

## Energy Action Scotland

### Briefing: Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill

### Stage Two Amendments- briefing paper for Day 1 consideration (Wednesday 27 March)



This paper outlines EAS's support for a number of Stage Two amendments to the Bill. These focus on:

- Having a realistic target date and statutory interim targets to eradicate fuel poverty
- Strengthening the lived experience and consultation in the Bill
- Including costs for various groups such as carers, disabled people, people living with a long-term condition or illness, families with children under 5
- Adequate scrutinising, more regular periodic reporting, and better support in the fuel poverty strategy

EAS is disappointed to hear that there is no financial resolution for the Bill so any amendments being passed will depend on how much they cost.

#### Stage 2 amendments

**The fuel poverty target should be brought forward to 2032, and there should be 2 statutory interim targets at 2024 and 2028. The interim targets would be:**

- **2024 the fuel poverty rate would be 15% with a fuel poverty gap of £350**
- **2028 the fuel poverty rate would be 10% with a fuel poverty gap of £250.**

The original suggestion of 2040 is too distant a target, effectively a generation away. 2032 is more realistic and would ensure that urgent action is taken.

A target of 2032 is in line with the Energy Efficient Scotland<sup>1</sup> target of bringing all fuel poor homes up to an EPC band C by 2030, and social rented homes attaining EPC B by 2032.

The Bill (as published) does not set out interim milestones or targets and this should be defined. EAS is aware that the Minister will bring forward amendments at Stage 2 to make the interim targets statutory; however this only applies to the first interim target. We believe that there should be more frequent statutory targets.

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<sup>1</sup> Scottish Government, Energy Efficient Scotland: route map, May 2018

## Amendments

53, 55, 66, 67, 69, 70, 77, 8, 79, 80, 86, 90, 91, 92 for the target date (Alex Rowley)

3 for fuel poverty target by 2040 (Graham Simpson MSP)

19 for the interim targets (Andy Wightman MSP)

### Supported by:



Energy Poverty Research initiative

## MIS uplift for those with additional costs

This was originally intended to cover groups which were not taken account of in the UK MIS e.g. those living in rural locations or those with additional extra costs, such as disabled people or people with a long-term illness. The Government committed to an amendment at Stage 2 on a rural uplift. This amendment mirrors the rural uplift.

SCOPE recently calculated a disabled person's standard of living and noted that on average, disabled adults face extra costs of £583 a month, and extra costs faced by families with disabled children amount to £581 a month<sup>2</sup>. Another key finding was that one in five disabled adults faces extra costs of over £1,000 a month even after they have received welfare payments designed to meet those costs.

## Amendments

62 (Jackie Baillie MSP)

### Supported by:



<sup>2</sup> SCOPE, The Disability Price Tag 2019, February 2019

## Caring costs for adults alongside childcare costs

The second part of the proposed fuel poverty definition, says that after deducting such fuel costs and the household's childcare costs (if any), the household's remaining income is insufficient to maintain an acceptable standard of living. Account should be taken of costs of caring for disabled people, people who live with long term conditions and other adults requiring care.

Unpaid care which relatives, friends and neighbours provide is estimated to be worth £10.8 billion a year<sup>3</sup>. There are at least 759,000 carers aged 16 and over in Scotland and 29,000 young carers<sup>4</sup> but the poverty rate among unpaid carers is 22%, but this varies considerably by age, care intensity and relationship to the recipient<sup>5</sup>.

### Amendments

56, 61, 63 (Jackie Baillie MSP)

### Supported by:



Energy Poverty Research initiative

## Consultation on enhanced heating regime groups

In the Bill, it says that Scottish Ministers may by regulations specify the types of household for which enhanced heating is appropriate. This amendment suggests that there needs to be consultation with the NHS and patient groups, as they will have the necessary expertise of different illnesses and conditions.

Citizens Advice Scotland said in their written evidence<sup>6</sup> that: "There is a need 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".

<sup>3</sup> Carers UK, University of Sheffield, University of Leeds (2015) Valuing Carers 2015 - the rising value of carers' support

<sup>4</sup> <https://www2.gov.scot/resource/0047/00473691.pdf>

<sup>5</sup> [https://www.npi.org.uk/files/2114/6411/1359/Carers\\_and\\_poverty\\_in\\_the\\_UK\\_-\\_full\\_report.pdf](https://www.npi.org.uk/files/2114/6411/1359/Carers_and_poverty_in_the_UK_-_full_report.pdf)

<sup>6</sup> [https://www.parliament.scot/S5\\_Local\\_Gov/Inquiries/LGC\\_S5\\_18\\_FP10\\_CitizensAdviceScotland.pdf](https://www.parliament.scot/S5_Local_Gov/Inquiries/LGC_S5_18_FP10_CitizensAdviceScotland.pdf)

## Amendments

60, 96, 97 (Jackie Baillie MSP)

### Supported by:



## Consultation/co-production with people with lived experience of fuel poverty

There are locations in the Bill where Ministers are obliged to consult with persons with current or previous lived experience of fuel poverty. At present there is no reassurance in the Bill about how often or how detailed this “consultation” would be. The only detail in the draft fuel poverty strategy on this is that Ministers will “consult with people” or that governance arrangements put in place with the Fuel Poverty Advisory Panel (with some of its members drawn from organisations which work directly with people) will contribute to advice given to Scottish Ministers. This arrangement is tenuous especially with the Government’s own response to the Committee’s Stage 1 report saying that they were not willing to place the Advisory Panel on a statutory footing.

“Consultation” also does not ensure that the advice will be taken on board; therefore “co-production or co-design” is a better method to adopt. We are aware however that there are some instances where consultation would be more appropriate eg technical measures to improve energy efficiency so propose “co-production, or consultation, where appropriate”. This amendment is being taken forward by Scottish Labour, slight changes to it, with wording changed to “co-operation with” for the strategy. In addition, this amendment now includes co-operation with vulnerable groups. These being:

- Disabled people,
- People with long-term illness
- Older people
- Individuals living in rural areas

The Christie Commission report <sup>7</sup> stated that unless Scotland embraced a radical new collaborative culture in its public services, both budgets and provision would buckle under the strain. In achieving this, services must be designed with and for Scotland’s people and communities. Considering that there is no new funding for fuel poverty alongside this Bill, it would be prudent to co-design services which work for people.

The Fairer Scotland Action Plan <sup>8</sup> talks about people with experience of poverty speaking out and pushing for change, that people experiencing poverty are at the heart of work to overcome it.

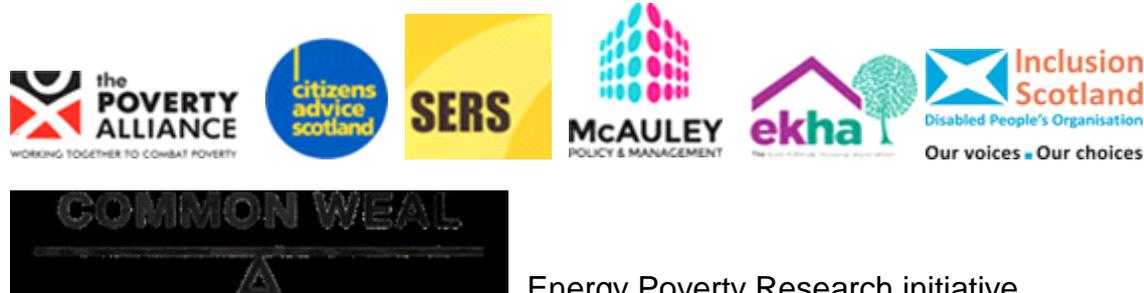
The Local Government and Communities Committee, in its Stage 1 report<sup>9</sup> notes that:

“It is vital that key measures and policies are informed by the views of those with first-hand knowledge of the effects and impact of fuel poverty” and “Any successful strategy cannot be “top down” if it is to successfully identify the measures best placed to help people”.

## Amendments

65 (Jackie Baillie MSP), 87 (Alex Rowley MSP)

### Supported by:



## Strengthening the role of the existing Fuel Poverty Advisory Panel

The Government, in its response to the Committee’s Stage 1 report, said it was unwilling to place the Fuel Poverty Advisory Panel on a statutory footing. There needs to be independent oversight of the progress towards meeting the target, and independent support to Parliament. The Advisory Panel needs to have the ability to

<sup>7</sup> Commission on the Future Delivery of Public Services , Christie Commission on the future delivery of public services, 2011

<sup>8</sup> Scottish Government , Fairer Scotland Action Plan, 2016

<sup>9</sup> Local Government and Communities Committee, Stage 1 Report on the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill, 29 January 2019

commission research, monitor the progress towards reaching the target, and raise awareness of the negative impacts of living in fuel poverty.

### **Amendments**

54, 93, 94, 95 (Alex Rowley MSP)

#### **Supported by:**



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### **Periodic reporting to every 3 years and review of strategy**

The Minister proposed stage 2 amendments on more frequent periodic reporting requirements than the 5 years proposed in the Bill, and EAS agrees that this should be every three years. In addition, a review would be ordered if no progress has been made. This also links to the amendment on the Fuel Poverty Advisory Panel.

### **Amendments**

74, 75, 76, 83 for strategy revision after 5 years (Alex Rowley MSP)

71, 49 on what the strategy should include (Pauline McNeill MSP)

82, 85 for periodic reporting (Alex Rowley MSP)

#### **Supported by:**



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### **Report on the target**

Currently in the Bill, the final report could be laid as late as 31 March 2042, two years after the target has ended. These amendments propose that the final report on whether the target has been met should be laid no more than a year after the cessation of the target.

## Amendments

89, 88 (Alex Rowley MSP)

### Supported by:



## Enhanced heating regime groups should be specified in the Bill

Currently there are no assurances in the Bill for which groups the enhanced heating regime applies to, with the potential of bringing forward regulations at some point in the future on this. The current policy intention is to take account of households where a member of the household is elderly or has a condition or illness which makes that person especially at risk of suffering adverse effects from being in a cold home. Children under 5 are also at risk from cold temperatures so should be included under this regime. In addition, an age threshold should be added eg those who qualify for the State Pension. These amendments propose that these groups should be specified on the face of the Bill.

We believe that these groups are at risk of suffering from cold homes. The figure for Excess Winter Deaths in Scotland in 2017/18 was 4,800<sup>10</sup> which is the largest value since winter 1999/2000. The main cause reported in this release was respiratory diseases, including influenza and pneumonia (35%). High cold-related mortality is associated with low indoor temperatures.

We believe that with a Scottish Government commitment to align fuel poverty with child poverty that an amendment is needed to reflect the fact that children under 5 are at a higher risk of fuel poverty.

Child Poverty Action Group in Scotland, in their written evidence<sup>11</sup> said:

“Clear evidence from the World Health Organisation (WHO) and the conclusions of the Scottish Government’s independent academic panel<sup>12</sup>, amongst others, demonstrates that families with young children are more vulnerable to the impacts of

<sup>10</sup> National Records of Scotland, Winter Mortality in Scotland 2017/18, October 2018

<sup>11</sup> [https://www.parliament.scot/S5\\_Local\\_Gov/Inquiries/LGC\\_S5\\_18\\_FPB\\_35\\_CPAGScotland.pdf](https://www.parliament.scot/S5_Local_Gov/Inquiries/LGC_S5_18_FPB_35_CPAGScotland.pdf)

<sup>12</sup> Scottish Government, A new definition of fuel poverty in Scotland - A review of recent evidence, November 2017

fuel poverty and should be included in the households for which an enhanced heating regime will apply when defining and measuring fuel poverty.”

The World Health Organisation, the Scottish Public Health Network (ScotPHN) and NICE guidelines all set out that children under five are a key group that is more vulnerable to the impacts of fuel poverty, including potential health damage

The Marmot Review<sup>13</sup> reported that children are twice as likely to suffer from respiratory problems such as asthma and bronchitis, with severity and frequency of asthma attacks up (if they develop asthma, they are likely to continue to have it for a long time, with a knock-on financial impact on health services and a detrimental effect on education and life chances).

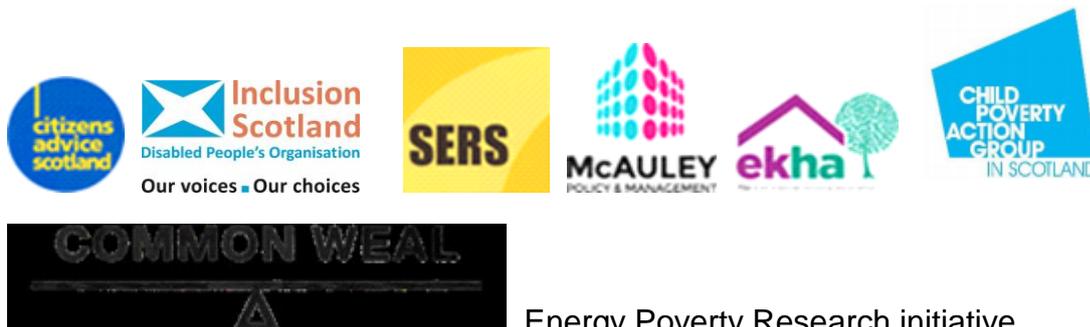
Inclusion Scotland, in their written evidence<sup>14</sup> argued that:

“Additional costs such as heating are higher because a much higher proportion of disabled people are unemployed and thus at home all day at a time when others reduce their heating. Although disabled people in employment face less additional costs they are still substantial and on average, across the UK, amount to £492 a month. It should be borne in mind though that the costs for a Scottish disabled person in work are likely to be higher again, and that some disabled people, linked to their conditions, actually need more heat so as not to exacerbate their condition, eg children with asthma or people with arthritis. Extra heating can, thus, be a preventative measure”.

### Amendments

57, 58, 59, 64 (Jackie Baillie MSP)

### Supported by:



### Power to Modify

EAS had an amendment proposing that Scottish Ministers should have the power to modify or add to the vulnerable groups to which the enhanced heating regime

<sup>13</sup> Marmot Review Team, The Health Impacts of Cold Homes and Fuel Poverty, May 2011

<sup>14</sup> [https://www.parliament.scot/S5\\_Local\\_Gov/Inquiries/LGC\\_S5\\_18\\_FPB\\_14\\_InclusionScotland.pdf](https://www.parliament.scot/S5_Local_Gov/Inquiries/LGC_S5_18_FPB_14_InclusionScotland.pdf)

applies. This was originally in section 10 of the Bill, however an amendment has been lodged by Jackie Baillie MSP which we believe addresses this issue. The amendment is number 60 in the Marshalled List and is grouped under **Enhanced heating: eligibility**.

The Scottish Government commissioned research report on the fuel poverty definition<sup>15</sup> recommended that further research should be undertaken on vulnerability criteria. If such work is carried out, there needs to be some mechanism to allow modification or addition to the existing vulnerable groups mentioned in the Bill.

### Amendments

60 (Jackie Baillie MSP)

### Supported by:



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### Costs

A financial resolution has not been published for the Bill; therefore there are a few amendments here on costings. This is an opportune moment for the Scottish Government to set aside funding to ensure that the fuel poverty target is met, and that sufficient resource enables work to be carried out in local authorities across the 4 main drivers of fuel poverty.

### Amendments

45, 50, 51 on costs (Pauline McNeill MSP)

### Supported by:



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<sup>15</sup> Scottish Government, A new definition of fuel poverty in Scotland - A review of recent evidence, November 2017

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