

A Future without Fuel Poverty

Energy Action Scotland's Key Recommendations for the UK Government

Fuel poverty is a major problem in Scotland with around 1 in 3 households unable to afford to heat their homes to an adequate level. For those living in fuel poverty, the consequences are misery, discomfort, ill health and debt. It often means choosing between essentials such as cooking a hot meal or turning on the heating. There is a statutory requirement to end fuel poverty in Scotland by 2016.

Fuel poverty is caused by a combination of factors, the responsibility for which is split between matters reserved to the UK Government and those devolved to the Scottish Parliament. Of the three main causes, low disposable household income and the high price of domestic fuel are reserved matters and poor energy efficiency of the home is a devolved matter.

As the only body whose sole remit is to end fuel poverty across the whole of Scotland, charity Energy Action Scotland (EAS) has made key recommendations in relation to actions required by the UK Government, in light of the UK General Election in 2010.

Energy Action Scotland Recommendation 1:

Commitment to the UK Fuel Poverty Strategy

It is essential that there is an over-arching strategy for ending fuel poverty across the four UK countries by their respective statutory target dates. It should include progress on UK/GB-wide initiatives as well as take cognisance of variations in each separate country and how these different strands could work most effectively together. An annual report should also include outcomes from the inter-ministerial meetings on the strategy.

Energy Action Scotland Recommendation 2:

Support for Schemes to Eradicate Fuel Poverty and Increase Domestic Energy Efficiency

Sufficient resources must be made available for schemes designed to tackle fuel poverty and improve the energy efficiency of homes. Importantly, any programme aimed at reducing carbon or mitigating the effects of climate change must have significant provision for fuel poor, low income and vulnerable households; inability to afford measures or technical equipment should not be a barrier to take-up. There must also be equity in access to schemes and measures across all geographic areas of the country, with greater weighting given to areas with a colder climate and therefore a longer heating season. Greater emphasis on delivery of measures to

improve hard to treat homes is essential. The obligations currently placed on mains gas and electricity suppliers should be extended to providers of other fuel types.

Energy Action Scotland Recommendation 3:

Use of Energy Advice to Tackle Fuel Poverty

Energy advice must be part of any scheme aimed at assisting the fuel poor or improving domestic energy efficiency – and it should be delivered face to face in the home by qualified, independent advisors wherever possible. Plans for a roll-out of smart meters and the installation of either traditional or newer technologies must be accompanied by a major information and education programme for consumers. Such a programme must aim to ensure there is sufficient understanding of energy usage and of the actions by householders that can lead to greater energy efficiency, lower fuel bills, optimum comfort in the home and reduced levels of fuel poverty. The role of advocacy is essential in helping all customers, but especially those who are vulnerable, to access an energy supply that they find is sustainable and affordable, and to assist them with complaints and disputes.

Energy Action Scotland Recommendation 4:

Maximise Household Income

Income maximisation plays an extremely important role in the reduction of fuel poverty. Not only does it increase disposable household income, it also enables more people to qualify for certain schemes set up for those at risk from fuel poverty. The current culture which results in the serious underclaiming of benefits must be over-turned. Benefits checks must be an integral part of all fuel poverty programmes and these checks should be carried out face to face wherever possible by suitably trained advisors. Winter Fuel Payments should be extended to cover low income disabled people and others vulnerable to cold weather, with the benefits eligibility criteria for Cold Weather Payments also applying to Winter Fuel Payments. A regional weighting for Winter Fuel Payments should be introduced, with a higher rate paid in colder regions such as Scotland. A review of the siting of weather stations which trigger the need for Cold Weather Payments must be carried out, as some people in colder areas may be missing out on legitimate claims.

Energy Action Scotland Recommendation 5:

Continued Social Obligations on Energy Suppliers

To help offset the continuing high price of domestic fuel, energy suppliers must continue to offer initiatives for low income, fuel poor and vulnerable customers under their social obligation responsibilities. A range of initiatives should be available and suppliers should be proactive in seeking out those customers who require such support and in ensuring it is delivered. Existing sources of information should be better used including energy customer account history, the Priority Service Register and links with NGOs and community-based support organisations for referrals and advocacy. Better partnerships should be encouraged between energy suppliers and local authorities to target Council Tax benefit recipients. Greater use of Fuel Direct should be made rather than prepayment meters (PPMs) when a debt has been incurred and its use should also be widened to help prevent the accumulation of debt. No customer should have to pay additional costs for using a PPM.

Energy Action Scotland is the national charity working for warm, dry homes.

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