



Department for
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& Industrial Strategy

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Dear Alan,

I am writing in response to your request for further detail on a number of queries you raised during the BEIS Committee hearing on 'Energy pricing and the future of the Energy Market' which took place on the 24th of May 2022. I have identified three areas which I would seek to elucidate below.

First, on the support package for energy bills, you queried how the £9.1 billion package of interventions government had previously announced was funded. Since the committee session the government has announced over £15 billion of additional support, targeted particularly on those with the greatest need. This package builds on the £22 billion announced previously, with government support for the cost of living now totalling over £37 billion this year.

The £9.1 billion energy bills support package included the Energy Bills Support Scheme. Since the committee session, the Chancellor has confirmed that the Energy Bills Support Scheme has doubled to £400 and there will no longer be repayments under this scheme. Therefore the £9.1bn package consists entirely of Treasury funding.

Second, you asked for further details about the status of the regulations surrounding ECO4. I am fully aware of the importance of ECO and government is committed to making sure the regulations are laid and come into force ahead of summer recess; I have confidence that will happen. The regulations are currently going through pre-legislative scrutiny and will be laid later in June. We have made provision for delivery to happen ahead of regulations coming into force and suppliers are reporting to us that they are taking advantage of those provisions.

Third, regarding fuel poverty, you asked for details about the number of fuel-poor households on the EPC Band C. Since 2010, there has been a reduction of 1.6 million fuel poor households in England (2020 data), largely as a result of energy efficiency measures installed in low-income homes bringing them up to an energy efficiency rating of C. There are now 1.3 million fewer low-income households living in the least energy efficient homes (Band E, F or G) compared to 2010.

You also asked for further detail of the term 'practical, cost-effective and affordable' in relation to upgrading properties to EPC band C and I invited you to write to me to further clarify that request. I await your response on that but will take the opportunity to note that Government remains committed to upgrading as many private rented sector homes as possible to EPC Band C by 2030, where practical, cost-effective and affordable, as set out in the Clean Growth Strategy. We consulted on improving the

energy performance standards in the private rented sector to EPC Band C in the winter of 2020/2021 and will publish a Government Response in due course.

I hope you will find these further details helpful, but please do write back to me if you have further questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kwasi Kwarteng', written in a cursive style.

RT HON KWASI KWARTENG MP
Secretary of State for Business, Energy & Industrial Strategy