

Consultation response

Scottish Fuel Poverty Advisory Panel response to the Department for Energy Security and Net Zero's consultation on expanding the Warm Home Discount scheme 2025/26

Scottish Fuel Poverty Advisory Panel

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To: Miatta Fahnbulleh MP, Parliamentary Under-Secretary of State (Minister for Energy Consumers)

CC: Ed Miliband MP, Secretary of State for Energy Security and Net Zero; Warm Homes Discount Team, Department for Energy Security and Net Zero

Dear Miatta Fahnbulleh,

It was good to meet you again this week at the English Fuel Poverty Strategy Working Group. I'm writing to you today in my capacity as the Chair of the Scottish Fuel Poverty Advisory Panel. The Scottish Fuel Poverty Advisory Panel (SFPAP) is an advisory non-departmental public body which provides independent advice to Scottish Ministers on fuel poverty and scrutinises Scottish Ministers' progress towards delivering Scotland's 2040 fuel poverty targets. SFPAP is made up of the following members:

- Matt Cole, Chair of SFPAP and Head of Fuel Bank Foundation
- Margaret Corrigan, Panel Member and former Adviser for the energy advice service provided by East Ayrshire Council
- Kirsten Jenkins, Panel Member and Senior Lecturer in Energy, Environment and Society at the University of Edinburgh
- Alister Steele, Panel Member and former Managing Director of Castle Rock Edinvar Housing Association
- Fraser Stewart, Panel Member and Just Transitions Lead at Regen

Since it was established on the 1st of January 2022, the Panel has engaged widely across the third sector (advice agencies and housing associations) and energy sector (retail and network energy companies, trade associations), Ofgem, and with the Energy Ombudsman and Consumer Scotland. It has also engaged with and is informed by those with lived experience of fuel poverty. The Panel's views are informed by this engagement as well as their own knowledge, experience and understanding.

To tackle fuel poverty there is an urgent need to reform the support given to low income and vulnerable households. Previously, the Panel has made recommendations on the introduction of [a targeted, flexible, and dynamic discount mechanism \(social tariff\)](#) to replace the Warm Homes Discount (WHD).

We see the WHD changes proposed as being a beneficial interim step in providing a foundation for wider reform from 2026. As such, the Panel support the Department for Energy Security and Net Zero's (DESNZ) proposals to expand the eligibility for the WHD.

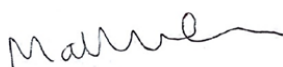
Currently, there is scheme variation between England and Wales and Scotland because in England and Wales, Valuation Office Agency (VOA) data is used to calculate a property's cost to heat score. If the high cost to heat threshold is removed (making all households where the bill payer or their partner claims a means-tested benefit eligible for the WHD), then there is no longer a need for scheme variance. Payments should be made automatically to those eligible in Scotland in both the Core and Broader groups, as is currently the case in England and Wales. Furthermore, the finite first come, first served nature of the Scottish scheme should be removed, in line with the scheme in England and Wales.

Currently, Core Group 2 eligibility in England and Wales and automatic Broader Group eligibility (as defined in regulations) in Scotland is based on receipt of certain means-tested benefits or tax credits. The Panel believe that eligibility should be expanded to include those with low income who are not in receipt of means tested benefits. Eligibility should also be expanded to include those in receipt of Carer's Allowance. We have heard first-hand about the struggles unpaid carers often face when it comes to their energy bills. This is especially the case in circumstances where the cared for person has a higher requirement for energy, either because their home needs to be heated to a higher temperature or because they use essential medical equipment in the home.

As eligibility for the WHD is expanded it is essential that, as a minimum, the amount of WHD received per household stays the same. It would be more beneficial if the amount increases given the fact that WHD has not kept pace with cost of living or the high cost of energy, in effect eroding its value. There should also be consideration given to the provision of regional variations in the level of support. This is an important way to provide fairness given average variations in energy costs and annual energy bills between regions.

The Panel would welcome the opportunity to engage with DESNZ once you have considered the evidence from this consultation. We would be happy to do this either with your team directly or as part of a wider stakeholder group.

Yours sincerely,



Matt Cole

Chair, Scottish Fuel Poverty Advisory Panel