



HOUSE OF COMMONS

LONDON SW1A 0AA

30th March 2023

Dear Constituent,

RE: 'WARM THIS WINTER' CAMPAIGN

Thank you for your recent correspondence in respect of your concerns about the rising cost of living and the 'Warm This Winter' campaign.

I understand anxiety over rising prices and inflation. I want to assure you that the Government will continue to listen and ensure that the policies in place help those who need it most.

COVID-19 and President Putin's barbaric war in Ukraine have caused immense challenges for our country, with energy prices rising and families facing significant cost of living pressures.

I therefore welcome the Government's action on energy bills. The Government is maintaining the Energy Price Guarantee at £2,500 until June 2023, saving the average household £160 for this period. This measure will ensure that households are supported through the spring when energy costs are expected to remain high, and until the effects of reduced wholesale prices are expected to feed through into lower household bills later this year. Taken together, the Government is subsidising around half of household energy bills.

Moreover, at the Autumn Statement, the Government announced a substantial support package for the most vulnerable for 2023/24, including £300 Cost of Living Payments for pensioners, £150 for people on disability benefits, and £900 for people on means-tested benefits. The Government is also providing £1 billion of extra funding by extending the Household Support Fund to March 2024, bringing the total of the fund to £2.5 billion.

Regarding insulation, the Government provides support to households to improve their energy efficiency. The Social Housing Decarbonisation Fund, Home Upgrade Grant, and Local Authority Delivery schemes will deliver energy efficiency upgrades to around half a million homes.

The Energy Company Obligation (ECO) has also been extended until March 2026 at an increased value of £1 billion per year.


Regarding renewable energy sources, I welcome that the UK's renewable capacity is up 500 percent since 2010. However, in recognition that more must be done, the Government is accelerating renewables with annual Contract for Difference auctions. I want to be clear that the more cheap, clean power we generate here in the UK, the less exposed we will be to global gas markets.



Moreover, the recently introduced *Energy Prices Bill* includes powers to help address the link between high global gas prices and the cost of low-carbon electricity, allowing consumers to benefit from the 'green dividend' of low-priced clean energy.

The Government has also launched the 'Review of Electricity Market Arrangements'. It considers a range of enduring reforms, including ways of increasing investment in low-carbon capacity; making gas-fired generation the price-setter for electricity less often; and reforms to the wholesale market so that volatile gas prices do not set the price of cheaper renewables, which could have the effect of decoupling gas and electricity prices.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes,


TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE