



POWER TO THE REGIONS

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CLIMATE POLICY FOR THE COST-OF-LIVING CRISIS

The cost of living remains the public's top concern, with energy bills the primary driver.

Fossil fuel spikes are a key driver of these bill increases. Well-designed climate policy offers a route to delivering what people care about - lower bills, greater energy security, and visible local benefits.

Our proposed package provides a concrete, deliverable answer on the cost of living, combining immediate bill relief with investment to upgrade homes, to materially reduce fuel poverty and support a visible local delivery programme.

The electoral opportunity: There's an electoral prize on the table. We found voters are ready to reward a party that champions bill-cutting policies.

9.4% households in fuel poverty

920,000 households could benefit

2 million people that could benefit

The Government has already begun cutting costs from electricity bills and putting money back in people's pockets. Our proposed policy package sets out the next steps to finish the job and make the benefits tangible for people in the North-East. This means:

- **Cutting bills now:** Removing legacy policy levies from electricity bills and introducing a simple, automatic social tariff for households most exposed to high energy costs.
- **Ensuring everyone can access clean energy:** Using a range of measures so social tenants, private renters and homeowners all have a practical route to lower-cost clean energy.

Why this matters

With 9.4% of households in the North-East in fuel poverty and the average fuel poverty gap sitting at £279, immediate measures could benefit households across the region.¹

At the same time, investment measures would create visible local projects and longer-term protection from fossil-fuel price volatility.

RECOMMENDED POLICY PACKAGE

The package set out below would cut bills immediately, tackle fuel poverty at scale, and increase investment in clean, secure energy for every housing tenure.

It would also reduce the UK's exposure to volatile fossil fuel markets and give government a proven, popular story to tell on delivery.

RENTERS' ENERGY DIVIDEND

Great British Energy-backed partnerships enabling low-income rented blocks to buy locally generated solar power at least 20% below the grid tariff.

What this means for the North-East: Around 147,000 privately rented homes across the North-East could benefit, with a modelled fuel-poverty reduction of 37,200 households and a £3.6 million annual boost to the local economy.

What this means for households: At least £120 a year in lower bills, with no upfront cost to the household.

What voters in the North-East think: *"In my opinion, it's win-win, because regardless, your bill's getting cheaper. So, if you were renting somewhere, and they say, I'll save you £120 a month for doing nothing, of course I would think that is great."*

HOME UPGRADE STAMP DUTY REBATE

A rebate for qualifying energy upgrades completed within five years of buying a primary residence below £1 million.

What this means for the North-East: Each year in the North-East, there are around 25,000 residential property sales. Of those, it is anticipated that at least, 3,400 households could be supported through this scheme over the course of a five-year timeframe. This would see a saving for households of £12.8m.

What this means for households: Up to £3,750 back, one-off.

What voters in the North-East think: *"I literally moved house a couple of weeks ago so I've paid a lot of stamp duty. Something like this would have been great."*

HEAT-AS-A-SERVICE GUARANTEE

A partial government guarantee for accredited providers, reducing financing costs for subscriptions covering installation, maintenance and operation of clean heating.

What this means for households: An indicative 13% reduction in subscription costs, around £230 a year.

What voters in the North-East think: *"It's a good idea, and for those that can afford it, it would be good."*

REMOVE POLICY LEVIES FROM ELECTRICITY BILLS

Move legacy policy levies from household electricity bills into general taxation.

What this means for the North-East: Automatic relief across around 920,000 households in the North-East, lifting 54,500 households out of fuel poverty.

What this means for households: Around £175 a year for a typical household.

What voters in the North-East think: *"I like this one, in that you don't have to actually do anything. There are no complications to it, it's just instant savings for everyone."*

SIMPLE SOCIAL ENERGY TARIFF

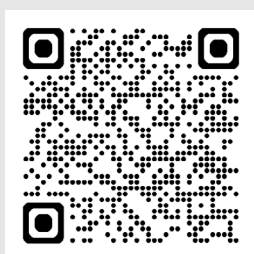
An automatic 25% discount on energy tariffs for all eligible households.

What this would mean for the North-East: There are around 335,000 potentially eligible households (roughly 255,000 Universal Credit, 80,000 Pension Credit), with an estimated 129,000 able to leave fuel poverty as a result of this policy. Extension to low-income households falling outside the benefits system and some disabled households with high energy usage as data matching allows.

What this means for households: An average annual saving of about £415.

What voters in the North-East think: *"If vulnerable people need it — if I was in that position, I would love that. I think it sounds like a good system."*

Full report available here:



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