

Response ID ANON-XGKC-7WTS-2

Submitted to Continuing the Warm Home Discount Scheme
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About you

What is your name?

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What is your organisation?

Organisation:
Rural Services Network

Please specify the type of your organisation.

Type of organisation:
Other

Other (please specify):

The Rural Services Network is an independent membership organisation that campaigns for a better deal for rural communities in England.

We are a Special Interest Group of the LGA and provide the Secretariat for the Rural Services All Party Parliamentary Group.

We have over 500 organisations in membership from across the public, private and third sectors.

We represent our members at national forums including The Rural Coalition and the DEFRA Rural Impact Forum and are currently part of a DEFRA Task Force providing feedback on the Government's Plan for Change.

We also work in partnership with the National Centre for Rural Health and Care, Rural Housing Alliance, Rural Homeless Coalition and many more.

We usually publish a summary of all responses, but sometimes we are asked to publish the individual responses too. Would you be happy for your response to be published in full?

Yes

How did you hear about this consultation?

How did you hear about this consultation?:
Email from elsewhere

Other (please specify):

Proposals for continuing the Warm Home Discount Scheme from 2026/27

1 Do you agree with our proposal to continue the Warm Home Discount scheme supporting households at risk of fuel poverty for the next scheme period from 2026/27? Please provide any reasoning/comments/evidence to support your view.

Please select an answer.:
Agree

Please provide any reasoning, comments or evidence to support your view.:

YES, we strongly agree that the Warm Home Discount scheme should continue for winter 2026-27. For rural households, the need is particularly acute because:

- Many rural homes have higher heating costs—off-gas grid homes (52.6% of all rural homes), solid fuel, fuel oil, or LPG are more expensive than mains gas. Even with the current scheme, these households often struggle more.
- Rural housing stock tends to be older, less energy efficient, with poorer insulation, single-glazed windows, etc. Hence households need more support to keep warm affordably.

- Transport costs are higher; some off-grid rural households may also have less competitive energy supply options which increases their energy bills further.
- The cost-of-living is higher in rural areas than elsewhere whilst incomes earned in local economies are much lower.
- The population of rural England is much 'older' than the national average.

DESNZ Annual Fuel Poverty Statistics in England, 2025 (2024 data) shows households living in rural areas had the highest fuel poverty rate of 12.3 per cent and the largest fuel poverty gap at £987.

If the scheme were discontinued, many rural low-income households could face cold homes, health risks, or must reduce other essentials to pay for heating. Continuation of the scheme is essential to avoid exacerbating rural fuel poverty.

Proposals for England and Wales from 2026/27

2 Do you agree with our proposal to rename the current 'Core Group 1' and 'Core Group 2' in England and Wales, bringing the existing groups together under one 'Core Group'? Do you have any views on whether this approach could bring any potential advantages or disadvantages, including practical considerations in delivering the scheme?

Please select an answer.:

Agree

Please provide views on any potential advantages and disadvantages of this approach.:

YES, Overall, bringing Core Group 1 & 2 together under a single "Core Group" seems beneficial in simplifying the scheme. From a rural perspective:

Advantages:

- Simpler communications: It is often harder in rural areas to access clear information; simplifying titles or categories helps avoid confusion.
- Easier administration: For smaller rural suppliers or for rural households with less internet access, less complexity means fewer errors or misunderstandings.
- Equity: It could reduce stigma or confusion over which "Core" sub-group a household fall into.

Disadvantages / concerns:

- There may be edge cases where households just miss thresholds or definitions; simplifying groups might gloss over specific rural vulnerabilities (e.g. health, lack of alternative heating means).

Practical considerations:

- Need to ensure that eligibility criteria remain transparent; that people understand whether they qualify.
- Ensuring application / automatic matching works well in places with poorer connectivity, fewer local service centres.

3 Under these proposals the eligibility criteria established for 2025/26 would be continued for the next scheme period in England and Wales. Do you have any concerns about the impact of this proposal on households, in particular on those with protected characteristics? What concerns do you have? Do you have any suggestions for mitigating your concerns, including through use of Industry Initiatives? Please provide any evidence you may have to support your answer.

Please state any concerns that you may have about the impact of this proposal.:

From a rural viewpoint, some concerns include:

- Exclusion of households not on means-tested benefits: In rural areas, some households may have income just above thresholds and are still struggling (for example, seasonal workers, smallholder farmers) but won't qualify.
- Off-grid households: They may pay far more to heat their homes and may not be on qualifying benefits, so the current eligibility may not recognise this burden.
- Protected characteristics: Elderly people, people with disabilities, single parents in rural areas may be more isolated, have poorer housing, less access to suppliers, less ability to apply / communicate eligibility.

Please provide any suggestions for mitigating your concerns, including through use of Industry Initiatives.:

Mitigations / suggestions:

- Use Industry Initiatives to specifically target off-grid or rural households, e.g. funding for better off-grid heating systems, insulation, or grants to improve energy efficiency.
- Ensure outreach in rural areas is boosted: mobile advice services, leaflets, local community centres; trusted local intermediaries.
- Allow for "rural adjustment" or additional weighting for households in remote areas to acknowledge their higher costs.
- Simplify application / automatic matching for households who struggle to prove eligibility due to distance, lack of documentation, etc.

Proposals for Scotland from 2026/27

4 Which of the three options listed is your preferred option for the next scheme period in Scotland?

Please select an answer.:

I have no opinion about these options

Please provide any reasoning, comments or evidence to support your view.:

5 Do you have any views on the advantages, disadvantages or concerns of any of the options presented?

Please provide any views that you may have on Option 1.:

Please provide any views that you may have on Option 2.:

Please provide any views that you may have on Option 3.:

6 Do you have any views about the use of a centralised Warm Home Discount helpline for auto matched Scottish consumers in options 2 and 3? Currently only the Core Group receives helpline support.

Please provide any views that you may have.:

7 Do you foresee any practical challenges or have any delivery concerns with replacing the Broader Group and its application process in options 2 and 3 with a data matched broader Core Group?

Please provide any views that you may have.:

8 Do you have a preferred option for the next scheme period in Scotland that is not presented above? If so, please provide details.

Please provide details of any other options that you may prefer.:

9 Do you have any concerns about the impact of these proposals, including the three options as presented, on households, in particular on those with protected characteristics in Scotland? What concerns do you have? Do you have any suggestions for mitigating your concerns, including through use of Industry Initiatives? Please provide any evidence you may have to support your answer.

Please state any concerns that you may have about the impact of these proposals.:

Please provide any suggestions for mitigating your concerns, including through use of Industry Initiatives.:

10 Do you think there are advantages or disadvantages in setting out eligibility separately in Scotland?

Please provide your views on introducing an eligibility statement in Scotland.:

Review of the Industry Initiatives across England, Wales, and Scotland

11 Do you agree that Industry Initiatives should be continued into the next scheme period?

Please select an answer.:

Agree

Please provide any reasoning, comments or evidence to support your view.:

YES. They allow targeted support beyond the standard rebate—e.g. insulation, heating upgrades, energy advice, fuel switching, perhaps support for installing off-grid renewables or more efficient heating systems.

From a rural perspective, Industry Initiatives are critically important, because Core rebates alone often do not cover the scale of disadvantage rural households face.

12 Do you agree that Industry Initiatives should continue to be designed by individual energy suppliers and third-party partners? What are the benefits and drawbacks of this approach?

Please select an answer.:

Agree

Please provide any reasoning, comments or evidence to support your view, including on the benefits and drawbacks of this approach.:

YES:

o Benefits: local knowledge; third-party (charities, community groups) often have fine grain understanding of rural needs; can target particular local vulnerabilities.

o Drawbacks: inconsistency between areas; risk that some rural suppliers or areas get less engagement; potential for duplication or “patchiness” of delivery.

13 Do you have any proposals to improve the design and/or delivery of Industry Initiatives in the future? Do you have any proposals for additional activities that would be of benefit to include as permissible Industry Initiatives in the future?

Please provide any views on improving the design and/or delivery of Industry Initiatives.:

Require minimum standards for rural coverage: e.g. suppliers' Industry Initiatives must include rural or off-grid households in their plans.

Simplify the process of applying or accessing the support – mobile outreach, paper applications, local drop-in points.

Include new activities: subsidies or grants for off-grid heating systems; retrofitting; bulk purchasing of insulation / heating stoves in remote areas;

transport or fuel delivery costs for rural fuel users.

Please provide views on any additional activities to include in Industry Initiatives in the future.:

14 Do you have any views on eligibility for Industry Initiatives, or the extent to which energy suppliers should have discretion and flexibility to who they are awarded to within fuel poverty risk groups?

Please provide views on eligibility for Industry Initiatives.:

Suppliers need flexibility but must be accountable; clarity in criteria; perhaps a "rural premium" for energy costs or needs.

Ensure that discretion doesn't lead to "postcode lottery" where some rural areas are poorly served.

As part of this consultation, we are seeking evidence on the current design of Industry Initiatives, and their impact. We are keen to understand more from energy suppliers, third-party partners and other stakeholders about: (1) The nature and design of Industry Initiatives, and examples of best practice; (2) The process by which energy suppliers design their Industry Initiatives, and considerations made in their design; (3) The type of activities currently listed as a permissible Industry Initiative as set out in regulations; (4) The delivery of Industry Initiatives, including challenges in delivery; (5) The current approach to approving Industry Initiatives, monitoring and evaluating their impact; and (6) Interaction with other schemes provided by Government and/or energy suppliers, and delivery routes.

Please provide any views that you may have.:

Please upload your evidence here.:

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As part of this consultation, we are also keen to understand more from energy suppliers, third-party partners and other stakeholders about: (7) Proposals for reforms to improve the design and/or delivery of Industry Initiatives.

Please provide any views that you may have.:

Please upload your evidence here.:

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Specified Activities

15 Do you have any views on whether specified activities should be included in the new regulations for the next scheme period from 2026/27? Are there any advantages or drawbacks to their inclusion in your view?

Please provide views on the inclusion of specified activities in new regulations.:

Specified activities could be helpful, especially if defined carefully to include activities particularly relevant to rural households, e.g.:

- o Off-grid energy support.
- o Energy efficiency improvement (insulation, draught proofing) in older rural homes.
- o Fuel delivery subsidies or grants.

Advantages:

- o Ensures some spending is ring-fenced for rural needs.
- o Encourages innovation tailored to different geographies.

Drawbacks:

- o If well-meaning but under-resourced, may create promises that can't be delivered in remote areas.
- o Need to guard against overlapping with other schemes, or inefficiencies.

Scheme information and communicating with eligible customers

16 Do you agree with the proposals to expand the role of suppliers in the communications around Warm Home Discount? Does this approach raise any advantages, or concerns in your view?

Please select an answer.:

Neither Agree nor Disagree

Please provide any reasoning, comments or evidence to support your view, including on any advantages or concerns about this approach.:

Rural consumers often have more limited broadband and/or mobile phone connectivity, may not receive timely emails or online updates; they rely more on print, in-person, local community centres.

Suppliers expanding communications is good, but must ensure multiple channels (postal, radio, local news, community notice boards).

17 Do you have any views on appropriate governance arrangements or oversight to monitor the effectiveness of this approach?

Please state your views on appropriate governance arrangements or oversight.:

Governance/oversight must ensure rural voices are listened to; involve local authorities or rural charities/community councils in oversight committees; require reporting on rural uptake specifically; monitoring whether rural households are being left behind.

Changes to the levy – removal of spending target

18 Do you have any views on the proposed change to how the Warm Home Discount cost is estimated for reflecting in retail gas and electricity prices, moving from an annual spending target set out in regulations to the introduction of estimates of total spend for that coming winter? Do you have any views on how this may work on a practical level for suppliers? If your response is specifically relevant to England and Wales, or Scotland only please make this clear in your reply.

Please specify if your response is specifically relevant to England and Wales, or Scotland only.:

Please provide views on the proposed change to estimate the Warm Home Discount cost.:

The proposal to change to estimating total spend each winter (instead of fixed annual spending targets) should account for the unpredictability in rural demand: severe weather, fuel cost fluctuations, difficulties in delivery in remote areas. Estimations must include buffer for rural additional costs.

Please provide views on how this may work for suppliers.:

19 Do you have any views on how to determine spending for Industry Initiatives in Scotland if data matching is adopted in place of the Broader Group?

Please provide views on determining spending for Industry Initiatives in Scotland if data matching is adopted.:

20 Do you agree, in the absence of data matching, Scottish spending should continue to be determined as a proportion of expected spending in the England and Wales?

Please select an answer.:

Please provide any reasoning, comments or evidence to support your view.:

21 Do you agree that Industry Initiatives should be funded to a similar level as currently? Do you have any views on whether their value should be adjusted for inflation during the scheme period?

Please provide any views on funding Industry Initiatives to a similar level as currently.:

Level of funding for Industry Initiatives should be adjusted for inflation and include a “rural cost uplift” to reflect higher costs of insulating, delivering fuel, or installing systems far from urban centres.

Please provide any views on adjusting the value of Industry Initiatives for inflation during the scheme period.:

22 Do suppliers have any views on whether the reconciliation process works as currently organised? Do you consider whether any changes could improve the process?

Please provide your views on the current reconciliation process.:

Reconciliation processes should be transparent; suppliers with rural catchments might need longer lead times; oversight needs to understand geographical cost differentials.

Please provide views on any changes to improve the reconciliation process.:

23 Do you have any other comments, views or evidence on the proposals for the changes to the levy?

Please provide any additional comments on these proposals.:

Proposals for the issuing of rebate notices after the end of the scheme year

24 Do you have any comments on the proposal for allowing rebates notices to be issued after 1 March (31 March for 2025/26) where the Secretary of State is satisfied that an error has occurred?

Please provide any views on this proposal.:

This flexibility is positive — it helps households who may be delayed (because postal services are slower, or people are unreachable due to remote location, poor connectivity). Rural households often have more risk of delays.

But “error” must be defined fairly; and the process for applying for the rebate after deadline must be simple and accessible (not just online).

Innovation and improvement during the scheme period

25 During the scheme period between 2026/27 and 2030/31, do you have any suggestions on what further improvements or additions to the scheme we could be exploring?

Please provide any suggestions on further improvements or additions to the scheme.:

Introduce a rural hardship supplement: extra support for households off-grid, or in remote areas where fuel delivery is costly.

Expand scheme to cover households not on means-tested benefits but still in fuel poverty (just above thresholds) especially in rural areas.

More support for improving energy efficiency in older and remote housing: retrofitting insulation, efficient windows, air sealing, etc.

Support for alternative heating technologies/fuel sources that are appropriate for rural/off-grid homes (e.g. Biolpg (Biopropane) ;RDMF (derived from waste feedstock) biomass, solar thermal,) with subsidies.

Improve awareness and local points of contact: perhaps local authority or rural community centres helping people apply.

26 Are there in your view households with particular characteristics that are or will be particularly impacted by changes to the energy sector and how costs feature in bills?

Please provide any views on impacts on households with particular characteristics.:

- Off-grid households (not connected to mains gas).
- Older people, or those with mobility/disability, in remote homes.
- Households with poor connectivity (internet/phone), isolated geographically.
- Those living in older housing stock with poor insulation, many exposures to adverse weather conditions.
- Households with non-standard heating types (oil, LPG, solid fuel) with seasonal price volatility.

Summary / Key Points from Rural Perspective

- Rural households face higher energy costs, poorer infrastructure, older housing. Any scheme needs to recognise and compensate for these additional burdens.
- Simplification, automatic data matching, strong communications via multiple channels are vital, because some rural households have limited access to internet or public services.
- Industry Initiatives / specified activities must be designed to explicitly include rural/off-grid needs.
- Monitoring uptake by geography / rural vs urban is essential to check for inequities. This means gathering and analysing data at the lowest possible geographical level