

Defining and tackling fuel poverty in Scotland – the Wise Group view

In February 2018, we responded to the Scottish Government’s fuel poverty strategy consultation. This offered us the opportunity to express our views on the new definition of fuel poverty.

Households in Scotland are in fuel poverty if:

- they need to spend more than 10% of their after housing cost (AHC) income on heating and electricity in order to attain a healthy indoor environment that is commensurate with their vulnerability status; and
- if these housing and fuel costs were deducted, they would have less than 90% of Scotland’s Minimum Income Standard (MIS) as their residual income from which to pay for all the other core necessities commensurate with a decent standard of living.

The Wise Group has been delivering sustainability services for almost 35 years, supporting thousands of people in some of the most deprived areas to become more energy efficient - achieving both financial and health outcomes.

The Wise Group delivers the Energy Saving Trust (EST) telephone advice centre on behalf of the Scottish Government for the Strathclyde and Central region. The advice centre is a single gateway for householders, individuals and businesses to access advice on energy related issues and carbon reduction.

Additionally, we manage the Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS:ABS) in Inverclyde, and the G.HEAT and I.HEAT services in Glasgow and Inverclyde.

In partnership with SCARF, we deliver Energy Awareness training courses as GreenSkills Scotland, and are also a key partner in the consortium delivering the Resource Efficient Scotland Advice and Support Service (RESASS) on behalf of the EST. We also work with Local Energy Scotland in the delivery of the Community and Renewable Energy Scheme (CARES).

In 2017 alone, over 33,000 households were provided with energy advice and support through Wise Group delivered projects.



The new definition of fuel poverty

We welcome the move away from the previous, arbitrary definition which did not allow the true scale of fuel poverty in Scotland to be illustrated. We believe it will allow a better identification of those truly in need and for resource and effort to be better targeted as a consequence. We also welcome the introduction of the income threshold in addressing the issue of higher income households being classified as fuel poor and subsequently receiving support which should be directed to those households with lower incomes.

One challenge that the new definition could present is how to apply it in practice. While it may offer a sound method of measuring in fuel poverty in theory, the need to carry out two separate calculations may pose a challenge for advisers, in terms of the time that would be required to carry these out during an appointment. It could also be more difficult for customers to understand, especially those for whom fuel poverty is only one of a series of issues they are dealing with.

It is worth noting that it will be difficult in practice for frontline advisors to assess the revised 10% criteria for some vulnerable households as their actual fuel costs may well be achieving a lower heating regime or they could be 'self-disconnecting' to keep fuel costs low. Energy use estimates would therefore need to be used in the assessment.

Partnership working

We believe the HES model, which we deliver in the West of Scotland, works well in its role as a trusted and impartial national service which has the ability to link national and local services together effectively. HES currently receives referrals from, and refers to other local and national services: however in order to reach the most vulnerable groups and to achieve the ambitions of the strategy, further development of partnership activity should be a priority.

While we have been able to develop strong relationships with local partners, we would welcome further support from the Scottish Government in terms of directing the need to work in partnership, particularly with national

organisations at the highest level. It would be particularly beneficial for a referral route from NHS services to be established on a national basis. While there are currently some good examples such as the Link Worker programme referring patients who they have identified as potentially fuel poor, we feel that more could be achieved if this was rolled out at a national level rather than sporadically.

We feel that this work should be a key responsibility and priority for the proposed fuel poverty partnership group.

Case study – partnership working

Mr A had relied solely on storage heating and as he had gotten older, it had become increasingly more difficult and expensive to heat his home and keep warm during the winter months. He was referred to the Warmer Homes Scotland scheme via a partnership between Home Energy Scotland and the Inverclyde Home Energy Advice Team (i.HEAT).

A surveyor confirmed that Mr A was eligible for a new gas boiler and radiators, and also required a new gas connection, smoke alarms, and carbon monoxide detector. Mr A was surprised and pleased at how quickly this work was able to be carried out, and with minimal disruption to his home and life. The work to Mr A's home was completed in less than one day. A short while after the installation, an inspection confirmed to Mr A that everything had been installed correctly and to the highest standard.

Following the installations, Mr A's energy rating increased from 64 to 75. He's noticed a significant difference in the warmth and comfort of his home – especially now that he has a gas boiler – and commented that he wouldn't have gotten through the process without the i.HEAT team and their commitment to helping him.

We would welcome the creation of more digital resources to support partners in tackling fuel poverty. An online referral tool that partners could use to refer customers to relevant services would be useful. This could include a simple checklist that an advisor could complete during appointments that would then flag someone as potentially fuel poor and eligible for support through national programmes, allowing an option for a quick referral route to HES.

While our advisers are able to achieve some fantastic outcomes through the current HES approach and the delivery of the Wise Group's home energy advice projects, there is always room to improve the model so we can achieve more.

For example, although there are requirements to ensure local authorities can demonstrate savings, there is no current requirement for local authorities to provide face-to-face support through their HEEPS: ABS schemes, which has resulted in something of a postcode lottery in terms of whether someone can access this type of support. Especially in more deprived areas, and areas with a higher concentration of older people, face-to-face support is the only type that can be effective in supporting someone out of fuel poverty.

We see this as an essential part of HEEPS: ABS to ensure that adequate focus is placed on the individuals living within the properties that are being targeted and that sustainable changes are being realised.

We would therefore welcome additional investment in local face-to-face advice services across Scotland to complement the existing national services and programmes. If the principles of fairness and equality are to be achieved through the delivery of the Warm Homes Bill, sufficient resources must be allocated to engaging with the hardest to reach and most vulnerable households. There are also existing networks and providers that are set up to be able to deliver this on a scale where the resources are made available.

Joined up working

We feel it would be useful if a national set of measurements could be agreed against which performance should be measured. This would be beneficial for not only us, but also for measuring whether targets and key milestones are being met, if everyone is working towards the same measurements. We would welcome the development of a digital toolkit, into which the agreed set of KPIs could be programmed. This could also integrate the approach our advisers take during appointments in asking non fuel poverty related questions, allowing them to identify whether there are any other issues that we can signpost to other local services.



Case study – outreach activity

Home Energy Scotland (HES) is working in partnership with NHS Greater Glasgow and Clyde and regularly works within the Royal Hospital for Children engaging directly with families and participating in campaigns organised by the hospital.

Mrs A, who was attending an outpatient appointment with her disabled son, approached HES' information stand. As a starting point to find out how HES could assist, the attending HES advisor completed a Home Energy Check which is designed to ascertain the energy performance rating of a property, and which established that the customer's heating system was faulty.

Given the energy performance rating of the property and the occupants' personal circumstances, the HES advisor was able to refer the customer for support through the Scottish Government fuel poverty alleviation scheme, Warmer Homes Scotland.

The property survey required as part of the referral and works process was booked with contracted installer Warmworks. A referral was also sent to the customer's energy supplier for tariff and payment support and energy advice - consumption and behavioural - was provided.

Mrs A's Warmer Homes Scotland application was successful and she qualified for a full new heating system and top up of insulation in her home.

As the customer was unaware of HES and the services offered, this outcome would have probably not been possible if HES had not been linking with the hospital and the HES advice stand had not been present on site. This was convenient for Mrs A and enabled her to benefit from wider support that will impact on her comfort levels and health and wellbeing, as well as that of her household members.

The Wise Group is an organisation with a huge amount of experience delivering local and national fuel poverty programmes; it is our experience that partner organisations across different sectors are increasingly interested in the outcomes and impacts of our work.

Partners refer to our services because we can achieve and evidence significant outcomes and social impacts for our customer. We believe that it is important that fuel poverty is seen in the context of wider social issues and the framework. Our experience of front line delivery of the fuel poverty services has shown that a wide range of social outcomes relating to poverty, social injustice and health can be delivered. The set of KPIs could therefore include a measurement of how fuel poverty services have achieved wider health or financial inclusion outcomes.

Measuring outcomes

We are aware there are considerable differences in the information local advice providers collect and the outcomes they report, partly driven by the requirements of funders. A more consistent approach which sets out 'core' requirements in measurement and reporting would allow a 'bigger picture' to be built of the impact local services are delivering across Scotland. As the strategy sets out an outcomes and impact focused approach, the wider social benefits and impacts should be measured and reported as well as the numbers.

In terms of quality of advice provision, consideration could be given to the introduction of quality standards or support given to local advice providers to work towards accreditation of their advice services. This may also give other potential funders of such services and indeed customers assurance of quality and service.

Best practice guidelines and regular updates of information could be shared with advice providers, and regular forums could be facilitated to recognise achievement of services and the sharing of information and best practice.

Targets and indicators

We welcome the government's prioritisation of the issue of fuel poverty by upgrading it to a National Infrastructure Priority, and by aiming for its eradication. More resources and funding should be provided in order to deliver on these highly ambitious targets.

Consideration should be given to whether eradication is the most appropriate term to use, given that the sub target is <10% by 2040. As people's circumstances change, they can move in and out of fuel poverty; therefore true eradication is not achievable. If eradication is the term to be used, further clarification should be provided in the Warm Homes Bill.

While we welcome the government's boldness in this area, we are concerned that the interim milestones to 2030 are not ambitious enough. Going by the new definition, this would mean that we are only aiming to reduce the number of people in fuel poverty by less than 6% in the next 12 years. We are also concerned there is only one interim milestone for a strategy being delivered over 20 years and would ask the government to consider introducing additional interim milestones to assess the effectiveness of the strategy more regularly. This is especially relevant given the last target to eradicate fuel poverty in Scotland was not achieved. We believe that with the correct level of resource and commitment, the targets can be achieved and would lead to improving the circumstances of a large number of people across Scotland.

Equalities

We welcome that the new fuel poverty definition brings childcare costs into consideration, thanks to the link created through the MIS. This means that more children in low income families will benefit from support. Increasing housing and

childcare costs, coupled with fewer affordable housing options, means that more working families are experiencing poverty. We are pleased that action is being taken to ensure these households are not excluded from programmes due to an income threshold, with significant other factors not taken into consideration.

We have some concerns regarding 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. While we recognise that the proposal is reflective of demographic change in the UK, and particularly in Scotland, we feel it is important to note that there are significant variations in life expectancy rates across the country. We work primarily in the West of Scotland and are based in Glasgow, where the mortality rate is the highest in the UK and the average life expectancy for males continues to be below the proposed age threshold. There has been no appreciable narrowing of the gap between Glasgow and the rest of Scotland in the last 15 years: as such, applying the threshold as standard across the country may create or exacerbate health inequalities for vulnerable people.

The Wise Group

The Wise Group is one of the UK's leading social enterprises and has been transforming lives since 1983. It makes a positive difference to people, communities and society by helping customers gain new skills and new employment, reducing reoffending, regenerating communities and tackling fuel poverty.

For more information visit <https://www.thewisegroup.co.uk/> or follow [@wisegroup_se](https://www.instagram.com/wisegroup_se)