

LABOUR NATIONAL POLICY FORUM END FUEL POVERTY COALITION SUBMISSION

Themes: Clean Energy Superpower, Economic Growth, NHS Reform

June 2025

The End Fuel Poverty Coalition is a <u>broad coalition of more than 100 anti-poverty</u>, <u>health</u>, <u>housing and environmental campaigners</u>, <u>charities</u>, <u>local authorities</u>, <u>trade unions and consumer organisations</u>. It is also supported by academics, social enterprises and those working on the front line of fighting fuel poverty.

We welcome Labour's Plan for Change and the opportunity to respond to this consultation. Our submission addresses three of the National Policy Forum's priority areas:

- Make Britain a Clean Energy Superpower
- Kickstart Economic Growth
- Build an NHS Fit for the Future

Labour has a unique opportunity to end fuel poverty by fixing the broken energy system, driving down bills, and improving housing and health outcomes. These reforms will reduce long-term NHS pressures, support economic growth, and deliver on net-zero goals.

Make Britain a Clean Energy Superpower

Millions of people in the UK live in cold, damp homes they cannot afford to heat, despite the UK having vast potential for affordable, clean and homegrown energy. Labour's goal to deliver clean power by 2030 offers a once-in-a-generation opportunity to transform the energy system not just for the climate, but for people's lives.

But a cleaner grid alone will not end fuel poverty.

The clean energy transition must deliver lower bills, ensure fairness across all types of households, and tackle deep-rooted inequalities in the energy market.

Key Recommendations:

- Introduce a social tariff: This must be automatically applied to low-income and vulnerable households, funded and underpinned by data-sharing between DWP, energy firms and local councils. (See: <u>Warm Home Discount reforms don't go far enough</u>)
- End energy market discrimination: Ensure that customers with prepayment meters or legacy meters aren't penalised with higher costs or poorer access to support.
- Reform electricity pricing: Break the link between electricity prices and volatile global gas markets. Marginal pricing must be replaced with a system that reflects the lower cost of renewables and - when coupled with other reforms - delivers a reduction in the electricity heat premium. (See: <u>Pricing reform could save households £370</u>)
- Guarantee that Great British Energy benefits households: Public clean power must lead to real reductions in household bills—not just profits for developers.

- Protect low-income consumers in heat networks: Bring heat networks under full Ofgem regulation and cap pricing where monopolies exist.
- Reduce the profiteering from energy by market traders: The trading system sees
 units of gas and electricity traded on international markets often solely for financial
 gain without directly delivering electricity to consumers. Reforming the energy market
 trading system could save households £173.34 per year on their electricity bill. (See:
 The good, the bad and the ugly sides of market trading)

Kickstart Economic Growth

A fairer, greener energy system is not only a social justice priority—it's a powerful engine for economic growth. Labour's National Wealth Fund, planning reforms and Great British Energy create a foundation to unlock the clean energy economy. But without targeted support, the poorest communities will be left behind.

Fuel poverty affects household finances, productivity and participation in the labour market. Fixing it will boost economic resilience and unlock skills, jobs and enterprise—especially in former industrial and disadvantaged areas.

Key Recommendations:

- Deliver the Warm Homes Plan at full scale: Invest at least £13.2bn to insulate homes, starting with those in fuel poverty. Every £1 invested yields long-term savings and supports local supply chains. (See: <u>Voter backlash risk if Warm Homes Plan is cut</u>)
- Prioritise "worst first" in retrofit delivery: Area-based energy efficiency upgrades should be delivered with local authorities and partners, focused on low-income and vulnerable households and ensuring equal access to retrofit funding for flat / apartment residents.
- Create green jobs where they are most needed: Investment in energy efficiency, clean power and retrofit must prioritise left-behind regions and former industrial communities. This must be coupled with bigger investments in green skills training and better resident protections to ensure high quality insulation, heat pump and solar installs.
- Reform the energy market to prioritise people over profit: Introduce long-term changes that put affordability and equity at the heart of regulation—starting with reduced standing charges and fair pricing.
- Unlock affordable finance for households and landlords: Labour's economic reforms
 must ensure that funding and loans for energy upgrades are accessible to those
 most in need. This should work hand in hand with reform to the Private Rented
 Sector Minimum Energy Efficiency Standards (PRS MEES) and the Future Homes
 Standard.

Build an NHS Fit for the Future

Fuel poverty costs the NHS over £1.4 billion a year, according to the Government's own fuel poverty strategy consultation, with £860 million directly attributed to cold and damp homes.

Cold, damp homes are making people sick, delaying recovery, and costing the NHS billions a year in England alone. They <u>contribute</u> to winter pressures, longer hospital stays, and contribute to the cause of death.

Not only that, but it is shown that fuel poverty increases cardiovascular risk (e.g., blood pressure impacts, stroke risk), worsens respiratory illness, especially among children and creates mental health deterioration due to fuel debt and cold stress.

A <u>study</u> by health charity Medact found that nearly half (45%) of front-line health workers have had to send a patient home knowing their housing would make them ill again.

According to the <u>Social Workers Union</u>, over a fifth (21%) of social workers working with children, young people and families have seen their service remove a child or children from their family in the last three years where unsafe or inappropriate housing conditions was a key contributing factor.

More broadly, 78% of all social workers strongly agree that housing conditions are a concern for people they support, with over a third (36%) strongly agreeing that over the last three years, the number of people they help live in unsafe or inappropriate housing conditions which has increased.

Fuel poverty is also a barrier to educational attainment and life opportunities, which fits within Labour's broader equality and opportunity mission.

Therefore, tackling the root cause of cold-related illness must be central to Labour's NHS recovery plan. We urge the Party to embed housing and energy interventions as part of its preventative health strategy.

Key Recommendations:

- Treat cold homes as a health risk: Integrated Care Systems (ICSs), public health teams and local authorities must work together to identify at-risk households and provide proactive support.
- Fund 'housing prescriptions' in primary care: Enable GPs, health visitors and other
 professionals to refer vulnerable patients for urgent insulation, heating upgrades and
 advice.
- Reduce hospital backlogs by preventing illness at home: Investing in warm homes
 will ease pressure on the NHS by cutting respiratory and cardiovascular admissions,
 reducing winter deaths, and speeding up recovery.
- Align health, housing and climate plans: Labour's long-term NHS and energy strategies must be linked to ensure joint outcomes on health equity, energy security and climate resilience. (See: Report reveals scale of health crisis fuelled by poor housing)

Conclusion

Labour's Plan for Change sets the right ambitions. But to succeed, it must:

- Fix energy pricing to reduce bills for good
- End discrimination in how we pay for energy
- Deliver the Warm Homes Plan at scale
- Treat cold homes as a health emergency
- Make clean energy work for people, not just profits

The End Fuel Poverty Coalition stands ready to support these efforts and ensure no one is left behind in the transition to a fairer energy system. We would be grateful if you could continue to keep the Coalition informed about developments in the Policy Forum's work.

About the End Fuel Poverty Coalition

The End Fuel Poverty Coalition is a <u>broad coalition of more than 100 anti-poverty, health, housing and environmental campaigners, charities, local authorities, trade unions and consumer organisations</u>. It is also supported by academics, social enterprises and those working on the front line of fighting fuel poverty.

We believe that everybody has the right to a warm, dry home that they can afford to heat and power.

Members of the Coalition include: Action with Communities in Rural England, ACE Research, Age UK, All Birmingham's Children, Austerity Action Group, Association of Green Councillors, Association of Local Energy Officers, Association for Decentralised Energy, Asthma + Lung UK, Basingstoke & Deane Borough Council, Beat the Cold, Bruton Town Council, Camden Federation of Private Tenants, Carers Trust, Child Poverty Action Group, Church Poverty Action, Chartered Institute of Environmental Health, Chartered Institute of Housing, Community Action Northumberland, Centre for Sustainable Energy, Climate Action Network West Midlands, Debt Justice, Disability Poverty Campaign Group, Disability Rights UK, E3G, Energise Sussex Coast, Energy Advice Line, Energy Cities, Epilepsy Action, Exeter Community Energy, Fair Energy Campaign, Fair By Design, Foster Support, Friends of the Earth, Fuel Poverty Action, Fuel Poverty Research Network, Generation Rent, Good Law Project, Greenpeace, Groundwork, Hackney Foodbank, Heat Trust, Home Start Oxford, Independent Age, Independent Food Aid Network, Inner City Life, Joseph Rowntree Foundation, Lambeth Pensioners Action Group, London Borough of Camden, London Borough of Lewisham, Marie Curie, Mencap, Mayor of London, MECC Trust, Moorland Climate Action, National Pensioners Convention, National Union of Students / Students Organising for Sustainability, NCB, National Energy Action, New Economics Foundation, National Federation of Women's Institutes, Northern Health Services Alliance, Oxford City Council, Positive Money Tower Hamlets, Plymouth Community Energy, Redcar & Cleveland Council, Repowering London, Retrofit Bruton, Right To Energy Coalition, Rossendale Valley Energy, Ryecroft Community Hub, Save the Children, Sense, Severn Wye, Scope, Shaping Our Lives, Social Workers Union, South Dartmoor Community Energy, South East London Community Energy, Southwark Group of Tenants Organisations, South West London Law Centres, Stop The Squeeze, Tamar Energy Community, Thinking Works, Uplift, UNISON, Warm & Well North Yorkshire, Warm & Well in Merton, Winter Warmth Network, Young Lives vs Cancer, 361 Energy.

The Coalition is also part of the <u>End Child Poverty Coalition</u> and the <u>Renters Reform Coalition</u>. We work closely with <u>Energy Action Scotland</u>, <u>NEA Wales</u> and the <u>Fuel Poverty NI coalition</u>. The coordination for the <u>End Fuel Poverty Coalition</u> is provided by social enterprise <u>Campaign Collective</u>.

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