
AFFORDABLE WARMTH AND HOME ENERGY EFFICIENCY STRATEGY 2019-2023

Report by the Services Director, Regulatory Services

EXECUTIVE

20th August 2019

1 PURPOSE AND SUMMARY

- 1.1 This report seeks endorsement of the Affordable Warmth and Home Energy Efficiency Strategy, which has been developed to support Local Housing Strategy Priority 2: More people live in good quality energy efficient homes.**
- 1.2 The Housing (Scotland) Act 2001 places a statutory duty on Local Authorities to develop Local Housing Strategies that aim to ensure that, “so far as reasonably practicable, persons do not live in fuel poverty.” This obligation relates to housing in all tenures.
- 1.3 The Local Housing Strategy (LHS) 2017-2022 is the Council’s key strategic document for planning and delivering initiatives to reduce fuel poverty and improve home energy efficiency. Priority 2 of the LHS is that “More people live in good quality, energy efficient homes”.
- 1.4 The new LHS 2017-22 identified a need to develop a new Fuel Poverty and Home Energy Efficiency strategy to support the delivery of actions under LHS priority 2, in particular those which address the following policy issues:
- National fuel poverty target (2016) and links to energy efficiency
 - Housing’s contribution to climate change; and
 - Meeting the Energy Efficiency Standards for Social Housing (ESSH).
- 1.5 The Affordable Warmth and Home Energy Efficiency Strategy covers the period 2019-23. The vision is that ‘more people live in energy efficient and affordably warm homes’

2 RECOMMENDATIONS

- 2.1 It is recommended that Members:**
- (a) Endorse the Strategy and agree to the implementation of the Action Plan where there are no additional financial resource implications and;**
 - (b) Note that officers will bring back proposals relating to those actions identified as potentially having resource implications.**

3 BACKGROUND TO THE AFFORDABLE WARMTH AND HOME ENERGY EFFICIENCY STRATEGY 2019-2023

- 3.1 The outcomes and framework for action developed by partners to address Local Housing Strategy (LHS) Priority 2: “More people live in good quality, energy efficient homes” is based on analysis of the condition of the housing stock; how house condition and energy efficiency can impact on fuel poverty; the link between energy efficiency of housing and climate change; and the impact poorly heated housing can have on both housing conditions and on health and wellbeing.
- 3.2 This Affordable Warmth and Home Energy Efficiency Strategy continues with the strategic direction initiated by the LHS but builds on, and updates these, with regard to a changing political, economic and financial context.
- 3.3 Affordable warmth is the ability for a homeowner to heat their home to an adequate level to achieve household comfort and health without incurring a debt. In Scotland, a household is considered to be in fuel poverty if it spends more than 10% of household income on fuel, and in extreme fuel poverty if it spends more than 20%. A new definition is currently being considered by Scottish Government.
- 3.4 Under the current definition for fuel poverty 31% of households in the Scottish Borders are fuel poor and 8% are extreme poor. Table 1 below shows fuel poverty levels since 2010.

Table 1: % of households considered to be Fuel Poor (SHCS)

	2010-12	2011-13	2012-14	2013-15	2014-16	2015-17
	Fuel Poor					
Scottish Borders	34%	43%	39%	38%	34%	31%
Scotland	27%	36%	35%	34%	31%	27%

- 3.5 Scottish Borders Council is committed to creating a region that is fair for everyone and where we all have an equal and positive chance to succeed; tackling fuel poverty will be a key step towards achieving this. The aim of this strategy is to provide affordable warmth and healthy homes for everyone living in the Borders.
- 3.6 There is already a significant amount of activity underway across the Borders to reduce fuel poverty and increase the energy efficiency of homes. In 2018/19 almost £1.5 million has been invested in energy efficiency measures for private homes across the region; a new energy efficiency pilot project was established in Peebles and has since been rolled out to the whole of the Tweeddale locality; RSLs have made good progress towards meeting the Energy Efficiency Standard for Social housing (EESH); and a new Borders Home Energy Forum was established, all supporting a reduction in fuel poverty across the area.
- 3.7 A diverse range of partners, stakeholders and housing experts have participated in developing this strategy. A wide programme of engagement activity has been undertaken to collect a range of views, and enable these to systematically inform the development of the action plan and through public consultation communities have had their say on whether the priorities will make a positive contribution to meeting the needs of people in the Borders.

4 DEVELOPMENT OF THE CONSULTATIVE DRAFT AFFORDABLE WARMTH AND HOME ENERGY EFFICIENCY STRATEGY 2019-23

- 4.1 A diverse range of partners, stakeholders and experts have participated in developing the Affordable Warmth and Home Energy Efficiency Strategy 2019-23. A wide programme of engagement activity among stakeholders has been undertaken to collect a range of views, and enable these to systematically inform the development of the strategy. This includes:
- **Borders Home Energy Forum:** The forum has built on the vision, priorities and outcomes from the 2017-22 LHS and assisted in defining the draft priorities and outcomes. Twelve organisations are members of the forum and includes representation from the four main Registered Social Landlords, Home Energy Scotland, NHS Borders, Borders College, Citizens Advice Scotland, Changeworks and a range of service areas from SBC.
 - **Options identification and appraisal sessions:** 3 sessions were held with the Borders Home Energy Forum to inform the definition of key priorities together with a range of viable options for addressing them. Stakeholders appraised a range of options and provided valuable input into the draft outcomes and actions. The participants were specialist stakeholders drawn from across the Council and its partner organisations referenced in paragraph 4.2.
 - **Wider engagement** has taken place with stakeholders across the Borders and also nationally through a series of semi-structured interviews conducted either face to face or by telephone and email. These stakeholders include: Scottish Association of Landlords, Health and Social Care, Department for Work and Pensions, SBC financial inclusion team, SBC Communities and Partnerships, Warmworks, Voluntary Service representatives, University of Edinburgh and Energy Savings Trust.
- 4.2 The consultation document presented the key issues and the framework for action, together with a series of consultation questions to prompt a structured response. The formal consultation used Citizen Space, the Council's online platform for public participation. The link to the consultation was widely circulated and published on the Council's and partner websites; sent to key stakeholders such as Community Councils and various third sector groups; and advertised through social media. It was open for three months from February 2019, and the responses informed the final drafting of the Strategy.

5 Vision and Priorities

- 5.1 The vision is that '**more people live in energy efficient and affordably warm homes**' and the draft priorities identified that will work towards fulfilling this vision.
- 5.2 **Priority 1:** To collectively work with our partners to improve affordable warmth and energy efficiency in homes.

The priority here is that partners across the Borders are able to collectively work together to improve affordable warmth and energy efficiency in homes. With the release of the new Fuel Poverty Bill and the Energy Efficient Scotland Route Map by the Scottish Government there is considerable effort and interest in delivering energy efficiency and affordable warmth to all households across Scotland. Success will be determined by delivering on the Strategic Outcomes and by actions that can attract funding for and deliver mechanisms towards achieving

national Government priorities.

The Outcomes for Priority 1 are:

1. Deliver successful projects under the Energy Efficient Scotland programme.
2. Fuel poverty in the Scottish Borders decreases.
3. Social housing meets EESSH 1 target and works productively to meet EESSH 2 target.

- 5.3 **Priority 2:** To explore wider measures to better manage energy and increase warmth in the home.

This Priority focuses on wider measures, approaches and mechanisms that are able to support poorer households and energy inefficient homes. In particular it outlines wider measures to address affordable warmth in addition to increasing energy efficiency.

The Outcomes for Priority 2 are:

1. Increase in referrals to trusted organisations on advice relating to energy efficiency measures and behavioural change; fuel debt advocacy services and; income maximisation and money advice.
2. Operate a thriving website as a central point of call for affordable warmth and energy efficiency advice, referral mechanisms and funding opportunities.
3. More partners, community hubs and training services are able to provide advice and support on affordable warmth and energy efficiency and host relevant events.

- 5.4 **Priority 3:** To ensure that the strategy provides opportunities for all in the Scottish Borders.

This Strategy should mean something to all individuals in the Scottish Borders. It should support all tenure types and homeowners to be more energy efficient and to have access to affordable warmth. Additionally, the plan needs to consider the full supply chain and provide enablers for all relevant stakeholders to progress and prosper in the opportunities the energy efficiency agenda presents.

The Outcomes for Priority 3 are:

1. Significant increase in the number of referrals to Home Energy Scotland for households that reside in rural, off-gas grid properties and/or contain elderly and vulnerable individuals.
2. Significant increase in the number of referrals to Home Energy Scotland for the self-funded, owner occupied market.
3. Clear support routes to encourage members of the supply chain to engage in energy efficiency work.

6 IMPLICATIONS

6.1 Financial

- (a) There are no direct financial implications but delivery of the Affordable Warmth and Home Energy Efficiency Strategy is dependent on SBC's continuous provision of core services, financial resource allocations from Scottish Government and resources arising from partner agencies and

private individuals.

- (b) However, where there are specific actions considered as having a resource implication for the Council, Officers will bring back proposals to Council as they arise over the period of the strategy.

6.2 Risk and Mitigations

- (a) Delivery of the Affordable Warmth and Home Energy Efficiency Strategy is largely dependent upon a number of variables not least of which relate to resource and other political and organisation decision making processes beyond the control of the Council.
- (b) The draft priorities and outcomes have been developed in co-operation with a range of partners to ensure it is based on evidence and shared priorities.

6.3 Equalities

- (a) In line with both Council policy and legislative requirement, the consultative draft Affordable Warmth and Home Energy Efficiency Strategy has been subjected to an Equalities Impact Assessment. The outcome of that impact assessment shows that there are likely to be positive impacts across all equality groups. The EQIA will be updated when the final draft strategy is developed.

6.4 Acting Sustainably

- (a) The LHS 2017-22 and this Affordable Warmth and Home Energy Efficiency Strategy promotes sustainable development. Actions include investment in, and the promotion of energy efficiency. By improving the quality and sustainability of existing houses, working towards alleviating fuel poverty and tackling climate change the draft plan will promote sustainable communities.
- (b) Priority 3 of the draft strategy is to ensure the strategy provides opportunities for all. It should support all tenure types to be more energy efficient and to have access to affordable warmth. Additionally, the action plan considers the full supply chain and aims to provide enablers for all relevant stakeholders to progress and prosper in the opportunities the energy efficiency agenda presents.

6.5 Carbon Management

- (a) It is considered that there are no direct effects on the Council's carbon emissions arising from the report recommendations.
- (b) It is worth noting that The Energy Efficient Scotland project referenced on page 6 of the consultative draft has contributed £200k in grant funding over the last year to support energy efficiency improvements to Peebles High School, supporting a reduction in the Council's carbon emissions. It is anticipated there will be further similar opportunities through future Energy Efficient Scotland projects and implementation of this new Affordable Warmth and Home Energy Efficiency Strategy for the Borders.
- (c) In more broad terms there are very likely to be positive effects and a reduction in carbon emissions across the Borders through improvements to the energy efficiency of the housing stock, supporting behavioural change, making effective referrals to trusted organisations and raising awareness of this activity.

6.6 Rural Proofing

- (a) Rural proofing applies to all areas of Scottish Borders classified by Scottish Government as 'remote rural' or 'accessible rural'. This applies to all areas of Scottish Borders out with the towns of Hawick, Galashiels/Tweedbank, Peebles, Selkirk, Eyemouth, Jedburgh and Kelso
- (b) The LHS 2017-22 (the overarching strategy) has been rural proofed and it is anticipated there will be no adverse impact on the rural area from the proposals contained in this report. There is likely to be a wide range of positive outcomes for rural communities, including improvements in health and fuel poverty levels.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation as a result of this report.

7 CONSULTATION

- 7.1 The Borders Home Energy Forum has been consulted and contributed to this report.
- 7.2 The Chief Financial Officer, Monitoring Officer, Chief Legal Officer, Chief Officer Audit and Risk, Clerk to the Council, and Chief Officer HR have been consulted and their comments will be incorporated in the final report.

Approved by

Brain Frater
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Signature

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Background Papers: Affordable Warmth and Home Energy Efficiency Strategy 2019-2023 & Associated Appendices (Appendix 1)
 Affordable Warmth and Home Energy Efficiency Strategy 2019-2023 Executive Summary (Appendix 2)
 Consultation Response Report (Appendix 3)

Previous Minute Reference:

Affordable Warmth and Home Energy Efficiency Strategy Consultation Executive Committee 26th February 2019
 Local Housing Strategy 2017-22 Executive Committee Report 20th June 2017
 Local Housing Strategy 2017-22 Year 1 Progress Executive Committee Report 2nd October 2018

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

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