

Highland Community Planning Partnership
Community Planning Board – 7 October 2016

Agenda Item	4.
Report No	CPB 10/16

Fuel poverty in Highland

Report by: Highland Affordable Warmth Partners Group (HAWPG)

Summary: Members of Highland Affordable Warmth Partners Group (HAWPG) have prepared this report to highlight: levels of fuel poverty in Highland; Highland contribution to national and local initiatives and consultations; local implementation of national schemes; examples of local action.

1	Levels of fuel poverty in Highland																								
1.1	<p>Background Fuel poverty is defined as a household having to spend more than 10% of its income on all household fuel use to maintain satisfactory heating. “Extreme fuel poverty” is when a household has to spend more than 20% of household income. Fuel poverty rates in Highland are high, as can be seen from the map in Appendix 1. Statistics from the rolling Scottish House Condition Survey show:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;">Households in fuel poverty (brackets = extreme fuel poverty)</th> </tr> <tr> <th></th> <th style="text-align: center;">Highland Council area</th> <th style="text-align: center;">Scotland</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2011-13</td> <td style="text-align: center;">50% (18%)</td> <td style="text-align: center;">36% (10%)</td> </tr> <tr> <td style="text-align: center;">2012-14</td> <td style="text-align: center;">55% (23%)</td> <td style="text-align: center;">35% (10%)</td> </tr> </tbody> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;">Pensioner households in fuel poverty (brackets = extreme fuel poverty)</th> </tr> <tr> <th></th> <th style="text-align: center;">Highland Council area</th> <th style="text-align: center;">Scotland</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2011-13</td> <td style="text-align: center;">69% (28%)</td> <td style="text-align: center;">54% (15%)</td> </tr> <tr> <td style="text-align: center;">2012-14</td> <td style="text-align: center;">72% (36%)</td> <td style="text-align: center;">51% (15%)</td> </tr> </tbody> </table> <p style="text-align: center; margin-top: 10px;">Sources: http://www.gov.scot/Topics/Statistics/SHCS/keyanalyses/LAtables2013 http://www.gov.scot/Topics/Statistics/SHCS/keyanalyses/LAtables2014</p>	Households in fuel poverty (brackets = extreme fuel poverty)				Highland Council area	Scotland	2011-13	50% (18%)	36% (10%)	2012-14	55% (23%)	35% (10%)	Pensioner households in fuel poverty (brackets = extreme fuel poverty)				Highland Council area	Scotland	2011-13	69% (28%)	54% (15%)	2012-14	72% (36%)	51% (15%)
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2	Highland contribution to national and local initiatives and consultations																								
2.1	<p>Scottish Rural Fuel Poverty Task Force: The Task Force is a Scottish Government initiative to develop actions relevant to rural and remote properties to enable these to feed into the development of fuel poverty policy and inform new energy efficiency programmes which will make use of devolved powers. It is a 'short life' group which will last for no more than one year and whose remit is to develop a set of actions which (1) would make it significantly easier and more affordable for people living in rural and remote Scotland to keep their homes warm; and (2) will be fed into the further development of fuel poverty policy and energy efficiency programmes.</p> <p>The organisations represented on the Task Force have extensive knowledge of the issues facing the fuel-poor in rural and remote rural Scotland both at a strategic level, and also on-the-ground practical experience of working with households to improve the energy efficiency of their homes.</p>																								

	<p>Highland & Islands-based individuals are well represented on the Task Force, which is chaired by Di Alexander (Lochaber Housing Association) who brings a wealth of experience in rural housing and related issues.</p> <p>The Task Force is currently developing an action-oriented plan that they believe will address the unique factors that contribute to such high levels of fuel poverty which exist in rural Scotland. The plan will be presented to the Cabinet Secretary for communities, social security and equalities in late September 2016.</p> <p style="text-align: right;"><u>Bob Grant, Centre Manager, Home Energy Scotland, (Inverness office)</u></p>
2.2	<p>Competition & Markets Authority (CMA) investigation into the UK energy market</p> <p>HAWPG responded to the CMA investigation into the UK Energy Market in 2015 by highlighting issues faced by many Highland customers. The CMA's interim findings were published in March 2016. The report has made some significant recommendations in addressing the UK energy market with specific recommendations, including:</p> <ul style="list-style-type: none"> • A requirement that the approximate 700,000 households across the UK who are on non-Economy 7 restricted meters are allowed to switch to cheaper single-rate tariffs without requiring a meter replacement • A transitional price control for the 4 million households who are on prepayment meters • An Ofgem-controlled database which will allow rival suppliers to contact – by letter only – domestic and micro-business customers who have been stuck on their supplier's default tariff for 3 years or more, to offer them better deals. <p>Taken together, if fully implemented, these changes will result in significant reduction in energy costs for households in Highland who are currently restricted on the tariffs available to them. The CMA's final report was published in June 2016.</p> <p style="text-align: right;"><u>Bob Grant, Centre Manager, Home Energy Scotland, (Inverness office)</u></p>
2.3	<p>Ofgem: consultation on operation of the Voluntary Redress Scheme</p> <p>Energy companies are licensed by Ofgem who can impose a financial penalty if a licensee is found to have breached Ofgem rules. In such instances, the licensee can make a proposal to Ofgem for making "voluntary redress" (via payment to third sector organisations) so as to avoid further formal procedures. Considerable amounts of funding can be made available via voluntary redress to some third sector organisations across the UK.</p> <p>Ofgem consulted during summer 2016 on new options for the future voluntary redress policy, in particular how funding available through voluntary redress is managed and distributed across the UK. HAWPG responded to this consultation focussing on the need to make the system fairer, more transparent and accessible so that more charities of all sizes can benefit. This approach would benefit those addressing fuel poverty in Highland.</p> <p style="text-align: right;"><u>Alison Craig, Operations Manager, Home Energy Scotland (Inverness office)</u></p>
2.4	<p>Horizon-scanning: possible implications for energy bills:</p> <p><u>Scotland's National Marine Plan</u> HAWPG members are aware of potential cost implications for energy consumers in northern Scotland and the islands arising from the National Marine Plan's section on submarine cables. The cost of investment in the distribution network to protect existing submarine electricity cables would be met by consumers in the distribution area. This further underlines the need for all agencies to consider how they can best tackle fuel poverty across Highland. Consultation on the Marine Plan took place during 2015 and early 2016 and the following links give further background.</p> <ul style="list-style-type: none"> • Q <i>How much will electricity bills increase by due to the policies detailed in Chapter 14 of Scotland's National Marine Plan?</i> http://news.ssepd.co.uk/media/146852/fag-submarine-cable-final.pdf (pages 4-5) • Scotland's Marine Plan: http://www.gov.scot/Resource/0047/00475466.pdf (chapter 14

refers)

- <http://news.ssepd.co.uk/submarinecables/information/>

Margaret Brown, NHS Highland

3 Local implementation of national schemes

3.1 Home Energy Efficiency Programme Scotland (HEEPS)

HEEPS is the Scottish Government initiative to tackle fuel poverty and increase energy efficiency in homes. It is a cluster of programmes including:

1. Area-based schemes, administered by local authorities
2. Scottish Energy Efficiency Programme (partnership with local authorities)
3. *Warmer Homes Scotland*. Initial contact/referral through Home Energy Scotland.

HEEPS in Highland

1. Highland Council has a partnering contract in place with E-On to provide Energy Company Obligation (ECO) contribution to the Council's HEEP-ABS fund and to plan, manage and undertake all suitable works in connection with the programme. (NB **ECO** is a UK government **energy** efficiency obligation placed on large energy companies to help reduce carbon emissions and tackle fuel poverty). Funding is limited and there are criteria for acceptance. The property must be: of solid wall construction; heated by oil, solid fuel or electricity; privately owned or rented (holiday homes excluded); within council tax bands A, B or C; subject to successful assessment survey. Remote and rural areas with off-gas properties are being prioritised.

There have been challenges in gaining properties that comply with the scheme conditions and a lot of effort has been made to ensure that properties can be included. The scheme has included properties from areas across Highland.

Year	No of properties received external wall insulation	No of properties received cavity wall insulation
2013-14	300	0
2014-15	506	50
2015-16	345	0
2016-17	344 programmed	0

2. Scottish Energy Efficiency Programme (SEEP)

In 2018, the Area Based Scheme is to be replaced with a new Scottish Energy Efficiency Programme (SEEP). This will be a partnership with local government to take a more holistic approach to area building emissions and will include both domestic and non-domestic properties. The SEEP programme will commence in 2018 and run over 15-20 years.

Karen Maclean, Energy & Sustainability, Highland Council

3. Warmer Homes Scotland:

In September 2015, the Scottish Government launched this new fuel poverty scheme which is being delivered by 'Warmworks' – a joint venture between Changeworks, the Energy Saving Trust, and Everwarm. Eligibility criteria apply. Data from Warmworks for Highland indicate that customer satisfaction measures are above 97%. Highland statistics to 14 June 16:

1. 551 completed surveys
2. 210 completed measures
3. 256 cancelled referrals

4. 198 in progress referrals

Main cancellation reasons are related to timescales or that the householder did not qualify, didn't want the upheaval or did not want to make a financial contribution. Main challenges with delivering in rural Highland are: delivery timescales (materials to site); low volume of referrals; high volume of cancellations.

The Scottish Government now permit Warmworks to proceed with the installation of a new oil boiler in situations when the oil tank and base does not meet OFTEC regulations in cases where there is not an immediate health and safety risk. This should reduce cancellations as prior to this, customers had to pay to replace their oil tank and base, prior to install, if it did not meet OFTEC regulations, or else their application was cancelled. In Highland, a total of 12 companies are installing measures under the scheme: three of these have permanent workforce/base in the Highland region.

Alison Craig, Home Energy Scotland (Inverness office); Nicola Mcleod, (Warmworks)

3.2 Home Energy Scotland

During the year ended 31 March 2016, Home Energy Scotland advisors provided energy advice to a significant number of Highland households who struggled to heat their home and /or who worried about their fuel bills. Advice is given on a range of ways to save money including installing insulation, upgrading a boiler, advice on how to use the heating system and controls, buying and using appliances and other ways to reduce wasting energy. Most advice is provided by telephone, is impartial and up-to-date with a high focus on quality whereby all calls are recorded and a selection are quality monitored with feedback.

Advisors refer households for income maximisation checks; tariff checks; *Warmer Homes Scotland* national fuel poverty scheme; and to specialist energy advisors for advice on suitability of their home for the Highland Area-based scheme for external wall insulation; and for those interested in renewable systems if appropriate. Advice is provided on finding installers and assessors. Highland tenants of Registered Social Landlords are also offered a supplier-switching service provided by Citrus Energy.

Home Energy Scotland delivered a successful 'Keeping Warm in Older Homes' event aimed at people living in older properties in partnership with Inverness Civic Trust. It informed householders living in traditional buildings about a range of measures they can make and help them make informed decisions, particularly when they are offered external or internal wall insulation, so that they protect the structural integrity of their home for the future.

Home Energy Scotland also delivers affordable warmth visits for the most vulnerable or refers these households to local partners such as Lochalsh and Skye Energy Advice, particularly to assist with progressing through the *Warmer Homes Scotland* scheme. Home Energy Scotland works with a range of local partners to reach the most vulnerable households including:

- Highland community groups: including Stratherrick and Foyers Community Development Trust; Greening Kyle; Arisaig Community Trust; Melness and Tongue Community Development Trust; Garve and District project; a joint Calman / Changeworks project delivering affordable warmth visits. We support community groups to access additional funding for fuel poverty work e.g through Climate Challenge Fund, Ofgem voluntary redress funding to increase capacity.
- NHS Highland, Highland Council, Scottish Fire and Rescue and Citizens Advice under the *Healthy Homes for Highland Partnership* (see 4.2 below).

Home Energy Scotland is now promoting a Referral Portal to partners to allow third sector and statutory partners to refer their clients to Home Energy Scotland. This portal will provide feedback on referrals made and outcomes achieved for partners' clients (see 4.1 below).

	<p>Home Energy Scotland has developed a facility which makes it easier for energy advisors to refer to affordable warmth services provided by local partners.</p> <p><u>*Provisional statistics for Home Energy Scotland activity in Highland for year ended 31 March 2016:</u></p> <ul style="list-style-type: none"> • Highland households enquiring about HEEPS: 2,750 • Highland households taking up HEEPS: 2,578 <ul style="list-style-type: none"> ○ Those receiving energy advice: 2,425 ○ Income maximisation referral: 706 ○ Tariff check referrals: 485 ○ Area-based scheme referrals: 39 ○ Warmer Homes Scotland referrals: 410 <p>Note *Provisional indicates these statistics have been approved by Scottish Government but are not as yet published.</p> <p style="text-align: right;"><u>Alison Craig, Operations Manager, Home Energy Scotland (Inverness office)</u></p>
4	Examples of local action
4.1	<p>Sutherland</p> <p>Sutherland has the highest fuel poverty levels in the Highland Council area. Actions include:</p> <ul style="list-style-type: none"> • Sutherland District Partnership set up a Fuel Poverty Task Group in October 2015. Early actions were to raise awareness and train frontline NHS and Local Authority staff. Training was provided by Home Energy Scotland, and SSE provided room temperature cards for distribution via frontline staff such as home carers. • Staff from NHS Highland, Home Energy Scotland and the Chair of Sutherland District Partnership met in June 2016 to plan an innovative project in East Sutherland where inpatients at Migdale and Lawson Memorial hospitals will be referred to Home Energy Scotland at point of discharge. This will be an 'opt-out' scheme where all patients will be referred via the Home Energy Scotland online portal, unless they withhold consent. As at September, work is under way to finalise an information and data-sharing/governance agreement between NHS Highland and Energy Saving Trust (who operate the Home Energy Scotland portal) to enable referrals to be made. A patient consent form has been prepared, staff training scheduled, and work is under way on the evaluation framework. If successful, it is hoped to roll this scheme out to other NHS services in Sutherland in the first instance. <p style="text-align: right;"><u>Lorraine Coe, Margaret Brown, NHS Highland</u></p>
4.2	<p>Home Energy Scotland online referral portal – implications for <i>Healthy Homes for Highland (HHH)</i> cross-referral scheme</p> <p>The development of the national Home Energy Scotland referral portal has implications for the future of the HHH cross-referral scheme which is aimed at Highland's most vulnerable householders. To date, HHH has been promoted to staff in partner agencies, asking them to identify and refer vulnerable households. This has had mixed impact, with good referral numbers from some partner organisations but limited referrals from others, in particular the NHS. The introduction of the national Home Energy Scotland referral portal means that HHH's future as a referral scheme needs to be reviewed. It is proposed that the former HHH partners will continue to meet as a subgroup of the HAWPG, to concentrate on how to reach the most vulnerable. Partners will consider changing HHH branding and removing materials to reduce future confusion and ensure a clear focus on the new portal.</p> <p style="text-align: right;"><u>Alison Craig, Home Energy Scotland; Margaret Brown, NHS Highland</u></p>
4.3	<p>Lochalsh & Skye</p> <p>Lochalsh & Skye Energy Advice Service (LSEAS) has been engaged in both local and national activity over the past year. Donnie MacKay, Energy Advice Manager, is on the Scottish Rural Fuel Poverty Task Force and this has been a significant area of work. As part of the Task Force's submission to Scottish Government, the service developed a proposal on behalf of the Highlands & Islands Housing Associations Affordable Warmth Group for an 'Energy Carer'</p>

	<p>service to be piloted in remote rural areas of Scotland. The need for this service is based on the deficit experienced by these areas when it comes to the coverage of national energy efficiency schemes and area based schemes. The proposal takes as its starting point, therefore, the requirement that an 'Energy Carer' service should cover those areas that are frequently left out, that geography should not be a problem. It also focuses on the measurable achievement of affordable warmth within a household, rather than the less measureable goal of an improvement in energy efficiency.</p> <p>LSEAS has also increased the level of third party support that it provides to people going through the <i>Warmer Homes Scotland</i> scheme. In an off-gas area, particularly where oil tanks and meter changes are a potential sticking point, this can involve arranging and attending multiple visits by energy suppliers, electricians, plumbers and surveyors. By providing advice, support and a point of contact for all the organisations and contractors involved in each case, every client has completed the process. This is a significant achievement and illustrates the level of support that some clients need, but in most other areas do not receive.</p> <p>The service was also successful in securing funding from Energy Action Scotland for a programme of activity that will take place over the autumn and winter. It will be aimed specifically at households whose homes are affected by damp and involve monitoring temperature levels, humidity levels, energy use, household practices and running costs. The aim is to work with households to find practical solutions to condensation dampness and be able to diagnose more effectively whether it is condensation dampness or penetrating dampness that is at the root of the problem. Living in a cold, damp home is a major contributory factor not only to a range of physical health problems but also to mental health problems, so it is important that damp problems are diagnosed and treated as soon as possible.</p> <p style="text-align: right;"><u>Moira Scobbie, Energy Advisor, LSEAS</u></p>
<p>4.4</p>	<p>Citizens Advice Scotland (CAS) CAS is planning to carry out research into the advice needs of off-gas-grid consumers in the Highlands later in 2016. CAS will engage with key agencies, including community planning partners, as part of the research and will share the results once they are published. The Citizens Advice Bureaux in Highland continue to provide fuel poverty and energy efficiency advice in a number of areas, funded by SSE, using monies distributed via CAS</p> <p style="text-align: right;"><u>Carol Greer, Development Officer, Citizens Advice Scotland (Inverness)</u></p>
<p>4.5</p>	<p>Home Energy Scotland - Working with NHS Highland</p> <p>In addition to the Sutherland initiative (4.1 above), other examples include:</p> <ol style="list-style-type: none"> 1. <u>Raigmore Outpatients Waiting Area</u>. Outpatients visiting Raigmore may have the opportunity to chat with fully trained Home Energy Scotland advisors about how to save money on their home energy bills. This initiative has proved very popular with outpatients and allows Home Energy Scotland to reach lots of people who are keen to find out how to keep warm in their home and save money on their energy bills while they wait for their Raigmore appointment. Linda James of Home Energy Scotland regularly delivers energy advice at the outpatients waiting area and finds that patients “<i>really value receiving energy advice face to face</i>” During 2016, Home Energy Scotland have delivered home energy advice at Raigmore Outpatient waiting area in February, May, July and August, with a further session planned for October. “<i>We are keen to deliver energy advice as often as Raigmore can accommodate us.</i>” 2. <u>GP flu clinics 2016</u>. NHS Highland's Primary Care business contracts managers have sent GP practices a letter of introduction from Home Energy Scotland. This letter sets out the services Home Energy Scotland provides, and offers to attend flu clinics in order to provide advice to patients and staff. 3. <u>Community pharmacies</u>. In 2015, NHS Highland Community Pharmacy business managers distributed a flier highlighting the advice and support available from Home Energy Scotland.

4.6 Energy Action Scotland (EAS) – training events across Highland 2015-16

EAS, a national charity which campaigns to end fuel poverty, obtained funding to deliver *Stay Warm Stay Well* training across Scotland during 2015-16. In Highland, 72 frontline staff attended courses in Inverness, Wick, Brora, Easter Ross and Fort William between November 2015 and January 2016. Members of Highland Affordable Warmth Group promoted these courses widely and supported delivery. As at September, EAS have successfully secured funding for another round of training and information on dates and venues will be circulated as soon as available.

Barbara Atterson, Development Manager, Energy Action Scotland

Recommendations

1. Highland Community Planning Partnership Board notes this updated report.
2. Highland Community Planning Partnership considers including fuel poverty in its Local Outcomes Improvement Plan
3. The new local Partnerships consider fuel poverty (1) when deciding their local priorities and (2) in Locality Plans for areas with significantly poorer outcomes/disadvantage.

Date: 27 September 2016

Author: various HAWPG members as listed throughout.

Collated on behalf of the HAWPG by Margaret Brown, Policy Officer, Health Improvement Team, NHS Highland

Highland Affordable Warmth Partners Group HAWPG is chaired by Highland Council or Home Energy Scotland. Partners include: Citizens Advice Scotland; Energy Action Scotland; Energy Saving Trust; Highland Council; Home Energy Scotland; Lochalsh & Skye Housing Association; NHS Highland.

Useful links

- Scottish Rural Fuel Poverty Task Force: <http://www.gov.scot/Topics/Built-Environment/Housing/warmhomes/fuelpoverty/fuel-poverty-task-force>
- Citizens Advice Scotland <http://www.cas.org.uk/about-us>
- Competition and Markets Authority <https://www.gov.uk/cma-cases/energy-market-investigation>
- Ofgem - Voluntary Redress Scheme <https://www.ofgem.gov.uk/publications-and-updates/allocation-voluntary-redress-payments-context-enforcement-cases>
- Scottish Government - HEEPS: home energy and fuel poverty <https://beta.gov.scot/policies/home-energy-and-fuel-poverty/energy-efficiency-home-improvements/>
- Highland Council energy & sustainability http://www.highland.gov.uk/info/1034/land_and_property/279/the_property_service/4
- Home Energy Scotland <http://www.energysavingtrust.org.uk/scotland/home-energy-scotland>
- HHH http://www.highland.gov.uk/info/997/housing_advice/529/healthy_homes_for_highland e-learning module <http://www.changeworks.org.uk/healthy-homes/>
- Lochalsh & Skye Energy Advice Service <http://www.lsha.co.uk/energy-advice>
- Energy Action Scotland <http://www.eas.org.uk/>

Appendix 1: Changeworks' fuel poverty map of Highland:

Estimated Households (%) in Fuel Poverty by Data Zone in Highland Council

