

Sutherland Fuel Poverty Summit

Sutherland Fuel Poverty Summit - Looking at fuel poverty, linking to poverty in general and that a just transition is essential through to our climate goals.

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What's this to do with climate change you might ask? Well, many folks are in poverty or extreme poverty in our region, which is truly inexcusable. Brexit and Covid have exacerbated this. We cannot further impact on fuel poverty through climate action, but rather grasp opportunities to improve individual and area prosperity (as in contentment and happiness) and resilience.

As with previous workshops, these notes have been taken live at the time of the conference, so please forgive any typos and the poor grammar.

Video of conference and other info to follow.

Worthy of note is that Sutherland produces significantly more energy than it uses, but that this is essential for helping the rest of Scotland meet its carbon goals. The talks are relevant to all and some aspect would benefit further exploration, such as a more detailed talk from Home Energy Scotland to see how we can all reduce carbon footprint of energy use in our homes and with regard to available grants etc. If you have any comments or thoughts on projects, please do get in touch.

Welcome and Opening Remarks

Councillor Richard Gale, Chair Sutherland County Committee

Bob Grant, Summit Chair

We create lots of fuel which is sent south but pay a premium for our fuel, electricity (extra distribution costs) and otherwise due to our oil and calor needs. Going to be particularly bad with increasing fuel costs.

We are looking in this forum for solutions – what can we address and how – keep it positive with ideas and solutions.

10:10 The Highland Council – Energy Efficient Scotland: Area Based Scheme Stuart Miller, Project Manager

EES:ABS Scheme. 3 Funding sources.

Programme objectives – tackle poverty + improve energy efficiency. 32m spent in last 8

years in energy improvement works with HC. EON is energy contractor. Initially – external wall insulation, cavity and loft insulation, not air source heat pumps for first time central heating insulation. Available to all meeting eligibility criteria. Year 8 – includes solar PV to 18 properties.

Benefits – lower bills, increased comfort, improve aesthetics, reduce noise levels

Challenges – obtaining signups – would like to work in clustered areas. Home owner contribution now needed. Covid impact on available money and isolation needs. Challenge getting local contractors. Increased installation costs and viability. PAS 2035:2019 has changed spec. Increased difficulties particularly in island and rural areas.

Desire to expand on scheme; is it what's needed? To reduce poverty and household footprints.

10:25 Home Energy Scotland – Dean Wigglesworth, Home Energy Specialist

Fully funded service from Scot Gov via Energy Savings Trust (EST). Dean is HI. Independent + impartial advice. Aim – keep warm, reduce bills. No cold calling. Telephone advice centre. Based IV, but outreach officers too. Lots of training for officers for significant expertise and query handling. Contact by 0808 808 2282. Vast range of advice – draft reduction, condensation

reduction, general living, controls operation.

Much help improves vast range just by changing what we do, so not all ££ installations. Several funding mechanisms available, various criteria from funding to interest free loan / cashback. Warmer Homes Scotland (WHS) provides help for home owners and private tenants.

WHS referrals – 1600 HI wide. 146 Sutherland.

(Consider benefit from detailed presentation for wider population of area – AP chat with Gail).

10.40am Warm Works – Warmer Homes Scotland Ross Armstrong, Managing Director

Joint venture EST, Change works, Everwarm. Saved £300 per year in 2500 homes over Scotland. HI, average savings higher. £407/year on average. Targeted at those in fuel poverty, means tested including income and house type. Wider benefits to local communities including 140 apprentices, 700 new jobs, 2000 training/upskilling, business growth to companies. Includes Shetland business, was 5 employees from home, now have own premises with 15 staff. Not commercially drive, rather what works best for customer.

460 applications completed in Sutherland since launch, 52 last year. 10pc renewable tech installation, with positive feedback. 17pc of referrals from HI HES advice centre.

Delivery challenges include issues from demand led scheme and rural geography.

<missed a bit>.

Q&A from 1 set

What pc of referrals to installations – answer to be given

What means testing is actually used. Alot of time was spent defining criteria in the Fuel Poverty Act. Concern that different schemes used / proxy. Ross supportive of proxy. because need help for 100k's houses, because quicker to deliver at scale rather than only those receiving certain benefits. Geared towards those on low income and cold.

How many surveys are needed by different companies – they work together to ensure the right company involved – best available route is found, reducing scheme competition and assuring independence.

Why are oil/calor boilers being removed when gas boilers are still allowed. Is climate being prioritised over costs thus still increasing divide. Dean – first strategy is insulation and don't just throw in low carbon solution irrespective. Impartial advice given taking poverty or low carbon priorities for individuals. Every home, community treated as individuals. Low carbon not recommended if house not suitable.

Discussion on blanket vs individual approach. Some housing associations blanket approach and bills not higher.

Are multiple funding options available to one household and then are multiple surveys needed. Before last year only one fund allowed. Restriction now withdrawn. Companies working to streamline number of surveys required.

11.15am National Picture – Rebecca King, Policy Officer (Energy), Citizens Advice Network Scotland

59 CAB's across Scotland. CAN provide support, training and policy.

24.6pc of households in Scotland are in fuel poverty!! 1 quarter!! more than half that in extreme fuel poverty. Anticipation 18pc rate increase due to pandemic, and fuel cost increase and UC uplift removal.

CAB client comments include £356 / month costs; top up meter support denied because already had too much help; want windows sealed permanently to reduce draft. In 2020 big jump in warm homes advice and energy efficiency increase from 1500 to 6500. CAB dealing with overall poverty, not just fuel. Significant numbers of people run out of money before pay day and cant pay fuel bill. Affordable warmth survey – 40pc not able to keep home warm.

Fuel type – Scotland and Sutherland

Fuel type	Scotland (SHCS; 2019)	Sutherland
Mains gas	81%	0%
Electricity	11%	37%
Oil	5%	35%
Solid mineral fuel	1%	Coal - 12%, Logs – 5%
LPG	1%	3%
Biomass	1%	2.6%



Self rationing and issue e.g. keeping heating to 12-15 degrees; £130/week on electricity; heating one room;

This week is Challenge Poverty Week. Need action from govts and decision makers – increase funding energy efficiency; move levies from energy to taxation; reform warm home discounts using devolved powers; stronger protection for consumers adopting new tech;

CAN – Mind the Poverty Gap Report

Just transition allows inequalities to be addressed; individual solutions; urban vs rural differences.

11.30am Sutherland Picture – Di Alexander, Chair, Highlands and Islands Housing Associations Affordable Warmth Group, also on SCP + Fuel Poverty sub group

Sutherland survey outcome. 33 pc in extreme fuel poverty in remote rural Scotland vs 11pc rest of Scot.

Fuel Poverty Act Scot 2019 – landmark act!

10pc income energy needs = fuel poverty, 20pc extreme fuel poverty (after some costs). Basic cost of living is 15-30pc more in Sutherland than rest of Scot excluding energy costs. Suth incomes 87pc national average. Energy performance of our housing much worse + exposed to worse weather. West + North worst for wind and rain combined. More hard to heat house types, and generally 1/3 bigger than urban. Sutherland has 38.5pc over 60s vs Highland at 29.6; been rising at 0.5pc/annum. Plus population falling. Gas costs 4p/unit vs electricity 18p/unit. Costs estimate 820/year (gas) vs 1800/year (no gas).

Lived in experience – my energy bill is 30 pc my income; extremely expensive; try to ration coal use; was £90 now £230/m.

Comment – that this is totally not right that we have people living in this extreme situation. Fuel increases bleak. No point switching because of pricecap at 20p/unit vs current 18p/unit.

We have 3 times more green energy here than we need for ourselves. So why is it so expensive. Not a level playing field. We need a genuinely collaborative approach – Scot Gov, UK Gov, Ofgem, local orgs, maximise problem solution. Scot gov Fuel Poverty Strategy due

Dec 2021. Short term funded solutions can't go on, Need long term solution.

Comments – wind driven rain index causes significant issues – greater ventilation of property – houses fail to reach temperature.

11.45am Keynote Address:

How the Scottish Government Aims to Address Rural Fuel Poverty Kate Forbes, MSP and Cabinet Secretary for Finance and the Economy

People in dire fuel poverty don't get in touch. The multiple pressures are making the situation even worse. 2019 survey 43 pc rural houses in fuel poverty. Extreme fuel poverty 19pc rural vs 11 urban. Nationwide sense of concern and worry; bad nationally but spare a thought for rural. Cost increase on top of already higher living costs. Multi-agency approach needed and multifaceted approach. Target 5pc by 2040/ 1pc extreme.

We cannot accept national targets being met as good enough, need to consider overall. Need more focus on rural. Consider why poverty overall. £1bn invested in energy efficiency in homes. Focus on removal of poor energy efficiency route importance to fuel poverty amongst rest of strategy. 1m Scottish homes and 50k non domestic homes needed to convert to reach 2030 climate targets. Need to work hard to ensure that fuel poverty targets overlooked.

Kate is finding challenge in utilising help, make investments to improve situation in own home. Work in place to streamline need to access multiple agencies – new virtual agency Need to spend the money where it's needed most. Noted Heat Smart Orkney system; community householders see turbine continuing to turn; progress elsewhere not good.

Significant focus on talk highlighting multiple causes of poverty. Fuel price rises significant worry (more than doubling in some circumstances) & UC reduction. Scot gov does have some aspects to work on but UK govt restrictions. Putting money in people's pockets is what matters. Urgently considering what additional support can be given, including review of winter fuel payment to make household income more stable.

Comments raised on 8m training on energy advice team vs length of time local charities have funding for and restricted training ops when they could do more. QA – can we make funding more permanent – we haven't had a comprehensive spending review for several years (from UK govt.?) and needed for local councils – reduces ability to plan ahead. Gives 3-5 year budget planning.

Q&A – oil & LPG homes removed from warmer homes eligibility – but gas boilers still in there – rural area discrimination – reinstated need to

not leave people behind and need local solutions.

1.00pm Electricity Generation in the Highlands and Islands

Magnus Davidson, Research Associate,
University of the Highlands and Islands

Based in Thurso. Personal situation – Social housing tenant. new prices 21.7p/unit. noted not in fuel poverty. magnus.davidson@uhi.ac.uk

Talk on Renewable Electricity generation.
Environmental Research Institute UHI

Produce over 300pc of own elec consumption. variance in region. Shetland less than consume, no export option. Orkney 139pc, 21pc in fuel poverty. HI, 418pc of own elec consumption with good export connectivity, 1/3 in fuel poverty. Significantly more than other areas. Western Isles – about 100pc of own consumption, 40pc in fuel poverty. Argyll & Bute – 281pc. 32pc fuel poverty. 5 of 7 regions in HI greater fuel poverty. Sutherland generates 912pc of own consumption!! Wind + Hydro involved in this. All this vital to decarbonise Scot & UK. Not feasible to build enough e.g. in Glasgow to decarbonised Gla.

Orkney been pushed to innovate because connection to mainland not good.

Personal comment – Fuel poverty here in sight of energy production is a disgrace! Both Govt

state just transition, no one should suffer from fuel poverty directly as a result of net zero.



Personal Commentary

- One suggestion – hundreds of millions of pounds (up to £860m) will flow from private companies to government with Scotwind leasing round for the right to develop.
- Subsequently the companies will then pay leasing fees when wind farms become operation.
- Partition off a sovereign fund to deliver capital to communities to deliver on a local, community wealth building approach to fuel poverty
- *“What has been seen as a very heavily subsidised sector is now turning into a cash cow for government.”* Douglas Fraser BBC



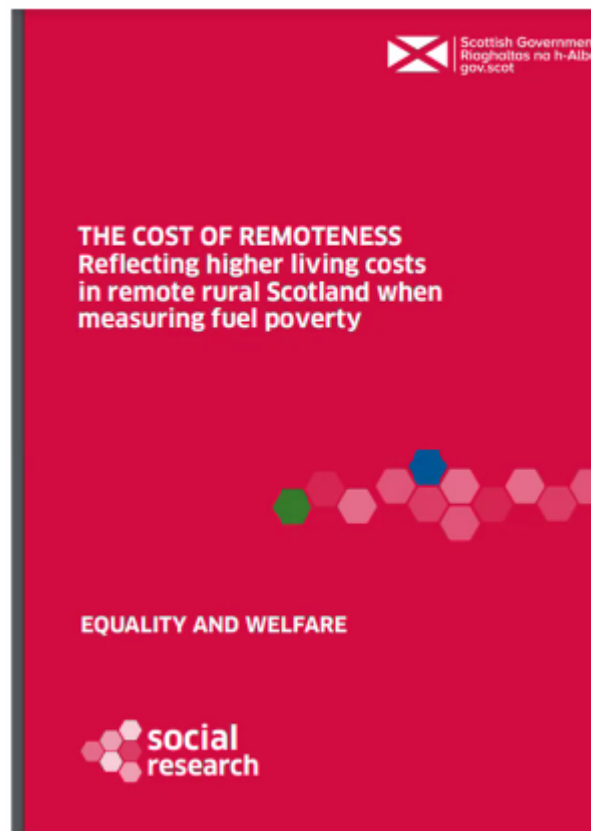
1.20pm A Minimum Income Standard for Remote Rural Scotland Professor Donald Hirsch, Loughborough University

MIS definitions, and then 10 years later included increased cost of living in HI. Fuel and other living costs.

Will increase in fuel prices increase fuel poverty (not inevitable by breadth but yes by depth)/ how relate to other living costs (both important and interact) / has Scot Gov attitude changed to poverty – yes.

Old definition consider 10pc of income needed for fuel, but that extends, it encroaches on other expenses. However, considered higher incomes, pc significantly different – 10pc is nothing for higher income but significant for lower. Hence fuel poverty definition includes MIS. And thus e.g. £20/week reduction pushes them into MIS. Fuel cost increase, fuel cost pc increases plus

other higher living costs; these should be set at higher lever rural areas.



Threshold now looking at MIS after fuel costs.

Looks at additional costs such as work travel, food purchase travel, clothing, postage, fridge freezer.

MIS UK 191, uplift 10pc? 21pc if couple with children.

Key influences.

energy required to heat a home, behaviours, efficiency, design, climate

cost of domestic fuel

adequacy of income

car fuel

knock on effect – food prices, delivery, local shopping (supply chains)

not direct comparison on fuel and other poverty
e.g. child poverty – some greater, some less.

integrated / holistic approach needed.

provocative – being able to work from home e.g.
better broadband may help with fuel poverty.

<https://www.gov.scot/publications/cost-remoteness-reflecting-higher-living-costs-remote-rural-scotland-measuring-fuel-poverty/>

1.40pm Changeworks – Decarbonisation Models
Hannah Dunne, Researcher

Climate Change plans, 50 pc of buildings need to be decarbonised by 2030 – speed!! may leave people behind. Just Transition Commission put in place 2020. National mission fairer greener scotland now published. Confirms rural issues.

European Climate Foundation – 4 different models decarb off-gas –

collective purchase – coop purchase like oil clubs – e.g. West Linton Group Buying Scheme – 51 residents air source pumps.

payment plan – no upfront costs, maintenance could be included etc, pay as you go / fixed

price, green leases splitting cost between landlord and tenant; Property assessed clean energy – property tax based. perhaps unequal option, loan not available

community asset ownership – heat networks, tech solution for e.g. tenements. Thought to be high risk and responsibility on community burden of risk – community ownership but manager . e.g. Firle Low Carbon Heat Network.

3rd party ownership – comfort as a service plan e.g Leicester District Energy Scheme

Session Q&A

Smart meters not available – could be used to great effect to reduce fuel costs – but need to be prepared to work smartly re costs – but grid needs smarter – both storage to e.g. storage heaters at off-turbine times – e.g. using cars as storage batteries (orkney)

We have had to work very hard to prove rural difference – that work could have been put to better use – is it now appreciated? yes – analysts totally aware and agree; govts come and go....

2.25pm Building the North Highland Economy
Eann Sinclair, Area Manager Caithness and Sutherland, Highlands and Islands Enterprise

HIE talk on various opportunities to improve business prosperity and increase employment

and opportunities.

Population of cn & suth = 38.25k. Self employment rate in CN & S thought to be higher than highland. Employment exposure to both brexit + covid more than other areas. 29pc jobs at risk. Income 87pc national average.

HIE focus –

- resilient communities, place based approaches, community wealth building
- build successful productive resilient businesses
- create conditions for growth and green recovery
- last while has been about survival

Challenges – covid – brexit – tech – type of biz

Some direct opportunities, some policy related

Policy related – HIE & Scot Gov – dire need of support – Net Zero – but repopulation zone – helped significantly by e.g. NW 2045.

Rebuilding opoos also include e.g. people moving into the area because they can work from home. Relates to quality of housing and broadband. Renewable energy jobs. Commercial interest in energy storage, cryo batteries (liquid air), and carbon sequestration, flow country world heritage opportunities. Space industry, seeking wider opoos for further related jobs.

Accepting that caveats.

2.40pm A View from the Constituency

Maree Todd MSP for Caithness, Sutherland and

Ross

Minister for public, womans health and sport.

Noted that real people are behind all these statistics. Energy price rise. Perhaps this is the coldest constituency. Confirming 19pc rural vs 11pc urban fuel poverty. All too aware of health issues resulting from cold home living. Covid impact on fuel poverty, albeit petrol use less. Employers focussing on working from home moves employer hearing costs onto employees.

General discussion on poverty, climate targets etc.

2.55pm **Next Steps**

Bob Grant, Summit Chair

Hopefully all seen exec summary. Report will be completed. Comments collated. Addressed to appropriate place. KoSDT along with SCP aim is to develop action plan.

3.30pm Closing Comments Councillor Jim McGillivray

Vote of thanks to all.

2 take away points – unless there is a just transition, there is no transition + one size does not fit all.