

Social Justice and Social Security Committee

Fuel Poverty – Further submissions received

Note by the Clerk

Tackling Fuel Poverty in Scotland: A Strategic Approach

1. The Committee is considering a draft letter to the Scottish Government on its proposed fuel poverty strategy at today's meeting.
2. To inform its letter, the Committee held an evidence session on 25 November 2021, where it heard from:
 - CAS
 - THAW Orkney
 - The Existing Homes Alliance Scotland
 - Energy Action Scotland
3. Unfortunately, due to some technical difficulties witnesses had less time than anticipated to provide their evidence. The Committee asked that witnesses be contacted to share any evidence they did not have an opportunity to cover.
4. Also, due to this shortage of time Jeremy Balfour asked for his questions to be put to witnesses in writing:

“In the strategy published by the Scottish Government, you [CAS] outline how the Scottish Government's decision to merge WHD and the Energy Company Obligation (ECO) into one single scheme, you estimate that these current proposals would result in £185.8m less money coming into Scotland between April 2022 and March 2026 than might be expected were WHD and EC to be continued as GB wide schemes. Why do you think the Scottish Government is making these changes when it appears that Scotland will be considerably worse off as a result of their actions?”

“In your [The Existing Homes Alliance Scotland] submission you state that “more attention should be given to urgent action to address the interim targets” – do you feel this strategy is

focussed on the long term and not on the immediate post-covid recovery? Should more be done in the short term to assist people while longer term projects such as improving housing stock etc. is delivered?"

5. Submissions received are annexed to this note.

Clerk to the Committee
3 December 2021

Annexe A

From: [REDACTED]
To: [Social Justice & Social Security](#)
Cc: [REDACTED]
Subject: RE: Fuel Poverty Evidence Session - Additional Information
Date: 02 December 2021 10:21:31
 [REDACTED] [REDACTED]

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Dear Claire

Thank you for your message. Yes, it was a shame about the technical problems – the committee members were clearly engaged and I’m sure we could have discussed the strategy for much longer. I understand the committee plans to write to the Scottish Government with their findings, which will supplement the scrutiny undertaken by the NetZero Committee, which has the lead on fuel poverty. I’m pleased you are doing this as it will emphasise the need to tackle all four drivers of fuel poverty – many of which relate to the SJSS committee’s remit. We believe the government needs to use the full extent of its devolved powers, and make sure the social security benefits are used for maximum impact. The report from the [Strategic Working Group on Fuel Poverty](#) made some useful recommendations in this regard which are still relevant.

As for Mr Balfour’s question, my reply is set out below:

“In your submission you state that “more attention should be given to urgent action to address the interim targets” – do you feel this strategy is focussed on the long term and not on the immediate post-covid recovery?”

Yes, the EHA is concerned that not enough attention is paid to the interim targets in the strategy. They are only referenced in the introduction in passing, which is disappointing given that the 2030 target is for the fuel poverty rate to be at no more than 15% - half of what we might expect the current rate to be given COVID 19 impacts and high energy prices. We would also need to see progress across all local authority areas, given that the 2040 target must be met in each local authority, not just as a national average. The strategy should provide a clear set of policies and programmes, with expected outcomes and how those affect the fuel poverty rate, which add up to meeting the target. This would be similar to the Climate Change Plan, which explains how each sector will meet its emissions ‘envelope’ to align with the climate change targets. If there are shortfalls, the Fuel Poverty Strategy should explain how these will be met with future policies and programmes. In our view, this is a clear requirement of the Act – that the strategy should set out the approach which ensures the fuel poverty targets are met.

The EHA focuses on two of the four drivers of fuel poverty: poor energy efficiency and managing energy use in the home. In our view, much more can and must be done (alongside work on the income and energy price drivers) to meet the interim targets. We have to remember that people move homes, as well as in and out of fuel poverty – so improving energy performance to ‘fuel poverty proof’ our housing stock is critical. Our current fuel poverty and energy efficiency programmes must grow in pace and scale, include support for repairs and improvements, and incorporate hand-holding from engagement through to advising how to use new technologies and checking that performance is meeting expectations. This should be done using trusted local

organisations (working with and building on the existing Home Energy Scotland partnership network). Regulation of energy performance standards are critical to drive up performance across the whole housing stock, as has been achieved in the social housing sector. This must be accompanied by advice and financial support to make compliance easy and fair. We have also called for a rural transition package which would provide additional funding support and handholding to recognise the extra costs and difficulties of retrofitting in rural and remote areas. This should also include the support of new models like collective purchase, community asset ownership or third party ownership to help reduce the costs.

Should more be done in the short term to assist people while longer term projects such as improving housing stock etc. is delivered?"

Yes, the EHA agrees that short term measures such as helping people to manage their energy use (eg how to get the most out of their heating system), help with energy tariffs and maximising their income through benefits are critical and should all be pursued. The Home Energy Scotland network working with local organisations are often best-placed to provide these services as they are trusted and understand local circumstances. Several of these groups have been successful with a 'handyman' service – to provide simple draughtproofing measures and repairs that help keep energy bills down. These local community groups need more secure funding support, and this type of local service should be accessible to everyone. The local groups can also provide a sustained and tailored service, checking in to be sure the interventions have helped, and if not, what else can be done. These short term measures are very important, alongside the retrofit programmes that provide durable protection from a cold and draughty home which would condemn a household to living in fuel poverty. We have the measures and technologies to upgrade every home in Scotland (though it's more expensive for some than others) so there is no reason why anyone should suffer the poor health, well-being and economic consequences of living in a cold and damp home.

I hope this answer is useful and please don't hesitate to come back to me with any other questions.

With best wishes,

Elizabeth

Elizabeth Leighton

Director

[REDACTED]

[REDACTED]

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30 November 2021

Dear Neil,

Thank you once again for the opportunity to provide evidence to the Social Security and Social Justice Committee on the Fuel Poverty Strategy on 25 November. We will write to the Committee later this week to follow up on a number of discussion points that were raised at last week's evidence session.

Since we met with you, it has come to our attention that the Cabinet Secretary for Net Zero, Energy and Transport wrote to you on 24 November to explain how the Scottish Government has engaged with stakeholders in the development of the Strategy.

Citizens Advice Scotland has held the statutory consumer advocacy function for energy in Scotland since 2014 and we have been a member of the independent Energy Consumers Commission since its inception. We are very concerned about both the quantum and quality of stakeholder engagement evidenced in the development of the Fuel Poverty Strategy since the draft Strategy was first published in 2018. The external environment has moved on considerably in the intervening period and we believe that the Strategy in its current form falls considerably short of what is required to set us on a path to delivering the 2030, 2035 and 2040 fuel poverty targets. However, we firmly believe that this can be remedied if the Scottish Government were to engage in further work with its expert stakeholders following the Strategy's publication next month.



I should stress that we are extremely mindful that the pressures of COVID-19 have both delayed publication of the Fuel Poverty Strategy and significantly reduced the time and resources available for engagement on its content with stakeholders. It is with significant regret that the impact of this is evident throughout the Strategy. As I hope was apparent from the written and oral evidence that has been presented to the Committee on this matter to date, very significant and widespread concerns around the Strategy are therefore held by Citizens Advice Scotland and a wide variety of other expert stakeholders.

The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 requires the Strategy to be published before the end of 2021. We do not advance a view that this should be overridden. However, should the Committee share any of the concerns that have been expressed to it by stakeholders, it may wish to consider calling on the Scottish Government to commit to engaging extensively with expert stakeholders in an open and collaborative manner to address the issues that it sees with the current Strategy, with a view to bringing forward an amended Strategy for scrutiny by the Scottish Parliament by the end of 2022.

Yours sincerely,

Alastair Wilcox, Senior Policy Officer