

My speech during the debate on Fuel Poverty

I support the Government's aim of making a major reduction in fuel poverty and I admire the Minister's enthusiasm for the task and her wish to share this with Parliament and to listen to good ideas from across the House.

There are three ways to tackle fuel poverty. The first is to help people to have more efficient appliances and warmer homes so that they need to burn less fuel. The second way is to cut the price of fuel itself and the third way is to help people find better paid jobs and give them encouragement into ways of boosting their income.

We first of all need to work through the Minister on these plans and projects in order that more homes can be upgraded so that people don't have to live in damp and cold surroundings – how right she is about that. Can I ask her to make common cause with me to the Treasury, as now we are free to choose what to put VAT on and what to take it off. Can we please have a Brexit bonus for those who are in fuel poverty by taking VAT off all those things they need to buy to improve their homes?

Why are we still charging VAT on insulation materials and boiler controls and a whole range of green products that are necessary to lower the fuel bill in the home and to improve its warmth and its fitness for purpose?

That is not too big a charge on the Treasury in terms of lost revenue – indeed it would be a win for both the Government's green strategy and for its fuel poverty strategy. A dearer item would be to tackle the price of fuel directly by taking VAT off domestic fuel in its entirety. That too I would welcome as I do think that fuel is expensive in this country and electricity is becoming very expensive.

I would also urge the Minister to look at the electricity policy generally. There was a time when we had a great three-legged strategy towards electrical power. The first leg of the strategy was that the Government was responsible for ensuring that we could always generate all the electrical power we need in Britain for ourselves and that we had a decent margin of spare capacity in case a large power station went down or in case of a sudden surge in demand in a very cold winter.

We don't seem to have that anymore and I would urge the Minister to take action as soon as possible to commission the electrical power we are going to need if we do not wish to be dependant on unreliable, potentially very expensive foreign sources for imports should we get into difficulties with the amount of power we have.

The second part of the policy was to go for cheap power and cheap energy because that's the way to get an industrial recovery and revival and that is the way to get more people out of fuel poverty so they can afford the

domestic fuel.

Again, we seem to have dropped that particular leg of our energy policy. We seem to be going for rather dearer fuel – we used to have the belief that the fuel that should be supplied should be the cheapest fuel always whereas now for various other reasons we often opt for a dearer way of producing the electricity or we opt for an apparently cheaper way but we need a lot of expensive backup capacity because renewables are interruptible. I think we need to look at the charging mechanism and try and make sure that overall, with our new mix of energy we can get to cheaper power.

And then, we always had green imperatives as well which are very necessary . Particularlyb important that clean air is central to the whole ambition and that wherever we are burning fuels we do everything we can to avoid dust and soot and particles emerging into the atmosphere because they are not pleasant for any of us.

When it comes to increasing personal incomes that is probably too wide a subject for the limited time of this debate .However can I just say that levelling up must be about encouraging people to go on their own personal journeys – we must be making available the educational opportunities, the training opportunities, the promotion opportunities within public bodies and through the private sector. We must be working with people, so that they see that if they are low paid today they have a reasonable prospect of being better paid tomorrow.

Cheap energy can underpin all of this, because if went for more cheaper energy, supplied domestically, we would then have a bigger industrial base because energy is often a much bigger cost than labour in a modern fully automated factory . That would create more better paid jobs to go alongside the factory in all the things you need to do to design, market and sell on the products that the largely automated factory can produce.

So, Minister, let's make common cause with the Treasury. Let's do more at home, let's create more better paid jobs at home and let's understand the role of having enough electric capacity to produce cheaper power here for all our ambitions.