Heat Networks (Scotland) Bill

Child Rights and Wellbeing Impact Assessment (CRWIA)



Child Rights and Wellbeing Impact Assessment (CRWIA) - Screening Report

CRWIA Stage 1

1. Name of the policy its overall aims:

Heat Networks (Scotland) Bill

The overall purpose of the Bill is to encourage greater deployment of heat networks in Scotland, in order to help reduce emissions from heating homes and buildings. The Bill will also contribute to the Scottish Government's target that 50% of all energy consumption comes from renewables by 2030¹ and to the eradication of fuel poverty by 2040.

In summary, the Bill will:

- Create a Heat Networks Licensing system to ensure that those developing and operating the infrastructure are suitable to do so. A Licensing Authority will administer and enforce the system;
- Create a Heat Network Consent system to ensure that local factors and assets (such as fuel poverty, or waste heat sources, respectively) are considered before approving new developments;
- Enable the identification of Heat Network Zones those areas where a heat network is the appropriate heat decarbonisation solution;
- Enable the award of long-term but time-limited Heat Network Zone Permits

 an exclusive right to operate a heat network to a single organisation within a Heat Network Zone;
- Provide heat network operators with a right (akin to a necessary wayleave) to have a physical connection (but not a contractual agreement to sell/buy heat) between the infrastructure and certain buildings with high heat demand within a Heat Network Zone;
- Confer new rights on Heat Networks License Holders to facilitate the development and maintenance of the infrastructure;
- Introduce Transfer Schemes to provide a 'Supplier of Last Resort' and a means to fairly re-tender Heat Network Zone Permits; and
- Require public sector building owners to assess the potential for their estate to connect to a heat network, in order to increase the robustness of Heat Network Zones.

¹ <u>Scottish Energy Strategy: The Future of Energy in Scotland</u>, the Scottish Government, 20 December 2017.

2. What aspects of the policy/measure will affect children and young people up to the age of 18?

To determine whether the proposed Heat Networks (Scotland) Bill will have an impact on different age groups, the Scottish Government has undertaken an Equality Impact Assessment. As part of the assessment, it was identified that the Heat Networks (Scotland) Bill's provisions are unlikely to affect different age groups, and where they do the focus was predominantly on older people.

Furthermore, the policy proposals were further reviewed against the Articles of the UNCRC and the child wellbeing indicators under the Children and Young People (Scotland) Act 2014. Based on that, it was concluded that no specific aspects of the Heat Networks (Scotland) Bill are expected to affect children and young people up to the age of 18, however the Bill as a whole package with its aim to increase deployment of heat networks in Scotland can stimulate the change in the technology used to provide heat to some of Scotland's households.

Estimates suggest that around 1% of Scotland's total heat demand was met by heat networks at March 2018². The National Comprehensive Assessment of District Heating and Cooling of 2015, estimated that 6.7% of Scotland's heat demand could be met by heat networks in 2025³. Some of the buildings affected by the change may be occupied by families with children. Additionally, some of the public buildings such as schools or hospitals may also be connected to the networks. It is likely therefore, that the buildings which are occupied or used by children may have different heating systems in the future.

3. What likely impact – direct or indirect – will the policy/measure have on children and young people?

The Heat Networks (Scotland) Bill is not going to have any direct impact on children as it is mainly aimed at businesses and the public sector who will be developing and running heat networks.

However, there may be some indirect impacts on children connected to:

- A change in heating system in some buildings occupied or used by children;
- Potential savings on heating bills;
- Greenhouse gas emissions reductions.

A change of heating system in buildings used or occupied by children may come with some initial disruption connected to refurbishment. However in the long term, the overall increase of heat network deployment can increase security of heat supply as the network is likely to have a higher level of resilience built in than an individual heating solution. This would benefit any building occupants with a more reliable heat supply, with any disruptions or failures fixed on the system basis,

² Energy Trends: March 2018, Special Feature Article – Experimental Statistics on Heat Networks, BEIS, 29 March 2018.

³ National Comprehensive Assessment of the Potential for Combined Heat and Power and District Heating and Cooling in the UK, Ricardo-EAE, 16 December 2015.

rather than requiring individual households or building owners to mobilise funds required for any improvements.

Additionally, as indicated by evidence gathered by KPMG⁴, heat networks could provide fuel savings of up to 36%, with a median potential saving of around 17% or 1.29p per kWh. In the right circumstances, therefore, heat networks can reduce heating costs for householders. This could have an impact on wellbeing of children living in homes on a heat network, particularly in households experiencing fuel poverty.

School children across Scotland are staging strikes from school in an effort to raise awareness of climate change and to demand further action. In direct response to the Paris Agreement, the Scottish landmark Climate Change Act maintains our legislation as the toughest, most ambitious framework in the world. Scotland will reach net zero for all greenhouse gases by 2045, a full five years ahead of the UK as a whole. The Bill aims to contribute to Scotland's climate change targets by increasing the number and scale of heat networks as they have the potential to reduce – or remove – the emissions caused by heating our buildings.

Most indirect impacts would be positive in relation to child wellbeing indicators under the Children and Young People (Scotland) Act 2014. Resilience of heat networks would improve feelings of safety and could improve the health of children. Additionally, the ability to reduce greenhouse gases and have a positive impact on delivering Climate Change targets, which not only address safety and health indicators, but also delivers on "respected" indicators as the Scotlish Government is taking action to deliver on its commitment to end Scotland's contribution to climate change within a generation.

In considering the impacts which the Heat Networks (Scotland) Bill will have on children and young people under the age of 18, the Scottish Government looked at the articles of the UNCRC.

Relevant articles identified were:

- Article 27 Adequate standard of living whereby reliable and affordable heating systems will help to provide children with a warm home where the standard is supporting their physical, mental and social development.
- Article 24 Health and health services by supplying buildings used and/or occupied by children with reliable and low carbon heat, the increased deployment of Heat Networks may have a positive influence on the health of children and young people.

However, the impacts of the Bill are indirect and therefore any benefits will be reliant on the deployment of the technology and the quality of the systems installed.

⁴ <u>Scottish Government Evidence Gathering Report: Evidence assessment for the implementation of</u> heat networks regulation in Scotland, KPMG 13 December 2019

4. Which groups of children and young people will be affected?

One of the groups which may be most influenced by the indirect impact of the Heat Networks (Scotland) Bill are children living in poverty as the potential savings from heating bills could improve the general financial situation of households. Other than that, no specific groups of children are expected to be affected by the Heat Networks (Scotland) Bill. Some of the indirect impacts may be experienced by all children in general.

5. Will this require a CRWIA?

No – The Heat Networks (Scotland) Bill is mainly aimed at businesses and public sector organisations which operate in Scotland and may have a positive impact on consumers in general by providing a regulatory framework for the sector. However, the Bill does not include any measures which will have a direct impact on children and young people under the age of 18.

Although some indirect impacts have been identified, they were very limited and generally applicable to other age groups which were considered by the EQIA. All indirect impacts were considered within this report and will be further explored when developing subsequent regulations to ensure a comprehensive assessment.

CRWIA Declaration	
CRWIA required	CRWIA not required
	CRWIA is not required.
Authorisation	
Policy lead	Date
James Hemphill, Heat Networks Team Leader, Consumers and Low Carbon Division	10 February 2020
Deputy Director or equivalent	Date
Name, title, division (or equivalent)	14 February 2020
Ble	
Sue Kearns, Deputy Director,	
Consumers and Low Carbon	



© Crown copyright 2020



This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit **nationalarchives.gov.uk/doc/open-government-licence/version/3** or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: **psi@nationalarchives.gsi.gov.uk**.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government St Andrew's House Edinburgh EH1 3DG

ISBN: 978-1-83960-595-6 (web only)

Published by The Scottish Government, March 2020

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA PPDAS698386 (03/20)

www.gov.scot