



Fuel poverty in the cost of living crisis

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Access to energy is being severely restricted by the cost of living crisis, with almost a quarter of households experiencing fuel poverty, despite existing interventions. Here we draw on a large body of evidence on fuel poverty to summarise likely effects on households this winter. We find there is urgent need for further bill support, energy efficiency and targeted advice for vulnerable households.

Following unprecedented rises in energy costs to UK households in 2022, almost a quarter are now facing fuel poverty¹. Fuel poverty is caused by low or unstable incomes, high energy costs, and inefficient housing and appliances. Often associated with an exposure to the cold, wider effects include restricting cooking or heating food, or use of other essential appliances vital to health, wellbeing, social and economic inclusion (i.e. washing machines, ICT). Fuel poverty is a devolved issue in the UK, with different targets, measures and policy goals across the devolved nations. All aim to reduce exposure to this pernicious problem.

Rapid rises in energy costs will have detrimental effects for many more people during this crisis. Measures implemented to date to address cost of living include: a price cap on the unit rate for household gas and electricity, support for all households through energy payments, and additional financial support for particular people (e.g. those on certain benefits)². But even with these existing

measures, many households will struggle to pay their bills and will ration energy use or self-disconnect (turning energy off) due to rising costs.

The UK is an international hub of expertise on fuel poverty, home to the largest group of researchers in this field, and a substantial, diverse and high-quality evidence base. Based on this evidence, this briefing highlights the likely experiences of people in fuel poverty this winter and beyond. Here we outline who is more likely to be affected, and comment on consequences for policy in the short and medium term.

There is strong consensus in the field: with clear agreement on the causes, effects and solutions to fuel poverty. Evidence from the past 20 years allows us to build a picture of what the winter holds for those at risk of fuel poverty and how they are likely to be affected.



Responses to fuel poverty

Our analysis of likely experiences this winter builds on extensive evidence of people's responses to fuel poverty³. People in fuel poverty typically ration heating, living in cold homes, or compromise on other costs (food, travel) in order to afford heating and other energy services. Some households will only heat for vulnerable people or only heat one room. People also try to reduce energy associated with bathing, cooking and other appliances.

Implications for public health

These experiences impact people's lives in other ways, including poor mental and physical health, social isolation and financial hardship³, and are shown to cause, or exacerbate existing, conditions (respiratory, circulatory, disability, mental health)⁴. These can also cause a range of social ills, from more days off sick, to an increase in excess winter deaths³. People often respond to fuel poverty by reducing their social and family life: socialising less in cold weather and using fewer rooms in the home, which has mental health effects, and negative impacts on family relations. Resultant financial hardship can also increase stress.

Regional and social variations

These experiences and effects are felt more strongly by specific groups of people, shaped by spatial and social factors, and subject to variation in response to policy. We see more fuel poverty in parts of the country where the housing stock is inefficient (e.g. Northern England), where poverty rates are higher (e.g. Cornwall), where the weather is colder (e.g. Scotland), or where there is high reliance on expensive oil-based heating (e.g. Northern Ireland).

Socially, those with non-negotiable high energy needs are a particular concern: for instance disabled people, older people and children, who need additional heat, electricity or hot water. Families in fuel poverty and living in the least efficient homes (EPC band E and below) are also at risk. Given the increase of 2.2 million households facing fuel poverty since 2021¹, more people are having to constrain access to heating, cooking and appliances, and may be less well equipped with coping strategies. Advice on energy saving circulating in the public domain is sometimes unlikely to save money (e.g. buying an expensive air fryer) and may exacerbate health problems (e.g. increased building mould from not heating).

Measuring the depth of the crisis

The numbers of fuel poor households that we cite here come from the respected charity National Energy Action, as government figures, particularly in England, are neither timely nor helpful for monitoring price changes. The government measure for England (Low Income, Low Energy Efficiency)⁵ is insensitive to the effect of fluctuating prices on fuel poverty, and statistics are released for two years prior. There is an urgent need for more immediate monitoring to ensure policy is well designed and targeted. Data and techniques for doing this are already available⁶.

Policy implications

The evidence points to the following ongoing challenges for policy:

- Those with additional non-negotiable needs for energy need better support in the short term. This means additional bill support for disabled, older and very young people⁷.
- Communicating safe and achievable advice to fuel poor households is essential. Tailored advice on safe energy use for different demographics can achieve this⁸.
- There is a need for more effective monitoring and measuring, using existing techniques and data, to allow government to track policy design and targeting.
- Longer term solutions to bring down the need for energy in fuel poor homes are increasingly important⁹. Government investment in home insulation and replacing energy inefficient appliances will improve resilience to energy price fluctuation.

Further information

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The authors are part of the Fuel Poverty Evidence group which aims to make it easier to tap into the UK's world leading research on fuel poverty. The group is led by the Universities of Leeds, Sheffield Hallam and Sussex, and Fuel Poverty Research Network.

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