



# **EAS Response to the Scottish Government's Fuel Poverty Strategy Consultation**

**February 2018**

## Introduction

Energy Action Scotland (EAS) is the Scottish charity with the remit of ending fuel poverty. EAS has been working with this remit since its inception in 1983 and has campaigned on the issue of fuel poverty and delivered many practical and research projects to tackle the problems of cold, damp homes. EAS works with both the Scottish and the UK Governments on energy efficiency programme design and implementation.

EAS welcomes the opportunity to respond to this consultation.

## Response

EAS is disappointed that the Scottish Government has chosen not to accept the panel's recommendation on the adjustment of the MIS threshold. This states that fuel poverty is different from other forms of poverty, therefore, trying to apply a consistency to other approaches is not assisting the progress which is needed to tackle fuel poverty.

EAS is further disappointed that the panel's recommendation on the enhanced heating regime is also being discarded; EAS can accept that too warm a room temperature can have deleterious effects on health but the upper level of the proposed heating regime does not in our view give this level of concern.

## Questions

- 1) Do you have any comments on this new definition of fuel poverty, in particular, what do you think about the proposal to use AHC and MIS as means to measure fuel poverty in Scotland?

EAS strongly believes that any calculation should be After Housing Costs (AHC). In the original definition and in the original Housing (Scotland) Act 2001, it was stated that the Scottish Government would measure fuel poverty using both Before Housing Costs (BHC) and AHC and to report on both these figures, but failed to do so on any kind of regular basis. Reporting on BHC can falsely inflate a household's income particularly if they receive housing benefit. It is money they do not have use of for any other purpose, it is not disposable income and therefore cannot be counted as such.

In terms of use of the Minimum Income Standards (MIS), this removes from the fuel poverty equation those households who could be seen as wealthier but who (as a result of their housing choices, lifestyles and energy demand) fall into the category of being fuel poor by virtue of having to spend 10% of their income. EAS understands that the MIS is the basis for the Living Wage and is a respected calculation used by those working in the field of poverty however feels strongly that a weighting must be applied to reflect the challenges facing off-grid households. Research has shown that rural/remote rural households in Scotland require significantly higher incomes to attain the same minimum living standards as those living elsewhere in the UK<sup>1</sup>. The

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<sup>1</sup> A Minimum Income Standard for Remote Rural Scotland, Highlands and Islands Enterprise, 2013

Scottish Government states that “We believe it is unacceptable for people to face these fuel poverty challenges just because of where they live”. EAS would question, therefore, why the Scottish Government believes that use of a UK MIS is appropriate.

**a) What, if any, challenges do you think this approach could present in enabling targeting of resources to those most vulnerable to fuel poverty; and**

EAS believes the challenge will be on collecting household data, this will require a more stringent approach by those involved in the house condition survey in gaining more robust data from householders to ensure that the calculation is of a high calibre.

While the Scottish House Condition Survey (SHCS) is an in-depth one, the challenge will be in what can be used on the doorstep by others who are not connected with the survey, for example energy advisors, contractors checking eligibility for schemes such as the Home Energy Efficiency Programme Scotland or the Energy Company Obligation.

Gathering information quickly and efficiently will be key so as not to either alarm the householder or make it so onerous a task as to put off the householder from seeking assistance or preventing them from taking up any offer of support made.

**b) If this definition is to be used, how would you propose these challenges are overcome?**

A great deal of additional burden will be ultimately placed on the SHCS team who gather the data from households to make the data management robust. EAS is not suggesting that this is not the case at present but rather, with the increased need for additional data being collected at the time of the survey, this adds a further layer of complexity.

As for on the doorstep calculations, EAS believes that a range of proxies may still be needed to ensure easy access to programmes of support rather than the need to have a full blown survey undertaken before help can be provided. For example, if a householder is in receipt of certain benefits then it is likely to a greater degree that the total household income will be below a certain level, and if the EPC for the house is of a certain level or less then combined the likelihood of that household meeting all the other criteria will be high.

**Questions**

- 2) Do you have any views on the proposal of using 75 years of age as a threshold for identifying those who are likely to be vulnerable to the adverse health outcomes of fuel poverty?

EAS agrees that simply by reaching the age of 60, that people are not automatically classified as vulnerable, and therefore being deemed to be in need of the higher heating regime where no underlying health issue is present.

From work undertaken on health and fuel poverty EAS is aware that, for many health professionals the age of 75 is when most people would fall into the category of vulnerability. Health professionals believe that no matter how well individuals have looked after their health, by the age of 75 they are more likely to take longer to recover from minor illness and are more exposed to poor levels of personal health.

However our work with front line workers and services brings with it the knowledge that in the most disadvantaged communities in Scotland, many people will not live to 75 years of age. In many of these areas people become 'elderly' (in terms of health and development of multiple long term conditions and co-morbidities) at 50 years of age and this must be recognised as a key factor in ensuring appropriate weighting to meet needs at locality levels.

EAS believes that any person who suffers from a long-term health condition or disability, regardless of age, should be classed as vulnerable.

### Questions

- 3) In relation to island communities, are there any additional
  - a. challenges ; and / or
  - b. opportunitiesthat we need to consider in developing our strategy?

The challenges for island communities remain the same as they always have: a higher cost of work to be completed (bringing materials and often labour from further away including the mainland). In addition, distance to be travelled between installations which has an impact on productivity, inability to gain any noticeable benefit from economies of scale, different household construction types from the mainland, and homes often have larger floor and wall areas adding to the expense of materials used etc., but these issues are not generally taken into account when awarding a carbon saving score. Finally there is a lack of trust towards companies parachuted in to deliver works over the use of local trusted contractors. This in particular is difficult when local contractors are required to have specific certification which can be very costly to gain and simply adds another layer of complexity and cost to already costly works.

Section 3 of the consultation is entitled "recognising the distinctiveness of all our communities". It is unfortunate therefore that the proposals contained in this consultation do not recognise the particular fuel poverty issues faced by island communities. In particular, not taking forward the Independent Panel's proposal to include a specific remote rural enhancement to the new MIS income threshold (see Q1 above for comments about use of the MIS).

**Questions**

- 4) In relation to rural and remote rural communities, are there any additional challenges and / or opportunities that we need to consider in developing our strategy?

The challenges for rural communities remain the same as they always have: a higher cost of work to be completed (bringing materials and often labour from further away). In addition, distance to be travelled between installations which has an impact on productivity, inability to gain any noticeable benefit from economies of scale, different household construction types from urban areas, and homes often have larger floor and wall areas adding to the expense of materials used etc., but these issues are not generally taken into account when awarding a carbon saving score. Finally there is a lack of trust towards companies parachuted in to deliver works over the use of local trusted contractors. This in particular is difficult when local contractors are required to have specific certification which can be very costly to gain and simply adds another layer of complexity and cost to already costly works.

Section 3 of the consultation is entitled “recognising the distinctiveness of all our communities”. It is unfortunate therefore that the proposals contained in this consultation do not recognise the particular fuel poverty issues faced by remote/rural communities. In particular, not taking forward the Independent Panel’s proposal to include a specific remote rural enhancement to the new MIS income threshold (see Q1 above for comments about use of the MIS).

In addition, there is a marked absence of the voice of lived experience in this consultation. Across other areas of Government, huge strides are being made by genuine co-production in local communities. No longer do we see well-meaning organisations provide a ‘done unto’ approach but rather we hear the voice and multiple perspectives of lived experience. This lets us listen to the solutions suggested and work to co-produce sustainable services that meet genuine, self-identified need, especially in rural and remote communities where population based solutions can be inappropriate.

**Questions**

- 5) Please give us your views on how national partners and local delivery organisations can work better together to identify and support those at risk of, or experiencing fuel poverty? What would best support, or enable such partnerships?

As it stands, the Scottish Government relies very heavily on the delivery and accounting of progress made by their main delivery partner Home Energy Scotland. This is often done, with the perception from other smaller and just as important partners, to the exclusion of local trusted agencies. These local agencies, rightly or wrongly, feel very strongly that this is an exclusive partnership and discounts the importance and impact of the work they deliver (often on a much-needed and otherwise not available face to face level) within their local communities. More credit would be welcomed by these local agencies who often rely on short-term yearly funding being accessed for example via the Climate Challenge Fund, while the

perception, again rightly or wrongly, is of a very well-funded Home Energy Scotland who are given/take all the credit.

Allowing these partners to access multiyear funding would help as would acknowledging their role in successful delivery. Local services provide a crucial reach but don't duplicate national provision, mainly because the national programme doesn't provide the level of face-to-face advice, advocacy and hand-holding that is often required.

In addition it is vital that we look further than the existing scope of our work to tackle fuel poverty and its consequences. The multiple impacts of fuel poverty are felt widely across populations and services. Integrated Authorities (IAs) and the ongoing local intelligence gathering initiatives that are being used to design services at locality level across the 31 IAs are key to measuring whole population impact and tackling the enormous toll on Scotland's public health.

NHS NSS Information and Statistics Division (ISD) is currently working with IAs to gather data that is relevant to local priorities. Fuel poverty is an issue across primary care, secondary care (for example, where it compounds and causes delayed discharge) and social care *where individuals can be identified and supported* etc.

For example, for every one degree that the temperature drops below 5 degrees centigrade, GP consultations for respiratory illness in older people increase by 19%<sup>2</sup> with the World Health Organisation (WHO) attributing 15% to 33% of winter deaths to respiratory disease<sup>3</sup>.

9% of hypertension cases in Scotland could be prevented by maintaining indoor temperatures about 18 degrees<sup>4</sup>. WHO attributes 50% to 70% of winter deaths to cardio vascular conditions and in this country six people die unnecessarily every single day of winter due to cold homes<sup>5</sup>. These are numbers which simply cannot continue to be treated as an orphan issue.

#### Questions

- 6) What can local partners do to contribute to meeting national aims of effectively and sustainably tackling fuel poverty? This might include sharing best practice or developing strategic approaches.

These local partners are already doing so, providing face to face advice, making referrals to Home Energy Scotland, acting as intermediaries with fuel suppliers, negotiating debt repayment plans etc., and providing a significant level of handholding for those seeking support and/or entering into grant programmes, or who just simply seek reassurance for their actions.

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<sup>2</sup> Hajat S, Kovats RS and Lachowycz K (2007) Heat-related and cold related deaths in England and Wales: who is at risk? *Occupational and Environmental Medicine*, 64(2), pp.93–100

<sup>3</sup> WHO, Environmental burden of disease associated with inadequate housing, 2011

<sup>4</sup> Shiue, I. & Shiue, M., 2014. Indoor temperature below 18°C accounts for 9% population attributable risk for high blood pressure in Scotland In: *Int J Cardiol*. 2014 Jan 15;171(1):e1-2.

<sup>5</sup> EAS & NEA, UK Fuel Poverty Monitor 2016 – 2017, 2017

It is necessary to look more widely to encourage the 31 Integrated Authorities (IAs) to gather LIST and SPIRE data to identify the effects of fuel poverty and to include this data in their strategic plan actions to tackle the national aims from a health and social care perspective”

From an EAS perspective there is a natural partnership between housing, IAs and local authorities that has the potential to sponsor better use of resources and better outcomes to tackle fuel poverty at a whole system level that will reduce impact on health services, save lives, improve health and ensure our houses are fit for purpose.

**Questions**

- 7) How can SG support local delivery partners (e.g. third sector organisations and social enterprises) to measure their success?

As previously stated, the Scottish Government should provide access to multiyear funding and accept reporting and evaluation as an allowable cost. EAS further believes that the Scottish Government should specifically provide financial support to ‘local delivery partners’ to facilitate delivery of services, not simply to ‘measure their success’.

**Questions**

- 8) How can the Scottish Government best support local or community level organisations to accurately
- a. measure;
  - b. report on; and
  - c. ensure quality of provision of advice and support services and their outcomes?

As previously stated, the Scottish Government should provide financial support, facilitate access to multiyear funding and accept reporting and evaluation as an allowable cost. Furthermore the provision of a free, easy to use reporting and evaluation tool to any group who would wish to be acknowledged as being part of the solution to addressing fuel poverty, would be useful.

EAS also believes that the Scottish Government should provide funding for the delivery of training for front line advice/support workers, to ensure effective, accurate and consistent support to an existing and recognised industry standard (City & Guilds Energy Awareness).

**Questions**

- 9) How can the one-stop-shop approach be enhanced for the benefit of HES clients; and in particular,
- a. Are there any improvements that you think can be made to the HES service to further enable it to best reach the most vulnerable to fuel poverty client groups?

Whilst the question may have been misinterpreted, EAS would ask why the Scottish Government is looking to improve things for only HES clients?

It is important to acknowledge that HES cannot deliver to every household in Scotland that needs support and help, nor will every household wish to interact with them. HES needs to win the trust and cooperation of more local agencies and needs to pay closer attention to these local voices (who work most often and more closely with people living in fuel poverty than anyone else).

It is Scottish Government's stated aim that localities be recognised and acknowledged as vital to supporting innovation and improvement at a local level. Community Planning Partnerships (CPPs) and IAs look at Scotland from a locality perspective, formally recognising that while bound by the same local authority area, localities and communities have very separate and distinct needs and priorities. Many other agencies and organisations are working with people around Scotland to ensure that these local voices of lived experience are heard and included in planning and service redesign.

This underpins the importance of these local organisations for their 'on the ground' work, most of which has been generated to meet identified need. This vital work must therefore be acknowledged and not included by others in their picture of overall success. The measure of success should not just be about number of phone calls made or "measures" provided but partnerships made, partners' inputs with demonstration of local need, how that need was identified and met, etc. Outreach services provided by genuinely trusted local intermediaries must be better supported by Scottish Government to ensure a broader reach to those most in need. It is not enough to take a 'one size fits all' approach.

Further to this, there is great deal of hard won experience from within the primary care Deep End project that a telephone based approach is unhelpful for a very significant portion of people living in the most challenging circumstances. 'Anxious avoiders' are unlikely to respond to calls, unlikely to instigate or maintain a telephone approach to anything, rendering this approach to be very poor in meeting significant need.

It is disappointing that there is no mention of how Scottish Government/HES plan to target this challenging and hard to reach group. The excellent work being undertaken by the Scottish Government, the Alliance and their team of Community Link Practitioners should be front and centre of a new strategy that moves away from inherently less flexible and appropriate telephone services to a needs-driven model based on genuine consultation with local groups using the type of expertise and relationships developed by the Alliance over many years.

#### **Questions**

10) What are your views on our proposal to set a new statutory target to eradicate fuel poverty in the Warm Homes Bill?

It is inconceivable not to set a new statutory target to eradicate a problem that has been a blight on society for nearly two generations. Fuel poverty is intolerable in a



modern society and everything that can be done should be done to address it. By setting a new statutory target, progress can be measured and those households living in fuel poverty can be assured of action being taken to eradicate it. It also means that this and successive governments can be held accountable to Parliament and should set in place actions and programmes to tackle the problem.

**Questions**

- 11) What are your views on the proposed sub-targets?
  - a) What are your views on the proposed levels?
  - b) What are your views on the proposed timeframe?

Sadly the proposed sub-targets, levels and timeframes fail to show a willingness to urgently tackle the problem; rather it suggests a near 'business as usual' approach which will condemn a further generation to poor health, unaffordable housing and high energy costs. Scottish Government modelling indicates that adoption of the new definition would reduce fuel poverty levels by approximately 5%. This would bring current fuel poverty levels to less than 22%. The sub-targets seem at best unambitious.

A more realistic timescale is needed. EAS is understanding of the fact that the problem can't be addressed overnight but the date of 2040 is just too far away to be meaningful. A date so far away would allow Government to simply take their foot off the pedal towards progress and action, simply pushing the required progress and action further down the road.

One sub-target says that energy efficiency will be removed as a driver for fuel poverty by ensuring all homes reach a minimum energy performance rating by 2040. EAS notes that clarity is required as to what that minimum energy performance rating will be.

**Questions**

- 12) What are your views on the proposed interim milestones?
  - a) What are your views on the proposed levels?
  - b) What are your views on the proposed timeframe?

As above, the interim milestones should be brought forward to 2025 and the new target should be set for no later than 2030 bearing in mind that there will still be a level of fuel poverty to deal with.

**Questions**

- 13) How should the new Fuel Poverty Advisory Panel and Fuel Poverty Partnership Forum monitor progress towards meeting the proposed sub-targets and interim milestones?

EAS welcomes the participation of the third sector, health and wellbeing organisations as well as other partners who work closely with those living in fuel

poverty. These organisations and individuals bring balance and perspective to strategic discussions and should continue to be included.

However, the lack of the voice of lived experience is a major omission which must be rectified. Not only for the balance of strategic direction of this policy area but because those voices will be a key factor in policy makers genuinely hearing about local and community experience as the next 12 years take us closer to finally making a meaningful impact on fuel poverty.

Perhaps the Advisory Panel should have some responsibility for the commission/overview of independent review/analysis and reporting on the delivery of the national programmes. Time and again, services are designed and contracted without any apparent meaningful consideration given to the impact and effectiveness of previous programmes and services.

EAS notes that as part of the Advisory Panel's remit, it will "support and challenge Government at all levels", and believes greater clarity is required in terms of whether the Panel will have any real authority.

#### **Questions**

- 14) What do you think the Advisory Panel's priorities should be in its first year?

The panel should establish a firm reporting structure and provide an independent report to Ministers and Parliamentary Committees outlining progress, identifying gaps in service or provision and commentary on proposed/required early changes to SEEP.

The panel might also continue to research and develop the fuel poverty definition in light of the recommendations from the academic panel to undertake an additional stage of work on vulnerability with specialists from public health, local health and social care. There should be further review into the impact of the new definition on older people, disabled people and those in rural/remote rural areas.

#### **Questions**

- 15) What examples do you have of using proxies to identify fuel poor households?
  - a) Which proxies did you use?
  - b) Based on your experience, how well did these proxies work in accurately identifying fuel poor households?

EAS is aware of the use of 'financial' proxies such as receipt of means-tested benefits. Council Tax bands may also provide a general indication of the likely existence of fuel poverty – a lower banding might imply that people's housing choices are restricted and that they live in a 'poor' area.

**Questions**

16) What are the key lessons to be learnt from any existing approaches that apply proxies in door-to-door, on-the-ground assessments in this context?

From a basic and practical point of view (and using one of the example proxies mentioned at 15, above), there are a number of issues that might impact negatively on the efficacy of these in a door-to-door/on the ground situation. For example, quite apart from the challenge of securing personal financial information on the doorstep, the rollout of Universal Credit may lead to significant confusion and lead to erroneous results/decisions re referral for and entitlement to support.

**Questions**

17) Do you have any concerns about the use of a doorstep tool, in particular the challenges around delivery of area based schemes?

There is a great deal of shame and stigma around issues of poverty and it would be naïve to assume that this approach has universal applications.

For the 'anxious avoiders' identified by Deep End primary care practices, there is the potential for poor outcomes when opening mail, answering calls, opening the door is potentially fraught with the stress of avoiding debt and conflict.

The Scottish Government needs to provide more and more detailed information about how a doorstep tool would be developed and implemented, and more importantly, how information collected would be used and by whom.

See also response to 16, above.

**Questions**

18) How can the Scottish Government most effectively work with Community Planning Partnerships in a collaborative manner to report on overall fuel poverty levels as part of the SHCS?

EAS thinks that collaboration with Community Planning Partnerships forms only part of the solution. The multiple impacts of fuel poverty are felt across populations and services in ways that may not be of direct relevance to CPPs. Rather we would look to Integrated Authorities (IAs) and the ongoing local intelligence gathering initiatives that are being used to design services at locality level across the 31 IAs.

NHS NSS Information and Statistics Division (ISD) is currently working with IAs to gather data that is relevant to local priorities. Fuel poverty is an issue across primary care, secondary care (for example, where it compounds and causes delayed discharge) and social care where individuals can be identified and supported etc.

**Questions**

19) What are your views on, or experience of how an outcomes-focused

approach would work in practice?

- a) **Would it encourage national and local policy and delivery partners to work together effectively, and if not, what alternative approach(es) do you propose could be used instead?**

EAS welcomes the move towards an outcomes-focused approach although recognises that it is of worth to count for example measures installed and households benefiting from support. However for a fuller picture, proper evaluation is needed.

When asking potential partners to work together, EAS believes it is important that this is not simply mandating a top down approach whereby the largest, or state appointed organisation simply takes over smaller organisations to achieve its own objectives. Scotland is an increasingly prominent voice on an international landscape of co-production focused upon lived experience and local voices.

Smaller organisations must be given a voice by Scottish Government to ensure that their valuable expertise and local voice is heard at every stage. Failure to do this simply promotes the older unsustainable structures where a large organisation forces local needs to fit a national shape rather than allowing a bottom up more organic structure to develop that meets genuine need, identified and informed by local expertise.

One alternative approach that would help ensure intended outcomes is Scottish Government funding and support of local organisations, often best-placed to identify and reach the most vulnerable households.

The Scottish Government must also specify timely reporting of both outputs and outcomes, especially if it intends the Advisory Panel to have a meaningful role.

#### **Questions**

- 20) Do you think the principles detailed in the 3 bullet points above are adequately reflected in the outcomes framework?

The outcomes framework incorporates ‘the four drivers of fuel poverty’. In addition to the three formally-recognised drivers of fuel poverty there are a number of additional factors that have a significant impact on fuel poverty, One of these is undoubtedly behaviour (and this can be addressed by the establishment of a comprehensive and effective training programme, targeting all organisations involved in the delivery of advice and support), but EAS believes there are a number of other factors that should be acknowledged and addressed. These include age, long-term health conditions and disability as well as regional/geographic issues.

EAS believes that the “needs of individuals and families” is not adequately captured by the outcomes framework; to meet individual needs, there must be consultation with individuals and families. A model similar to that of the Poverty Leadership Panel could be adopted, whereby a panel of community members is consulted beforehand.

**Questions**

- 21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground?
- a) If so, how?
  - b) If not, why?

The framework seems to be a collection of statements and it is not particularly clear what all the 'connections' are, so it is difficult to determine how the framework would strengthen partnerships.

As referred to in the previous question, it is crucial to consult with the people affected, for there to be any meaning to this outcomes framework.

**Questions**

- 22) Do you think any of the proposals set out in this consultation will have an impact, positive or negative, on equalities as set out above? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated?

Potentially, disabled people, with higher requirements on their income, will be affected negatively?

**Questions**

- 23) What implications (including potential costs) will there be for business and public sector delivery organisations from these proposals?

EAS has no comment to make in this area.

**Questions**

- 24) Do you think any of these proposals will have an impact, positive or negative, on children's rights? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated?

There exists little research on the impact of fuel poverty on children. Fuel poverty and its multiple impacts on household stress, health and wellbeing, nutrition and food preparation (where households are unable to use a cooker to heat food or refrigerate food and medicines) are likely to comprise an Adverse Childhood Experience with increasingly well-known impacts on life, health, attainment and life expectancy. This strategy presents us with the ideal opportunity to adopt a rights based approach to fuel poverty and to examine its wider implications on public health from a 'cradle to grave' perspective.