THE SCOTTISH
FUEL POVERTY
ADVISORY PANEL

Newsletter

DECEMBER 2024

It's the final newsletter of 2024 and time for us to reflect on a busy 12 months for the Scottish Fuel Poverty Advisory Panel, as we continue our work to help combat fuel poverty in Scotland.

A big thank you to our partners, stakeholders and team members for all their support and we hope you have a warm and peaceful festive break.

WINTER FUEL CRISIS

With the fuel poverty crisis continuing to deepen, the Panel held a roundtable on crisis funding in October to look at what help is available for the people who need it most.

Representatives from Energy Action Scotland, Consumer Scotland, Energy Saving Trust, Wise Group, Citizens Advice Scotland, Advice Direct Scotland, Fuel Bank Foundation, the Scottish Federation of Housing Associations, and The Poverty Alliance provided insights on fuel poverty specific funding and more general crisis funding.

We have shared the conclusions we took from this session with the Scottish Government – it's essential to ensure that policymakers recognise the benefits from high quality, targeted advice, and also the risks from under-investing in advice services.

Panel Chair, Matt Cole, said: "Crisis funds are an important part of the fuel poverty funding landscape. It was a really valuable session – not only in terms of talking about what the shortfall in funding is but also hearing from partner organisations who are dealing with those in crisis every day and how it's impacting on those they support."

Find out more about the session.

The roundtable, along with a literature review and evidence session, helped inform our latest published report providing principles and recommendations on the fuel poverty funding landscape in Scotland.

CHAIR JOINS PANEL AT NET ZERO CONFERENCE

SFPAP Chair Matt Cole was a guest speaker at the Scottish Federation of Housing Associations' Energy and Net Zero Conference 2024 in November.

He joined Frazer Scott from Energy Action Scotland and Kate Morrison of Consumer Scotland hosting a session, facilitated by Susie Fritton of the Scottish Federation of Housing Associations, looking at the impact of another winter of high energy prices on social housing association tenants across Scotland.

The Panel explored the drivers of fuel poverty and the actions needed to ensure that all Scottish households are able to access affordable warmth. Matt also shared his insights on forms of targeted energy support.

MAKING THE CASE FOR AN ENERGY DISCOUNT MECHANISM (SOCIAL TARIFF)

Matt was also invited to be part of the Acting Minister for Climate Action's Social Tariff Working Group.

This group emerged from earlier discussion led by Dr Alasdair Allan MSP with the energy, consumer and third sectors to consider the action required to address energy challenges and reduce bills for the people of Scotland.

The creation of an energy discount mechanism (social tariff) is an important theme and a recurrent one - running through the Panel's advice and recommendations.

The Panel is clear, and has been pushing the point over 2025, that an energy discount mechanism (social tariff) is critical to close the financial gap that many can't when heating their homes. It is essential that a social tariff for the GB energy market works for Scotland, and delivers value for Scottish households, who on average face higher energy consumption and costs.

An energy discount mechanism (social tariff) must also be provided for those who live off the gas grid too, and who rely on unregulated fuels, such as oil, LPG and biomass.

Read our recommendations.

ENERGY ACTION SCOTLAND

Roanna Simpson, the Panel's Analytical Manager, was delighted to attend the Energy Action Scotland Conference in Clydebank in November. The conference provided a great opportunity for her to discuss the Panel's recent work on the Scottish fuel poverty funding landscape, as well as hear from stakeholders about other priority areas.

OFGEM CONSULTATION

In May we responded to Ofgem's call for input on the future of price protection.

The Panel called for a long-term reform of the energy market in the UK, with the introduction of a targeted, flexible and dynamic discount mechanism.

We believe this should be focussed on closing the fuel poverty gap, providing the support needed to bridge the gap between the energy costs to ensure household health and wellbeing (heating to recommended temperatures and accessing energy services) and household income.

However, the Panel is aware such a change will not happen overnight and recommended that in the short term, winter fuel payments – Winter Heat Payment, Winter Fuel Payment and Warm Home Discount – should be consolidated.

The Panel recognises that this cuts across the competencies of both the UK and Scottish Governments and that extensive collaborative working is required. The eligibility criteria should also be rationalised, i.e. where this is not already the case, the funds should be targeted at vulnerable and low-income consumers.

Read our consultation response.

LETTER TO CABINET SECRETARY SOCIAL JUSTICE

Earlier this year we wrote to Shirley-Anne Somerville MSP, Cabinet Secretary for Social Justice, to urge the Scottish Government to use the delay of PAWHP (Pension Age Winter Heating Payment) to assess the potential impact of different models on fuel poverty.

We suggested that the Scottish Government allocates the £41 million in consequential funds from the Household Support Fund towards helping those in poverty with energy costs, including through targeted winter support.

We also supported the Scottish Government's call for increased Pension Credit uptake and the creation of a social energy tariff, tailored to address the specific needs of those in acute fuel poverty.

Read our letter to Cabinet Secretary for Social Justice.

PUBLICATIONS

It's been a productive year for the Scottish Fuel Poverty Advisory Panel team with the publication of a number of significant pieces of work.

We launched:

- Our Workplan for 2024 - 2025
- Our Strategic Plan for 2024 -2025
- Our First Annual Report

Matt Cole said: "Reading the annual report it's sobering to see how much the world has changed since our appointment in January 2022, which coincided with the beginning of the energy price crisis. Since then energy prices have spiralled, inflation has soared and we are facing a wider cost of living crisis, coupled with the ongoing threat to energy security caused by global conflicts."

"However, we believe there is room for hope and our strategic plan clearly sets out our ambitions for the next three years - to continue to put fuel poverty in the spotlight and work closely with stakeholders and the Scottish Government to help find solutions to eradicate fuel poverty in Scotland."

WHAT'S NEXT?

We are looking forward to another productive year in 2025 and we are excited to share some of the upcoming highlights. These include:

- Responding to the Scottish Government's first periodic report looking at what progress has been made towards achieving Scotland's 2040 statutory targets. Over the summer and autumn the Panel spent time reviewing the progress and steps that they would expect to see and have provided this as input to the Scottish Government as it produces its first periodic report.
- Publishing insights into our work on rural fuel poverty.
- Holding a roundtable exploring the opportunities and potential issues which heat networks offer/present for the alleviation of fuel poverty.
- Reviewing the connections between fuel poverty and health outcomes.

If you would like to find out more about any of the stories in this newsletter please contact: enquiries@fuelpovertypanel.scot

We'd also like to hear from people living with or supporting those in Fuel Poverty – if you'd be able to spare 15 mins to share your unique position or situation please get in touch.

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