

THE SCOTTISH
FUEL POVERTY
ADVISORY PANEL



**Scottish Fuel Poverty Advisory Panel –
roundtable on fuel poverty crisis funding**

November 2024

The views expressed in this report are those of the roundtable participants and do not necessarily represent those of the Scottish Fuel Poverty Advisory Panel.

Key findings

The participants involved in the crisis funding roundtable highlighted the following key points.

- Crisis funding was seen as having deep value and as a lifeline to people when they need it most, and as a way to engage households with longer term support. It was, however, viewed as a “sticking plaster”. A holistic support package accompanied by action to tackle the structural issues that cause fuel poverty is needed.
- Availability of data was highlighted as a key issue. Participants highlighted the importance of publishing any evaluation that was undertaken of fuel poverty related crisis funds. It is, however, difficult to measure the broader impact crisis funds have on people’s lives.
- Collaboration focused on what data would be most useful for organisations to collect was discussed as way to ensure crisis support is reaching those most in need.
- Effective targeting (through data matching where possible), clear messaging, and working within communities were seen as ways to ensure crisis support reaches those who need it most.
- Participants recognised the value of universal crisis funds introduced during the energy crisis, such as the Energy Bills Support Scheme (EBSS) and the Energy Price Guarantee, as essential at the time because bills were quickly becoming unaffordable for most people. It was felt, however, that these schemes may have been more effective if they had been targeted and better applied. One respondent highlighted that even where schemes were intended to be universal this was not always the case because they were unequally applied. For example, households who received automatic payment had a better experience with the EBSS compared to households with legacy pre-payment meters.
- Discussion focused on “debt write offs” as a tool. Debt write offs were seen as a necessary lifeline for households right now given unprecedented energy debt levels. However, many households are in deficit budgets and are therefore highly likely to go into debt again.
- The participants agreed that crisis funding as it currently stands will not meet the challenges of this winter. People are likely to experience long term trauma as a result of being cold for prolonged periods of time.
- All the participants agreed that advice services are vital for supporting people experiencing fuel poverty. With many crisis funds now closed, however, these organisations are missing one of their major support tools at a time when demand is increasing. In addition, advice services are subject to short term funding cycles which further limits their abilities.

- Participants sought clarification on when the consequential from the Housing Support Fund will be received by the Scottish Government and how they will be used.

Introduction

The cost-of-living crisis, and specifically the current energy price crisis, has triggered the launch of a number of crisis funding schemes by both the UK and Scottish Governments. Prior to this crisis funding had already been used extensively as a vehicle to mitigate the impacts of the COVID-19 pandemic.

Examples of relevant crisis funding include:

- The Fuel Insecurity Fund
- Energy Bills Support Scheme
- Home Heating Support Fund
- Cost of Living Payments
- The Social Housing Fuel Support Fund
- Winter Hardship Fund
- The Scottish Welfare Fund
- The Energy Redress Scheme
- Islands Cost Crisis Emergency Fund

A roundtable on crisis funding was held in October 2024 to help inform the Scottish Fuel Poverty Advisory Panel's work exploring the fuel poverty funding, as outlined in the [Panel's workplan](#). Eight organisations contributed, either by attending the roundtable or by providing answers to the roundtable questions in writing.

The following organisations attended the roundtable:

- Citizens Advice Scotland
- Energy Action Scotland
- Energy Saving Trust
- Advice Direct Scotland
- Consumer Scotland
- The Wise Group
- Scottish Federation of Housing Associations (SFHA)

The following organisations provided insights in writing:

- The Wise Group
- Poverty Alliance
- Fuel Bank Foundation

This report is based on a thematic analysis of the roundtable discussion and written contributions. Inputs and quotations are not attributed. Annex A lists the roundtable questions. It should be noted that while all the themes were covered in the session,

not all specific questions were. This is because of the limited time available and questions being covered by participants elsewhere in the discussion. All roundtable participants were provided with the questions in advance.

The main body of the report is structured according to the roundtable discussion themes:

1. [Impact of current and past crisis funding](#)
2. [Crisis funding as a model](#)
3. [Triggers of crisis funding](#)
4. [Looking ahead to winter 2024/25](#)
5. [Other issues](#)

Background

Available evaluation of projects funded by the Fuel Insecurity Fund

Organisations involved in the roundtable were asked to provide evidence to show the impact of crisis funding. The below were highlighted by attendees as showing the impact of funding they received from the Fuel Insecurity Fund.

Scottish Federation of Housing Associations – The Fuel Support Fund

The Scottish Federation of Housing Association were funded by the Fuel Insecurity Fund to run the Fuel Support Fund between 2021 and 2024. The SFHA worked with HACT to produce an impact evaluation of the Fuel Support Funding, [published in October 2024](#). The research evaluated projects carried out across 94 housing associations, focusing on collecting and analysing data on the experiences of housing associations delivering the projects and the tenants who have received fuel support. The measure of impact is based on this data, but also on HACT's social value wellbeing metrics and principles and measuring the number of accredited social value outcomes achieved through the funding.¹

The Fuel Support Fund was delivered in three phases:

- Phase one of the project funded activities to increase the sector's capacity to support tenants with energy advocacy and advice.
- Phase two funded provision of energy efficient measures for Social Housing tenants including small appliances and essential warm items.
- Phase three addressed crisis intervention and debt relief in the winter months.

117 SFHA members delivered 80,944 support interventions across the Fund's three phases. A social return on investment of £5.39 for every £1 spent was calculated, reflecting the long-term economic and social benefits for communities.

Other than in phase one, fuel vouchers remained the primary method of support provided through this fund, which evidences the ongoing need for emergency support social housing tenants are experiencing when it comes to paying for fuel. Interventions provided included:

- 22,360 people received fuel vouchers

¹ [Fuel_support_fund_v2.pdf \(hact.org.uk\)](#)

- 14,682 people received direct financial support
- 10,015 people received energy advice
- 509 people received education programmes
- 1,272 people received debt advice
- 3,148 people received general welfare rights advice/support

The following is a case study from phase three of The Fuel Support Fund, focused on crisis intervention.

Case study – crisis intervention

Tenant requested help with a very large gas bill. The customer needed to keep the heating on to keep her home warm and dry. Miss Q provided photographs of the gas bill and a picture of the gas meter. After investigating, it was found that the fuel bills the tenant was receiving were incorrect and based on far higher estimates. Unfortunately, the tenant was still in significant debt and through this project were able to access advice and cleared the debt in full, with Home Heating Scotland also providing an additional £400 in funding for their future bill.

Potential Social Value Outcomes: ability to obtain advice, reduced burden of debt, pay rent/heat household in winter, and improved self-confidence/anxiety.²

The Wise Group

In 2022 the Wise Group was awarded £5 million from the Fuel Insecurity Fund to provide one-to-one relational mentoring for households addressing the impact of increased fuel costs as part of a longer-term approach to tackling poverty and its causes. This service is delivered in six local authority areas (Glasgow, Scottish Borders, South and North Lanarkshire, Inverclyde and Renfrewshire). Relational mentoring is based upon the insight that working with a person across a wide variety of different needs in a professional, evidence-led manner has a compounded impact and delivers more sustainable results.³

As of August 2024, this service has supported 2,800 and generated £49 million of social value, reflecting significant improvements in wellbeing, mental health, financial stability, energy efficiency and social inclusion. This gives a Social Return on Investment (SROI) of almost 1:1. For every £1 invested, £10.79 indicative social value has already been delivered.

The service does not give out crisis fund directly, instead supporting households to access existing funds and provides mentoring support to guide them through the complexity of support available (not just energy related). The service aims to achieve long term sustainable change for households, amplifying the impact of fuel vouchers.

The following case study demonstrates the Wise Group's relational mentoring approach in action:

² Ibid

³ [A-Way-to-Work-PDF-2.pdf \(thewisegroup.co.uk\)](https://www.thewisegroup.co.uk/A-Way-to-Work-PDF-2.pdf)

Case study

A mother of two sought refuge in Scotland from Nigeria in 2022. She paints a grim picture of her early experience in Scotland:

“I feel that I just came to suffer. The system is structured as if it is deliberately designed for you to have a mental health issue, to frustrate you and to trip people off their feet. If I had my way, I'd have stayed in my country. I didn't want to move and resettle. But because I didn't want to die, I had to leave... This organisation came to my aid.”

She faced numerous difficulties, leading to anxiety and depression. Her children also felt the effects of this hardship, as they were constantly moving between hotels, with limited access to food and other essentials. One of her sons even had to prepare for his exams under these challenging conditions. The referral to the Wise Group marked a significant positive shift in her life.

“The Wise Group, and especially my mentor, have been really helpful. They are an amazing organisation. In times of low mental health, they have helped me in such a way they would not even know. The reception was so overwhelming.”

Her mentor worked to uplift her, reminding her of her worth and contributions. It was a collaborative journey that saw her slowly regain hope and confidence. Her mentor was with her every step of the way, interpreting confusing emails and helping her navigate her new financial and social environment.

The customer has now been signed up for employment pathways, digital skills training, and a three-day mental health course. As a mother of two, she's eager to find employment, using her skills to make a positive societal contribution and provide for her children.”

Analysis

1. Impact of current and past crisis funding

The roundtable participants felt that crisis funding had deep value. One participant said:

“It matters and it makes a difference and it really is a lifeline into houses and households at key moments when people are cold, they're hungry because they're not eating hot meals and not able to put the lights on.”

On the Fuel Insecurity Fund in particular, it was felt that it had had a significant impact. One participant whose organisation received funding through the Fuel Insecurity Fund discussed an example where:

“A woman with MS, whose symptoms were exacerbated by the cold, was physically unable to read her meter and had an unhelpful supplier, leading to her being faced with a £3,000 bill. We [the funded organisation] facilitated the write off of the bill and provided advice and that household is now managing.”

Overall, crisis funding was seen by the participants as highly important as “in the moment support”, providing respite and space from longer term issues. One participant highlighted the need to recognise the difference between crisis

intervention and fuel poverty support. A fuel voucher is very different from something which tackles fuel poverty at its root cause, but is very important in providing immediate support:

“we have to recognise how important they [fuel vouchers] are a means of crisis intervention when people are in a moment of financial insecurity. On the frontline it’s the thing that can solve the problem in the here and now, albeit not in the longer term.”

However, several participants felt that crisis funding is a “sticking plaster” solution which makes very little difference in the long run because it doesn’t solve the structural issues that cause fuel poverty. One respondent said:

“There are deep, entrenched and enduring structural issues within the energy market and crisis funding is perhaps playing a part in propping up failure demand with the structural issues of the energy system – issues which can’t be solved through crisis funding.”

These structural issues causing fuel poverty were viewed by participants as getting worse because of the energy crisis, cost of living crisis, and high levels of energy debt.

One participant highlighted that while they do agree that ensuring that people live in well-insulated properties that are affordable to keep warm is the best long-term solution for fuel poor households, crisis funding nonetheless plays an important role:

“[Long term solutions] cannot be achieved overnight and so, in the meantime, their [fuel poor households’] immediate need is for warmth, light and power. It should also be noted that, for some households, there may not even be a long-term solution available to them. For example, there may not be technologies that are suitable for their circumstances or the gap between their income and expenditure may be so large that no amount of income maximisation advice will be able to close it.”

1.1 Crisis funding as a gateway to longer term support

Several participants highlighted that crisis funding is most effective when used as an enabler to longer term, holistic support. One participant said:

“Crisis funding cannot, in and of itself, combat fuel poverty. However, our own insight tells us that it is much easier to discuss more sustainable solutions with people when they are not concerned about their immediate situation where they don’t have enough money to top up their prepayment meters. So, it doesn’t combat fuel poverty, but it mitigates it and can help to build resilience if, through that first intervention, people are directed to other, more sustainable forms of support. We see our crisis top-ups as the enabler, the key, if you will, to accessing other types of help.”

Another participant highlighted that while crisis funding is important, this support needs to be coupled with holistic support because “you have to get to the root causes of issues, for example energy has become a source of fear”. A further participant highlighted that crisis support in the form of fuel vouchers can be the “gateway” to tackling longer term problems for households. They said:

“We find that fuel vouchers get people interested and engaged... and it’s a way of building trust to then do the advice and give the longer term support.”

1.2 Challenges in evidencing impact

The roundtable participants highlighted that it would be helpful for evidence of the impact that crisis funding has had to be published. However, one participant highlighted the challenge of measuring genuine impact. Data which demonstrates who got funding, how much, where they were and what circumstances they were in is more easily gathered, but this does not show what impact that crisis funding had for that household at that time and long term. It can, therefore, feel like advice agencies are being asked to prove a big and very difficult thing in terms of evidencing impact.

1.3 Ratio of time spent distributing crisis funding versus tackling the drivers of fuel poverty

The percentage of time organisations represented at the roundtable spent on distributing crisis funding (often in the form of fuel vouchers) ranged from 10% to 50%.⁴ Several organisations highlighted that their approach is always to aim to provide advice in conjunction with providing crisis support.

One organisation highlighted that they spend a significant amount of time influencing stakeholders such as the UK Government, devolved Governments, Regulators and suppliers to act as the "voice" of clients and bring about changes that will benefit them.

1.4 Is crisis funding reaching those who need it most?

Participants discussed that crisis funding does reach people on low incomes but is often insufficient to meet the needs of households who are at greatest risk of fuel poverty. This includes households with a disabled member and larger families. One participant highlighted that the needs of disabled people needs to be centred in conversations about crisis support.

A further participant discussed work their organisation had done to reach the gypsy traveller community through working with people within the community to carry out advocacy work.

One participant highlighted that crisis funding has allowed their organisation to expand their network of partners and to give certainty of continued funding for existing partners. Through the crisis funding which has been provided, this organisation has been able to support families in Scotland who would not have been supported in England, for example, although they presented with the same issues. This does not mean that crisis funding has allowed them to meet all the demand for crisis support, however, and this participant felt that their organisation is only able to help “the tip of a very large iceberg”.

Clear targeting and messaging was seen as vital. The Home Heating Support Fund, run by Advice Direct Scotland and funded by the Fuel Insecurity Fund, was highlighted as effective because it worked with 1,500 community partners across

⁴ It should be noted that this is only based on percentage based responses given by three organisations.

Scotland. However, participants noted that having a targeted approach also has flaws because it cuts out some people in need of support.

A participant discussed the utility of organisations and funds working together towards common ways of defining need/eligibility. They highlighted that this collaborative working could make it easier for money to flow to the right people with less administrative effort.

Focusing more on the theme of targeting, issues with using council tax bands as a means for assessing need was discussed. This was a mechanism used during the peak of the cost of living crisis but meant that support did not necessarily reach those in greatest need as a result of council tax bandings utilising property valuations from 1991. Council tax bandings do not always align with household income.

Another participant highlighted the need for improved data to improve targeting and to avoid data matching barriers in terms of the design of future energy affordability policy. An example of this is divergent Warm Homes Discount outcomes as a result of data matching being utilised in England and Wales, but not in Scotland.

Participants discussed the barriers people face in accessing crisis support. Looking at the example of the Scottish Welfare Fund, one participant discussed accessibility barriers:

“[homeowners] didn’t believe that they were going to get the money, they thought the process was going to be too complicated, too difficult, and that they were going to get judged.”

Another participant highlighted that:

“Individuals we work with continue to see promotion, awareness and stigma as barriers to uptake of crisis support such as the Scottish Welfare Fund. Other households have reported being rejected for support, despite being in extremely challenging financial circumstances.”

2. Crisis funding as a model

2.1 Advantages and disadvantages of crisis funding

One participant highlighted that the advantages of crisis funding are as follows:

- Restoring access to fuel/heat for households who have ran out of credit or self-disconnected.
- Tops up meters and therefore prevents households from running out of credit or having to self-disconnect.
- Engages households, particularly those who might not otherwise seek help. This point was echoed by another participant, who highlighted that clients are better able to engage with more sustainable forms of support if “they are not cold and worried in the moment about themselves and their families.”

Another participant highlighted the speed at which crisis support can be deployed as a key advantage. This participant also emphasised the flexibility of support, and the fact that it can save money in the long term, for example, because fewer people will be admitted to hospital with an illness caused by living in a cold, damp home.

The disadvantages of crisis funding were considered by one participant to be:

- A fuel voucher does not go very far, only covering the cost of energy for a few days, especially at the height of energy prices. Households then need to come back and get another energy voucher.
- In times of crisis the priority of households is getting a fuel voucher or other immediate relief. Advice and behavioural change may not be a priority for households in crisis.
- Fraudulent claims – vouchers are meant for people in crisis and fraud reduces the amount reaching people in need. This has resulted in more rigorous processes/monitoring to check eligibility taking up staff capacity.
- Disengagement – once someone received the money, they may disengage from services. This affects an organisation's ability to provide holistic support.

2.2 Cash first versus payment to supplier

Participants discussed different crisis funding models, for example cash first versus funds paid directly to energy suppliers. In cash first approaches a householder has a choice over what to do with that funding. One participant particularly favoured a cash first approach, emphasising that these approaches:

“are anchored in the dignity of individuals who need to receive crisis support... we should be enabling households to be able to make the choices that they need to about where and how money is spent.”

Another participant, however, felt that it is essential that a portion of crisis funding is ring-fenced for energy. They said:

“Low-income households will often have competing calls on any money that they receive as additional income and we believe that ensuring some of it can only be spent on energy delivers the best outcome in guaranteeing a warm and healthy home.”

There were also concerns amongst participants about direct support being used by suppliers to offset debt rather than reduce cost, this is elaborated on in more detail in [section 4.1 on energy debt](#).

One participant reflected on the Energy Bills Support Scheme (EBSS). This scheme was viewed by Government as a bill reduction scheme (paid directly to supplier) even though some people received the payment as cash.⁵ Government models of fuel poverty applied the scheme as an energy cost reduction, but this might not have been the case where the support was received as cash and spent on another purpose. It is, therefore, important to understand where crisis money is applied because it has different effects and is counted differently by Government.

⁵ This occurred in specific circumstances, for example, where suppliers were unable to change direct debit collection routines so a customer paid a direct debit of, for instance, £267 and then received £67 as a credit refund a couple of days later. Direct payment also occurred where there was no relationship between a supplier and the customer through which the bill discount could be made, for example where a householder used alternative fuels.

2.3 Universal versus targeted crisis support

Universal crisis support - the Energy Bills Support Scheme (EBSS) and the Energy Price Guarantee (EPG) - was seen as essential at the time of their introduction⁶ as a response to unexpected trends in the energy market which were making energy bills unaffordable for customers. However, one participant argued that there was a need for greater support for low-income households, as well as tailored support for unpaid carers and disabled people in recognition of their higher energy costs.

Another participant praised the quick set up and delivery of the EBSS, but highlighted that its universal nature meant that support went to a lot of people who did not need help from the UK Government. The respondent said:

“Whilst we understand that they [the UK Government] felt that speed of delivery was critical, we would have liked extra time to have been taken in implementing the scheme to ensure that the support was more targeted.”

It was felt that universal crisis funding also failed to take account of the particular challenges around energy in rural Scotland including:

- The costs of heating fuel are not covered by the Energy Price Guarantee which has meant households in rural areas that are off grid (65% of rural households) have faced spiralling costs.
- The emphasis on ‘heat pump first’ approaches for off-grid properties does not recognise the high cost of installation.
- Current support measures do not take into account the higher costs and higher usage of energy in rural Scotland.

Another participant highlighted that it would be useful to see any evaluation that the UK Government did of the EBSS and EPG. Taking the example of the EBSS, the participant highlighted that despite being a universal payment the scheme was not distributed evenly and was therefore not properly universal. EBSS benefitted most those households who could get support automatically. Pre-payment meter households with legacy pre-payment meters had perhaps one of the poorest experiences, but equally all those who didn’t have direct relationships with energy suppliers had really poor experiences. The participant agreed that EBSS was required at the time because it was a collective crisis but highlighted that the scheme didn’t particularly help those in individual crisis.

A further participant argued that universal crisis funding schemes are too expensive and unsustainable. However, their key benefit was described as the fact that they are easier to distribute compared to targeted schemes because there is no eligibility criteria and everyone gets the same amount of money. Targeted schemes were seen as effective for reaching those in need when they have clear eligibility criteria. However, the participant highlighted that unless there is automatic payment people may miss out, and low-income households just above the support threshold will also

⁶ The EBSS ran from October 2022 until March 2023 and the EPG ran from October 2022 until March 2024.

miss out. There needs to be adequate support available to these people to prevent crisis.

In terms of targeted support, on the Fuel Insecurity Fund in particular one participant said that their organisation found it easy to access the funding without excessive bureaucracy. In turn, this meant that the organisation was able to very quickly get money out to vulnerable people in Scotland who were struggling with the cost-of-living crisis.

2.5 Relationship between regular support mechanisms and crisis funding

One participant felt that regular support mechanisms and crisis funding complement each other, as crisis funding is a short term solution which allows households "bandwidth" to engage with programmes or advice that could help them address the causes of fuel poverty. Furthermore, other forms of financial support, such as the Warm Home Discount (WHD), may not arrive at exactly the time the household needs it to ensure their homes are kept warm and safe. In addition in Scotland, when the WHD funding runs out, people are unable to access it, no matter how desperate their circumstances.

A participant highlighted that the root cause of fuel poverty, as per poverty more broadly, is inadequate income from social security or employment. In their view it is only through ensuring that people can access an adequate income that we can ensure that everyone can meet energy needs and costs.

Regular support mechanisms were viewed by one participant as critical to enabling people to budget and plan household finances. However, to achieve it was felt that there needs to be a bolstering of social security systems to provide long-term and sustainable support to prevent more people being pulled into poverty. The participant highlighted evidence from the Work and Pensions Committee at Westminster which concluded that cost of living support payments offered only a short-term reprieve for many and recommended uprating Universal Credit instead of issuing payments.⁷ The participant urged that any uprating of Universal Credit needs to be permanent and in-line with the [Essentials Guarantee campaign](#).

3. Triggers of crisis funding

3.1 Triggers of crisis funding for organisations

A participant highlighted that Ofgem is focused on people going off supply and their aim is to target money via the Energy Redress Scheme at those who are going off/likely to go off supply. Ofgem also allocate funding for fuel vouchers specifically for people on prepayment meters.

Another participant highlighted the existence of additional support credit provided by suppliers⁸. When this process is exhausted a fuel voucher application would be completed by an advice agency. Expanding on this discussion, one participant discussed that while the additional support credit does stop people from disconnecting it is not uncommon for individuals to need to come back and get

⁷ [Cost of living support payments - Work and Pensions Committee \(parliament.uk\)](#)

⁸ It should be noted that additional support credit needs to be paid back to the supplier, unlike Governmental or third sector led crisis funding.

further additional support credit. This can act to mask some of the underlying issues driving fuel poverty/self-disconnection.

3.2 What triggers Governments to allocate crisis funding?

It was one participant's view that Governments make crisis funding money available when there is a potential economic impact if they don't act. For example, if energy companies were at risk because of people not paying their debts or energy costs being too high. They argued that the Government's main focus is on economic evidence, which is then used to inform their actions.

Another participant echoed the view that crisis funding is usually triggered by Governments in response to severe economic instability. In recent times this has been because of the COVID-19 pandemic, the cost of living crisis and the exceptional increase in energy prices as a result of the war in Ukraine.

One participant felt that there should ideally always be crisis funding available to help people in times of individual crisis/difficult moments, but in practice there's only been a proliferation of funding where there has been larger scale disaster impending. Another participant agreed that crisis funding tends to be allocated where a crisis has an impact which will affect the whole or majority of the population, for example the energy crisis or the COVID-19 pandemic. At this time of universal crisis there is also greater awareness of issues and pressure on the Scottish Government to take immediate action.

One participant highlighted that ideally the triggers for Government allocating crisis funding should be:

- When households are at risk of crisis (it's important not to wait until households are struggling to heat/eat/feed their kids).
- Focus on prevention – reduce further cost implications of crisis (e.g. mental/physical health).
- Children in poverty.

Another participant highlighted that crisis funding allocation should be triggered when there are “acute levels of need being presented that are not being addressed by existing support mechanisms.”

4. Looking ahead to winter 2024/25

4.1 Energy debt

Data from Citizens Advice Scotland was highlighted as showing that in 2023/2024, the average energy debt clients presented to the Citizens Advice network in Scotland with was around £2,300. The average debt for people in accessible/remote rural areas who sought advice from the Citizens Advice Scotland network was £3,047, over £700 more debt on average than Scotland as a whole.⁹

The relationship between energy debt and crisis funds was discussed in detail by participants. One participant highlighted that it is likely that energy crisis funding is being utilised to pay off increasing energy debt, rather than enabling people to meet their current energy needs. Another participant highlighted that their organisation

⁹ [cas_affordability_and_debt_response_may_2024.pdf](#)

“does not use crisis funding to bulk clear energy debt as we are conscious of the commercial benefit that suppliers would derive by avoiding bad debt provision.” However, they highlighted that their organisation would support a client in making any daily, agreed debt repayments if this was needed to ensure that they could access energy via the meter.

Another participant highlighted that an important function of crisis funding is that it can help to pay debt on prepayment meters for people who have disconnected, enabling them to reconnect. However, crisis funding cannot remove all debt. This point was echoed by another participant who emphasised the existence of negative or deficit budgets. Clients with these budgets have worked through a debt solution, most likely because they’re low income households who have had debt written off. However, the household has insufficient income so the predictable path is that they go back into debt or destitution again. This demonstrates the enduring nature of energy debt.

This participant argued that we need debt write offs to offer a lifeline to households right now, but debt write offs won’t solve the overall debt problem because people have deficit budgets and so will go back into energy debt. In the participants view solving energy debt requires structural change, e.g. a social tariff. This point was echoed by other participants, but it was viewed as unlikely that any support would be ready for winter 2024/25.

A further point was raised around debt write offs. The participant questioned if we should be calling these write offs a type of crisis funding. Another participant highlighted that a key challenge of debt write offs as a policy position is that it would quickly require to very significant amounts of money. The same participant discussed the need for early identification of people likely to go into energy debt.

It was highlighted that there is inequality of experience when in energy debt and dealing with energy suppliers. When recovering debt, some suppliers place different conditions on repayment, and the length of time that repayment plans are agreed for vary widely by supplier. The need to ensure that energy suppliers are adopting a best practice approach to debt collection and adhering to regulations around the instalment of prepayment meters was highlighted.

One participant questioned where the obligation of the supplier ends and the role of crisis funding starts, since, when a person is supported with fuel vouchers the money ends up going to suppliers.

4.2 How can crisis support be used to meet the pressures of this winter?

The roundtable participants agreed that current levels of crisis funding will not meet the challenges of this winter. The closure of the Fuel Insecurity Fund was felt to leave a clear gap in crisis funding.

One participant stated that their organisation are anticipating huge levels of demand for support this winter, especially amongst families with children:

“We are forecasting to again be providing around £1m worth of crisis support each week across the UK this winter at its peak when temperatures are lowest. In particular, we expect to see continued demand from families with children who struggle to afford the energy they need. “

One participant drew on evidence from the Work and Pensions Committee at Westminster which concluded that the support payments to help people cope with the cost of living were welcome, but insufficient to meet the scale of the problem. The Committee urged any future support to have a broadened eligibility criteria and to take specific account of disabled people and families, and this view was echoed by the participant.¹⁰

Another participant highlighted that low-income pensioners now missing out on the Winter Fuel Payment will be severely affected this winter. Furthermore, people are still carrying debt from previous years. The lower price cap that is expected in January and lowering inflation will not provide these people with enough relief.

A further participant said:

“We should be really concerned about the trauma that people experience by being cold for weeks and months. What does this mean for the long term? What about the issues that we’re building up as a society if we are forcing our citizens to endure trauma?”

A participant highlighted that crisis support this winter needs to ensure everyone can afford to heat their homes, especially vulnerable households, including households with children. However, it is not enough just to have one-off payments, Rather support needs to be holistic in nature through working with advice agencies. The value there is in individuals being able to receive advice was recognised by participants:

“having a friendly face and someone to speak to, knowing that you are not alone and that you do you don’t have to face this alone”.

However, participants reflected that since the removal of key fuel poverty crisis funds, advice services are overwhelmed and have one less support mechanism for their clients. Advice services face significant increasing demand both in terms of the volume of people who need support and also the complexity of interconnecting issues that people face. It was seen as important to understand more on what the Scottish Government are doing around fair and affordable funding for the third sector. One participant raised a point around sustainable funding of advice services - questioning how it is possible to make sure there is sufficient support available in communities when organisations have to work within one year funding cycles.

A further participant also emphasised the importance of advice, but questioned how an organisation can support those in need when they don’t have the tools they need. Furthermore, there are many people in need who support agencies do not reach or who are helped at a point of crisis and not before:

“they [advice services] only touch a very few people compared to the total number of people who should be having support, and who should be having systematic support rather than having to come for support and advice at a point of crisis.”

¹⁰ Cost of living support payments - Work and Pensions Committee ([parliament.uk](https://www.parliament.uk))

Building on previous points made around the accessibility of crisis funds, one participant emphasised that the application processes for crisis support must be rooted in dignity and respect:

“We have heard from individuals living on low incomes about the shame and stigma embedded in application processes for support such as the Scottish Welfare Fund and Community Care Grants. As a result of this stigma, people told us that they are not applying for the support to which they are entitled.”

The participant stated that taking an approach which is rooted in dignity and human rights “necessitates consideration of application forms, support with application processes, waiting times to be told of a decision, the attitudes and processes for frontline staff, and payment methods.”

5. Other issues

Below are points raised by participants which do not fall directly into the key discussion themes.

5.1 The structural change needed to tackle fuel poverty

As previously discussed, roundtable participants agreed that crisis funding is a “sticking plaster” if not combined with holistic support and structural change. Elaborating on the structural change required, one participant highlighted that since fuel poverty spans energy, income, housing and health policy it requires cross-departmental and multi-faceted solutions.

The need to “plug the energy efficiency gap” was discussed by this participant, who highlighted that affordability remains a key barrier to low-income households being able to invest in energy efficiency measures. Existing financial support often still requires up-front household investment or taking on loans which is impossible for some households in Scotland. The participant also emphasised the particular need to upgrade the energy efficiency of Scottish homes to tackle poverty in rural communities, where fuel poverty rates are high and the energy efficiency of housing is a key driver. The participant drew on evidence from IPSOS which has shown that while there is some support for households to change fuel type or make a property more energy efficient, households in the Highlands and Islands face barriers with cost, accessing tradespeople, and infrastructure.¹¹

5.2 Scottish Government fuel poverty strategy

A participant highlighted that the 2021 Scottish Government Fuel Poverty Strategy doesn’t mention the role of crisis funding in alleviating fuel poverty. Only the Scottish Welfare Fund is mentioned, which pre-dated the strategy and isn’t fundamentally focused on alleviating problems with people’s energy bills. The participant argued, therefore, that the Fuel Poverty Strategy doesn’t see a strategic context in which crisis funding plays an important role.

5.3 Scottish Child Payment

When discussing crisis funding as a model, one participant provided insights they have received around families using the Scottish Child Payment (SCP) to pay for energy. This masks the fact that these families have issues around affording fuel, but

¹¹ [Paying a price for rural living | Ipsos](#)

also means that SCP is not doing what was intended– e.g. SCP not being used to “lift children out of child poverty.” This participant highlighted that sufficient income is needed and that, in their view, a Minimum Income Guarantee (MIG) would provide this.

5.4 Non-publicly funded crisis funding

A participant highlighted the existence of crisis funds which are more local and philanthropic in nature. An example of this is wind farm money which provides direct payments to support people with their energy costs. Another example is the [Fintry Development Trust](#) which provides £500 to people to support them over the winter. The participant pointed out that scale of support from these organisations can be surprisingly large. It was suggested that Foundation Scotland, who front a number of renewable energy community benefit schemes, might have some information about what they’ve been investing in over the last couple of years.

5.5 Consequentials from the Housing Support Fund

Participants sought clarification on when the consequentials from the Housing Support Fund will be received by the Scottish Government. It was their understanding that the money would not be received until Spring 2025 and therefore cannot be used to meet the challenges of winter 2024/25. One respondent highlighted that even without the consequentials the Scottish Government has the money it needs to fund support for this winter. In their view the Government are making a choice not to.

Annex A: roundtable questions

Impact of current and past crisis funding

1. What has been delivered by crisis funding for fuel poverty in Scotland?
 - 1.1 What evidence of impact does your organisation have?
2. Is crisis funding reaching those who need it most?
3. What is your sense of current crisis funding demand?
4. What is your organisation's ratio of time spent on crisis support versus targeting the drivers of fuel poverty?
5. Are there gaps in current crisis funding for fuel poverty in Scotland?

Crisis funding as a model

6. What are the advantages of crisis funding?
7. What are the disadvantages of crisis funding?
8. How effective is crisis funding as a mechanism for combatting fuel poverty?
9. Was the model used by the Fuel Insecurity Fund effective?
10. Is there a need for an energy focused crises mechanism or should this be part of a more general fund?
11. What can we learn from universal crisis funding (such as the Energy Bills Support Scheme) compared to targeted schemes (like the Fuel Insecurity Fund or the Cost of Living Payments)?
12. What is the relationship between regular support mechanisms and crisis funding?

Triggers of crisis funding

13. What triggers crisis funding to be allocated by Governments?
 - 13.1 What should trigger crisis funding allocation?
14. How do the triggers differ in the time of a systemic crisis, like the energy crisis?

Looking ahead

15. How does energy debt fit with crisis funding?

16. Will current levels of crisis support meet the pressures of this winter?

16.1 How can crisis support be used to meet the pressures of this winter?