

**REPORT TO: POLICY AND RESOURCES COMMITTEE – 14 MAY 2001**

**REPORT ON: THE UK FUEL POVERTY STRATEGY – CONSULTATION PAPER**

**REPORT BY: DIRECTOR OF CORPORATE PLANNING**

**REPORT NO: 243-2001**

**1. PURPOSE OF REPORT**

1.1 To advise Committee of the proposals contained in the UK Fuel Poverty Strategy consultation paper issued by the Scottish Executive and to recommend the Council's response as outlined in Appendix One.

**2. RECOMMENDATIONS**

2.1 To approve the comments in Appendix One as the response from Dundee City Council to the UK Fuel Poverty Strategy consultation strategy.

**3. FINANCIAL IMPLICATIONS**

3.1 This report has no financial implications.

**4. LOCAL AGENDA 21 IMPLICATIONS**

4.1 The UK Fuel Poverty Strategy relates directly to Dundee's Local Agenda 21 theme including resources are used effectively and waste is minimised; Access to good food, water, shelter and fuel at a reasonable cost; Health is protected by creating safe, clean, pleasant environments.

**5. EQUAL OPPORTUNITIES**

5.1 The UK Fuel Poverty Strategy aims to challenge social exclusion by eradicating fuel poverty in vulnerable households by 2010.

**6. BACKGROUND**

6.1 In February 2001 a consultation paper was published which set out how the Westminster government and the devolved administrative purpose to tackle fuel poverty with the aim of ending it for vulnerable households by 2010. It describes how fuel poverty will be addressed by policies which apply across the UK together with those that will be implemented by the Scottish Executive.

6.2 The specific interim target which has been set for Scotland is "By 2006, to ensure that all pensioner households and tenants in the social rented sector live in a centrally heated and well insulated home".

6.3 The key policies which are proposed to achieve the above target are as follows

- a) Central Heating for Pensioners & Other Vulnerable Households
- b) Tackling Fuel Poverty among Other Groups
- c) The Warm Deal which provides households dependent on benefit with a package of insulation measures up to the value of £500
- d) Investment in Local Authority Housing
- e) Energy Efficiency measures for Housing Associations

- f) New Housing Partnerships
- g) The Affordable Warmth Programme which promotes joint initiatives between local authorities and Transco
- h) The Improvement and Repairs Grant System

6.4 Consultees have been asked to offer comments on the paper by 31 May 2001.

## 7. **CONSULTATION**

7.1 The Directors of Housing, Environmental and Consumer Protection, Neighbourhood Resources and Social Work have been consulted in the preparation of this report.

7.2 The Dundee Anti-Poverty Forum was also asked to offer its views in preparing the Council's response to this paper. Its submission was comprehensive and valuable, the Forum has been encouraged to send its view directly to the Scottish Executive.

## 8. **BACKGROUND PAPERS**

8.1 None

Director of Corporate Planning ..... Date .....

## **THE UK FUEL POVERTY STRATEGY**

### **Dundee City Council Response**

#### **A General Comments**

The strategy helpfully draws the UK wide picture before presenting the analysis, type and policy framework for Scotland. This facilitates the comparison of national approaches, the identification of best practice and the questioning of apparent differences in priorities.

The strategy also effectively considers the wide ranging influences on fuel poverty and attempts to set out responses to each key area of improving energy inefficient housing, reducing fuel bills, and tackling low incomes.

As a result the UK Fuel Poverty Strategy successfully argues the importance of fuel poverty and clearly identifies it as a key issue in challenging social exclusion, deprivation and disadvantage.

#### **B Detailed Comments**

1. The profusion of Government schemes designed to respond to fuel poverty are welcome but can also cause confusion among the fuel poor living in the private-rented sector who may not be aware of advice which may be available. The experience from England where the Warm Zone Initiative brings together all organisations with a role to play in alleviating fuel poverty could be considered in Scotland.
2. Providing advice to householders on how to make the best use of heating systems is a critical component of a strategy to promote energy efficiency. However this aspect is absent from the key policies for Scotland. Making resources available to local authorities and/or others to make home visits to vulnerable groups would strengthen the measures to reduce fuel bills.
3. The Scottish Executive's commitment on the installation of central heating and insulation is supported. However there is some concern that there may not be sufficient numbers of qualified contractors in the market place to deliver the heating programme in the period expected by the Scottish Executive. Whilst market mechanisms will eventually balance supply with demand, this could lead to a short-term logistical problem which compromises the ability of the scheme to roll out. Dundee City Council welcomes the actions taken by Government to help address the skills shortage, and will await developments with interest.
4. Whilst Dundee City Council acknowledges the fuel poverty problems which arise out of under-occupation of properties, it would not advocate any system which would seek to compulsorily remove tenants to more "suitable" accommodation. The best which can be done in such circumstances is to ensure the tenant (who is often elderly) can enjoy some measure of comfort and safety from cold related conditions in that part of their property which they occupy.

5. The four main standards of activity included in the Regulator's Social Action Plan for Great Britain are well drawn. Dundee City Council believes fundamentally that any discrimination against people living in poverty in relation to the provision of gas or electricity must be removed. **Differential rates which favour better off customers paying by direct debit exacerbate inequality. The impact of pre-payment meters can disadvantage those most at risk of fuel poverty through, for example, automatic disconnection. Such discriminatory measures must be investigated and tackled.**
6. Table 7.1 demonstrates that the majority of fuel poverty can be found in local authority stock. Because of this, the Scottish Executive might usefully discuss with COSLA what focused steps can be taken to assist local authorities to deal with this particular challenge.
7. In Dundee the number of individuals and families who are vulnerable to fuel poverty and live in the private-rented sector is increasing. While this may be the smallest group facing fuel poverty in relation to tenure, they may be the most difficult to assist, dependant as they are on the willingness of landlords to provide efficient heating systems and insulation. Additional measures to target this group should be developed.
8. Tackling Health Inequalities emerges as a consistent theme in the Scottish Executive's policies on health. However, unless it becomes clear this is a crucial area on which they will be measured, Health Boards may not take seriously their role in partnership initiatives to tackle the wider determinants of health. Performance targets for this issue should therefore be set as part of the accountability framework which measures the performance of Health Boards.
9. It is acknowledged that the creation of devolved administrations may lead to inconsistency in policies and priorities within the UK. However, it is disappointing that the position in Scotland is behind that in England on a number of crucial matters. The monitoring information which will be available in England appears more comprehensive and is available on an annual basis. The five yearly House Condition Survey in Scotland is unlikely to offer a significantly responsive indicator of success in pursuing the number of policies and initiatives in place to tackle fuel poverty in Scotland.