# Proposals for a new Social Housing Net Zero Standard consultation

Child Rights and Wellbeing Impact Assessment (CRWIA)



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## Consultation on a Social Housing Net Zero Standard in Scotland

#### **Disclaimer**

This **draft** document is an **initial assessment** of the impact of a new Social Housing Net Zero Standard in Scotland consultation and the Scottish Government will continue to review and update this document where required during the strategic decision making process. Any future iterations will reflect an increased understanding of these impacts as the amount of data and research available continues to grow.

This impact assessment should be read in conjunction with the Equality Impact Assessment and the Fairer Scotland Duty Assessment.

#### **CRWIA Stage 1 - Screening**

#### Summary of policy aims and desired outcomes

The aim of the proposal is to review the post-2020 milestones of the Energy Efficiency Standard for Social Housing (EESSH2) to ensure they are aligned with statutory net zero targets and ensure a just transition.

- Net zero target: section A1 of the Climate Change (Scotland) Act 2009 requires that the net Scottish emissions account is at least 100% lower than the 1990 baseline by 2045.
- Just transition: this means, as a minimum, that the costs of working towards
  meeting climate targets does not fall disproportionately on tenants, through
  higher rents or fuel costs, but also that we do not accept leaving some people
  in housing that is hard to heat.

### Aspects of the relevant proposal which currently affects or will affect children and young people up to the age of 18

- The Articles of the UNCRC and the child wellbeing indicators under the Children and Young People (Scotland) Act 2014 apply to all children and young people up to the age of 18, including non-citizen and undocumented children and young people.
- The principal actions set out in The Consultation will impact on all children and young people up to the age of 18 living in social rented housing, including non-citizen and undocumented children and young people in Scotland.
- Having homes that are cleaner, greener and easier to heat impacts on children and young people.

#### Groups of children and young people affected by the proposal

All children up to the age of 18 including non-documented and non-citizen children but specifically:

- Children with enhanced heating needs such as those with a disability or illness or babies and very young children.
- Children in families of the six-child poverty priority family types most at risk of poverty.
- Children in families in or at risk of fuel poverty.
- o Children and young people living in care.

#### Is a Stage 2 Children's Rights and Wellbeing Impact Assessment required?

A CRWIA is required for the proposals for a new Social Housing Net Zero Standard in Scotland.

#### Sign & Date

Policy Lead Signature & Date of Sign Off: Ciara O'Connor 14/11/2023

CRWIA author, if different from policy lead, Signature & Date of Sign Off: Callum Neil 14/11/2023

Deputy Director Signature & Date of Sign Off: Sue Kearns 14/11/2023

#### CRWIA Stage 2 – Assessment of Impact and Compatibility

What evidence has been used to inform the assessment and what does this say about the impact on children's rights

The proposals being consulted on for the new Social Housing Net Zero Standard in Scotland follow on from the commitments made in the Heat in Buildings Strategy. A comprehensive data gathering process was undertaken for that strategy and completed in late 2021 and remains an invaluable resource in assessing the impact on children's rights of this proposal.

That data was reviewed and updated where possible with new information published since that time.

A description of the different aspects of those undertaken for that review are set out below:

- Evidence was gathered from responses to a public consultation undertaken in 2021 for the Heat in Buildings Strategy, which asked a specific question on whether respondents considered whether any of the proposals set out in the Strategy could have an impact on children's rights and wellbeing and further, what these impacts will be.
- As part of this previous data gathering project, online consultation events
  were also held with stakeholders invited from a range of representatives from
  various sectors including environmental and energy sector, Local Authorities,
  social landlord representative bodies, advice and information bodies,
  stakeholder groups and the building sector.
- 3. Evidence was also gathered via the UN Climate Change Children's index and a social research project on the likely equality implications of heat decarbonisation in buildings for consumers in Scotland.
- 4. Evidence was also obtained via a social research project on the likely equality implications of heat decarbonisation in buildings for consumers in Scotland. The research project reviewed existing relevant literature sources related to protected characteristics including age characteristics.
  - UN Children's Climate Risk Index (2021)
  - Fuel Poverty Strategy Child Rights and Wellbeing Impact Assessment (2018)
  - Child Rights and Wellbeing Impact Assessment workshop (2021)

Scottish Government - A broad evidence review on the likely equality implications of heat decarbonisation in buildings for consumers in Scotland (2021)

- Heat in Buildings Strategy (draft) consultation responses.(2021)
- Scottish House Condition Survey (2019)
- Family Resources Survey (annual publications)
- Scottish Household Survey (annual publications)

A summary of findings from this evidence collection process:

#### **Disability**

- In the study by Snell et al (2018), low income families and households with disabled members undergoing retrofit measures described fears about damage and mess, and disruption to household and energy routines, and uncertainty about the extent of physical disruption (especially for those with strict medical routines and/or energy dependent equipment) to be concerns deterring them from undertaking work.
- Those working full-time while retrofitting reported some negative experiences as it was "full on" (Bobrova et al., 2021).
- Poverty rates for households with a disabled member are higher than households with no disabled members - Poverty and Income Inequality in Scotland 2017-20.
- Households with disabled household members have below average wealth -Wealth in Scotland 2006-2020.
- Households with a disabled member may have higher energy needs due to: longer and/or higher heating regimes, energy-intensive equipment such as stair lifts, electric wheelchairs, hoists, medical equipment (Snell et al., 2018). This may lead to higher energy costs and more risk caused by disruption.
- Amount of time involved was a concern for those employed, with young children or restrictive health conditions (Snell et al., 2018).

#### Health

- There was widespread agreement that there are a number of positive health impacts for children and young people.
- For infants and young children, improving the energy efficiency of homes can alleviate the negative impact on health of living in cold and/or damp homes, which can be associated with greater risk of hospital admission, respiratory illnesses and poor mental health (Liddell & Morris, 2010; Marmot Review Team, 2011).
- Feedback from stakeholders highlighted that children with a disability or illness are likely to be more adversely affected if living in a house which is cold and energy inefficient. It was agreed that improving the energy efficiency of housing can therefore create healthier indoor living environments with improved thermal comfort, humidity levels and air quality. (Discussed in more detail under article 24 below).
- Improved energy efficiency levels will lead to warmer homes, improved health and wellbeing, and potentially support the improvement of life chances for children and young people as a warm comfortable home is likely to aid in a range of activities.
- Warmer homes can provide a better place to study and therefore aid educational attainment whilst also providing a better place in which they can interact with family and friends, aiding good mental health. It is likely that they will also benefit from their parents and other family members enjoying the advantages of warmer and improved living spaces.
- A shift away from the use of fossil fuels to heat social housing will bring better air quality for children and the removal of fossil fuel boilers in the home may remove the risk of carbon monoxide poisoning. However, energy efficiency measures can potentially bring other air quality issues from problems with condensation and mould growth if properties are not adequately ventilated (Shrubsole et al., 2014).

- Energy efficiency measures (e.g., insulation, draught proofing) should reduce heat loss in a building and therefore reduce cold areas where moisture can condense and create damp, mouldy conditions. This is evidenced by Bush et al.'s (2018) evaluation of the Scottish Government's Energy Efficient Scotland (EES) pilot programme, which reported increased internal temperatures and a reduction in people feeling cold over winter following the installation of energy efficiency measures. They also found a significant improvement in housing problems such as damp, mould and condensation. Improving the energy efficiency of housing can therefore create healthier indoor living environments with improved thermal comfort, humidity levels and air quality.
- Benefits of improved insulation and draught proofing include reduced exposure to cold, damp, mould, and draughts, reduced noise levels, and reduced exposure to outdoor pollution.
- Commonly cited health benefits of this include reduced symptoms of respiratory and cardiovascular conditions, arthritis and allergies, as well as improved mental health outcomes (Liddell & Morris, 2010; Gibson et al., 2011; Thomson et al., 2013; Pridmore et al., 2017; IEA, 2019; Munro et al., 2020).
- Housing improvements can have a powerful impact when targeted at vulnerable groups (Liddell & Morris, 2010; Gibson et al., 2011; Thomson et al., 2013; IEA, 2019). Vulnerable groups are more likely to live in poor housing, and they may also spend long periods of time indoors. For example, the vulnerability of infants to living in a cold home: they spend much of their time indoors, are less likely to be mobile, are not able to correct thermal stress themselves (through actions or communication) (Liddell & Morris, 2010). Children living in cold homes are more than twice as likely to suffer from a variety of respiratory problems (Marmot Review Team, 2011).
- However, caution is required around unintended consequences of retrofitting

   there is an increasing evidence base on the possible adverse impacts of airtightness on indoor air pollution from radon and other pollutants, and the need for better (and correctly used) ventilation to address this (Smith et al., 2016).
   For instance, in a study of households who underwent retrofits, all reported unintended consequences with negative implications for health, such as low ventilation, overheating in summer, persistent draughts and lack of accessible sunlight (Bobrova et al., 2021).
- The respondents also displayed a lack of understanding about how to heat and ventilate the room effectively to reduce damp and condensation. Most of these respondents were at home during the day due to unemployment, retirement, disability or childcare (De Haro & Koslowski 2013).
- Cold and/or damp houses contribute to respiratory illnesses and poor weight gain in infants (Liddell & Morris, 2010).

#### **Cost and financing**

 Clean heating systems can be costly to install and can be more expensive to run than some polluting heating systems<sup>1</sup>, with the risk of these costs being passed onto tenants through increased rent and energy bills. The Social

<sup>&</sup>lt;sup>1</sup> 'Polluting heating systems' refer to heating systems which burn fossil fuels like gas boilers, oil boilers and liquid petroleum gas (LPG) boilers in this Impact Assessment. These are 'direct emissions heating systems' because they produce greenhouse gas emissions when we use them.

- Housing Net Zero Heat Fund provides support to social landlords with funding for energy efficiency upgrades and clean heating systems.
- The running costs for clean heating systems depend on a variety of factors, including how well insulated and how large the building is, the efficiency of the heating system, and the price of energy offered by the supplier.
- Heat pumps are a key clean heating technology, and a very efficient way of using electricity to provide heat. Although one kWh of electricity is currently more expensive than one kWh of gas, the higher efficiency of a heat pump means the amount of energy needed can be less than a third the amount of energy needed by a gas boiler to produce an equivalent amount of heat. This means that for some properties, heat pumps can help reduce bills where they are replacing older, more inefficient oil and gas heating systems, or where they are combined with upgrades to the efficiency of the building's fabric. However, when a heat pump replaces a modern, efficient gas boiler, the greater efficiency of the heat pump may be insufficient to offset the higher price of electricity and the household's running costs may therefore increase. This impact may be felt further with households with young or disabled children who have enhanced heating hours and temperature needs.
- Alternatives to heat pumps include connection to a heat network where
  possible and high retention storage heaters, again with the price of electricity
  potentially causing an increase in energy bills.

#### **Poverty**

#### **Child Poverty**

- Around one in four children in Scotland are living in poverty.
- The Scottish Government's ambition to eradicate child poverty is set in statute through the Child Poverty (Scotland) Act 2017. In March 2022 we published our second Tackling Child Poverty Delivery Plan which set out actions in regard to this.

#### Children and families in fuel poverty.

- Our statutory fuel poverty targets require that in 2040 no more than 5% of households are fuel poor, no more than 1% are in extreme fuel poverty and the fuel poverty gap is no more than £250 (in 2015 prices).
- The 2019 Scottish House Condition Survey (SHCS) showed that 37% of households in the social rented sector were in fuel poverty and 14% were in extreme fuel poverty.
- According to the SHCS, on average over the period 2017-19, there were around 98,000 households with children under 16 living in fuel poverty (or 16% of all fuel poor households). This is equivalent to around 170,000 children living in fuel poverty. Poor energy performance is one of the drivers of fuel poverty, the others being low income and high fuel prices.
- Infants and young children are vulnerable to fuel poverty as they spend much
  of their time indoors, are less likely to be mobile and are not able to correct
  thermal stress themselves (through actions or communication) (Liddell &
  Morris, 2010).
- Some evidence from modelling suggests that interventions using clean heating technology could actually help alleviate fuel poverty – e.g., solar in

- Dundee (Andreadis et al., 2013), ground source heat pumps in Glasgow (Donaldson & Lord, 2018).
- Concerns have been raised by stakeholders that introducing clean heating systems may lead to a detrimental effect on children living in or at risk of slipping into poverty / fuel poverty due to higher energy costs and installation costs or loss of access to currently cheaper fuel types and tariffs.

#### **Climate Change**

- Climate change is a priority for this government and in the long term, it is
  evident that our children have the most to lose if actions are not taken to
  tackle this climate emergency.
- Taking action on Climate Change, and the factors that cause it is likely to have a positive impact on outcomes for children. Children are more vulnerable to climate and environmental shocks than adults for a number of reasons including physical and physiological vulnerability and an increased risk of death. As noted in 'The Climate Crisis is a Child Rights Crisis: Introducing the Children's Climate Risk Index', children in the UK have medium to high-risk exposure to climate change.

#### Evidence from stakeholders / policy colleagues

The Heat in Buildings Strategy – completed in 2021 undertook an extensive process of consultation that this impact assessment has also utilised due to the continuity of subject. The Consultation process, however, will provide additional data on this subject that a future impact assessment for the new Social Housing Net Zero Standard will utilise.

#### Evidence from children and young people

The Heat in Buildings Strategy – completed in 2021 undertook an extensive process of engagement with key stakeholders that this impact assessment has also utilised due to the continuity of subject – with the strategy itself being designed to incorporate these perspectives and this impact assessment stemming directly from that. The Consultation, however, will provide additional data on this subject that a future impact assessment for the new Social Housing Net Zero Standard will utilise.

As part of the Heat in Buildings Strategy consultation exercise, we also sought views from organisations that work with or represent children and young people in Scotland. The consultation document included a specific question to establish whether any of the proposals set out in the Strategy will have an impact on children's rights and wellbeing and what these impacts will be. No children or young adults directly responded to the on-line consultation or CRWIA workshop.

This CRWIA highlights critical issues for Child Rights and Wellbeing, which will be built into the development of the new standard.

#### **Analysis of the evidence**

#### How have the findings influenced the development of the proposal?

Climate change is a priority for this government and in the long term, it is evident that our children have the most to lose if actions are not taken to tackle this climate emergency. Any potential negative impacts identified are expected to be short term and mitigations will be put in place as the policies are implemented.

In taking forward the proposals included in the consultation we will commit to ensuring steps are considered that might further promote and protect the rights of children and young people, consistent with the requirements of the United Nations Convention on the Rights of the Child (UNCRC).

#### Assessing the impact against the UNCRC requirements

Further information about the UNCRC requirements can be found on the Children and Young People's Commissioner for Scotland website<sup>2</sup>.

Articles where a positive impact has been identified:

- Article 6 Life, survival and development
- Article 24 Health and health services
- Article 27 Adequate standard of living

Articles where a negative impact has been identified:

- Article 23 Children with a disability
- Article 24 Health and health services
- Article 27 Adequate standard of living

#### Impact on children and young people

The proposals in the Consultation are not directly aimed at children or young people, but are aimed at the homes they live in. These proposals will have an indirect impact on children and young people through taking action to both improve energy efficiency levels and change the way social housing in Scotland is heated in order to contribute to achieving our statutory emission reduction targets by 2030, and 2045.

Specifically the proposal is relevant to the following Articles of the UNCRC:

#### Article 23 Children with a disability

Households with disabled children may experience greater disruption in homes when carrying out work to install measures. If the household is required to be decanted while the works take place this could also cause greater disruption.

#### Article 24 Health and health services

<sup>&</sup>lt;sup>2</sup> Children & Young People's Commissioner Scotland - UN Convention on the Rights of the Child

#### Air quality

If a property is not kept well-ventilated through construction, technological or natural means, energy efficiency measures which improves airtightness, can lead to increased indoor air pollutants; risk of overheating in the summer months and rise in humidity, which can result in increased dust mites and mould impacting respiratory conditions and allergies. Children can be particularly vulnerable to these, especially if they have existing health problems.

#### Article 27 Adequate standard of living

#### Increased costs

Around one in four children in Scotland are living in poverty. Reducing household costs is one of the three drivers of child poverty reduction. The other two being increasing incomes from work and earnings and maximising incomes from social security and benefits in kind. The consultation recognises that some clean heating systems may cost more to operate than incumbent polluting heating systems. Families with children who have a disabled household member may be particularly sensitive to increased costs, as well as those with enhanced heating needs such as those with babies and very young children. Further, landlords could increase the cost of rent as a result of clean heating installation, putting families with children at risk of increased costs. Increasing costs for families with low financial resilience is likely to create a negative impact.

#### Mitigation of negative impacts

#### Mitigation table

Issue or risk Identified per article/ Optional Protocol	Action Taken/ To Be Taken	Date action to be taken or was taken
Article 23 – disruption in homes	We will work to ensure that the proposals do not unfairly disadvantage households with disadvantaged children and where possible, seek to minimise any negative impact on access, space or layout requirements of the home.	1 April 2024
Article 24 – Air quality	The new standard recognises that it will be important to understand the need for passive measures, such as ventilation, which could be applied to homes during the course of improving their fabric efficiency. It will also be important to understand the	1 March 2024

	need for, and role of mechanical ventilation systems.	
Article 27 – increased costs	High standards of energy efficiency are essential to reduce the overall demand for energy. Alongside energy saving behaviours these measures can help to ensure running costs remain affordable.	1 March 2024

Positive impact: Giving better or further effect to children's rights in Scotland

Article 6 Life, survival and development

Article 24 Health and health services

Article 27 Adequate standard of living

There are a number of positive impacts on development, health and standard of living that these proposals may help provide for children and young people. Efforts to improve energy efficiency and heating in social housing could positively impact on infant physical development, long-term physical and mental health and education (with less missed days at school due to illness).

#### Impact on Wellbeing

Further information about the wellbeing indicators can be found on the Scottish Government website<sup>3</sup>.

The indicators where there will be an improvement in wellbeing are:

- **Safe** Growing up in an environment where a child or young person feels secure, nurtured, listened to and enabled to develop to their full potential. This includes freedom from abuse or neglect.
- Healthy Having the highest attainable standards of physical and mental health, access to suitable healthcare, and support in learning to make healthy and safe choices.

The indicators where there will be no impact on wellbeing are:

- Achieving Being supported and guided in learning and in the development of skills, confidence and self-esteem, at home, in school and in the community.
- Nurtured Growing, developing and being cared for in an environment which
  provides the physical and emotional security, compassion and warmth
  necessary for healthy growth and to develop resilience and a positive identity.

<sup>&</sup>lt;sup>3</sup> Wellbeing (SHANARRI) - Getting it right for every child (GIRFEC) - gov.scot (www.gov.scot)

- Active Having opportunities to take part in activities such as play, recreation and sport, which contribute to healthy growth and development, at home, in school and in the community.
- **Respected** Being involved in and having their voices heard in decisions that affect their life, with support where appropriate.
- **Responsible** Having opportunities and encouragement to play active and responsible roles at home, in school and in the community, and where necessary, having appropriate guidance and supervision.
- **Included** Having help to overcome inequalities and being accepted as part of their family, school and community.

### Post Assessment Review and sign-off Communicating impact to children and young people

A copy of this CRWIA will be published alongside the corresponding EQIA on the Scottish Government website. Details of the new standard will be communicated to the social housing sector.

The proposals will not directly affect children and young people so a child friendly CRWIA will not be published.

#### Planning for the review of impact on child rights (Stage 3)

The CRWIA will be reviewed once the new standard has been implemented, to assess the impact the standard has on children and young people. Stage 3 will be completed at this point.

#### Compatibility sign off statement

This relevant proposal has been assessed against the UNCRC requirements and has been found to be compatible.

Policy Lead Signature & Date of Sign Off: Ciara O'Connor 14/11/2023

Deputy Director Signature & Date of Sign Off: Sue Kearns 14/11/2023



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