Energy Efficient Scotland
Equality Impact Assessment

May 2018

Scottish Government
Riaghaltas na h-Alba
gov.scot
**ENERGY EFFICIENT SCOTLAND**

**EQUALITY IMPACT ASSESSMENT**

<table>
<thead>
<tr>
<th>Policy Title</th>
<th>Energy Efficient Scotland which includes:</th>
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<tr>
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<td>• Setting of a Long Term Standard for domestic properties;</td>
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<td></td>
<td>• Local Heat and Energy Efficiency Strategies (LHEES);</td>
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<td></td>
<td>• Wider regulations on District and Communal Heating; and</td>
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<td></td>
<td>• Energy Efficiency Standard for Social Housing (EESSH2)</td>
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<td>Consultation</td>
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<tr>
<th>Which national outcome does it contribute to?</th>
<th>Energy Efficient Scotland (the Programme) contributes to the Scottish Government’s Greener and Healthier Strategic Objectives.</th>
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<tr>
<td></td>
<td>It impacts on the following National Outcomes:</td>
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<td>• We reduce the local and global environmental impact of our consumption and production;</td>
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<td></td>
<td>• We value and enjoy our built and natural environment and protect it and enhance it for future generations;</td>
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<td>• We live in well-designed, sustainable places where we are able to access the amenities and services we need;</td>
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<td>• We live longer, healthier lives; and</td>
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<td>• We have tackled the significant inequalities in Scottish Society</td>
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| What is the purpose of the policy? | The Programme is ambitious and aims to help transform our built environment, cutting its emissions and making it easier and cheaper to heat by improving the energy performance of buildings. The Programme is a priority for the Scottish Government and reaffirms energy efficiency as a National Infrastructure Priority. The Programme will be an integration of support for domestic and non-domestic buildings across Scotland, to improve their energy efficiency rating over a 20-year period. It will build on existing successful area-based energy efficiency programmes such as Home Energy Efficiency Programme Scotland: Area Based Schemes (HEEPS: ABS) and will continue to provide support to households suffering from fuel poverty. It will build on the progress already made by social landlords to achieve the first EESSH milestone for all social houses to achieve EPC energy efficiency rating C or D by 2020. It will also seek private investment into improving energy efficiency to support and develop loan schemes to enable households and businesses who can afford to pay to spread the upfront cost of investing. |

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<tr>
<th>Name of Branch/Division</th>
<th>Energy Efficient Scotland</th>
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<td>Lead EQIA official</td>
<td>Trudi Packman</td>
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1. **Background**

1.1. Scottish Ministers announced in June 2015 that they would take long-term action to reduce the energy demand of, and decarbonise the heat supply to, our domestic and non-domestic sectors, and designated energy efficiency as a national infrastructure priority.

1.2. Most recently, in December 2017, Scottish Ministers published ‘The future of energy in Scotland: Scottish energy strategy’, a ground breaking first energy strategy for Scotland which sets out the Scottish Government’s vision for the future energy system in Scotland. This strategy sets a vision to achieve by 2050 ‘A flourishing competitive local and national energy sector, delivering secure, affordable, clean energy for Scotland’s households, communities and businesses’.

1.3. This strategy recognises that we cannot be entirely certain what our energy system will look like by 2050, so sets ambitious targets for 2030 which supports the principle of the pursuit of low or no regrets options to set us on the right path to the low carbon future:

- The equivalent of 50% of the energy for Scotland's heat, transport and electricity consumption to be supplied from renewable sources;

- An increase by 30% in the productivity of energy use across the Scottish economy

1.4. **Energy Efficient Scotland** (the Programme) now seeks to help tackle fuel poverty, ensure Scotland is a good place to do business, and contribute to achieving our climate change targets. The Programme will provide a coordinated approach to improve the energy efficiency of domestic and non-domestic properties. It will also continue to support the deployment of low regrets, low carbon heat options (such as heat networks or individual renewable heat technologies) for those buildings not connected to the gas grid. It will run for 20-years and brings to life one of the six energy priorities as set out by our Scottish Energy Strategy\(^1\).

1.5. The Programme reflects the aims of the draft Fuel Poverty Strategy and the Fuel Poverty Bill to be introduced to Parliament in June 2018. We have also taken into account recommendations made by the two independent fuel poverty working groups, Scottish Fuel Poverty Strategic Working Group and the Scottish Rural Fuel Poverty Task Force. The Programme targets support Scottish Government’s world-leading climate change targets which require emissions across Scotland to be reduced by 42% by 2020, and at least 80% by 2050. 

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\(^1\) *The Future of Energy in Scotland: Scottish Energy Strategy*
Climate Change Plan outlines the steps we will take to reduce emissions across the economy, including in the residential and services sectors, which will see their emissions reduced by 23% and 59% respectively by 2032 on 2015 levels. Achieving these targets will mean that to be fit for the future, Scotland’s buildings will need to be near zero carbon where feasible by 2050.

1.6. The Programme is building on existing legislation and programmes that are already supporting the improvement of energy efficiency in our homes, businesses and public buildings. The work we are doing with local authorities on the development of Local Heat & Energy Efficiency strategies (LHEES) will build on pilots and continue to offer funding to their development during the Transition phase of the Programme. LHEES will be the link between our long-term targets and national policies and delivering energy efficiency and heat decarbonisation on the ground. The Scottish Government consulted on the potential for local authorities to have a statutory duty to develop LHEES (Nov 2017-Feb 2018) and our response to the consultation responses will be issued as part of the response to the consultation accompanying the Routemap.

1.7. To take the Programme forward, we undertook a series of consultations and stakeholder events which have shaped the development of a Routemap (published 2 May 2018) setting out the trajectory that our homes, businesses and public buildings need to take to be more energy efficient. It will guide the decisions that we will make with our partners over the next 20 years.

1.8. In conjunction with the Routemap, two consultations are now launched seeking views on proposals and legislation to help improve the energy efficiency and which are primarily focused on the long-term standard for domestic buildings, the phasing of standards for private rented, owner-occupied and social housing towards reaching the long-term standard, our intended approach to reviewing and extending the regulation of the non-domestic sector and what legislation may be needed to more widely support the Programme.

2. Setting the long term standard
2.1. When we consulted on the Programme in January 2017 there was a clear consensus that setting long term targets should provide clarity on requirements and a clear direction of travel. Through the Routemap, we are now proposing a long term standard for all residential properties at Energy Performance Certificate (EPC) C by 2040. To support our fuel poverty targets we are proposing a more ambitious, non-statutory, target for those households in fuel poverty, with a standard of EPC C by 2030 and EPC B by 2040. Within the

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2 Climate Change Plan third report: proposals and policies 2018-2032 (RPP3)
3 Second consultation on Local Heat and Energy Efficiency Strategies and Regulation of District and Communal Heating
setting of a common standard for all residential properties we will work to build on the existing Energy Efficiency Standard for Social Housing (EESSH) to set new milestones.

2.2. For non-domestic properties we will build on current regulations made under the Climate Change (Scotland) Act, with a view that all non-domestic buildings are assessed and improved to the extent this is technically feasible and cost effective by 2040. Following further research, we will consult on the setting of a long-term standard for non-domestic buildings in 2019.

3. Local Heat & Energy Strategies (LHEES)
3.1. We propose that LHEES would be the foundation on which the Programme is delivered over its 20 year lifespan and envisage LHEES as being central to informing and shaping the overall delivery of the Programme. Work to date has been informed by extensive engagement with stakeholders, initially in June 2016 through the recommendations of the Special Working Group of the Scottish Government’s Expert Commission on District Heating, then followed by the Short Life Working Group on Heat Regulation (established by the Minister for Business, Innovation and Energy in September 2016).

3.2. The proposals informed by these working groups were consulted on twice during 2017 and 2017/18: [http://www.gov.scot/Publications/2017/01/9139](http://www.gov.scot/Publications/2017/01/9139) [http://www.gov.scot/Publications/2017/11/6232](http://www.gov.scot/Publications/2017/11/6232) accompanied by a concurrent programme of full-day workshop events around the country, to which invitations were specifically forwarded to national equality stakeholders (the second consultation included specific equality impact-focused questions).

3.3. In parallel, we have been working with COSLA and with 12 local authorities to pilot the preparation of LHEES which is allowing us to understand the processes of data gathering, objective-setting, and design and prioritisation of local delivery programmes. The pilots are testing different methodologies and providing evidence on the resources needed to prepare LHEES in preparation for roll-out of the Programme from 2020, and in advance of any proposed statutory duty.

4. Wider regulations on the District Heating Sector
4.1. As well as consulting on LHEES, we are currently considering the potential for regulation of district and communal heating. We consulted on establishing a regulatory framework that would provide confidence for investors and would ensure protection for district heating consumers, and proposed that the public sector could take a leading role in the development of district heating where an LHEES identified it was appropriate to do so. Further development of district heating could play an important role in helping local authorities meet their objectives set out in their LHEES. We will set out our final proposals on the
regulation of district and communal heating as part of our response to the consultation accompanying the Routemap.

5. **Energy Efficiency Standard for Social Housing (EESSH)**

5.1. Following the EESSH consultation in 2012 it was agreed that social landlords were well placed to act as forerunners for the housing sector due to their ability to plan and manage improvement programmes. It was also recognised that action was required for private sector housing and a working group was set up to develop regulations for a consultation to set minimum energy efficiency standards for private rented housing. Development of EESSH was directed by a stakeholder working group throughout, with representatives from individual local authority and Registered Social Landlords, their representatives and other key stakeholders. Social landlords, individual tenants, tenants groups and other stakeholders also took the opportunity to engage in the consultation process.

5.2. When EESSH was introduced in 2014, a review was proposed for 2017 to assess progress towards the 2020 target and to consider future milestones and activity post 2020. The EESSH Review Group was set up in March 2017 and recommended the proposals contained within the EESSH2 consultation. The Review will be completed following the conclusion of the EESSH2 consultation and confirmation of its outcomes.


6.1. Equality is about creating the kind of society that we want to live in – one without prejudice and discrimination, free from sectarianism and hate crime, where people have the opportunity to achieve their potential, to contribute to the economy and to fully participate in society. The EQIA allows us to look at how this Programme impacts on people and is an opportunity to promote equality. The EQIA helps us to meet our legal duty under the Equality Act 2010 and deliver the Scottish Government’s business strategy.

6.2. This EQIA is being undertaken in accordance with Section 5 of the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and assesses those aspects of the Programme which have already been consulted on (but not yet responded), and on those which we are currently consulting:

- the proposed setting of a long-term standard for all domestic properties in Scotland and proposed phasing across privately owned domestic properties;
- a proposed statutory duty on local authorities to develop Local Heat & Energy Efficiency Strategies (LHEES), setting out how they will deliver the Programme over the next 20 – 25 years;
• proposed regulation of district and communal heating, including requirements for licensing of district heating operators, and consenting of district heating projects; and

7. The Assessment Process

7.1. The Equalities Impact Assessment considers evidence under the following protected characteristics:

- Age
- Disability
- Sex
- Gender reassignment
- Sexual orientation
- Race
- Religion or belief
- Marriage/Civil Partnership
- Pregnancy and Maternity

7.2. The equality analysis helps inform the development of all aspects of the Programme and monitoring arrangements. We have also included consideration under Children’s Rights and Wellbeing, the Fairer Scotland Duty and Island Proofing.

7.3. We consulted with various groups during previous consultations related to the Programme. These included representatives from various sectors including:

- Building and construction sector
- Environmental and Energy Sector
- Local authorities and Registered Social Landlords
- Social landlord representative bodies
- Advice and information bodies
- Stakeholder groups

7.4. Those who responded agreed with the aims and vision of the Programme and welcomed Scottish Government’s target to address the challenges of fuel poverty and the opportunity to be involved in discussions around the development of the programme. They acknowledged the work already being done to improve energy efficiency including HEEPS: Area Based Schemes, Warmer Homes Scotland and the work of Home Energy Scotland. It was emphasised that there was a need to make assistance available to all, especially those over the age of 60. They confirmed that the ‘one stop shop’ approach for advice and information proposed within the Programme was the best approach. This, alongside low/no interest loans, would benefit a greater number of people to input energy efficiency measures and aid in reducing energy bills, the outcome of which would help tackle cold related ill-health amongst older people affected by fuel poverty.
8. Who will it affect?

8.1. The Programme will be able to provide multiple benefits to all people living in Scotland, including those with protected characteristics, by:

- make our homes and places of work warmer and more efficient in a way which is more affordable, thus helping to tackle fuel poverty and improve the competitiveness of the Scottish economy;
- help create a substantial Scottish market and supply chain for energy efficiency services and technologies. Every £100 million spent on energy efficiency improvements in 2018 is estimated to support approximately 1,200 full time equivalent jobs across the Scottish economy;
- deliver health, wellbeing and early years improvements through warmer homes;
- provide regeneration of communities through upgraded building stock; and
- reduce greenhouse gas emissions thus helping to meet our climate change targets.

8.2. It is anticipated the current and future energy efficiency and fuel poverty schemes under the Programme will help reduce overall fuel poverty to less than 10% by 2040.

8.3. Private Rented Sector: all people living in private rented accommodation, including those with protected characteristics, could be affected by the policy which has the potential to improve their living conditions. Private landlords in Scotland will be affected as they will be required to ensure that any properties they rent to tenants are brought up to the long-term standard of EPC D by 2025 and the long-term standard of EPC C by 2030, where technically feasible and cost effective.

8.4. Social Housing: energy efficiency for social housing has been introduced under the Energy Efficiency Standard for Social Housing (EESSH). Social landlords are already making good progress towards achieving the first energy efficiency ratings milestone set for 2020, with 75% already meeting the standard (2016/17). The Consultation on EESSH post-2020 (EESSH2) proposes a new aspirational target requiring most social houses to achieve EPC B by 2032.

8.5. Owner Occupier: all owner-occupied properties will be required to reach EPC C by 2040. There are around 1 million owner occupied properties in Scotland that would need to be improved to meet this standard. Owners will initially be encouraged to improve their properties. However it has been recognised that in order to support the Programme we may require legal provision and are currently considering this.
Non Domestic: this sector is being considered at a higher level than the residential sector. We consider no detrimental effect on people with protected characteristics at this time. A full consultation of the non-domestic sector will take place in 2019 when a full EQIA will be undertaken.

9. **What might prevent the desired outcomes being achieved?**

9.1. There are a number of issues/challenges that may affect the Programme policy.

9.2. Regarding the setting of a long term domestic standard, agricultural homes and crofts will not be included in the Programme. To ensure that householders are not detrimentally affected by this decision, we will consider the future status of this sector and provide separate advice which is being prepared for the Cabinet Secretary for Rural Economy and Connectivity and the Minister for Local Government.

9.3. Within the private rented sector there is a chance that private landlords will not welcome the move to carry out improvements, especially for properties in the worst condition. To mitigate this the Programme will introduce minimum standards to ensure that tenants can enjoy homes that are warmer and cheaper to heat, with appropriate support and advice services put in place to assist progress through the implementation process.

9.4. Within the social rented sector we recognise that some landlords may find meeting the standard a challenge and lead to tenants living in sub-standard accommodation. In recognition of this, through EESSH, a minimum standard is proposed that no properties can be let if their EPC is below band D.

9.5. To carry the Programme forward we need to ensure that there is sufficient capacity in the supply chain to meet demand. Members of the supply chain need to be skilled/qualified to carry out the work and to a high standard. We are working closely with skills bodies, enterprise agencies, colleges and industry through our Quality Assurance Short Life Working Group to address these challenges and are developing a robust consumer protection framework. This will ensure only appropriate qualified individuals are able to work on projects promoted under the Programme. Work will be monitored closely to ensure no detrimental effects to households.

9.6. It is essential that there is buy in from both the domestic and non-domestic sector and the Programme aims to provide simple, clear guidance, advice and information to ensure that everyone understands the benefits of the Programme, including both the effects on people’s financial situations as well and the health benefits that could be achieved.
10. Gathering and Analysing Evidence

10.1. Views from the Programme consultation, which took place in January 2017, as well as the Private Rented Sector and Local Heat and Energy Efficiency Strategy consultations (both November 2017) confirmed that a long-term standard would be needed to provide certainty and a clear direction of travel. To provide this it is proposed that all residential properties be required to achieve an energy performance certificate (EPC) rating of EPC C by 2040. The use of EPCs as the Programme standard was chosen as they are well known and provide a clear way to model and understand the energy efficiency of a building. Some issues were raised with the use of EPCs and research has been commissioned to find ways to address those identified. Further work is being carried out to ensure that the EPCs more accurately record the energy efficiency of buildings.

10.2. Through a number of workshops and working groups who have been engaged in different aspects of the policy, views have been submitted and analysed. These views will be taken into account with any additional evidence gathered during the progress of the Programme which will include engagement with a variety of stakeholders including energy companies, environmental organisations, advisory groups, housing associations, private businesses and local authorities. Also the ‘Second Consultation on Local Heat & Energy Efficiency Strategies, and Regulation of District and Communal Heating’ (November 2017) included specific equality impact-focused questions within the ‘Assessment of Impact’ section of the consultation to further gather evidence from stakeholders. The responses in this section will be independently analysed along with the others.

10.3. Reaching the long-term standard will require a mixture of encouragement and regulation that will differ between sectors. We are setting out different customer journeys to reflect how people within different sectors will proceed through the improvement process, what they need to do and what help and advice is available and from whom.

10.4. In improving a large proportion of buildings in Scotland, the policy could impact a high percentage of Scotland’s population, especially older people and those experiencing poverty, where it is suggested that these groups would spend more prolonged periods at home and have a higher certainty of experiencing fuel poverty. The Programme will provide clear information on how energy efficiency can be improved in homes and businesses, what financial assistance is available and the long term benefits that could be achieved. Impacts could include the understanding of what the Programme is attempting to do, lack of finances and general lack of trust of both the Programme and the government.
10.5. The policy could also impact on businesses. With regard to owners, whether it be those who own the business or those who own the property, improvement work could disrupt business with an associated financial cost. With regard to skills, companies carrying out the work may need to increase their skill base and this, in turn, could mean an increase in cost to train their workforce to an acceptable level. The rollout of the Programme has the potential to create a substantial Scottish market and supply chain for energy efficiency services and technologies, with every £100 million spent on energy efficiency improvements in 2018 estimated to support approximately 1,200 full time equivalent jobs across the Scottish economy. As part of the overall commitment to the Programme, work will continue to provide support and actively promote the opportunities in this market.

10.6. Once fully operational, the Programme will be a whole system approach to delivering energy efficiency improvements and the provision of low carbon heat. A framework of energy efficiency standards, advice and funding will help create long term consistency and confidence for consumers and industry, backed up by legislation, where needed.

10.7. During the consultation period for both the Programme consultation and the supporting EESSH consultation, equality group representatives will be invited to comment and submit evidence in relation to those protected characteristic groups they represent. This will be taken into account together with any additional evidence gathered during discussions at consultation events and from formal responses received.

10.8. Data and evidence gathering, involvement and consultation is drawn from the Scottish House Condition Survey (SHCS) module of the Scottish Household Survey (SHS) collected during 2016, and where insufficient information was available from this source, the 2011 Census. The statistics relate to the characteristics of the highest income householder – eg evidence relating to age and gender or to the characteristics of any of the members of the household such as provided under the disability heading.

10.9. Energy efficiency is relevant to all properties within both the domestic and non-domestic sectors. Owners can benefit from taking action to improve energy efficiency in their properties with the aim to lower costs and contribute to the eradication of fuel poverty. Requiring all households to meet the proposed standards will result in occupiers living in more energy efficient homes, reduction in fuel bills, make home and businesses more efficient to live and work in and improve wellbeing outcomes for our children and the more

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vulnerable people in our communities. It will improve the productivity and competitiveness of businesses and make a positive contribution to the Scottish economy.

11. **Age**

11.1. **Evidence gathered**: Information on the age profile of Scotland’s population is contained in the National Records of Scotland Population Estimates 2016⁵ which found that 25% of the population is over 60 years. The Scottish House Condition Survey 2016 shows that 71% of older households live in houses. Houses are statistically less energy efficient than flats and, as it is suggested that this group spend more prolonged time in the home, may incur larger fuel bills and would be more at risk of fuel poverty under the current definition. The Heat Policy Statement EQIA concludes that "evidence suggests that older people and families with young children spend more time at home and may therefore incur larger fuel bills. Measures are already in place to help address the needs of the older people, for instance people over the age of 60 may qualify for a grant such as winter fuel payments".

11.2. One in four families with children in Scotland has three or more children. It has been shown that families, especially those with young children, spend a great deal of time within the home. More energy efficient homes will contribute to the reduction of fuel bills and can contribute to improvement of health through making homes warmer and drier.

11.3. **Effects/Impacts**: Concerns have been expressed as to how the ‘burden of cost’ of energy efficiency upgrades fall on different groups of people within this characteristic. We consider that these groups will benefit in line with others living in Scotland, but are aware of the impact and implications on the ‘burden of cost’ to carry out improvements. As part of the consultations we will seek views from organisations representing people within vulnerable age groups. This consultation, in conjunction with the Routemap, will ask for views on proposals to help improve the energy efficiency of privately rented and owner occupiers as well as non-domestic buildings in Scotland, and the EESSH consultation will ask for views on proposals specifically related to social housing. These views will be used in conjunction with the Routemap to help develop the Programme. We are also developing easy to read sector specific guides to aid progress to more efficient buildings in Scotland.

12. **Disability**

12.1. **Evidence gathered:** The Scottish Household Survey 2016 reports that around 22% of the Scottish population is reported to have a physical or mental health condition or illness lasting or expecting to last 12 months or more. As well as privately owned homes, housing for disabled people is provided by both public authorities and housing associations. Housing for disabled people can vary considerably and includes sheltered, medium dependency, adapted for wheelchair.

12.2. **Effects/Impacts:** We are aware of the potential impacts on disabled people with disruption possible in the home or immediate surroundings while improvements are being carried out. Greater cost may be incurred if modifications to install energy efficiency measures are more complex as a result of individual needs. Disabled people may also spend significant amounts of time at home and therefore potentially have higher household energy demand than the average household. The improvements will help make their homes warmer, cheaper and easier to heat. These impacts will be further considered as the Programme moves forward. Engagement will take place with individuals and groups representing disabled people to ensure that they are not detrimentally affected by the proposals.

12.3. Advice and information will be tailored to ensure that all groups are able to understand the proposals, how they will be implemented and how they will affect them. Scottish Government set up Home Energy Scotland, a network of local advice centres covering all of Scotland which offers free, impartial advice on energy saving, renewable energy etc and this will be a leader in offering advice on the Programme. To aid in this advice we will produce easy read factsheets for each sector to explain how the Programme will work, what to expect and the benefits that can be gained. Through the consultation it is hoped to gain insight into how these fact sheets are helping people understand the proposal and identify any gaps in their understanding.

13. **Sex**

13.1. **Evidence gathered:** Information of the gender profiles of Scotland’s population, contained in the Scottish Household Survey 2016, shows there to be slightly more females than male, 52% and 48% respectively. Updates show that households headed by women were more likely to be experiencing fuel poverty than those headed by men, although the most recent data suggests that there is little difference in the energy efficiency of dwellings where a woman is the head of the household compared to where the head of the household is a man.

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13.2. Fuel poverty is defined as a household that needs to spend more than 10% of its household income on fuel costs. Women make up the majority of those dependent on State Pensions and Pension Credits and also head up a high percentage of single parent families. In light of these facts there is a high risk of living in fuel poverty.

13.3. The proposals aim to provide energy efficiency improvements to all houses below the proposed standard, no matter what the gender makeup of the household. Clear and concise information will be available, as well as help and advice for those who need it, with regard to improvement and financial information.

13.4. **Effects/Impacts:** The Scottish Government is working with partner agencies to ensure that women benefit equally from the opportunities that the improvements can offer. Information and advice will be readily available on the options for improvement, financial options, the benefits that could be gleaned from these improvements as well as suppliers to carry out the work. We will ensure that this information is available and explained to an understandable level, no matter the gender of the person requesting it.

14. **Gender Reassignment**

14.1. **Evidence gathered:** There is limited information that can help us gain insight into the impacts on transgender people of the proposals but, potentially, improvements in energy efficiency could help to ease the pressure on household energy bills, help to reduce fuel poverty and see an increase in economic activity and jobs in the energy efficiency related sectors. Improvements would make heating homes more economical, reducing financial outgoings and potentially provide more jobs in the energy sector.

14.2. **Effects/Impacts:** People in this group are likely to benefit equally in line with other occupants of domestic and non-domestic buildings. As part of the consultations we will seek the views from individuals, organisations and relevant groups representing people under gender reassignment.
15. **Sexual Orientation**

15.1. **Evidence Gathered**: Again, there is limited information that can help us gain insight into the impacts on people with varying sexual orientation but, potentially, improvements in energy efficiency could help to ease the pressure on household energy bills, helping to reduce fuel poverty and see an increase in economic activity and jobs in the energy efficiency related sectors. Improvements would make heating homes more economical, reducing financial outgoings and potentially provide more jobs in the energy sector.

15.2. **Effects/Impacts**: People in this group are likely to benefit equally in line with other occupants of domestic and non-domestic buildings. As part of the consultations we will seek the views from individuals, organisations and relevant groups representing people with varying sexual orientation.

16. **Race**

16.1. **Evidence gathered**: There are approximately 100,000 Black and Minority Ethnic (BME) people living in Scotland making up just over 4% of the population. The Private Rented Sector (PRS) consultation found that BME people make up around 10% of those living in private rented sector accommodation and are largely concentrated in urban areas.

16.2. **Effects/Impacts**: We have looked at the available evidence and consider that people in this group are likely to benefit more than individuals in other sectors. According to the Scottish Household Survey 2016 Key Findings, BME people are disproportionately likely to live in the private rented sector. These households would see their homes improved through the Private Sector sooner than other tenures. BME people living in social housing would see improvements even sooner than those in the private rented sector but the survey reports that due to the lack of knowledge held by landlords around the ethnicity of their tenants, we are unable to determine how much of the population this will effect. Further views will, however, be sought in the upcoming Programme consultation.

17. **Religion or Belief**

17.1. **Evidence gathered**: There is little information in relation to people from different religious backgrounds that can help us gain insight into the impacts on people who share this characteristic beyond the data available for the general population.

17.2. **Effects/Impacts**: There is no data currently available that suggests that any disproportionate effects will be felt by people of different religion or belief. People of different religious backgrounds will have the same opportunity to access advice and information about the Programme and will be assisted in
every way to understand the reasoning behind the proposals, how it will benefit people and options open to them when looking at energy efficiency.

18. **Marriage/Civil Partnership**
18.1. The Scottish Government does not require assessment against this protected characteristic unless the policy or practice relates to work, eg HR policies and practices. Therefore we have not considered it for this EQIA.

19. **Pregnancy and Maternity**
19.1. **Evidence gathered:** There is little information around pregnancy and maternity that can help us gain insight into the impacts on people who share this characteristic beyond the data available for the general population.

19.2. **Effects/Impacts:** There is no information available relating to pregnancy or maternity and we would welcome responses through the Programme consultation on whether these proposals would have any disproportionate effects.

20. **Children’s Rights and Wellbeing Considerations**
20.1. **Evidence gathered:** As mentioned in section 11 "Evidence suggests that older people and families with young children spend more time at home and may therefore incur larger fuel bills."

20.2. To assess whether the Programme is considering the rights and wellbeing of children there are a number of points that need to be addressed:
   - If any aspects of the policy will affect children and young people up to the age of 18?
   - What likely impact – direct or indirect – will the policy have on children or young people?
   - Are there any particular groups of children and young people who are more likely to be affected than others?

20.3. The House Condition Survey 2016 states that households with young children may spend more prolonged time in the home that other groups. This could lead to an increase in the use of energy in the home, and in turn could push families further toward fuel poverty.

20.4. **Evidence and Impact:** We consider that this group will benefit in line with others living in Scotland but are aware of the impact and implications on the ‘burden of cost’ to carry out improvements and how this could impact on a child’s wellbeing. As part of the consultations we will seek views from organisations who specifically deal with the rights and wellbeing of children and young people.
21. **Fairer Scotland Duty**

21.1. With regard to the main aims of the Fairer Scotland Duty, the Programme mainly affects those issues around poverty ie low income and low wealth. Overall the Programme will act to reduce inequalities, particularly the incidence of fuel poverty (as referenced throughout the EQIA). The Programme will improve energy efficiency and reduce spend on energy bills, helping to reduce the incidence of fuel poverty, and ensure that households can more easily heat their homes (where they may not have been able to do so previously). The Programme proposes a mandatory regulatory framework to require improvement over the long term. Ministers have committed to continuing to provide grant support to those households in fuel poverty, helping them meet required standards.

21.2. The Programme will have a positive effect on inequalities, by improving the homes of people across Scotland and continue to provide support to households in fuel poverty to do this. This will help ensure that people have access to good quality warm homes, and help to ensure they have affordable fuel bills.

22. **Island Proofing**

22.1. The Islands Bill (currently going through parliamentary stages) will place a requirement on public bodies, including the Scottish Government, to prepare an Island Communities Impact Assessment when the impact on island communities of a new or revised policy is likely to be different from the effect on other communities. This requirement has not yet been made law, however the impact on island communities has been considered and taken into account here and will be taken into account as the proposals move forward.

22.2. As well as the geographical differences, there are a lot of strong similarities between Scottish Islands. These include resilience and a sense of community, but nevertheless there are challenges not faced by other locations. Island inhabitants can be at risk of social isolation, and have difficulties accessing housing, health and others public services. Current delivery of our energy efficiency and fuel poverty programmes treats remote areas and islands favourably. The distribution model to allocate Area Based Schemes (ABS) funding takes higher levels of fuel poverty into account so island councils typically receive around three times the level of funding per head of population than mainland councils. The Warmer Homes Scotland programme operates a National Customer Price mechanism. This is designed to take into account the higher delivery costs of installing energy efficiency measures in the islands and other remote regions and ensures that the customers in these areas are able to access the same quality of service and the same interventions that those in the more accessible regions do.
23. Describing how the Equality Impact analysis has shaped the policy making process

23.1. The equality impact analysis has helped to highlight the areas where our policies can be strengthened and in particular around those with the protected characteristics. We have recognised where groups may need different consideration or special provision and have aimed to provide provision for these groups. It has therefore helped to shape our plans for engagement to take the Programme forward so that we consult with representatives of these people, to ensure that there are no unintended consequences from the proposals for people with protected characteristics. The results of this engagement will feed into all aspects of the Programme going forward.

24. Risks and monitoring

24.1. We aim to monitor and evaluate the Programme throughout its lifetime and this will allow us to adapt the work being done where necessary.

24.2. As well as looking at outputs we will measure and monitor outcomes, capturing the impact the Programme has on people and their communities. A monitoring and evaluation framework will be launched at the end of the Programme Transition period (April 2020) which will set out:
   - a detailed framework considering the impact of the Programme on people using buildings across Scotland;
   - a range of indicators to inform progress on an annual basis, taking into consideration the Climate Change Plan, requirements for tackling fuel poverty as set out in the Fuel Poverty Strategy and Fuel Poverty Bill and other relevant policies; and
   - multi-year reviews will be planned, aligning them with key policy areas and the commissioning of external evaluations.

24.3. We will regularly review data to enable us to identify any gaps and ensure that we have the most up to date baseline for all building sectors. We will engage with relevant bodies and stakeholders on the development of the framework to ensure that it meets a full range of needs.

24.4. To underpin the monitoring and evaluation cycle, we will, in 2020, publish a baseline setting out the state of Scotland’s building stock against which we will track progress of improvements over the lifetime of the Programme.
Authorisation of Equality Impact Assessment

Please confirm that:

♦ This Equality Impact Assessment has informed the development of this policy

YES [X] NO 

♦ Opportunities to promote equality in respect of age, disability, sex, gender reassignment/sexual orientation, race, religion or belief, marriage/civil partnerships, children’s rights and wellbeing, socioeconomic considerations and island proofing have been considered, ie:

~ Eliminating unlawful discrimination, harassment, victimisation
~ Removing or minimising any barriers and/or disadvantages
~ Taking steps which assist with promoting equality and meeting people’s different needs
~ Encouraging participation (eg in public life)
~ Fostering good relations, tackling prejudice and promoting understanding

YES [X] NO 

Declaration

I am satisfied with the equality impact assessment that has been undertaken for the Programme and give my authorisation for the results of this assessment to be published on the Scottish Government's website.

Name:

David Signorini
Senior Responsible Officer for Energy Efficient Scotland
Head of Better Homes Division