

Minutes of Meeting on 16th April 2024



Venue: Darwin Room The Institute of Geography (Old Infirmary), University of Edinburgh, 1 Drummond St, Edinburgh, EH8 9XP.

Time: 09:00–16:30

Type: Panel Meeting

Attendees



Panel: Matthew Cole, Kirsten Jenkins and Alister Steele

Apologies: Fraser Stewart and Margaret Corrigan

Secretariat: Philippa Brosnan, Roanna Simpson and Trisha Melvin

Scottish Government: Douglas Armstrong, Alice Hall, Nichelle Gill, Samantha Docherty, Claire Ross, Emily Creamer, Melanie Macrae, Aedan MacRae, Amy Nimegeer – attended the morning session

Researcher: Megan Scherrer

Agenda item 1: Welcome

Matt welcomed everyone to the meeting, noting Fraser and Maggie's apologies. Matt ran through the agenda for the day noting that the Scottish Government (SG) Fuel Poverty (FP) and Energy and Just transition teams would be attending during the morning, and that, Megan Scherrer, who led the recent research, commissioned by the Panel, would also be attending to present the findings. Matt advised that the afternoon would be spent agreeing the Workplan priorities, finalising the content for the annual report and confirming the plan for the Strategic Plan publication as well as a few miscellaneous items.

Agenda item 2: Update from the Fuel Poverty Team on the Monitoring & Evaluation Framework

Matt welcomed the FP Team to the meeting. Matt noted that he was pleased some of the attendees would be able to stay to hear the presentation from Megan on the research piece that she had undertaken for the Panel and hear from the Energy Strategy and Just Transition Team. Matt handed over to the Fuel Poverty Team and Analysts.

Amy Nimegeer led the presentation on behalf of the FP Team talking through the overarching aims of the logic modelling workshops, which will form the basis of the FP monitoring and evaluation framework. She said that the focus of the workshops

would be on establishing outcomes, as well as improving understanding of short and medium-term goals, understanding what success looks like and how and where this can be evidenced in the outcomes. The logic modelling workshops will also allow the analysts and Fuel Poverty Team to establish the causal links between the actions and outcomes. Amy advised that this process will also help establish indicators to monitor going forward. The workshops will help identify gaps in the evidence-base which can be used to inform any joint research plan.

The Panel agreed that Roanna would continue to support this process acting as a link between the Panel and the Fuel Poverty Team. The Panel discussed that they would like to comment on a more fully formed draft of the framework, perhaps at a stand-alone meeting.

Agenda item 3: Presentation on the Panel commissioned research on “potential unintended consequences of decarbonisation technology and how could these be mitigated”

Matt welcomed Megan Scherrer to the meeting. Introductions were done round the table. Matt thanked Megan for her work and noted that her findings resonated with what the Panel has heard from stakeholders.

Megan presented her findings and covered how:

- the systematic review found there was little mention of the unintended consequences key technologies may have for people in or at risk of fuel poverty
- discussion centred on the unaffordability of decarbonisation technology for those in fuel poverty
- this is an important research gap which needs to be filled to ensure that fuel poor people are not left behind during the net zero transition.

The Panel are keen to keep in touch with Megan and perhaps in a year’s time, Megan could come and speak to the Panel on how her fuel poverty-related PhD research is going. Megan’s research finding will now be published on the Panel’s website.

Agenda item 4: Energy Strategy and Just Transition (ESJTP)

Matt welcomed everyone to the meeting and introductions were done round the table. Matt referenced the last session with the ESJTP team in March 2023 and handed over to Mel and Claire to present on the latest draft of the ES&JTP. In feeding back, the Panel made the following points:

- The presentation and overall clarity of the new version of the ESJTP is good with fuel poverty now well-positioned and referenced within the plan – along with the fuel poverty targets.
- Local energy supply options (such as community energy projects or heat networks like the Aberdeen Heat and Power model) and mechanisms to protect vulnerable/priority consumers need to be fully considered. There is the potential for more to be gained from local supply protections for low-income households,

and more renewables coming online overall in terms of passing on the value of local energy for local people.

- Wherever the Scottish Government lands on the REMA reforms, the Panel thinks a clear setting out of the risks in delivering the plan, given its dependency on lower electricity prices, is advisable. Questions of pricing changes (such as locational marginal pricing) are complex. The Panel suggests progressing incremental reforms that accelerate the delivery of this value to consumers sooner rather than later - and that any more radical market reform should happen in parallel if at all.
- The Panel's ambition in the space of vulnerable consumer protection is that a discount (often called a social tariff which tends to mean different things to different groups), or other intervention has the effect of lifting people out of fuel poverty by bridging the fuel poverty gap. This gap should be individually calculated based on the gap for a household, rather than the average gap for a segment of households. (If the term social tariff is used, it may be helpful to include a footnote to clarify what this means for those less comfortable with the term, for example explaining that it is a targeted discount on energy prices for vulnerable customers).
- A discount mechanism should be advocated for, enabling fuel poor households to make the switch and reap the benefits of low-carbon technologies with bill protection in-place. (A more general "social tariff" could also support this).
- There are some clear metrics at the end of the ESJTP [Annex H]. It is very helpful to see the developing plan for how the ESJTP is to be measured. The Panel noted the update from the Scottish Government about the significant data gaps which currently exist but will look forward to seeing and hearing about the development of the ESJTP monitoring and evaluation framework given its intersection with the fuel poverty M & E framework. The Panel noted that the indicator measures are currently all quantitative. It would improve the robustness of these if qualitative indicators were also included, notably engagement with people with lived experience of fuel poverty. The Panel suggested that it would be worth investigating whether the Scottish House Condition Survey could be developed to support/underpin the Consumer Scotland Energy Affordability tracker to make the data for this indicator more robust.
- The Panel reminded the ESJTP team about the feedback which it gave to them in March 2023 on advice and advocacy services. The Panel's view is that it is important that there is a holistic approach at a local and community level to underpin what the ESJTP describes as a "national endeavour". Advice and advocacy cannot only operate from the top down it needs bottom-up provision too.

In conclusion, the Panel reiterated its view that there should be close collaboration between the SG officials working on the ESJTP, as they work to deliver the ESJTP, and those working to deliver the Fuel Poverty Strategy.

Agenda item 5: Routine Papers

Meeting with the Minister for Energy, Just Transition and Fair Work - Matt gave an update on his short meeting with the Minister on the 28th of March where he presented the Panel's Strategic Plan and the thinking behind the seven goals. Matt also took the opportunity to update the Minister on the Panel's visit to Aberdeen and

its view on the value of the Warm Homes Prescription Trial. For example, how, as well as keeping those involved warm – mitigating and preventing fuel poverty, it also enabled the take up of home energy efficiency measures by those involved in the trial. It offers the potential for significant savings for primary and secondary health budgets. Matt advised that he also spoke about the cancellation of the Fuel Insecurity Fund (FIF) and the Minister took an action to follow up on the FIF and deployment of the consequential flows to Scotland from the UK Gov. Spring budget. Matt advised the Panel the Minister is keen to meet the Panel as a group.

Draft minute of the Panel meeting on Monday 18th & Tuesday 19th March– for sign off - The Panel wanted minor typographical amendments to the minute of the 18th & 19th March meeting but are happy to sign it off once these are done. They will then be published on the website.

Dashboard - The Panel discussed the Ofgem call for evidence on the future of domestic price protection and agreed that they want to respond, while being mindful of resource constraints. Matt noted that he has introduced Philippa to Ofgem.

Agenda item 6: Workplan

Philippa spoke to the Workplan and its structuring around key topic-based meetings as a means to facilitate delivery of the Panel's strategic goals. The Panel agreed that focussing on four topics over the course of the year sounded achievable.

Agenda item 7: Annual Report

Philippa spoke about the content of the Annual Report, revised following feedback from the Panel at the last meeting. The Panel discussed the shape and content of the Annual Report and the timeline for completion and publication.

Agenda item 8 – AOB

Warmer Homes Scotland (WHS) – Scottish Government Officials leading on the Warmer Homes Scotland eligibility criteria have asked the Panel for feedback, The Panel will develop this at a standalone meeting.

Proposed trip to Stornoway – Trisha outlined the options for the proposed visit to the Western Isles, to support the Panel's Workplan focus on rural poverty, and will send round a calendar hold for the dates agreed by the Panel for this at the beginning of October.

Agenda item 9: Panel Reflections

Matt invited reflections on the day. The Panel thought the meeting had been valuable and that the research presentation very informative. Matt thanked everyone for their time and drew the meeting to a close.

Next meeting is the 18th of July 2024 in Glasgow.

News items and Reports:

The news items and reports set out below do not necessarily reflect the views of the Scottish Fuel Poverty Advisory Panel. They are produced for the Panel's awareness of news items of interest, emerging research across the fuel poverty landscape, stakeholder views and, of course, current estimates of fuel, and extreme fuel poverty, in Scotland.

Scottish Government estimates of fuel poverty and extreme fuel poverty – calculated at the point of price cap changes

Scottish Fuel Poverty Advisory Panel – Status and activity report – 16/04/24									
SG Fuel Poverty estimates	April 2024 – June 2024 (see Annex A for detail on FP estimates)	Jan 2024 – Mar 2024	Oct 2023 – Dec 2023	July 2023 – Sept 2023	April 2023 – June 2023	Oct 2022 – March 2023	Oct 2021	Oct 2019	
Ofgem Price Cap	£1,690	£1,928	£1,834	£2,074	£2,500	£2,500	£1,277	£1,170	
Fuel Poverty – Households	790,000 (31%)	840,000 (34%)	830,000 (33%)	850,000 (34%)	920,000 (37%)	860,000 (35%)	663,000 (26.5%)	613,000 (24.6%)	
Extreme Fuel Poverty – households	490,000 (20%)	570,000 (23%)	530,000 (21%)	580,000 (23%)	720,000 (29%)	600,000 (24%)	359,000 (14.4%)	311,000 (12.4%)	

Key Announcements / Publications

Consultations

1. DESNZ has launched the second of its REMA consultations, with a narrowed range of options to deliver a sustainable electricity market framework for businesses, industry, and households [[here](#)] – launched 12-03-24, closes 07-05-24
2. Ofgem has issued a paper on future price protection setting out the successes and challenges of the price cap in the context of a range of options for evolving consumer price protection. It is calling for input [[here](#)] – launched 25-03-24, closes 06-05-24
3. Consumer Scotland has launched a consultation on the draft guidance on how to meet the consumer duty [[here](#)]. The consumer duty comes into effect from 01-04-24 (with a 12-month implementation period before it comes fully into effect), relevant public authorities, including the Panel, will need to meet the requirements of the consumer duty. Launched on the 26th March, the consultation closes on the 16th June.

Fuel Poverty News

4. DESNZ's quarterly Smart Meter stats included figures which [[here](#)] include a figure of 4m meters not operating in Smart mode – 21-04-24
5. Consumer Scotland (CS) has published its final Work Programme for 2024-2025 – March 2024 [[here](#)]. It sets out the actions it will take to improve outcomes for

consumers in Scotland and, as the levy-funded advocacy body for the electricity, gas, post and water sectors in Scotland. It also sets out our plans within these key areas, as well as within the wider economy, noting its organizational contribution to achieving the Scottish Government's National Outcomes during 2024-2025. CS notes that all its projects are underpinned by the need to advance the interests of consumers across three key strategic challenges – the affordability of goods and services, climate change mitigation and adaptation and improving the experiences of consumers in vulnerable circumstances. Consumer Scotland has also published a summary of the consultation responses on its work programme [\[here\]](#).

6. Ofgem has published a summary of responses to its open letter [\[here\]](#) on transmission charging reform – relates to REMA – where there was a call to stakeholders for views on the future role and design of electricity transmission network charging and the drivers for reform [\[here\]](#). 20-03-24
7. National Grid ESO has published a Beyond 2030 [\[here\]](#) report making recommendations for the network throughout the 2030s to upgrade offshore and onshore networks facilitating further renewable energy to flow into the network [\[here\]](#) it includes a blueprint for Northern Scotland p.52f. 19-03-24
8. The SG has set up a Local Electricity Network Coordination Group (LENCG), it brings together Scotland's electricity networks with representatives from the heat and transport industries to enable greater transparency for all parties and to discuss options for effective ways of working as Scotland transitions to net zero. Its purpose is to “identify and address issues that can frustrate or prevent the connection Low Carbon Technologies (LCT's) like heat pumps and EV chargers to local electricity networks”. [\[here\]](#) 18-03-24
9. The Scottish Parliament's Economy and Fair Work Committee, has published a report [\[here\]](#) on a just transition for the North East and Moray. It looks at the support and incentives for people, communities and businesses in the North East and Moray and raises concerns about the cuts to the SG Just Transition Fund. It also references fuel poverty, and its impacts. In the North East. 25-03-24
10. There have been two calls for independent commissioners to be set up whose role, if implemented, would be likely to intersect with the Scottish Fuel Poverty Advisory Panel's role:
 - A Disability Commissioner (Scotland Bill) was introduced in the Scottish Parliament [\[here\]](#) 08-02-24
 - Independent Age has called on the SG to set up an Older People's Commissioner: it cites the issue of fuel rationing by older people and notes that improving the living conditions of older people could result in longer-term savings for health and social care spending associated with poverty and poor housing [\[here\]](#) 13-03-24
11. A Coverage of Scottish Fuel Poverty Advisory Panel's meeting in Aberdeen: [New call for warm home prescription to be extended - Scottish Business News](#) 20-03-24; <https://www.dailyrecord.co.uk/news/politics/health-trial-saw-scots-patients-32400891-21-03-24>, Matt also did an interview for local radio, broadcast on 20-03-24

Fuel Poverty Driver 1: high energy costs.

12. The cross UK largest rise in absolute poverty for 30 years is attributed to energy prices [\[here\]](#) – 21-03-24
13. House of Commons has published a briefing on the rising cost of living – including energy cost drivers [\[here\]](#) 22-03-24

14. House of Commons briefing anticipates a cut in interest rates with falling inflation – the role of high energy prices in the inflationary figures is a strong theme. However, the brief suggests that a downward trajectory of interest rates may be slow to materialise [\[here\]](#) – 27-03-24
15. Consumer Scotland has published [Insights from the latest Energy Affordability Tracker](#) focusing on the causes and impact of energy debt. CS highlight that while household energy bills have fallen over the last 12 months, energy debt and arrears are at a record high – exceeding £3bn - 04-04-24

Fuel Poverty Driver 2: low household income

16. The SG has published statistics showing that poverty levels are broadly stable [\[here\]](#) 23-03-24 – this follows the SG’s publication of its cumulative impact assessment of policy impacts on child poverty in February [\[here\]](#). There has been lots of coverage of Children 1st’s launch of a financial appeal – headlined by a quarter (more than 260,000 children) of Scotland’s children living in poverty [\[here\]](#) and a huge increase in the demand for its financial wellbeing service. An interesting article by the Fraser of Allander Institute – in its reflection on the child poverty assessments [\[here\]](#) reflecting on the utility, or not, of setting statutory targets. PIC are currently working on their annual scrutiny of SG’s progress on its child poverty targets.
17. SPICe has set out sources of support for those suffering in the CoL crisis [\[here\]](#) 22-03-24
18. SPICe has published a briefing on the Social Security Scotland benefits rates for 24-25 [\[here\]](#) 14-03-24
19. The House of Commons Library has published an update to their [Poverty in the UK statistics brief](#) 08-04-24

Fuel Poverty Driver 3: poor energy efficiency of the home.

20. New planning measures have been announced by the SG to simplify the planning process for zero and low carbon technologies for domestic and business properties [\[here\]](#) 28-03-24
21. The SG has announced funding of £423,000 to continue the Empty Homes Partnership of bringing empty properties back into use in 2024-25. [\[here\]](#) – 14-03-24
22. SG published its quarterly housing statistics for the last quarter of 2023 - this showed a decline in the rate of new houses being built across both the RSL and private sector [\[here\]](#) 27-03-24
23. The Climate Change Committee has said [\[here\]](#) that the SG’s statutory 2030 target to reduce emissions by 75% is no longer attainable [\[here\]](#) – 20-03-24 – commenting on heat in buildings, it notes that “...emissions from heating buildings [needs] to decrease by 71% by 2030... meaning the annual emissions reduction rate must increase by almost a factor of ten. There are welcome bold proposals in the HiB consultation, which if implemented could become a template for the rest of the UK. But these proposals must be delivered in practice and the planned rate of decarbonisation will not achieve those promised in 2020.” 20-03-24
24. The House of Commons has produced a brief for a debate on Westminster debate on Cavity Wall Insulation funded by UK Gov. Grants [\[here\]](#). It mentions the cross-UK funds (ECO & GBIS) 25-03-24

Scottish Government (SG) / Parliament updates & Westminster updates

25. The SG published its National Islands Plan Annual Report 2023 on 28-03-24 [\[here\]](#) – p. 54ff sets out activity and progress against their FP objective. 28-03-24
26. The SG announced an increase in renewable electricity growth [\[here\]](#) 28-03-24

27. The Office of the Chief Social Policy Adviser has produced an evidence synthesis of emerging evidence relating to the outcomes associated with social security spending administered by Social Security Scotland [\[here\]](#) 28-03-24
28. SG published its Housing Bill [\[here\]](#) 27-03-24 – this includes some changes to the Fuel Poverty Act as previously shared with the Panel.
29. SG published its quarterly housing statistics for the last quarter of 2023 - this showed a decline in the rate of new houses being built across both the RSL and private sector [\[here\]](#) 27-03-24
30. SG has announced the latest set of successful projects to benefit from its Hydrogen Innovation Scheme [\[here\]](#) 13-03-24