

# **Scottish Fuel Poverty Advisory Panel**

**Second Annual Report 2019**

## Foreword

In writing this foreword for the second Annual Report of the Scottish Fuel Poverty Advisory Panel (The Panel) (See Appendix 1) and the Scottish Fuel Poverty Partnership Forum (The Forum) (See Appendix 2), I wanted to reflect on progress. I expressed my hopes for 2019 in a blog<sup>1</sup> when the Fuel Poverty (Targets, Definition and Strategy) Bill was debated in February. That felt like real progress with a wide-ranging debate held in the Scottish Parliament.

The Panel exists to provide advice to The Scottish Government and contributed to significant progress in tackling fuel poverty throughout Scotland. We are of course concerned about the legacy that Covid-19 will bring to Scotland's communities but determined to continue to work to support fuel poor households. This pandemic has shone a light on the pockets of poverty that exist within our communities and I welcome the support that the Scottish Government has given to those in fuel poverty and poverty generally.

We have worked hard throughout 2019 and I believe that the Panel and Forum's input has supported the Scottish Government in delivering a robust Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act. The minister acknowledged the role played by the advisory panel stating:

"I really valued the work of the Fuel Poverty Advisory Panel in 2018 – their views were instrumental in shaping our policy and the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill." Kevin Stewart, Minister for Local Government, Housing and Planning.

Members recognised the importance of the work which Scottish Government colleagues procured on the 'Lived experience' during 2019. I look forward to learning more about this work as it is concluded during 2020. It has the potential to help illustrate the very real experiences of those dealing with the miserable experience of fuel poverty.

My sincere thanks go to Norrie Kerr for his support to the work of both the Panel and the Forum and to me personally in his capacity of Vice Chair. He retires from his role as Director of Energy Action Scotland in 2020 and I know he will be missed for his contributions over many years to tackling fuel poverty and ensuring solutions and resources are found and targeted to those who need it most. We all wish you well in your retirement Norrie.

As Chair, I am determined to ensure that fairness is at the heart of the Fuel Poverty Strategy and that those in most need are prioritised where policy and practice have the potential to impact on the fuel poor.

There is no doubt that the Panel continue to be concerned about the target date to end fuel poverty being further into the future than we recommended as they believe that addressing fuel poverty is a matter of urgency. The impact of Covid-19 has the

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<sup>1</sup> <https://blogs.gov.scot/fairer-scotland/2019/02/20/guest-blog-ann-loughrey-chair-of-the-independent-fuel-poverty-advisory-panel/>

potential to disrupt progress. There are foreseeable impacts to the network of organisations that strive to support the fuel poor whether through face to face support or through the installation of measures to properties to reduce energy costs.

Progress in some areas has already been affected. The provisions to support rural communities are behind schedule with the Strategy itself and indeed the statutory footing for the new Panel currently delayed. The delay is largely understandable as Covid-19 restrictions have interrupted daily life but as the fuel poor are expected to increase in number it is all the more important that this work gets back on track.

We are living through unprecedented times but I remain determined to ensure that we continue to support the government deliver a robust Fuel Poverty Strategy targeting measures and support to those who need it most.

I look forward to working with the Minister in 2020 to support the move for the Scottish Fuel Poverty Advisory Group to reach a statutory footing. I thank him for his personal commitment to delivering the Scottish Government's ambition to end fuel poverty once and for all.

**Ann Loughrey**  
**Independent Chair**  
**Scottish Fuel Poverty Advisory Panel**

## **Remits and Responsibilities of the Scottish Fuel Poverty Advisory Panel and the Scottish Fuel Poverty Partnership Forum**

The Scottish Fuel Poverty Advisory Panel was established in April 2018 to advise Scottish Ministers on fuel poverty issues in Scotland, providing constructive feedback on progress in meeting targets. In particular, it will:

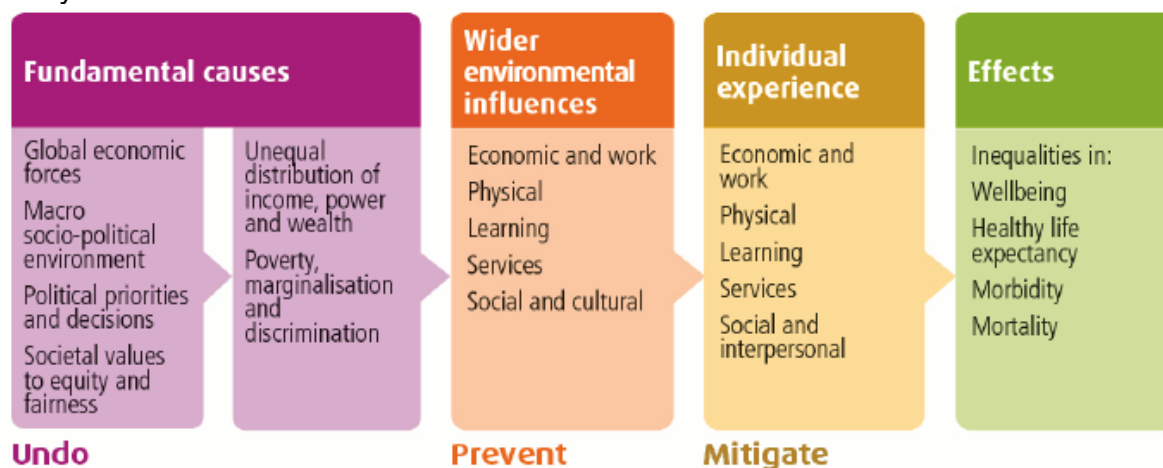
- provide independent advice to Ministers on fuel poverty matters, with the ability to research and draft independent reports to be submitted for consideration on this basis
- monitor and report on progress of the development and implementation of the Scottish Government's Fuel Poverty Strategy, including a new fuel poverty target
- support and challenge Government at all levels on the delivery of its fuel poverty and energy efficiency programmes, and efforts to tackle fuel poverty, recognising the broader poverty and climate change policy contexts within which these sit
- encourage and foster a partnership approach to tackling fuel poverty across the public, private and third sectors – this will include; considering how the group can effectively and, appropriately engage with other similarly strategic groups operating in related policy fields
- monitor and report on the delivery of the Rural Fuel Poverty Task Force and the Fuel Poverty Strategic Working Group's recommendations and report on progress
- produce an annual statement to Scottish Ministers on progress and outcomes
- undertake specific in-depth work through short life working groups to explore relevant issues and make recommendations on how these should be addressed.

The Scottish Fuel Poverty Partnership Forum will be a representative body for the wider fuel poverty sector, and will:

- review the annual Scottish House Condition Survey results regarding level of fuel poverty
- provide a source of expertise that will be called upon to sit on short life working groups and provide evidence to the Panel when required support a co-ordinated approach to tackling fuel poverty across the public, private and third sectors.

## Wider Strategic Context

The work of the Panel and Partnership Forum is an important contributor to the government's broader policy priority to tackle poverty and reduce inequalities across Scotland. We know that income, power and wealth are some of the fundamental causes of inequality and so tackling fuel poverty is an important part of that work. NHS Health Scotland showed how tackling these can undo inequalities in their theory of causation.



Source: <http://www.healthscotland.scot/health-inequalities/what-are-healthinequalities>

Our work therefore has a very practical and long-term objective to help address the fundamental causes of inequality and a focus on Public Health Priorities to achieve a Scotland where: we live in vibrant, healthy and safe places and communities; we flourish in our early years; we have good mental wellbeing; and we have a sustainable inclusive economy with equality of outcomes for all.

This requires a greater focus to address the structural issues that affect the income and energy cost drivers of fuel poverty, to ensure the most vulnerable citizens have sufficient income for healthy living and are paying less for fuel, to prevent fuel poverty.

Our work also seeks to create more equitable access to affordable clean energy, giving the same people choice and control to make energy decisions.

Equally, it is important not to ignore those people experiencing fuel poverty and crisis now, so it is important for us to also ensure that we carry out a blend of actions that aim to both mitigate the current and prevent future fuel poverty.

The panel is working with members and other organisations to provide information that can help create a better understanding of the connections between fuel poverty and health, and address issues including:

- **Children living in fuel poor households:** effects of living in a cold home for children include: asthma, chest, breathing and mental health problems, slowed physical growth and cognitive development;
- **Elderly and vulnerable people living in fuel poor households:** effects living in a cold home for older people include: an increased risk of circulatory and respiratory diseases, exacerbation of arthritis, increased risk of falls and

injury. Impacts of living in cold homes can include social isolation and poor mental health. An increase in temperature is associated with reduced risk of anxiety and depression.

- **Income Maximisation:** there are still people not receiving all of the benefits they are entitled to, with detrimental effect to health.
- **Minimum Income Standard:** an indicator of people experiencing poverty in its wider sense.

We aim to have this work completed during 2020/21.

## **Workplan**

The Panel had an agreed workplan which was approved April 2018 and is set out below.

High-level priorities are:

1. To contribute to the development of the Fuel Poverty Bill and Draft Fuel Poverty Strategy; and respond to the call for evidence from the Local Government and Communities Committee on the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill
2. To scrutinise and identify learning points from the Scottish Government's fuel poverty delivery programme evaluation processes; to inform development of Energy Efficient Scotland, and as part of a wider role, to advise on the design and content of the Outcomes Framework; and to the regular reporting that government is committed to providing on the Fuel Poverty Strategy.

As part of this workplan members also confirm their responsibility to:

- monitor progress on the Fuel Poverty Strategic Working Group and Rural Fuel Poverty Task Force's recommendations to Scottish Government
- engage with strategic policy stakeholder groups, for example, the Poverty and Inequalities Committee and Energy Efficient Scotland Delivery Board

## **What we have achieved during the 2019**

The joint Panel and Forum meetings in February, April, June and December focused on the following:

- The February meeting set the course for our year. Contributions were received from panel members in areas including the 'Lived Experience (Poverty Alliance)'. The panel welcomed this input and advised that any work on the 'Lived experience' would need to feature case studies, the four drivers of fuel poverty, an appropriate use of the person/voice of individuals and authoritative facts and figures.
- The April meeting focussed on the importance and value of gathering current information on the 'Lived experience' of fuel poverty in Scotland.
  - We also discussed the importance of understanding the need for some of the most vulnerable people in Scotland to have enhanced heating regimes. The need for which increases their energy costs and without support can put their health and wellbeing at a significant risk.

- Stage 2 changes/amendments to the Fuel Poverty (Target, Definition and Strategy) Bill were broadly welcomed by the Panel. There was detailed discussion on the Enhanced Heating Regime dimension which was being reflected in the Bill. Panel members stressed the importance of the need for consideration for enhanced heating to be considered.
- The June meeting was a joint meeting of the Advisory Panel and the Forum. There were presentations from Energy UK and Ofgem who both spoke about their roles in supporting the fuel poor. It was recognised that Ofgem and suppliers were recognising an increase in fuel poor customers and were taking steps to provide direction and greater support. The Panel welcomed the Ofgem incentive scheme for gas distribution companies to extend their networks to communities where fuel poverty is high.
- The Panel collaborated to submit a response to the Scottish Government consult on the Enhanced Heating Regime element of the Fuel Poverty (Target, Definition and Strategy) (Scotland) Act. (See Appendix 3)
- The December Forum meeting focused on recognising the progress of the Fuel Poverty (Target, Definition and Strategy) (Scotland) Act which had received Royal Assent in June 2019, forthcoming regulations to specifically focus on Rural and Remote Communities and regulations to establish the Scottish fuel Poverty Advisory Group with a statutory role.
  - The importance of Energy Efficiency Schemes was recognised and the Panel recommended that:
    - Greater flexibility from the schemes so that more measures can be considered, and that Councils have more flexibility to deliver the measures that the housing stock needs and address particular geographical issues (e.g. off-gas grid areas)
    - SG funded schemes need to continue to encourage and support local jobs and the local economy. Every opportunity should be taken through grants and procurement to embed good working practices and opportunities to upskill and train local people and to pay the living wage.
    - The schemes need to more effectively identify and target households in fuel poverty.
    - The schemes should consider what other support and advice around issues such as switching could be provided
    - The Equity Loan scheme should continue but there needs to be better signposting to this.

## **Appendix 1**

### **Members of the Scottish Fuel Poverty Advisory Panel**

Ann Loughrey – Independent Chair

Norrie Kerr – Energy Action Scotland – Vice Chair

Emma Grant-McColm – Citizens Advice Scotland

Polly Jones – Scottish Federation of Housing Associations (stepped down December 2019)

Stacey Dingwall – Scottish Federation of Housing Associations (confirmed December 2019)

Peter Kelly – The Poverty Alliance

Stewart Wilson – Tighean Innse Gall

George Dodds – NHS Health Scotland

Mike Campbell – Scottish Association of Landlords

Kathy Cameron – COSLA

Lawrence Slade – Energy UK (stepped down December 2019)

Audrey Gallagher – Energy UK (confirmed December 2019)



## **Appendix 2**

### **Members of the Scottish Fuel Poverty Forum**

Age Scotland  
Association for the Conservation of Energy  
Centrica Plc.  
Child Poverty Action Group  
Citizens Advice Scotland  
COSLA  
Department of Work & Pensions (UK Government)  
Energy Action Scotland  
Energy Saving Trust  
Energy UK  
Existing Homes Alliance  
NHS Health Scotland  
Ofgem  
Scotia Gas Networks  
Social Security Scotland  
Scottish & Southern Energy  
Scottish & Southern Electricity Networks  
Scottish Association of Landlords  
Scottish Federation of Housing Associations  
Scottish Housing Energy Efficiency Network  
ScottishPower  
ScottishPower Energy Networks  
Shelter  
The Poverty Alliance  
The Poverty Truth Commission  
Tighean Innse Gall

## Appendix 3

Scottish Fuel Poverty Advisory Panel – Enhanced Heating Regime Response 16  
August 2019

**Response ID ANON-AJUV-MBRB-S**

**Submitted to Consultation on the Enhanced Heating Regimes within the new definition of Fuel Poverty**

**Submitted on 2019-08-16 15:00:40**

### **Enhanced Heating Regime 1**

- Do you agree or disagree that the Enhanced Heating Regime 1 (higher temperature for longer hours) should be applied to those households where a member has a long-term mental or physical illness or condition lasting or expected to last 12 months or more:

**Disagree**

#### **If you disagree, please give your reasons below:**

The Panel agrees that Enhanced Heating Regime 1 (EHR1) should be applied to those households where a member has a long-term mental or physical illness or condition lasting or expected to last 12 months or more however there are a few issues to consider.

The Panel suggests omitting “winter” as a qualifier for spending more time at home. There was some discussion amongst the Panel about replacing part a) of the question above (self-reporting a long-term mental or physical illness lasting or expected to last 12 months or more) with a proxy of those receiving disability benefits. The Panel are concerned however that this might miss out households where someone is eligible but doesn’t actually claim. The Panel therefore rejects this as an option by itself.

There was most support amongst the Panel for self-refining self-reported health criteria with either one or two additional questions so that under part a) above, EHR1 is applied if at least one person in the household has a long-term health condition AND they spend longer in the house AND potentially their condition requires them to spend more time at home. This additional refinement would be useful in determining whether someone would qualify for EHR1 or Enhanced Heating Regime 2 (EHR2) as it would give information on the amount of hours spent at home.

The Panel suggests a combination of the points above so that disability benefits could be used as a proxy for the self-reported health condition, as well as refining the self-reported health criteria with a question asking whether at least one household member self-reports as having a physical or mental health condition or illness lasting or expected to last 12 months or more and their condition requires them to spend more time in the home.

The Panel agrees that there should not be a list of individual conditions and illnesses that would qualify for EHR1 however considers that there is some merit in having a list of categories which would be sensitive to a cold home (Fuel Poverty Advisory Panel Annual Report, page 13):

“There was agreement with the proposal by the review panel that further work should be undertaken to develop a specific list of health and disability categories, as well as age bands, which would satisfactorily encompass the term ‘vulnerable to the adverse health and wellbeing impacts of living in fuel poverty’. It was felt that this would ensure that these characteristics can be adequately captured, and take into account individuals’ changing circumstances”.

A list of categories would also add to the ease of response for the Scottish House Condition Survey (SHCS) assessors when carrying out the surveys.

- Do you agree or disagree that the Enhanced Heating Regime 1 (higher temperature for longer hours) should be applied to those households where a member is in receipt of benefits received for a care need or disability:

**Disagree**

**If you disagree, please give your reasons below:**

The Panel agrees that EHR1 should be applied where a household member is in receipt of benefits received for a care need or disability however these benefits may need to be defined in the regulations. Cognisance also needs to be made of those who don't claim these benefits but do have a care need or disability.

The Panel are also concerned about carers (especially members of a family who care for another member of the family), and suggest that they could perhaps be included under Enhanced Heating Regime 3 (EHR3).

- Do you agree or disagree that the Enhanced Heating Regime 1 (higher temperature for longer hours) should be applied to those households where a member of the household is age 75 and over AND they regularly spend more time in the home:

**Disagree**

**If you disagree, please give your reasons below:**

The Panel agrees that EHR1 should be applied to those households where a member of the household is age 75 and over AND they regularly spend more time in the home however the Panel recommends that “winter” should be removed from the qualifying question.

- Are there other households that you think we should consider and why?

**No**

**Please provide details and evidence supporting your view below:**

## **Enhanced Heating Regime 2**

- Do you agree or disagree that the Enhanced Heating Regime 2 (higher temperature with standard hours) should be applied to those households where a member has a long-term mental or physical illness or condition lasting or expected to last 12 months or more :

**Disagree**

**If you disagree, please give your reasons below:**

See the Panel's answers under EHR1.

- Do you agree or disagree that the Enhanced Heating Regime 2 (higher temperature for longer hours) should be applied to those households where a member is in receipt of benefits received for a care need or disability:

**Disagree**

**If you disagree, please give your reasons below:**

See the Panel's answers under EHR1.

- Do you agree or disagree that the Enhanced Heating Regime 2 (higher temperature for longer hours) should be applied to those households where a member of the household is age 75 and over AND they regularly spend more time in the home:

**Disagree**

**If you disagree, please give your reasons below:**

See the Panel's answers under EHR1.

- Are there other households that you think we should consider and why?

**Yes**

**Please provide details and evidence supporting your view below:**

The Panel considers that EHR2 is mainly intended to capture those households with a member with a qualifying condition who answer in the survey that they don't regularly spend more time at home during winter. The Panel suggests removing the word "winter" from the qualifying question.

The Panel has no further comments regarding EHR2.

## **Enhanced Heating Regime 3**

- Do you agree or disagree that the Enhanced Heating Regime 3 (higher temperature for longer hours) should be applied to those households with a child under the age of 3 AND who regularly spend more time at home during the winter:

**Disagree**

**If you disagree, please give your reasons below:**

This needs to consider the application of EHR3 for all households where there is at least one child under 5. This is about establishing the reality of weekday occupation for households with pre-school age children.

The Panel cautions the assumption that children over the age of 3, who will automatically qualify from 2020 for the 30 hours per week term-time Early Learning and Childcare (ELC) opportunities may not all realise those hours away from the home. The Panel agrees with Energy Action Scotland's suggestions<sup>2</sup> that there may not be enough capacity in all local authorities to be able to offer every child a nursery place, also the assumption that every household will be able to take up a placement for all of this time, is not taking into account people's individual lives. The Panel believes that in the absence of reflective evidence that the most sensible route in the short term until robust evidence can be provided is that EHR3 should be applied to all households with a child under the age 5.

There is no evidence at this point that the entitlement to around 30 hours per week for Early Learning and Childcare (ELC) can actually be delivered across all areas of Scotland and in a way which results in children under 5 being away from the family home during weekdays. A recent Audit Scotland report<sup>3</sup> cautioned that:

"Parents in our research said funded ELC had a limited impact on their ability to work due to the hours available and the way in which those hours were provided."

The report also said that it may take some time to fully realise the provision of 30 hours per week:

"There are significant risks that councils will not be able to expand funded ELC to 1,140 hours by 2020. In particular it will be difficult to increase the infrastructure and workforce to the levels required, in the limited time available."

In the Scottish Government's own publication<sup>4</sup> children under 5 were identified as potentially experiencing negative impacts from the proposed new definition if there is no enhanced heating regime for households with children under 5. Respondents in that report suggested that although the fuel poverty strategy consultation noted there is a lack of evidence on the need for a higher temperature for bedrooms of children under the age of 5, no allowance is made for households needing to heat their home for longer periods of time, as they might spend more time at home.

The Panel felt there was some merit in including questions in the SHCS on the economic activity of household members.

### **Are there other households that you think we should consider within this regime?**

#### **Yes**

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<sup>2</sup> Energy Action Scotland, Response to Scottish Government Consultation on the Enhanced Heating Regimes within the new definition of Fuel Poverty, August 2019

<sup>3</sup> Audit Scotland, Early learning and childcare, June 2018

<sup>4</sup> Scottish Government, Equality Impact Assessment – Results: Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill and Fuel Poverty Strategy, June 2018

**Please provide details and evidence for your views below:**

The Panel would encourage the inclusion of pregnant women as a category in EHR3. The Scottish Government in its Equalities Impact Assessment notes that: “The absence of an impact assessment relating to pregnant women was noted and it was suggested that this is an issue that needs to be addressed urgently. Reasons given included; health issues and the need for early intervention in tackling inequality as it was suggested that children born into poverty are more likely to continue in poverty and experience additional inequalities”.

In addition, Scottish Public Health Network guidance<sup>5</sup> identifies those vulnerable to health damage from poor housing. The key groups are pre-school children, older people, those with long term illness, pregnant women and disabled people, many of whom spend more time at home. The enhanced heating regimes detailed in this consultation cover most of the above groups except pregnant women.

As referenced under EHR1 part 2, the Panel would encourage the inclusion of carers as a category in EHR3, this would consist of members of the family including children and grandparents who care for others in the family and who would be more likely to be spending longer hours at home.

**Assessing Impact**

- Are there other households, not already mentioned in this consultation, that should have an enhanced heating regime applied?

**No**

**If you answered yes, please set out which enhanced heating regime should be applied and provide evidence to support your views:**

The Panel has no further comment on additional households qualifying for an enhanced heating regime.

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<sup>5</sup> Scottish Public Health Network, Addressing Fuel Poverty, Guidance for Directors of Public Health on taking action in support of: A Scotland without fuel poverty is a fairer Scotland: Four steps to achieving sustainable, affordable and attainable warmth and energy use for all. (Report of the Scottish Fuel Poverty Strategic Working Group to the Cabinet Secretary for Communities, Social Security and Equalities, October 2016)



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