

Measures being delivered in Moray to address fuel poverty by tenure type

The Scottish Government definition of fuel poverty and extreme fuel poverty is defined as follows:

Fuel Poverty

“A person is living in fuel poverty if, in order to maintain a satisfactory heating regime, they would need to spend more than 10% of their household income (including housing benefit or income support for mortgage interest) on all household fuel use”.

Extreme Fuel Poverty

“A person is in extreme fuel poverty if they spend more than 20% of their income on fuel.”

The Scottish Government’s Fuel Poverty Statement identifies three main causes of fuel poverty.

- Low Income;
- High price of domestic fuel; and
- Poor energy efficiency dwellings

The only mechanism currently available for assessing fuel poverty in Scotland is the Scottish Housing Condition Survey (SHCS). This is a sample survey completed which estimates fuel poverty across all local areas and tenure types and as such it must be viewed on that basis. The most recent survey was completed in 2013 and covers the period 2010 to 2012. The next condition survey is not due until 2016.

Based on the 2013 SHCS, 36% of households in Moray (14,340) are in fuel poverty. This is identical to the Scottish average. 13% of households are deemed to in extreme fuel poverty in Moray (5,178) which is higher than the Scottish average of 10%.

Council/RSL

The ongoing requirement of social housing landlords to meet and maintain the Scottish Housing Quality Standard (SHQS) and the new Energy Efficiency Standard for Social Housing (EESHS) means that within these tenure areas, work will continue to improve the quality of social housing across Moray.

Social Housing landlords were required to meet the SHQS by 31 March 2015. In terms of Council stock, 288 properties out of 6,017 (total stock) were eventually submitted as exceptions/abeyances (191 exemptions and 97 abeyances) mainly due to them being located off the gas grid and therefore the cheapest form of energy was not available to improve their NHER rating.

These properties will continue to be targeted over the next 5 years for improvements such as heating replacements, fabric upgrades (external wall insulation) and new technologies such as air source heat pumps.

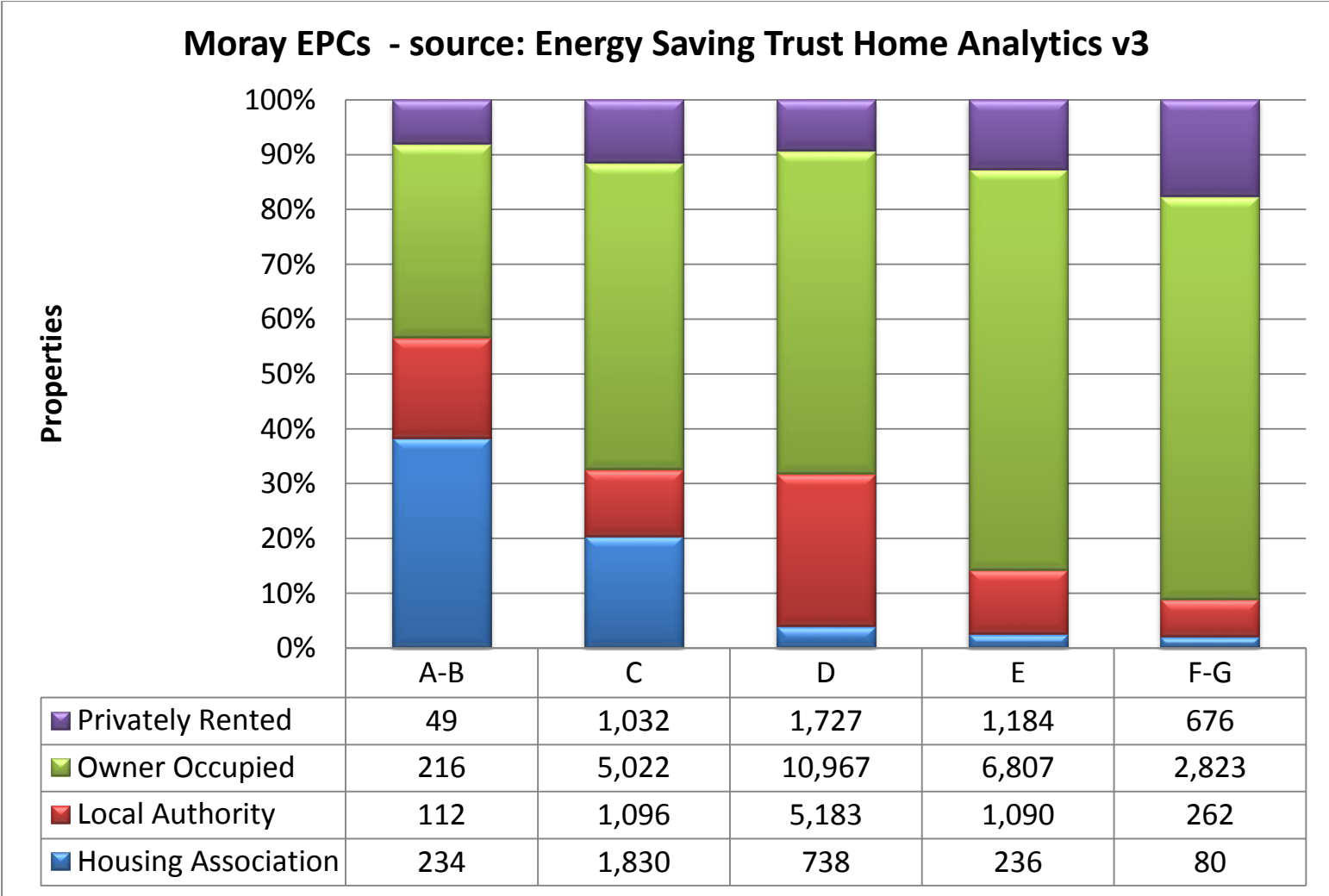
Figures for RSL properties are not currently available but given that their stock is more modern, it is likely that RSL's will face less of a challenge in terms of meeting both the SHQS and EESHS.

Private Rented Sector/Owner Occupiers

The majority of households facing fuel poverty live in these two housing sectors. The Home Energy Efficiency Programme (HEEPS) is one option that can be funded through local authorities to improve energy efficiency in both sectors. The Council carries out energy improvements (external wall insulation/loft insulation) to around 140 houses per year. HEEPS funding is likely to continue for the foreseeable future but its impact on reducing fuel poverty is unlikely to dramatically change the number of households in Moray experiencing fuel poverty.

One option to assess the number of households living in less energy efficient properties is the Energy Performance Certificates (EPC). These ratings move from A-B (good) down to F-G (very poor). The HEEPS programme could be used to improve the outcome of EPC ratings but latest research would indicate that this is only likely to improve the rating by one band (e.g. an E would become a D).

The latest information on EPC shows the following outcomes in terms of energy efficiency across tenures.



The Sustainability and Communities Partnership could decide to develop a revised target for Moray 2026. This would replace the main fuel poverty target given the concerns expressed about the ability to influence this directly. EESSH would help to shape our targets for RSL/Council tenure compliance which require all properties in this sector to achieve a C or D rating by 2020. HEEPS targets for private/owners could also be set with 140 properties targeted each year within both sectors over the next 7 years. This would equate to 980 properties in total by 2023.

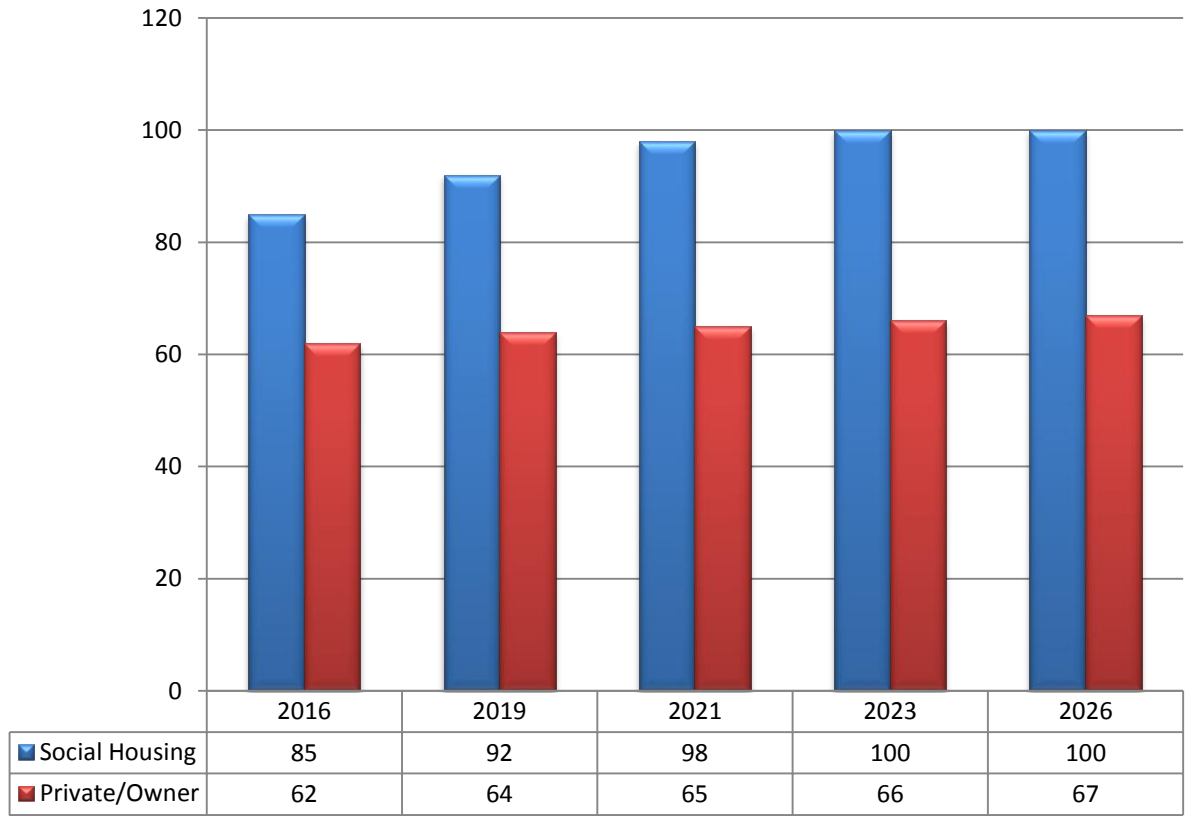
It would make sense to combine the C & D rated properties as this would help to set out particular achievements in the social rented sector. It would also make sense to combine the private/owner occupied sectors as this would enable the 140 properties identified for HEEPS works to be measured on an annual basis.

The new target would involve all properties sitting in the worst EPC categories (F & G) being targeted for improvements first.

The SCP is asked to consider setting a revised target which is more appropriate in terms of managing and controlling an achievable outcome in terms of addressing the areas of fuel poverty which is within our control. Given that EESSH compliance will be required by 2020, it is likely that any target from 2021 onwards will only have a residue of Council/RSL properties (regarded as either exempt or an abeyance) but we will need to continue to set appropriate targets for the private/owner occupied sector past this date and into 2026.

Two revised targets to 2020 for EESH (after which the relevance of the target would be greatly reduced) and 2026 for HEEPS have been provided below as an alternative to the current target which the Partners have no real control of.

% of Properties with Improved Energy Efficiency via EESH/HEEPS



Projected figures as at 2026. The social housing figures are based on existing exemptions/abeyances. One area that cannot be factored into the target would be properties that deteriorate during the period. This again is not in the control of the Partnership.