##### Annex C - Fuel poverty methodological approach

This annex provides a brief technical overview of how to estimate fuel poverty impacts for the WH: LG evaluation. This document should therefore inform the methodological approach outlined in response to the specification.

Fuel poverty in England is measured using the Low-Income Low Energy Efficiency (LILEE) indicator, which considers a household to be fuel poor if:

* it is living in a property with a Fuel Poverty Energy Efficiency Rating (FPEER) of band D, E, F or G ; and
* its disposable income (income after housing costs (AHC) and energy costs) would be below the poverty line. The income is adjusted (‘equivalised’) to make different households comparable. This effectively increases the incomes of single-person households and reduces the incomes of larger households.

To assess fuel poverty impacts, the proposed methodology will need to identify the number of households in fuel poverty before the intervention and compare to after the intervention. It should hold the non-energy cost components of disposable income constant at post-intervention levels, while energy efficiency rating and energy bills (because of changes in consumption) would change due to the WH: LG intervention. Changes in consumption (and therefore bills) and changes in energy efficiency can be assumed to be attributable to the installation intervention.

To assess fuel poverty, the beneficiary survey will need to collect income and housing cost data pre and post installation to examine the scheme’s impact on fuel poverty. Data on EPC Energy Efficiency Rating pre and post installation will be available through the scheme management information.