LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

FUEL POVERTY (TARGET, DEFINITION AND STRATEGY) (SCOTLAND) BILL
CALL FOR VIEWS

SUBMISSION FROM COMHAIRLE NAN EILEAN SIAR

1. Do you agree with the Scottish Government’s proposal to provide for a statutory target to reduce fuel poverty to no more than 5 per cent of Scottish Households by 2040.

- The Comhairle supports the proposal to set a new statutory target for eradicking fuel poverty. However, the strategic timescale (to 2040) is far too long and could lead to a loss of urgency and momentum.
- The Bill, as published, has two non-statutory and interim targets and milestones at 2030 and 2040. We feel that the issue with a 2040 target could be addressed through setting statutory interim targets at 2025, 2030 and 2035.

2. Do you agree with the Scottish Government’s proposals for a revised definition of fuel poverty?

- The Comhairle agrees that previous definitions of fuel poverty did not allow limited resources to be targeted to those who were most in need, and we agree with the principles underpinning the new definition.
- However, we remain concerned with the continued use of an income threshold based on the UK Minimum Income Standard (MIS). We note that this is despite recommendations to the contrary from the Rural Fuel Poverty Task Force, and from other stakeholders, that a specific remote rural enhancement to the MIS income threshold was required.
- It is essential to factor in higher living costs to an understanding of poverty in remote and rural areas. Poorer household in the Islands are likely to be significantly worse off financially than an equivalent earning mainland household because of the higher cost of living.
- Recent research concluded that the budgets required by households to meet a minimum acceptable standard of living in remote and rural Scotland are between a tenth and a third more than in urban parts of the UK. The report also highlighted that the cost of living on the Scottish Islands was higher than any other remote rural areas on mainland Scotland and UK. (Source: A minimum income standard for remote rural Scotland: A Policy Update – Undertaken by the Centre for Research in Social Policy, Loughborough University and commissioned by Highlands and Islands Enterprise, Scottish Enterprise, Rural and Islands Housing Association Forum – Oct 2016.)
- One of the arguments presented for not applying an uplift to the minimum income standard, is that the Scottish House Condition Survey is modelled to account for temperature, solar radiation and wind speed in the regional location of the property. The issue in island communities is not just weather exposure or fuel type, but overall income levels and costs of living. The two latter points are not taken account of in the Bill’s proposals for measuring fuel poverty.
• It is crucial that the proposed definition of Fuel Poverty is fully ‘Island proofed’ as per the commitment within the Islands Bill, with a full impact assessment carried out, before implementation.

• We feel that continued use of this model will mean that fuel poverty figures in our communities are overlooked and affect a fair and equitable allocation of resources to deal with distinctive island issues and challenges. We remain concerned that this approach will under-represent the extent and the nuances of fuel poverty in remote rural or island areas and lead to resources or investment being diverted away from the areas where fuel poverty is highest.

3. Do you agree with provisions in the Bill requiring the Scottish Government to publish a fuel poverty strategy? Do you also agree with the consultation requirements set out in relation to the strategy?

• Yes, we agree that the statutory target can only be achieved if underpinned by a robust and outcome based fuel poverty strategy.

• We agree with the importance of consulting with people with ‘lived experience’ of fuel poverty. This needs to be proactive and engaging, and should involve ‘on the ground’ visits to fuel poor households across Scotland.

4. A draft fuel poverty strategy was published alongside the Bill on 27 June. Do you have any views on the extent to which the measures set out in the draft Fuel Poverty Strategy for Scotland 2018 will contribute to meeting the Government’s new target? Have lessons been learned from previous initiatives?

• While we note that the main area within the Scottish Government’s control is energy efficiency, we feel it is important that a continued emphasis on all the drivers of fuel poverty form part of the strategic response. This includes measures to help people to think about behavioural change and energy switching, and seeking, where within the power of the Scottish Government, to make energy more affordable.

• We would suggest that the development of a fuel poverty assessment tool should be prioritised in order to better reflect local circumstances in remote and rural areas, and to address the limitations of data gathered through the SHCS.

• We welcome the commitment to increasing ‘the flexibility of our delivery programmes by actively engaging with councils to identify opportunities to make our national schemes work better locally’. Addressing fuel poverty in our island communities requires a different set of solutions to many other parts of Scotland and we look forward to scope for delegating the design and delivery of national programmes to local level.

• We welcome recognition of the additional costs and implications of delivering energy efficiency measures in remote and rural areas, and welcome a commitment to continued recognition of these issues in programme design and delivery. It will be important to ensure that island authorities, and other rural areas, retain the flexibility and resources to develop and deliver approaches to address local circumstances.
5. **Do you have any views on the Scottish Government’s reporting requirements to the Scottish Parliament, as set out in the Bill?**

- We welcome the requirement in the Bill to report on progress with the strategy, but would suggest that a gap of 3 years is too long and that 3 years would have a greater impact.