice can help people resolve problems, make informed decisions about their home and energy use, and find other sources of help and support.

Citizens Advice research this winter found that an equivalent of 6.7 million people are in energy debt.⁵⁵ Fuel poor households who are struggling to afford their bills need holistic advice to help them take control of their finances. And as a more complex range of energy products and services develop as part of the net zero transition, many will need support to make the right decisions for them, avoiding scams and mis-selling and ensuring they understand their consumer rights and how to get the best possible deal.

There is currently a wide range of funding streams for advice across the energy sector. But there is no central monitoring of people's advice needs, or analysis of where these needs aren't being met. This means there isn't sufficient understanding of where advice spending could be made more impactful for consumers. And as a result, efforts can be duplicated in some areas, while elsewhere there can be significant gaps in advice provision.

⁵⁵ Citizens Advice (2025), [Frozen in place: Why the Government needs to move quicker to address energy affordability](#)

Current advice provision also involves a variety of organisations, funders and assessment frameworks. This creates pockets of funding for specific outcomes, and differing incentives to deliver advice in different ways. In some cases, commissioning of energy advice will be carried out by less experienced organisations or staff, which affects people's ability to benefit from high quality advice and support. And while Ofgem assesses compliance under some funding schemes, there is no single organisation that provides guidance or consistently measures impact. This needs to be addressed to improve the impact of advice funding.

Citizens Advice has called for the Government to develop a clear strategic vision for energy advice.⁵⁶ This should consider opportunities to move to pooled funding, using funding strategically to make best use of different organisations' expertise and innovative delivery models. We know many local organisations and charities can be nimble and innovative, with some reaching marginalised communities less likely to seek support alone. Partnership working amongst these organisations and others may emerge organically but would be enhanced through better coordination and strategy for funding advice and consistent data collection on where fuel poverty may be and how well advice is being delivered. This could allow for more sustainable customer journeys across different organisations.

Part of this will involve creating better "advice infrastructure", including strengthened referral mechanisms. Referrals are essential to make sure that people receive the support they need. For example, referrals between services providing debt advice and energy efficiency advice can make sure that fuel poor households receive holistic support both to tackle their immediate financial situation and to lift them out of fuel poverty in the long term. Referral mechanisms must go beyond signposting, which may be difficult for those in vulnerable circumstances to act on and may ultimately lead to people being directed to organisations that themselves don't have capacity to deal with the request. Improved referral mechanisms should be supported by improved tools that allow advice agencies to provide advice on newer or more complex products and services.

Centralised funding should also be available over a longer period of time. The current approach of smaller pots of short-term funding is inefficient and doesn't create value for money. Time spent repeatedly setting up and shutting down initiatives reduces the amount of time spent helping people directly. It also results in a patchwork delivery of advice, as resources will depend on local organisations having the time and resources to bid for funding - meaning some areas could miss out entirely. Short-term funding also

⁵⁶ Citizens Advice (2022), [Tackling gaps and overlaps: a discussion paper addressing the energy advice challenge](#)

makes it harder to retain skilled advisers, and risks organisations losing valuable expertise when specific funding pots run out. Longer-term funding would allow advice organisations to invest in their services, retaining advisers and improving their services to respond to their clients' needs. This would ultimately result in a better provision of high quality advice for consumers.

Alongside energy debt advice and general energy efficiency advice, Citizens Advice has called for a national advice service providing pre-installation, installation and post-installation advice for people who are upgrading their homes.⁵⁷ This could be integrated with the existing statutory energy advice service, and provide multitiered and multichannel support. This would ensure that consumers who are retrofitting their homes can access free, independent and personalised advice to help them make the best decisions for their property and give them confidence throughout the process.

We know that many people value local advice and information. A national advice service could therefore be supported by regional and local energy advice hubs. These hubs could work to consistent national standards so that people can access high quality advice regardless of where they live, but could offer information on locally available support and installers in their specific areas.

Targeting advice

An improved, centralised understanding of energy advice provision is essential to understand how to target advice effectively. Once we understand the gaps that exist, we will be able to identify areas where funding could be enhanced and used more effectively.

At the moment, inconsistent data collection means we may be missing opportunities to identify and address the challenges different groups are facing or root causes of people's energy issues. If different organisations can capture consistent and comparable data about the drivers of consumer problems and the impact of the advice provided, funders can then ensure that advice provision is targeted in the most impactful ways.

This targeting could be used to create end to end programmes to close some of the existing advice and support gaps. And it could also be used to serve the needs of those who may be in more vulnerable circumstances, particularly where people need dedicated in-home help and support.

⁵⁷ Citizens Advice (2023), [Demand: Net Zero](#)

Question 17: How could vulnerable households be supported to access advice? Is there a role for the health and social care workforce or other professional groups supporting vulnerable households?

A comprehensive national advice strategy should also include enhanced support for households in vulnerable circumstances to access advice. The most effective advice strategy would not only ensure that advice organisations are equipped to provide high quality reactive advice when people contact them, but would consider how organisations can proactively reach out to consumers. Some people will not be aware of advice services, or may have extra barriers to contacting an organisation for advice.

As we discuss in our response to Question 16, strong referral mechanisms can also ensure that households in vulnerable circumstances can access a range of advice that supports them with both their finances and to improve the energy efficiency of their homes. This is essential for supporting households out of fuel poverty.

Households in vulnerable circumstances will also need extra support when making changes to their homes or adopting net zero measures. This should include dedicated case handling support to help them resolve problems or assistance with navigating formal redress processes. This type of service could be modelled on existing initiatives such as Citizens Advice's [Extra Help Unit](#), which supports people who may be considered vulnerable or at risk of disconnection to resolve issues with their energy suppliers.

Question 19: Are existing arrangements sufficient to meet our commitments to review and scrutinise Government action on fuel poverty?

While we welcome the Government's commitments so far, there is more to be done to ensure that actions on fuel poverty are reviewed and scrutinised.

We welcome the publication of official annual fuel poverty statistics, along with headline factsheets. Working to publish annual statistics more quickly would provide a more up-to-date view of fuel poverty and enable better policymaking. Further information such as scorecards could also provide useful context around metrics related to fuel poverty.

We also welcome scrutiny both through Parliamentary debates and through the work of the Committee on Fuel Poverty. The Government should ensure the Committee has adequate resources to effectively monitor and advise on the fuel poverty strategy. It is also essential that the Government responds adequately to the Committee's advice, including responding in writing to the Committee's annual report and outlining how it will act on its recommendations.

It is also positive to see that the Government will seek to evaluate domestic energy efficiency schemes and use this to learn lessons for future schemes. This must include benchmarking energy efficiency schemes against their contribution to the fuel poverty target. This will help to ensure that future policies and schemes are designed effectively to ensure they contribute to alleviating fuel poverty.

This should be part of a clear policy plan to achieve the fuel poverty target, which should include regularly publishing progress against the overall fuel poverty target. This is particularly important after the final interim milestone in 2025.