

Consumer Futures Unit Consultation Response – A Fuel Poverty Strategy for Scotland

Introduction

1. The Consumer Futures Unit (CFU), part of Citizens Advice Scotland, uses research and evidence to put consumers at the heart of policy and regulation in the energy, post and water sectors in Scotland. We work with government, regulators and business to put consumers first, designing policy and practice around their needs and aspirations.
2. In this consultation we have based our responses on evidence that exists to support our findings and have focussed on issues that relate directly to consumer impacts.

Summary

3. The CFU supports the Scottish Government's efforts to eradicate fuel poverty, and we are pleased to see that it has remained a prominent area of policy over recent years. Alongside this, we recognise the significant challenge that this ambition poses. The rising cost of energy coupled with a lack of wage growth throughout the UK means that far too many households struggle to heat their homes to required levels. While there have been welcome reductions in fuel poverty in recent years, these have been limited, and it remains a fundamental problem. The cost of energy has accounted for the majority of fluctuations in fuel poverty levels in recent years¹.
4. To succeed in tackling fuel poverty, each of its four drivers – the cost of energy, household income, home energy efficiency, and how energy is used – will have to be addressed. We recognise that these drivers are influenced by a combination of devolved and reserved competencies.
5. We welcome the proposed new definition of fuel poverty and the stronger link with income poverty. However, we consider that the Minimum Income Standard must be adjusted upwards for households in remote, rural and island areas, due to the substantially and consistently higher living costs faced in these areas.
6. We also welcome proposals for a new statutory target for the reduction of fuel poverty. However, we consider that the targets and timeframes set out could be more ambitious. While we recognise there is a practical case that could be made for a target above 0%, efforts should continue to be made to end fuel poverty.

¹ Scottish House Condition Survey, 2016

7. The new strategy should seek to build upon the positive work of the Scottish Government to date, particularly around energy efficiency improvements, and advice and support services like Home Energy Scotland (HES). However, new and innovative solutions will need to be found to support consumers facing high energy costs and with reduced incomes – improved energy efficiency and advice are fundamental, but will not be sufficient to eradicate fuel poverty.
8. We will therefore continue to work with the Scottish Government to find innovative ways to tackle fuel poverty in Scotland, and to ensure that the welfare of consumers is central to energy policy.

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?

9. Overall, we support the proposed new definition of fuel poverty and its potential to better identify those in the greatest need of fuel poverty support. The previous definition did not necessarily lend itself to identifying those in the greatest need of support, and lacked a strong relationship to income poverty which may have contributed to a predominant emphasis on energy efficiency improvements as a means to address the issue².
10. We recently undertook research with fuel poor consumers to further understand their perceived support needs, designed to feed the consumer voice the discussion on the new definition. The need for targeted support beyond energy efficiency measures was identified in this research. Energy efficiency measures designed to increase the energy efficiency of a home, whilst essential, can be only part of the solution to tackling fuel poverty. Of the households we spoke with, those on the lowest incomes feel they require immediate support to increase their incomes, such as discounts from energy bills or increases in benefits, over home energy efficiency improvements. So whilst we welcome the definition change, it is essential that this new definition is supported by new and innovative solutions to tackling fuel poverty, particularly to target those consumers struggling with high energy costs and low incomes who require support beyond energy efficiency improvements.
11. Some findings supported the need for a definition change to ensure fuel poverty support is better targeted at those in the greatest need. There was some evidence that certain individuals who were classed as fuel poor by the current definition may not necessarily require support. The research also identified groups who were classified as ‘fuel poor’, but reported to be managing financially and had no heating problems. Elements of this group may not be in need of fuel poverty support and may in fact correlate with the group identified by the Scottish Government as ‘fuel poor, but not income poor’. The research indicated that if these individuals do not require support, the proposed changes to the definition will take this into account. This issue is discussed further in our response to questions 3 and 4.
12. We also support the use of income After Housing Costs (AHC) and Minimum Income Standards (MIS), with some exceptions. Measuring fuel poverty after housing costs should help to reflect some living costs more accurately. This is a positive and ambitious proposal, as the use of MIS

² Report of the Scottish Fuel Poverty Strategic Working Group, 2016

will help to reflect incomes and identify those whose energy bills have a particularly detrimental effect on their income.

13. However, we do not agree with the proposal not to adjust the MIS upwards for households in remote rural areas. In our view, the Scottish Government should follow the independent panel's recommendation that the MIS should be revised upwards for these areas. Overall living costs are significantly higher in these areas, and this is a trend that has been shown to be consistent. The reasons for this are well documented and were cited by the Scottish Rural Fuel Poverty Taskforce, which estimated that between 10% and 40% higher incomes are required in these areas to meet the UK Minimum Income Standard³. The initial findings from our forthcoming research into the support needs of those in fuel poverty also indicates that people living in rural areas have greater concerns about their fuel bills, the high and rising cost of fuel, and keeping track of energy use⁴.
14. We recognise the Scottish Government's argument that this would not be consistent with approaches to measuring income poverty and policy towards national minimum and living wages. However, beyond policy alignment we consider that not adjusting the MIS up for remote rural areas would not be reflective of an outcomes-focussed approach to tackling fuel poverty. It would not reflect the higher costs associated with living in these areas.

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

15. While it would be beneficial to use an accurate measure of fuel poverty to target resources to those in greatest need, it is not clear how this will be done. Detail is required to clarify how sufficient and reliable data could be gathered on individual households to determine whether they are in fuel poverty, to an extent that would allow effective targeting of resources. If, for example, the definition of fuel poverty itself was to be used for targeting support by directly determining individual eligibility for certain types of support, it would presumably be necessary to gather extensive data on income, housing costs, energy usage and expenditure, heating regime, and house temperature. In order to determine the efficacy of targeting support using a new definition, it will be necessary to have more detail on how this will be done.
16. More broadly, there will always be challenges in targeting fuel poverty support at those who are in the greatest need. Our research indicates not only that many of those who are fuel poor and may require support are not currently receiving it, but that some are not aware that support is available⁵. There is a balance to be struck between refining the targeting of support to ensure those in greatest need are prioritised, and keeping eligibility criteria sufficiently broad so that it is accessible to all of those who require it.

³ Scottish Rural Fuel Poverty Task Force, 2016

⁴ Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

⁵ Ibid

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

17. It is possible that some of the challenges to targeting support using the definition could be overcome with technological solutions to effectively reach households and gather the necessary data to determine support need based on the definition. However, it is not as yet clear what form this may take and we would have concerns about a reliance on unproven technology. So whilst we would welcome any technological solution that supports greater targeting this will need to be delivered alongside comprehensive support carefully designed to ensure it is likely to meet those who most require it.
18. There may be value in targeting different types of support in different ways. Our research has indicated that different types of support are valued by different groups for different reasons, and the targeting of support could reflect this. For example, those on the lowest incomes – and potentially facing the greatest detriment from fuel poverty – were more likely to value immediate financial support over longer-term issues⁶. Therefore targeting of this type of support with an emphasis on income may be effective. We have seen evidence that the delivery of longer-term measures like energy efficiency improvements has had some success through area-based delivery, albeit with some variation in success between local authorities⁷. It may therefore be beneficial to learn from those areas where area based delivery has been most effective, and target support to help ensure that local authorities that have underperformed are able to catch up.

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?

19. We agree that those over the age of 60 should not be assumed to be vulnerable. However, we must be extremely cautious in this area. For those between the ages of 60 and 75, there is an increased likelihood of developing health problems, with Scottish Government statistics from 2009 indicating that two-thirds of individuals over 65 will have a long-term health condition⁸. While health and disability criteria will be in place to identify vulnerability among those between 60 and 75, the fact that there is no longer an automatic assumption for vulnerability carries risks. The assessment of other criteria will need to be robust and assessed in a manner that is not reliant on individuals coming forward to register. It is important that these conditions are identified when they arise, and taken into account when determining vulnerability.
20. We therefore agree with the proposal by the review panel that further work should be undertaken to develop a specific list of health and disability categories, as well as age bands, which would satisfactorily encompass the term 'vulnerable to the adverse health and wellbeing impacts of living in fuel poverty'. This work should also ensure that these characteristics can be adequately captured, and take into account individuals' changing circumstances. It will be important that there is a comprehensive understanding of the factors that may lead to this vulnerability if there are to be changes to these criteria, in order to ensure that individuals do not inadvertently lose any support that is needed due to a change in vulnerability categorisation.

⁶ Ibid

⁷ CFU, Taking the Temperature, 2016

⁸ <http://www.gov.scot/Publications/2009/12/03112054/4>

21. The Consumer Futures Unit will be carrying out work to examine how vulnerable consumers can be better identified and supported in the coming year. There is also ongoing work being carried out in the energy sector to more effectively identify vulnerability as part of Ofgem's Significant Code Review. The outcome of this work could also provide insight into how vulnerability may be more effectively and consistently identified.

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

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

22. As outlined above, it is our view that the Scottish Government should adjust the MIS upwards for remote rural communities, including many island communities. These areas consistently face higher living costs that are unlikely to be captured by the introduction of the AHC measurement. Concerns around the proposals not to adjust the MIS for rural and island areas have been expressed by the wider Citizens Advice Bureau network. Members of the Citizens Advice Bureau network, including the Shetland bureau as part of the Shetland Fuel Poverty Action Group, will be responding separately to this consultation and explore the issues faced by these areas in detail while providing insight into local and regional issues.

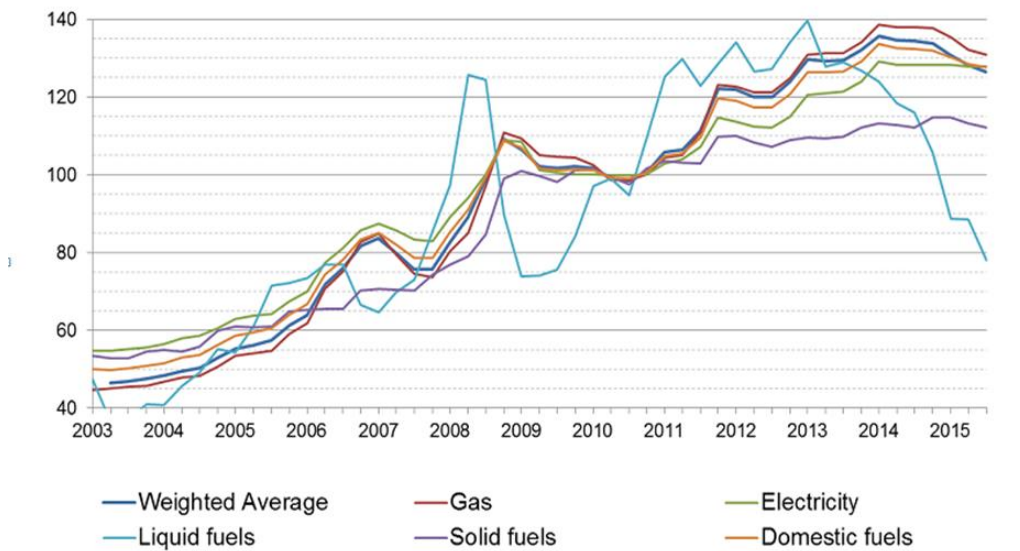
23. The limited access to heating fuels is also a particular challenge in rural areas. Around 65% of consumers in rural areas do not have access to mains gas⁹, which is generally the cheapest heating fuel. This means that many in rural areas rely on electric heating, which can be expensive in comparison. Modelled prices from 2016 suggest that electric heating is likely to cost between £980-1,802 per household per year, compared with £610 for mains gas¹⁰. Many in rural areas also rely on heating oil. This is currently relatively cheap, but prices are unlikely to stay low and can be highly volatile as costs tend to reflect the price of crude oil. Table 1 below sets out fluctuations in prices from 2003 to 2015, and demonstrates the relative instability in the price of heating oil. As there has been a steady increase in the price of crude oil throughout 2017, it is possible that there may be significant increases in prices for those reliant on heating oil. More broadly, our research indicates that households who live off-gas are more likely to be fuel poor¹¹.

⁹ Scottish House Condition Survey, 2016

¹⁰ CFU research into households without mains gas heating, to be published in 2018.

¹¹ Ibid

Table 1: DECC fuel price indices and weighted average for Scotland, 2003-2015¹²



24. The consultation document emphasises improving energy efficiency as a means of tackling fuel poverty in remote rural areas. Remote rural and island areas tend to have much lower levels of energy efficiency, and it is right that the Scottish Government should seek to address this with additional funding for support in these areas based on need, including through area-based schemes. Housing in these areas is often harder to treat, and more extreme weather conditions mean that remote rural areas often have a greater need for energy efficiency assistance.
25. However, we also know that the elimination of energy efficiency as a driver of fuel poverty will not be sufficient to eradicate fuel poverty altogether, particularly for those on low incomes. Our research into existing energy efficiency schemes suggests that energy efficiency improvements alone will not be sufficient to eradicate fuel poverty¹³, while our recent research into the support needs of those in fuel poverty suggests that fuel bills, and the rising price of energy, was a particular concern for those living in rural areas¹⁴. Along with higher overall living costs, remote rural areas are unlikely to have access to mains gas. As with consumers in rural areas, they are often reliant on expensive electric heating, meaning that the price of energy is a particular driver that must be addressed in remote rural areas. The weather conditions that contribute to a greater need for energy efficiency support also drive a higher fuel demand, along with a longer heating season. As there is an increased need for energy efficiency support in rural, remote and island areas, there may well also be an increased need for income support for those in fuel poverty.

¹² Scottish House Condition Survey, 2015

¹³ CFU, Taking the Temperature, 2016

¹⁴ Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

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?

26. Both national partners and local delivery organisations can play key roles in delivering a comprehensive mix of advice. This will be essential in supporting those at risk of, or experiencing fuel poverty, as well as in ensuring there are effective referral pathways to access support. There is significant value in both advice delivered by phone and face-to-face advice. National level advice and support organisations such as the Extra Help Unit and services delivered by HES play a key role in engaging with fuel poor households by phone. Local level organisations can build upon this with the additional provision of equally valuable face-to-face advice services, provided by a range of organisations including Citizens Advice Bureaux. Our research has shown that in addition to phone-based advice, holistic face-to-face advice in the home is beneficial or necessary for certain households. It has been shown to be particularly helpful for those who are hard of hearing, unable to leave their home, vulnerable, experiencing mental health problems, or do not have English as their first language¹⁵. These services should therefore be seen as complimentary and should both be supported by a new fuel poverty strategy.
27. A wider referrals process for fuel poverty support could also be beneficial. This could take the form of referrals via emergency services or health and social care partnerships. While some of this exists already, there could be benefits in expanding this further and making it more consistent. We recognise, however, that solutions may need to be found to ensure that the protection of personal data is not compromised in doing so. We are aware that Home Energy Scotland already engage with organisations like food banks and clinics to do this, and additional funding to develop formal advocacy services could be advantageous.

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.

28. Local Partners can play a key role in developing engagement strategies, particularly through identifying consumers who are at greatest risk of fuel poverty. In relation to fuel poverty drivers such as energy prices, where the Scottish Government does not have direct power, there may be benefit in increasing consumer engagement and providing information to encourage disengaged consumers to switch tariff and seek other forms of support. There are existing examples of success in this area, including through Big Energy Saving Week, which is delivered by organisations including Citizens Advice Scotland and its member bureaux, and supports consumers to reduce energy bills.
29. Local authorities can also play a valuable role in meeting national aims. The development of Local Heat and Energy Efficiency Strategies (LHEES) presents an opportunity for local authorities to contribute and work towards clear targets and milestones in their area. They also have the potential to ensure more accurate and widespread evaluation and scrutiny of interventions to reduce fuel poverty. Local authorities should be supported in the development of these strategies.

¹⁵ CFU, Facing Fuel Poverty, 2017

30. There are also numerous examples of local or regional partnerships developing effective local solutions and referral pathways. Groups such as the North Ayrshire Local Energy Advisory Forum (LEAF), Shetland Fuel Poverty Action Group, and Cozy Kingdom in Fife demonstrate how local partnerships can develop effective solutions tailored to a specific area, and can develop and support effective referral pathways, further supporting national partners. It would be beneficial for the strategy to consider how this could be supported and replicated elsewhere.

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

31. Longer-term funding for local delivery partners is key to enabling them to deliver support and further measure their success. We are aware that some existing local delivery services, such as HES, may have difficulty in maintaining long-term partnerships or retaining experienced staff due to funding only being available on an annual basis. Longer-term funding would allow these services to develop more effectively over time.
32. The Scottish Government may also wish to examine how best local or community-level organisations can be made central to the delivery of SEEP at a local level.

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?

33. As outlined above, longer term funding for local delivery organisations would help to achieve all of these outcomes. The CFU's research into fuel poverty and energy efficiency scheme delivery suggests that the short term nature of some schemes makes it challenging and uncertain for those involved in delivery, as well as confusing for consumers who may be in need of the support¹⁶.
34. A consistent and clear measurement and evaluation framework, along with the provision of free training for local or community level organisations would also be beneficial.

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?

35. We are supportive of the HES model and the work that the organisation undertakes to support fuel poor consumers. It is our view that a one-stop-shop approach to tackling fuel poverty should be able, as far as is possible, to address all four recognised drivers of fuel poverty. While there are limited options available on what could be done about matters such as energy prices, consideration should be given to what can be done to reduce the price of energy (for example through tariff and switching advice) and to maximise incomes. Given the potential savings that can be achieved from a fully comprehensive tariff and switching advice service we would welcome the Scottish Government reviewing the potential for this offering to be included as part of a trusted, one-stop-shop approach.

¹⁶ CFU, Taking the Temperature, 2016

36. Supporting and improving the capacity of local partnerships to identify those in fuel poverty, and to make referrals to HES services will also be important in improving access to support. There are opportunities to do so through local organisations such as health and social care partnerships. Work should be carried out to determine how best to embed this in these services.

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

37. We agree with the proposal that there should be a new statutory target to eradicate fuel poverty in the Warm Homes Bill. A new target may well play a positive role in planning and monitoring progress towards eradicating fuel poverty, while helping to ensure that it remains a Government priority.

38. The proposed new statutory target is not for an absolute eradication of fuel poverty, but to bring it below 10%. It is our view that this is not sufficiently ambitious. We accept that this may be driven by pragmatism – while our ambition is for fuel poverty to be eradicated altogether, we accept that it has a transient element, with individuals moving in and out of fuel poverty. However, in our view the target of 10% remains insufficiently ambitious and it would result in around half a million individuals remaining in fuel poverty. We would like to see more detail on why a target of 10% is considered appropriate, and further consideration given to a lower target that may more closely reflect the transient aspect of fuel poverty.

39. Greater resources may facilitate more ambitious reductions in fuel poverty, while supporting more innovative approaches. As budgets for fuel poverty and energy efficiency have not increased in recent years, consideration should be given to setting a more ambitious target, and what additional resources could be committed to help achieve this.

40. Additionally, if the government cannot commit to fully eradicate fuel poverty, then once this target has been met there must be concerted effort to support those who fall into fuel poverty and to identify whether there are long term fuel poor who require focused support. Those who may remain in fuel poverty must not remain so for the long term, and the achievement of this target must not impede ongoing efforts to continue to reduce levels of fuel poverty.

11) What are your views on the proposed sub-targets?

a) What are your views on the proposed levels?

41. We appreciate that a pragmatic approach should be taken and any targets should be achievable. However it is our view the proposals set out could be more ambitious.

42. We support the commitment to removing energy efficiency as a driver of fuel poverty. This should be in line with strategies to improve EPC performance across Scotland's housing stock, such as minimum efficiency standards in private rented housing, and should prioritise households that are at greatest risk of fuel poverty. In order to achieve this goal, the Scottish Government may need to take a more radical approach to delivering energy efficiency

measures, as the 'low-hanging fruit' or easily installed/cheaper measures are delivered, more expensive and difficult to install measures will need to be deployed to difficult-to-treat housing, and whole-house solutions will be required. In order for this to be achieved, it will be important that SEEP is delivered effectively. Our research has indicated that the development of milestones and targets for SEEP must take into account public acceptant and support for its objectives, consumer confidence and trust in the scheme, and making the installation of energy efficiency measures as easy as possible for consumers¹⁷.

43. However, while improving energy efficiency should be a central goal of the strategy, it should not be the sole focus. Our research has indicated that while increased energy efficiency helps to mitigate fuel poverty, it is not sufficient on its own to eliminate it¹⁸. It will be important that the strategy takes a mixed approach with seeks to eliminate energy efficiency as a driver of fuel poverty, while mitigating or eliminating other drivers, as far as is possible given the extent of devolved powers, in parallel.

b) What are your views on the proposed timeframe?

44. In our view, the timeframes could be more ambitious. While reducing fuel poverty may become more challenging in the coming years (as outlined above, for example, with challenges to delivering further energy efficiency improvements) faster change may be possible. However whilst energy efficiency designated a national infrastructure priority, the budget for fuel poverty and energy efficiency flat lined in 2018/19. We would welcome further exploration of what extra resources could be secured to ensure energy efficiency is eliminated as a driver of fuel poverty in a shorter timeframe.

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?

45. We would welcome more ambitious interim milestones. The proposals set out would result in a reduction of 6% in the fuel poverty rate over 13 years. Given the pace of change that we have seen over recent years, it is likely that with concerted effort greater reductions would be possible.

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

46. A key role should be monitoring the ongoing success or failures of the strategy. Scrutinising the impact of any changes to vulnerability measures will also be important, as will overseeing the establishment of vulnerability measures themselves if the Scottish Government takes forward the work recommended by the panel to develop health, disability and age categories.

¹⁷ CFU, Warming Scotland Up to Energy Efficiency, 2017

¹⁸ CFU, Taking the Temperature, 2016

47. In terms of how the new definition may be used to target support, it may be necessary to use proxies to identify eligibility. If this is the case, the panel and forum should frequently review and assess these to determine their impact on an ongoing basis.
48. In order to help inform this, they should engage widely with both local and national organisations to determine the effect of interventions. These should include a wide range of groups associated with all of the four key drivers of fuel poverty are appropriately engaged and scrutinised, in order to indicate their impact on progress towards targets and what further action can be taken.

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

49. Fundamentally, the panel should seek to establish or scrutinise how the new definition should be used in practice. This should include the scrutiny of proposals for measurement and delivery such as proxies or a doorstep tool.
50. It would be beneficial to establish local partnerships to help identify those at risk of fuel poverty, and to help improve referral pathways.

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?

51. The initial findings from our research into fuel poverty suggest that proxies can be pivotal in informing data. However, it also showed mixed responses on the perceived support needs from respondents within the same proxy groups, which may indicate limitations¹⁹. While proxies can be useful in indicating broad circumstances, and in turn corresponding support needs, the needs of those within a given group will not necessarily be consistent. Equally, those with specific support needs may not fall into a given proxy group.
52. The use of proxies may be more effective if the different drivers of fuel poverty are accurately reflected in them. Our research suggests that tenure and dwelling type are reasonable proxies for income²⁰. Previous research has also indicated that the Cold Weather Payments group may also be a useful proxy for those at risk of fuel poverty because of low incomes²¹.
53. We also consider that reliance on electric heating may also be a reasonable proxy for targeting fuel poverty support. Electric heat use is indicative of higher energy costs – with electric heating being particularly expensive – and is associated with household income – with those reliant of electric heating being far more likely to have low incomes. This is an area where we see

¹⁹ Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

²⁰ Ibid.

²¹ Citizens Advice Scotland, Designing a Social Security System for Scotland: Winter Fuel and Cold Weather Payments, 2015

consistent and widespread detriment to consumers, as well as clear support needs among consumers. It therefore may represent a reliable proxy for fuel poverty and risk of being in fuel poverty.

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?

54. Our research shows that using proxies can lead to support not reaching those consumers who report that they require it. However, this may also demonstrate the effectiveness of some proxies over others. It will be important that any door-to-door, on the ground assessments of fuel poverty take into account potential different perceptions of determining affordability and need for financial support. In particular, we have seen many examples of individuals considering their energy to be affordable only as a result of cutting back on other essentials like food²². Therefore some behavioural insight may be required to take into account the subjectivity of individual responses, particularly around expenditure needs.

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

55. We would appreciate more detail about the form a doorstep tool would take, as limited information is currently available. Therefore, at this stage, it is difficult to comment on its impact. Additionally, our understanding is that the tool is not intended to be used on a door-to-door basis. If this is the case, we do not think the term 'doorstep tool' should be used as it may be misleading.
56. Area based schemes have had some success in delivering relatively cohesive measures across communities, and the use of SIMD and lower council tax bands as proxies may have helped to target fuel poverty. However, it is difficult to accurately assess this due to the lack of monitoring and evaluation that was carried out in relation to schemes²³. There may be a risk that a doorstep tool alone will not allow measures to be delivered in a cohesive and cost effective manner, as measures may be delivered in a more piecemeal fashion as individual households are assessed. This could lead to discrepancies within an area as some households are not captured. A mixed approach may therefore be desirable.

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?

57. No response.

19) What are your views on, or experience of how an outcomes-focused approach would work in practice?

²² Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

²³ CFU, Taking the Temperature, 2016

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?

58. We support an outcomes-focused approach. It will be important that outcomes are informed by actual data and the experiences of those receiving support, and is not entirely reliant on modelled data.
59. It is also important that outcomes are based on improved comfort and affordability. In the past, we have seen improvements in the delivery of energy efficiency measures, with area-based schemes helping to deliver more even numbers of measures to rural areas²⁴. However, this improvement relates to the number of energy efficiency measures delivered as opposed to the outcomes delivered for consumers – such as increased comfort or reduced energy costs. Therefore, the impact of measures on a home should be taken into account when measuring outcomes.
60. It will also be important that energy efficiency assessments are carried out as accurately as possible to help determine what measures will have the most positive outcomes. Our research into fuel poverty support needs has indicated that some EPC assessments do not identify the most beneficial or cost-effective measures²⁵.

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

61. Overall, we support the principles. However, we are concerned that the aim to ensure that dwellings occupied by fuel poor households have lower carbon emissions may cause some conflict. While we accept that this would be the desired outcome, we are also aware that under current circumstances low-carbon fuels will not necessarily be the most cost-effective for fuel poor households. For example, for many mains gas is likely to many to be the cheapest available fuel, and it could be counter-productive in terms of reducing fuel poverty to install a lower-carbon alternative. Electric heating could be a lower-carbon alternative, but modelled fuel costs from 2016 suggest that electric heating could be in the region of 30%-200% more expensive than mains gas²⁶. District and communal heating has the potential to provide an affordable low-carbon alternative, however our research suggests that prices vary significantly between schemes²⁷. We therefore strongly support the Scottish Government's proposals to regulate this market, but recognise that there must be robust and effective means in place to ensure affordability in order for it to be successful. In recent years, one of the main reasons for high fuel poverty rates has been the high and rising cost of energy²⁸. Fuel poverty rates will not be reduced by replacing heating systems with lower carbon forms of heating if the running costs are more expensive.

²⁴ CFU, Taking the Temperature, 2016

²⁵ Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

²⁶ CFU research into households without mains gas heating, to be published in 2018.

²⁷ CFU, Different Rules for Different Fuels, 2017

²⁸ Scottish House Condition Survey, 2016

21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground?

a) If so, how?

b) If not, why?

62. Yes, but it will be important that organisations like HES are able to maintain long-term partnerships, for example through Community Liaison Officers. In order to do so, longer-term funding for local partnerships to develop and support these services would be helpful, as outlined above.

63. The development and maintenance of partnerships will be an ongoing thing, and it will be important that the effectiveness of the framework in supporting them is assessed regularly.

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?

64. The proposed changes to vulnerability categorisation could have an impact on age. As set out above, the Scottish Government should carry out the work recommended by the panel to ensure that this is mitigated.

65. We also know that those who require support are often the least likely to seek it. For example, our research into fuel poverty support needs suggests that those who find it most difficult to afford their fuel bills were unlikely to have sought support to reduce bills²⁹. Therefore ensuring equality for this group in terms of support provision, and ensuring support reaches the disengaged, will have to be at the heart of the strategy.

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

66. Investing in energy efficiency in particular has the potential to support jobs across Scotland. Research carried out for the existing homes alliance found a clear net economic benefit from energy efficiency programmes. There is also evidence to suggest that investing in energy efficiency schemes tends to create jobs as the industry is labour intensive³⁰

67. Additionally, UK energy efficiency policy was estimated to have increased the annual rate of economic growth by 0.1 per cent between 2000 and 2007, and to have increased employment by 0.8 per cent (271,000 jobs) between 2000 and 2010³¹.

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?

²⁹ Consumer Futures Unit, Forthcoming research into the support needs of those in fuel poverty, to be published in 2018.

³⁰ CFU, Taking the Temperature, 2016

³¹ Ibid

68. Access to energy is a vital part of the human right to housing, and fuel poverty may have an impact on children's health and wellbeing, as well as school attainment. Children's rights, as well as wider human rights, should be embedded in the fuel poverty strategy.

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