

Scottish Energy Insights and Coordination Group

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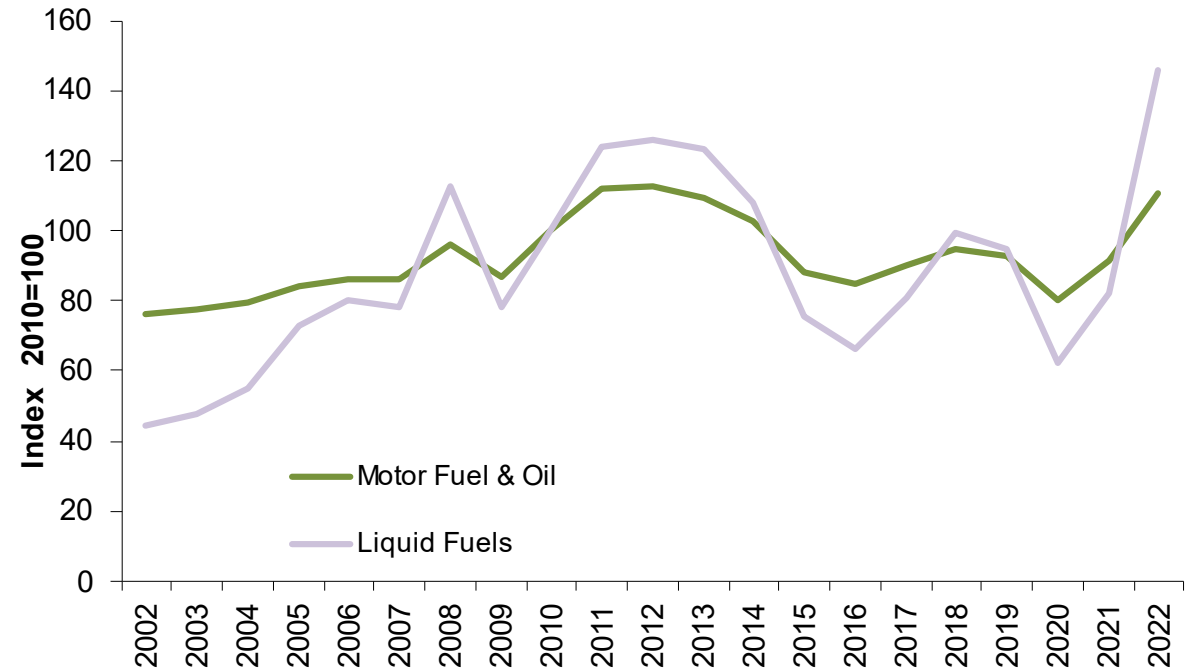
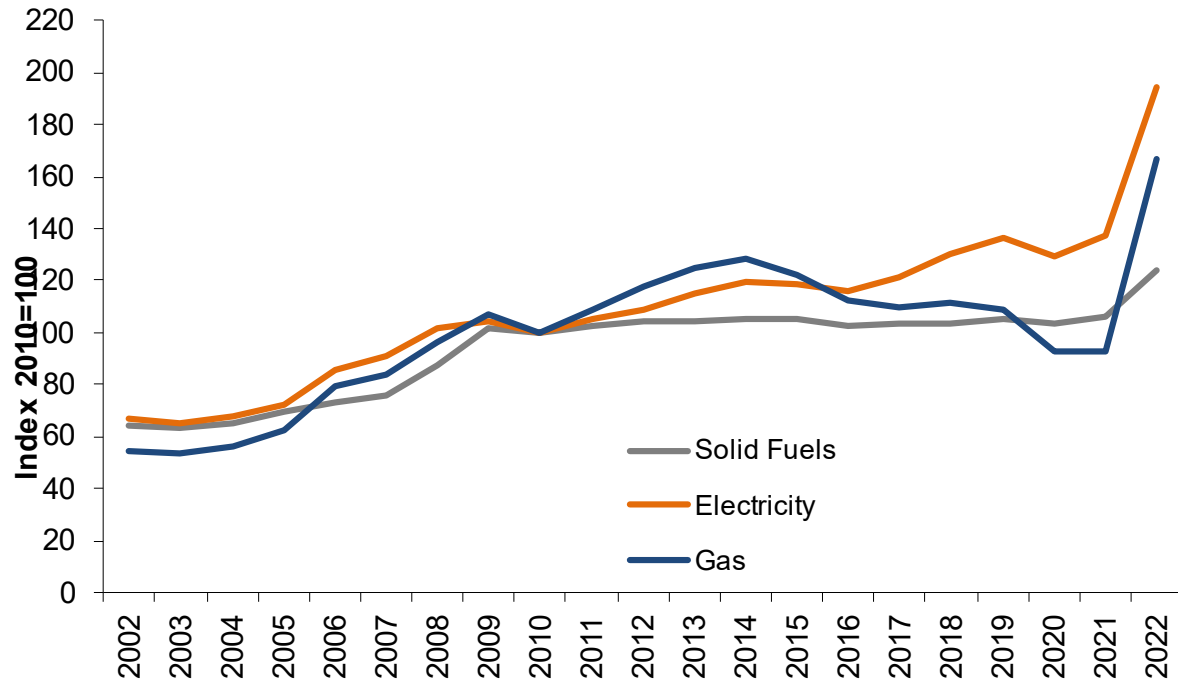
Overview

- Background
- Energy price trends
- Issues:
 - Energy supplier performance
 - Financial support
 - Improvements to energy efficiency delivery
 - Advice sector capacity and support

Background

- Short life working group winter – spring 22/23
- Convened and supported by Consumer Scotland following First Minister's energy summits summer 2023
- Experience of both energy consumers in Scotland and support services
- Members: Advice Direct Scotland; Age Scotland; Changeworks; Citizens Advice Scotland; Energy Action Scotland; the Energy Ombudsman; the Energy Saving Trust; Inclusion Scotland; Scottish Federation of Housing Associations; the Wise Group
- Following on through Energy Consumers Network

Energy Price Indices in real terms (UK Government 2002-22)



High level of agreement on the issues

- Groups most affected
 - those on low incomes
 - PPM users
 - electric heating users
 - disabled people with higher heating and / or power needs
- Depth of fuel poverty worsened for those already at risk, and new clients not previously experiencing affordability problems
- Growing levels of debt highlighted as a future concern
- Massive increase in demand for advice services from rising prices, further increased by client difficulties in contacting suppliers – Ofgem addressing this

Financial support for energy consumers

- Clear need for comprehensive, long-term UK Government approach which:
 - Goes beyond passport benefits
 - Reflects off gas grid affordability
 - Includes an approach to manage debt
- In the short term
 - Value of 22-23 Scottish Government support recognised
 - Continuing need for flexibility of Fuel Insecurity Fund
 - Winter Heating Payment group best available target group at present
- Confusing support landscape increases consumer pressure on advice agencies

Proposed improvements to the delivery of energy efficiency schemes and approach

- Active targeting of available energy efficiency support to Winter Heating Payment group through data matching – all within Scottish Government remit
- Multi-annual funding for area-based programmes to provide certainty for local authorities and delivery partners
- Effective regulation for minimum standards of energy efficiency in the private rented sector

Investment in the energy advice sector to help consumers access support

- Advice organisations under pressure to respond to consumers' short-term problems while constrained by short term funding themselves
 - Impacts organisational effectiveness and individual adviser welfare – more so in smaller organisations; and
 - Undermines delivery of long-term Scottish Government energy efficiency and net zero aims
- Considered approach to advice sector support needed to reflect both consumer demand and role in delivery of public sector programmes

ECN first meeting

- The same issues but earlier and deeper
 - More help needed this winter targeted on the disabled, those on lowest incomes, those off grid – especially those using electrical heating
 - Use existing benefits system and target using energy supplier data
 - Continuing support in the medium to long term (discussion on social tariffs)
- Consumer Scotland: Delivering energy bill support this winter - options for the Chancellor at the Autumn Statement