

The Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill 2018 Q & A

Q. Why is the Scottish Government changing the definition of fuel poverty?

A. The new definition of fuel poverty is a direct response to expert and stakeholder views that the existing definition does not focus enough on those households in greatest need. Two independent working groups were set up by Ministers in 2015 to look at the issues. Ministers agreed with their recommendation to commission an independent academic review of the fuel poverty definition. The resulting proposal was agreed to with some minor amendments, following consultation with relevant stakeholders.

Q. The proposed new fuel poverty definition is based upon a household being able to maintain an acceptable standard of living after deducting fuel and housing costs. The acceptable standard of living criteria is based upon the UK Minimum Income Standard (MIS). What is this?

A. The UK MIS is based upon what members of the public think people need for an acceptable minimum social standard of living. The MIS is set and updated annually by the Centre for Research in Social Policy (CRSP) at Loughborough University, supported by the Joseph Rowntree Foundation. Please click [here](#) to access their most recent report.

Q. What does the new definition mean in real life to householders?

A. It means that the Government can provide a greater focus on those households across Scotland who are most in need of help to improve the energy efficiency of their homes and so reduce fuel poverty. In comparison to the definition of fuel poverty currently being used in Scotland, the new definition focuses more on lower income households.

Q. What else is the Scottish Government doing to address fuel poverty?

A. Apart from this Bill, there are a variety of steps being taken by Scottish Government to address fuel poverty. Access to funding and scheme information will continue to be provided through Energy Efficient Scotland, Home Energy Scotland (HES) as well as Home Energy Efficiency Programmes Scotland (HEEPS).

The Scottish Government will also explore additional avenues where there are clear links between aligned government policies. An example of this would be the Financial Health Check programme for low-income families with children. This will be further developed to include access to assistance to alleviate fuel poverty, therefore providing another route for fuel poor families to access support. Finally, partnership working with locally based health and wellbeing organisations such as Home-Start; a charity that helps families with young children and MacMillan Cancer Support, will continue to develop, identify and support more households in fuel poverty.

Q. Does the proposed new definition of fuel poverty take into account remote, rural and island community's experiences?

A. There are differences in many issues affecting fuel poverty and income across Scotland, for example housing costs and the availability of work. MIS is as close as we can get to taking the main issues into account and getting it right for people across Scotland.

The needs of rural households are taken into account in the measurement of fuel poverty. For example, the way fuel poverty is calculated takes account of regional climate variations as well as types of housing stock and information about the people living in each household. These can lead to greater energy usage estimates in our measurement of fuel poverty in rural and remote rural areas.

In addition, regionalised (North and South Scotland) energy prices are used in the fuel poverty calculation (for mains gas and electricity). We currently use a state of the art model to estimate a household's required energy consumption as part of estimating fuel poverty. We are taking account of concerns raised by rural and island stakeholders, to further review the weather and fuel price information used in the model with the aim of making these more localised where possible.

Q. Why is the target no more than 5% of households in Scotland to be in Fuel poverty?

A. This target recognises that households move in and out of fuel poverty over the course of a year due to changes in income and energy costs. For example, income can change when children grow up or leave home, as the household will no longer receive child benefit. Therefore, as with the Child Poverty Act 2018, the Bill contains a target of no more than 5% because it is realistic, deliverable, and is consistent with other government priorities.

Q. Should the Bill include targets for improving the energy efficiency of Scotland's buildings?

A. The Bill sets a new fuel poverty definition and statutory target. This will help ensure we drive forward the provision of support to those who are most in need of help to heat their homes, no matter where they live in Scotland. We have committed to develop, if appropriate, a wider Energy Efficient Scotland Bill for later in this Parliament and such a Bill will be the vehicle for any further legislative changes needed to support the Programme. We are currently reviewing and seeking views on potential legislative requirements to support delivery of Energy Efficient Scotland.

Q. Income and energy costs are two drivers of fuel poverty; how will you deal with them?

A. The Scottish Government already has in place a number of projects to help these drivers. We will, this year, spend more than £125 million to help relieve the worst impact of UK Government welfare cuts and to support those on low incomes. A partnership between Social Security Scotland and our advice service Home Energy Scotland (HES) is also being formed. This partnership will see them work together to develop effective referral routes for people needing assistance and advice.

Winter Fuel and Cold Weather Payments benefits have been devolved to Scottish Ministers. We will protect both these benefits and also extend eligibility for the Winter Fuel Payment to families with severely disabled children. We are also developing links with other poverty eradication workstreams, including through ['Every Child, Every Chance, The Tackling Child Poverty Delivery Plan 2018 - 22'](#) which includes actions to help maximise household incomes.

The Government is working to promote Scottish engagement in the energy market to lower energy bills and raise household incomes. The Government convened a

summit of energy suppliers and consumer groups in January 2018 to address the issues affecting vulnerable energy users in Scotland. We have also committed to introducing financial health checks to address the poverty premium paid by those on the lowest incomes, including advice on accessing the best energy deals.

In November 2016, we launched a partnership with an impartial switching support service between Home Energy Scotland (HES) and Citrus Energy, to simplify the process for those who don't have the internet or find it hard to navigate comparison sites.

Q. Consumption of energy is a driver of fuel poverty, how will you deal with that?

A. Home Energy Scotland is a Scottish Government funded advice and support service managed by the Energy Saving Trust. They provide advice on how to save energy and money and make your home warmer. They can provide a free Home Energy Check over the phone to pin-point where energy can be saved and may also arrange for an advisor to make a home visit.

Q. How does the proposed fuel poverty target, definition and strategy fit in with other Scottish Government commitments?

A. The Bill sits within the overarching agenda set out by the [Fairer Scotland Action Plan](#). By addressing all forms of poverty and inequality we will make Scotland a fairer country for all. Many of the actions we take and are planning to take on fuel poverty (which are set out in our draft fuel poverty strategy), will also have a positive impact on child poverty; and likewise many of the actions set out in the recent [Tackling Child Poverty Delivery Plan](#) will have a positive impact on fuel poverty.