



Annual Review 2023

Statistical Annex

‘To work for households in all Orkney communities to reduce levels of fuel poverty and achieve affordable warmth’

Who our clients are

Please note that all of the statistics provided below are for THAW clients, so will be only showing details for people who have reached out to THAW for support or been at THAW outreach events. Although this will give an indication of the situation across the population of Orkney, it is likely to be more focussed on households struggling the most.

Also note that the data shown is for the 2022/23 tax year. Methods for data collection were updated during autumn 2022; therefore some data is only available for about 6 months of that tax year. Where this small sample size has potentially caused artifacts, additional statistics are provided from data analysed up to September 2023; any data not relating to the tax year will be highlighted in *italics*. All other data is supported by the longer-term analysis.

The majority of our clients are resident in Kirkwall which is likely to be due to our location, the larger population size and the presence of a high concentration of social housing. The cost-of-living crisis has increased fuel poverty levels for our clients in all areas of Orkney, with average levels at 54%, and significantly higher levels found in the isles.

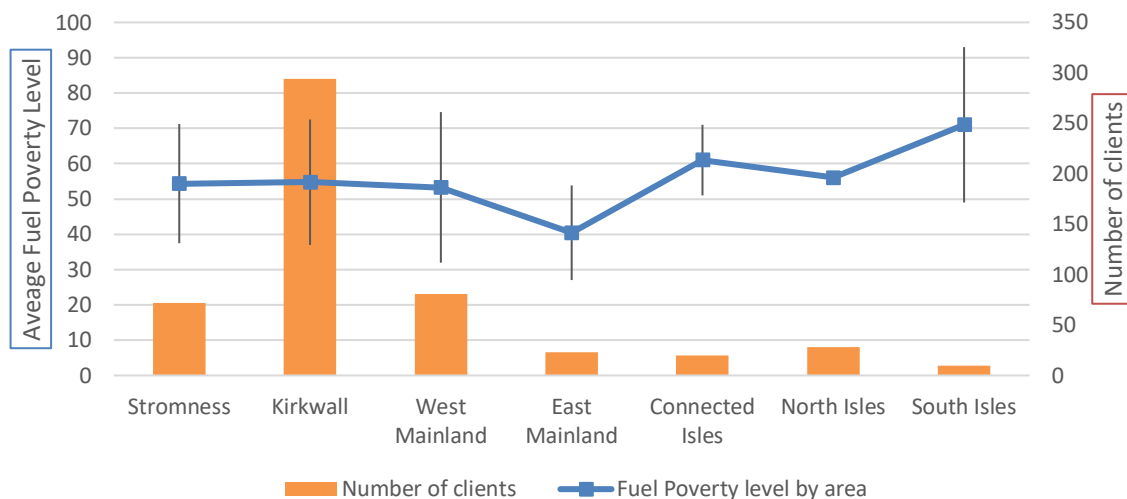


Figure 1: Fuel poverty levels and number of clients by area (tax year 22/23)

Almost 3/4 of our clients are social housing tenants with almost half in OIC properties. Average fuel poverty levels are understandably highest for tenants in emergency accommodation (about 65%) but are significantly less for OHAL tenants (about 45%) who benefit from newer housing stock. Data up to *September 2023* (as shown in the graph below) shows that homeowners, private tenants and OIC tenants all average about 55%.

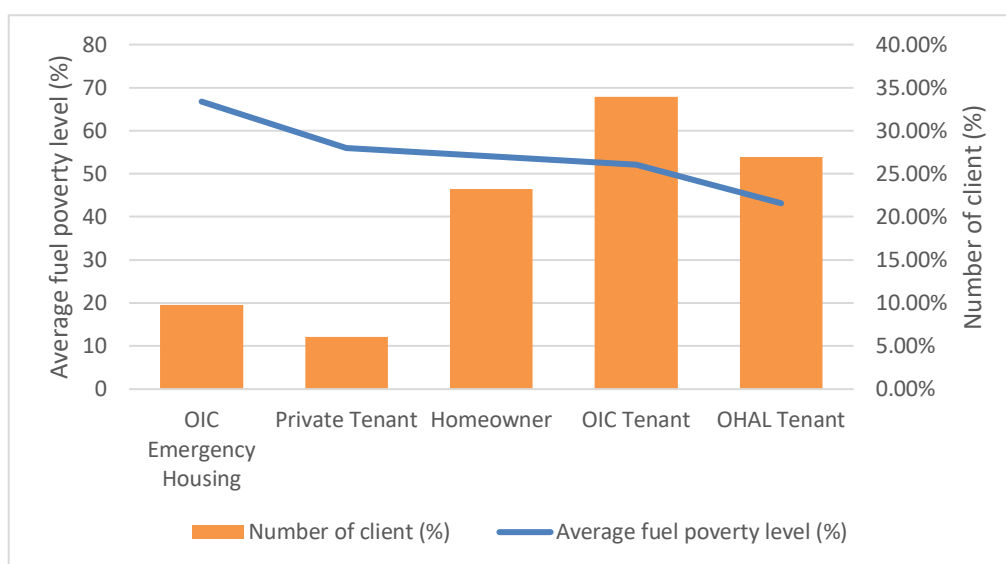


Figure 2: Number of clients per tenure and their average fuel poverty level (Apr 22 - Sept 23)

Data up to September 2023 shows that fuel poverty is mainly driven by income with a very strong correlation between low income levels and higher levels of fuel poverty, and a clear reduction above £2500/month (Figure 3). This is slightly higher than the Minimum Income Standard, which is around £2000/month for most working age households. Based on these figure, almost all households would be dropped out of the most extreme levels of fuel poverty (30%+) if they received slightly more than MIS.

When underheating is considered, there is a more gradual correlation between fuel use and fuel poverty levels, with much higher levels of fuel poverty, as one would expect, above £500/month (Figure 4). This uneven spread, coupled

with the income results, suggests that fuel use is only the main driver of fuel poverty where properties are particularly inefficient (i.e. above £500/month). Focus should therefore be on increasing incomes as well as upgrading inefficient properties.

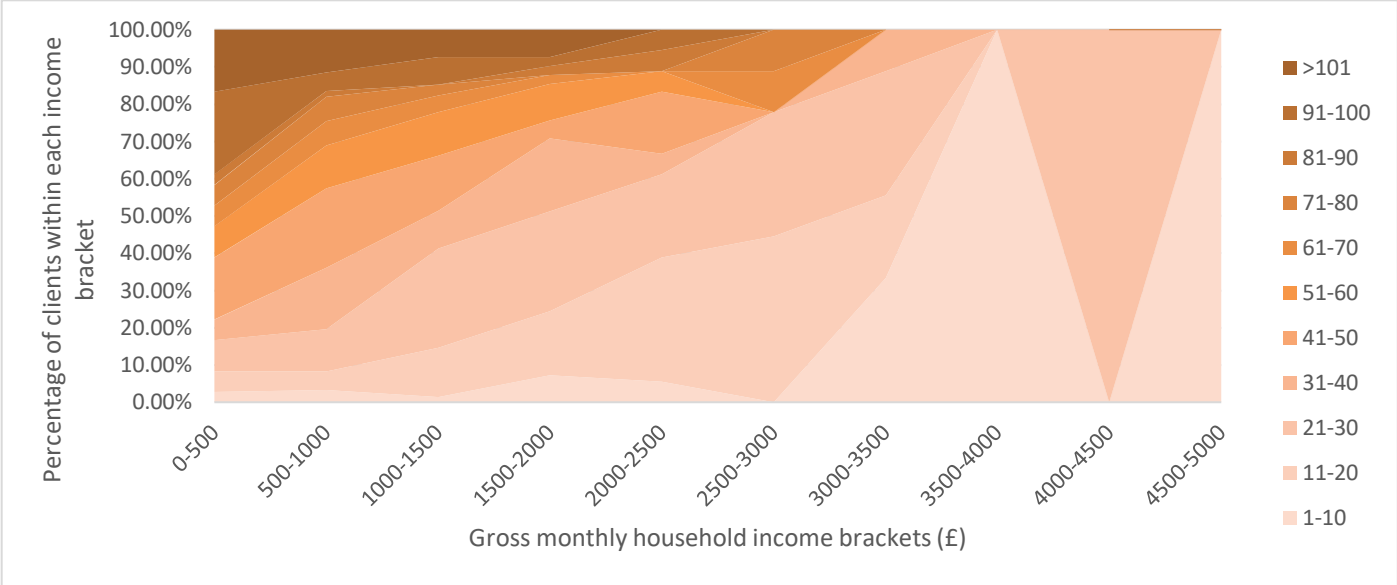


Figure 3: Fuel poverty level (%) by income (Apr 22 - Sept 23)

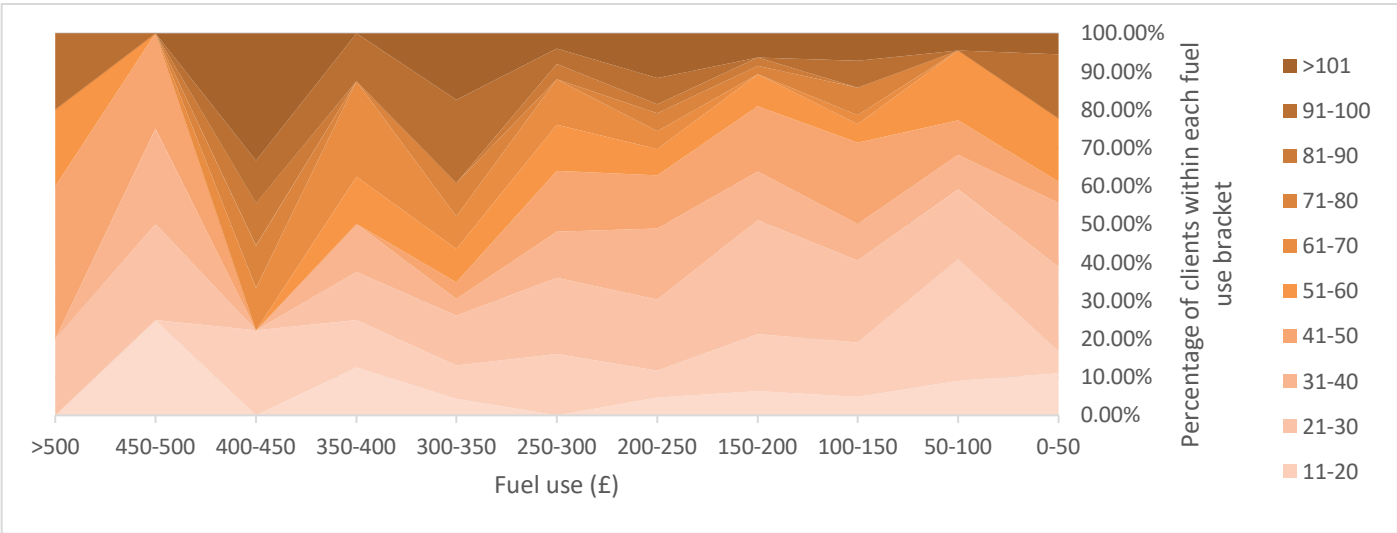


Figure 4: Fuel poverty level (%) by fuel use (Apr 22 - Sept 23)

Underheating of properties is also directly related to fuel poverty levels (Figure 5), with 2 fifths of clients heating most of their homes with an average fuel poverty level below 40%. Conversely 5% of clients were not heating their home and were higher than 100% fuel poor. More than 1 in 4 households were underheating by at least 50%.

Although income is a main driver when considering all clients, there are differences between tenancies. Even though the average disposable incomes for OHAL and OIC tenancies are similar (about £1000/month), OHAL tenants show a very clear correlation between income and fuel poverty whilst OIC tenants show very little correlation (Figure 6). This indicates that income is the biggest driver for OHAL properties whilst fuel use is the biggest driver for OIC properties. This matches clients’ experiences of lower energy efficiency levels in OIC properties. Note, Homeowners show a pattern between the two, suggesting a more even mix of low income and property inefficiency as drivers.

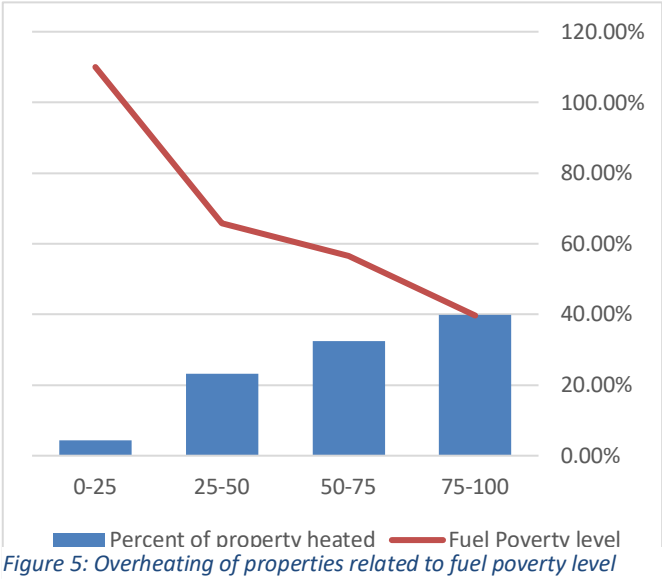


Figure 5: Overheating of properties related to fuel poverty level

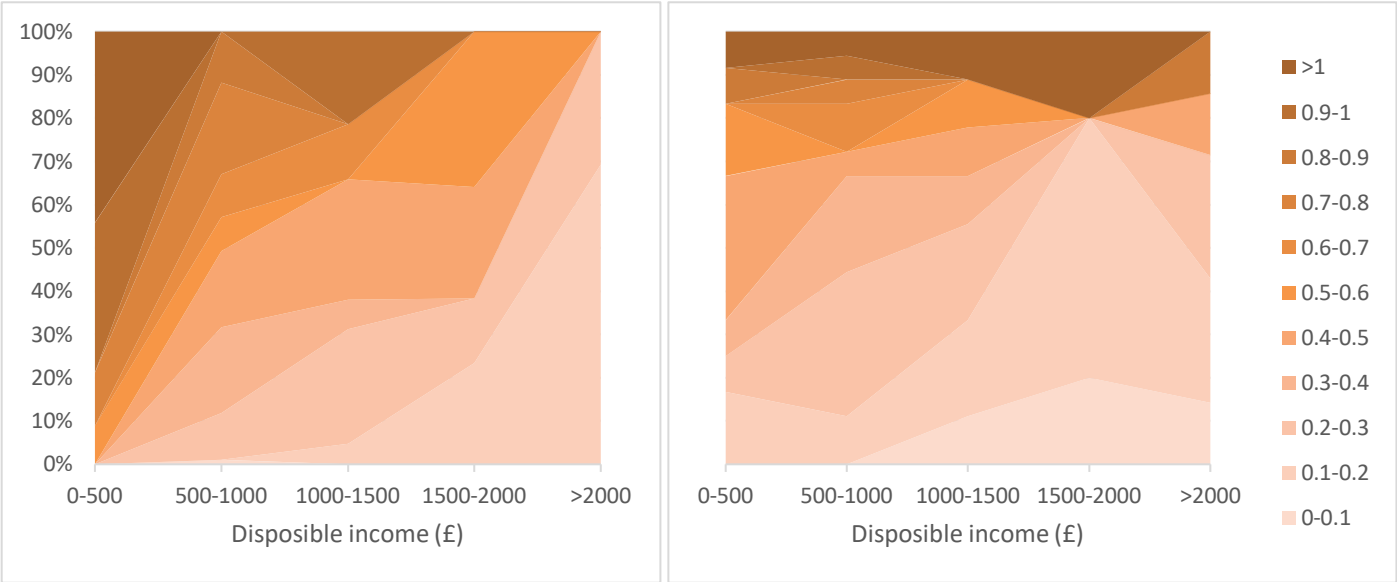
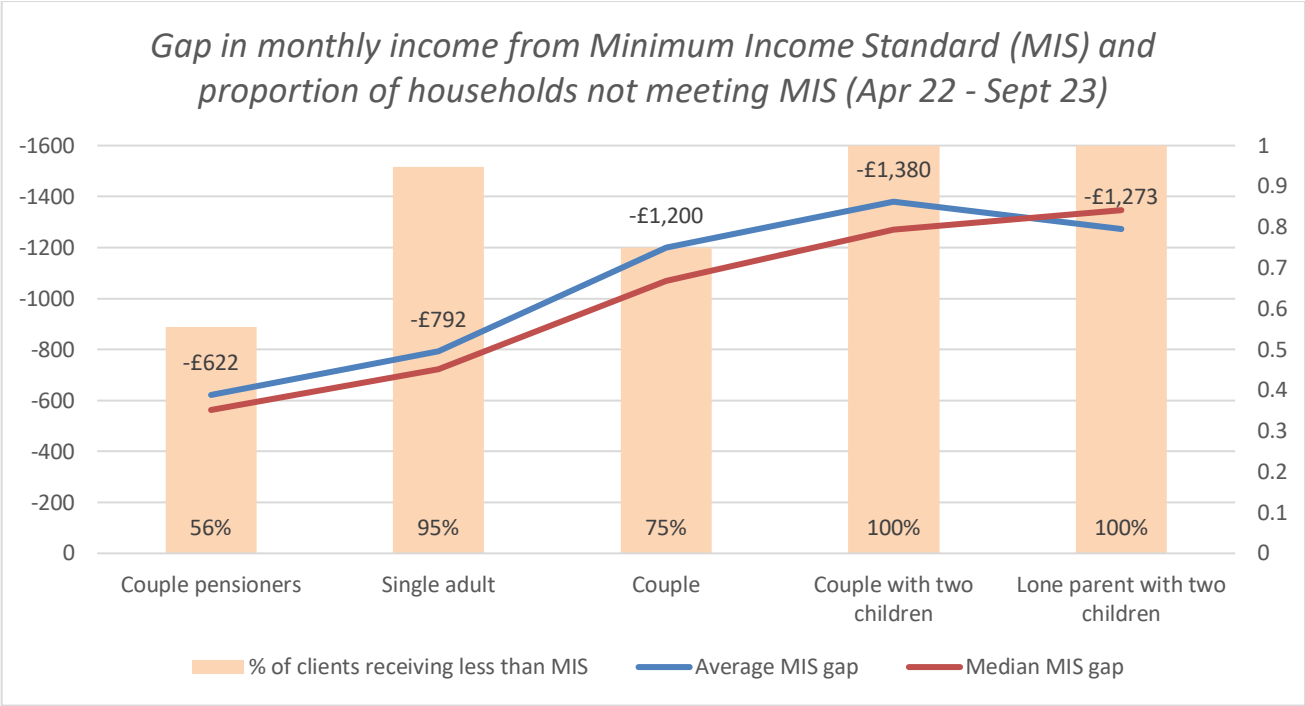


Figure 6: Fuel poverty level (%) by disposable income, for OHAL (Left) and OIC (Right) tenants

The difference in relative income can be seen through analysis of gaps in Minimum Income Standard, upon which the Scottish fuel poverty definition of low income is based. This analysis is based upon an estimated required spend on energy (i.e. actual spend divided by percentage heated) for households to reach an adequate level of warmth. Families have the highest monthly income gap (missing an average of around £1300/month) with no assessed families meeting the income standard, therefore putting them all into poverty by this definition. However, it should be noted that single adults have the highest proportional income gap (missing 77% of their required income); in other words, although families would require the most money to be removed from poverty, single adults are, relatively speaking, the furthest from reaching MIS. On a positive note, almost half of pension-age clients are receiving enough income to meet the MIS.



In terms of gender, we support slightly more female clients (51%) than male clients. Although no gender gap is visible in the 22/23 tax year, the September 2023 analysis shows female clients as 10% higher in fuel poverty.

The age range of our client base is similar to the demographic distribution of Orkney, from under-20s to over-80s. Although high fuel poverty levels are found across this entire range, we see greater concentration in the 41-70 age range; this may be partially due to difficulty reaching younger households as well as greater relative income in pension-age households. Although the tax year data shows a similar distribution, analysis up to September 2023 shows this in more detail (Figure 7), with a bimodal distribution visible across all age groups, with one peak from 10-70% fuel poverty and a second peak for clients over 70% fuel poor. From the limited data available so far, this second peak seems to be correlated with households in high levels of fuel use rather than income but this can be determined as more data becomes available. It should also be noted that this peak is highest in the 61-70 group, but also shows a significant increase in young households (aged below 30).

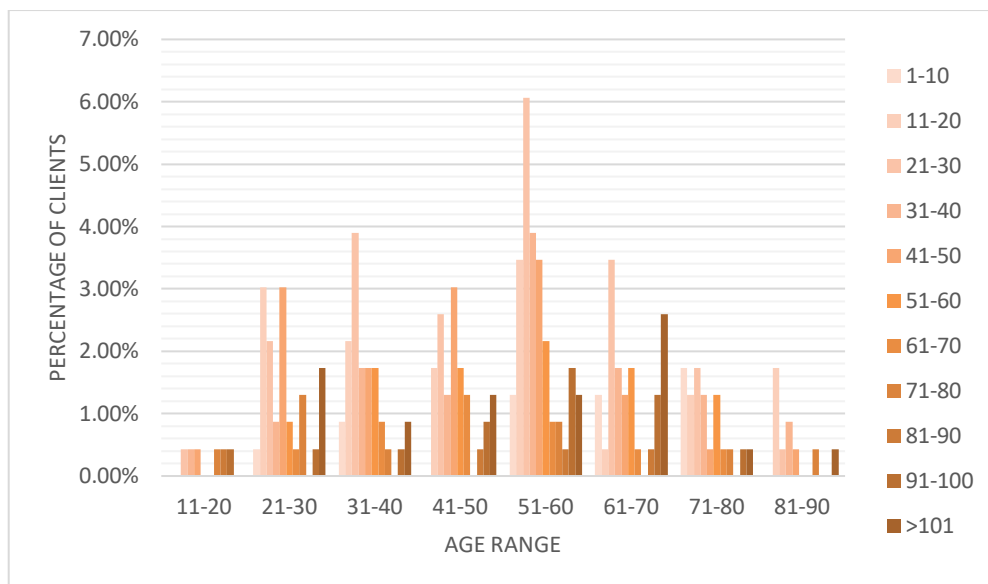


Figure 7: Percentage of clients by Age group, split into fuel poverty levels (Apr 22 - Sept 23)

Finally, out of all our assessed clients, **89%** (dropping to 81% up to Sept 23) were found to be in **extreme fuel poverty** (i.e. >20% of income used on fuel). A **quarter** of our clients (rising to a third up to Sept 23) would be required to use **more than half of their income** on fuel to keep warm, whilst just under **1 in 6** of our clients would need to spend **all or more than their income** to keep warm..

Financial support, including fuel vouchers

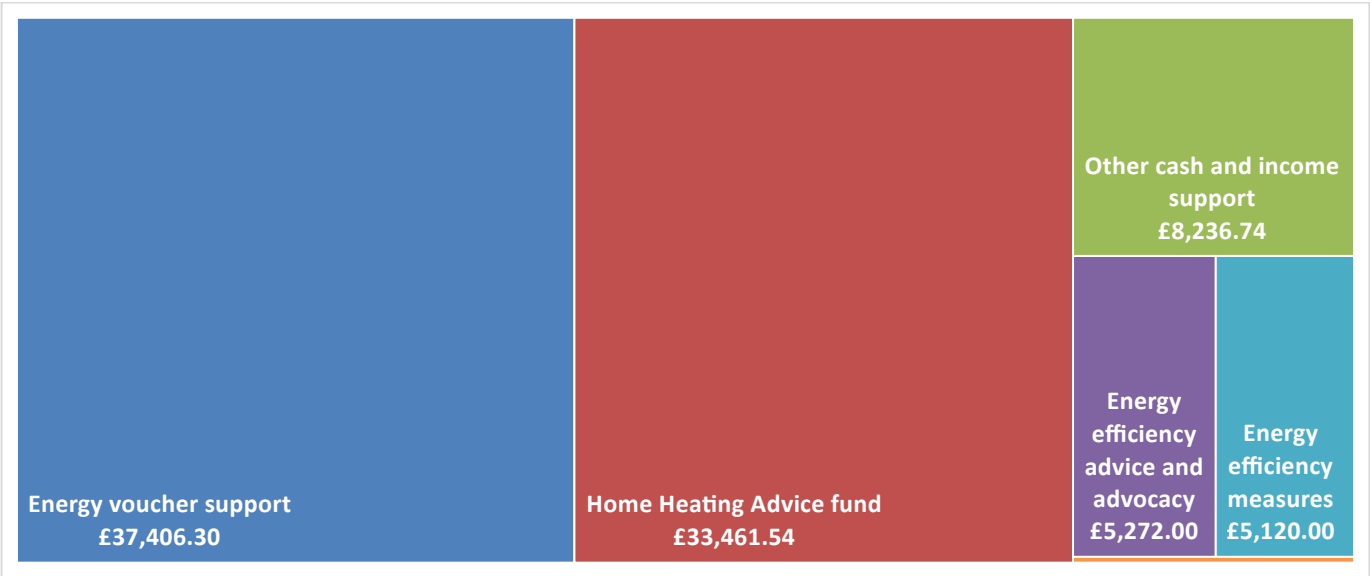


Figure 7 outlines the amount of financial support provided by THAW Orkney staff between April 2022 and March 2023. Total support for the period was £89,696.57, with more than £70k of direct cash support for energy. This year also saw an increase in cash support, with almost £4k on a trial fresh food voucher which was subsequently taken in-house by Foodbank. Support with supplier issues and reducing energy use saved another £5K, whilst another £5k of energy efficiency items were provided.

The majority of energy voucher support (£28k) was provided through several voucher schemes for electric prepayment meters:

- BGET Auriga vouchers £8.3k
- Fuelbank Foundation £8.2k
- Foodbank for their clients £6.9k
- OIC (?)Charis vouchers £4.4k

THAW Orkney continued to administer electricity funding for Orkney Foodbank. A total of 198 vouchers were issued to clients who were referred to the Foodbank. This arrangement ended in April 2023 when the Foodbank took the administration back in-house. We would like to extend an enormous “Thank You” to the owners and staff of Papdale Stores for their assistance in enabling us to provide these vouchers to clients on pre-payment meters since the beginning of the COVID Pandemic.

The Fuel Bank Heatfund enabled us to assist clients whose main heating source was not electric, such as oil or solid fuel, with £3k of awards funded to clients.

More recently, funding received in March 2023 through Orkney Money Matters allowed THAW to assist clients with vouchers and energy debt relief for all meter and fuel types (e.g. Oil or solid fuel). This flexibility has already made a big impact, with more than £4k provided within the first month.

The Home Heating Advice Fund has continued to provide the biggest relief to clients who are struggling to heat their properties, also with support for all fuel and meter types. It has enabled staff to assist 41 clients with £37,590 of support, in many cases writing off significant debt and leaving clients with several hundred pounds of ‘breathing space’.