
Equality Impact Assessment

Local Heat and Energy Efficiency Strategy (LHEES)



SHETLAND
ISLANDS COUNCIL

INTRODUCTION

An Equality Impact Assessment (EQIA) is an evidence-based approach designed to help the Council ensure that its policies, strategies and proposals for change meet the needs of everyone.

This Equality Impact Assessment (EQIA) enables you to assess what you're proposing against the Public Sector Equality Duty and the Fairer Scotland Duty. The EQIA process involves:

- Step 1: Develop a Clear Understanding of your Objectives: outlining details of your proposal and background information.
- Step 2: Data & Consultation: evidence sources for assessment.
- Step 3: Screening Assessment of Impact: completing the screening process to determine if the proposal requires completion of a full impact assessment. The screening process can stand alone as a final summary if no significant impacts are identified.
- Step 4: Full Impact Assessment: to enable a more detailed analysis of the proposal, the impacts and any mitigations or actions to be put in place. This Step may not be required depending on the outcome at Step 3.
- Step 5: Monitor & Review: setting out how impacts will be monitored.
- Step 6: Decision & Authorisation: setting out decision from impact assessment and authorisation.
- Step 7: Publication of Result

STEP 1: Develop a clear understanding of your objectives	
Title of your proposal* Name of piece of work, for example policy, strategy or proposal (including budget proposals)	Local Heat and Energy Efficiency Strategy (LHEES)
Do you have authority for your proposal?	Yes ☒ The Scottish Government has mandated that all local authorities in Scotland develop a LHEES to support the transition to net-zero emissions and improve energy efficiency in buildings. Approval of LHEES and Delivery Plan to be sought through relevant Committee's and full Council.
Do you have budget for your proposal?	No ☐
	Yes ☐
	No ☒ No budget required.
Lead officer (name and job title)	John Simpson, Team Leader Energy Efficiency Elliot Tait, Senior Climate Change Officer, Climate Change Strategy.
Is this a new or existing policy/proposal? (include any information on previous relevant work)	The LHEES is a new policy initiative mandated by the Scottish Government. The LHEES is part of a broader effort to decarbonize heat in buildings and improve energy efficiency. Previous Relevant Work Pilot Projects: Since 2017, various pilot projects have been undertaken to develop and refine the approach to LHEES. These pilots have helped establish a common methodological framework for local authorities. Existing Strategies: The LHEES builds on existing local and national strategies aimed at reducing greenhouse gas emissions and addressing fuel poverty. For example, the Shetland Climate Change Strategy and the Net Zero Route Map provide a foundation for the LHEES.
Brief description of policy / proposal (including purpose, intended outcomes, aims, objectives and/or legislation)	Internal outcomes The Local Heat and Energy Efficiency Strategy (LHEES) is a tool for long term planning of heat decarbonisation and energy efficiency works in Scotland's local authority areas. The LHEES aims to improve energy efficiency and reduce carbon emissions in buildings within Shetland. The LHEES is part of

Scotland's broader effort to transition to net-zero emissions by 2045 and tackle fuel poverty. Shetland's LHEES will support the delivery of the Council's goals of improving energy efficiency through fabric improvements and zero direct emission heating systems, reducing fuel poverty, developing heat networks and decreasing carbon emissions. Much of the work in developing actions to inform the delivery plan has been carried out through the Net Zero Routemap, Climate Change and Energy Strategy works and therefore, LHEES links closely to these strategies and actions. Long-term Outcomes: • Achieve net-zero emissions in the building sector by 2045. • Ensure all buildings meet good energy efficiency standards. • Eliminate fuel poverty as far as reasonably possible by 2040. Medium-term Outcomes: • Increase the adoption of renewable energy sources. • Enhance collaboration between stakeholders, including local authorities, energy providers, and community groups. • Foster innovation in energy efficiency technologies and practices. Short-term Outcomes: • Conduct comprehensive energy audits for Council buildings. • Launch pilot projects to demonstrate effective energy efficiency measures. • Raise awareness in the community about energy efficiency and sustainable practices. Aims and Objectives • Decarbonisation of Heat: Implement measures to reduce greenhouse gas emissions from heating systems in buildings. • Energy Efficiency Improvements: Upgrade the energy efficiency of existing buildings and ensure new buildings meet high standards. • Fuel Poverty Reduction: Support low-income households with energy-saving initiatives to reduce energy bills and improve living conditions.	
--	--

	• Community Engagement: Engage with local communities to understand their needs and ensure the strategy is tailored to local contexts. • Policy Alignment: Align with national and regional energy policies and targets, including the Scottish Government's Heat in Buildings Strategy. Legislation • Legislative Background: Scottish local authorities had a statutory duty to develop a LHEES by 31st December 2023. This duty is described in the LHEES (Scotland) Order 2022. • Climate Change (Scotland) Act 2009: Sets statutory targets for reducing greenhouse gas emissions. • Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019: Establishes targets for reducing fuel poverty in Scotland
--	--

STEP 2: Data & Consultation	
What evidence sources are you using in making the assessments?	
Internal or existing data	Internal Data 1. Energy Consumption Data: • Data on current energy consumption patterns in residential, commercial, and public buildings within the local authority area. • Energy Manager data on Local Authority buildings 2. Building Stock Information: A number of national data resources/tools were used as follows: • Scotland Heat Map • Home Analytics Database (Energy Savings Trust) • Portfolio Energy Analysis Tool (PEAT) • Non-Domestic Analytics • Scottish Index for Multiple Deprivation (SIMD) • Locality Profiles 3. Fuel Poverty Key Statistics: • Fuel poverty data from the most recent Scottish Housing Condition Survey (SHCS) 2017-19. At that time, 30.9% of people in Shetland were classified as being in fuel poverty. However, this data was established before the energy and cost of living crisis.

	• More recent estimates of fuel poverty (2025) indicate that without the energy cap in place households would need to earn £42,000 to stay out of fuel poverty. It is estimated that 56% of households are in fuel poverty and half of these households (24%) are in extreme fuel poverty. 4. Previous Initiatives: • Data from previous energy efficiency programmes and pilot projects. • Shetland Net Zero Route Map 2022 • Shetland Island Councils Net Zero Route Map 2022 5. Current Grant and Loan Schemes: • Household criteria that means eligibility under the various grant/loan schemes on offer
Consultations with officers or partner organisations Please list your sources	Internal stakeholder workshop This was held in January 2024 with invitations sent to all relevant stakeholders within the Council. Separate stakeholder engagement sessions were held with Social Housing Landlords and SHEAP Ltd. representatives, facilitated by Changeworks. • Housing Services • Climate Change Strategy • Future Energy • Development Services • Asset Commissioning and Procurement • Hjaltsland Housing Association • SHEAP Ltd • SSEN
Other: Please list your sources	Shetland Climate Change Strategy – Built Environment Workshop A series of workshops were organised by the CCS team the purpose of which was to gather information across different sectors (including the built environment) for individual strategies to take into account when developing implementation plans. The built environment workshop led to the production of an Interactive Logic Model. This group was further consulted on the draft LHEES before finalisation of the document. • All the above • Citizens Advice Bureau • Shetland Construction Training Group • NHS Shetland • Voluntary Action Shetland • Home Energy Scotland • University of Highlands and Islands • Shetland Heatwise

	• Lerwick Port Authority • Shetland Net Zero Energy Forum • Highlands and Islands Enterprise • North Yell Development Company • Scalloway Community Development Company • Scottish Water • Visit Scotland • Shetland Recreational Trust • SIC Business Gateway • Seafood Shetland • NFU • Schools Service • Planning
--	--

STEP 3: Screening Assessment of Impact

Please identify the type of impact your proposal will have on those with a protected characteristic. A positive impact is likely to contribute to promoting equality or improving relations within an equality group. A negative impact could disadvantage that particular equality group. A brief explanation should be provided, based on the evidence or information gathered and outlined above.

[Equalities – Protected Characteristics](#)

Please identify the type of impact your proposal will have on those who fall into the following categories:

Age Will your proposal have an impact on those within an age group? For example, those over 60. Will your proposal have a negative impact on those within a particular age range? For example (18 to 30 year olds) Note: Age discrimination only applies to those over 18.	Positive ☒ please explain: Delivery plan actions include the development of means to improve the rate of energy efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on some age groups.	Neutral ☐ please explain:	Negative ☐ please explain:
Disability Will your proposal have an impact on those who have a disability? For	Positive ☒ please explain:	Neutral ☐ please explain:	Negative ☐ please explain:

example, will those who have a disability be discriminated compared to those who do not? For example, someone with a hearing impairment.	Delivery plan actions include the development of means to improve the rate of energy efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on some disability groups.		
Gender Reassignment Will your proposal have an impact on those who are considering, undergoing or have undergone gender reassignment? For example, would the proposal lead to discrimination for those who have undergone gender reassignment (a process to reassign your sex)	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	Negative ☐ please explain:
Marriage and Civil partnership Will your proposal have an impact on those who are married or in a civil partnership? For example, would the introduction of your proposal lead to discrimination for anyone who is married or in a civil partnership?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	Negative ☐ please explain:
Pregnancy and Maternity Will your proposal have an impact on those who are pregnant or on maternity (up to 26 weeks) compared to those who are not?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the	Negative ☐ please explain:

			LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	
Race Will your proposal have an impact on anyone because of their race, ethnicity or nationality?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	Negative ☐ please explain:	
Religion or Belief Will your proposal affect those who have a religion, belief or lack of religion or belief? For example, will those who have a religion be affected negatively?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	Negative ☐ please explain:	
Sex Could your proposal have an impact on those of a specific sex, for example males would be impacted differently to those who are female?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under	Negative ☐ please explain:	

			this protected characteristic.	
Sexual Orientation Could your proposal have an impact on those who are heterosexual, gay, lesbian or bisexual?	Positive ☐ please explain:	Neutral ☒ please explain: There will be no negative impact as a result of the LHEES e.g. grant and loan funding programmes do not treat negatively anyone under this protected characteristic.	Negative ☐ please explain:	
Fairer Scotland Duty - Socio-economic Inequalities	Please identify the type of impact your proposal will have on low income households.			
Low income / income poverty Those who cannot afford to maintain regular payments such as bills, food, clothing payments	Positive ☒ please explain: There will be a positive impact on low income/income poverty households as LHEES targets the continuation and development of energy efficiency and low carbon interventions in households living in fuel poverty as per current Government grant programmes.	Neutral ☐ please explain:	Negative ☐ please explain:	
Low and/or no wealth Those who can meet basic living costs but have no savings for unexpected spend or provision for the future	Positive ☒ please explain: Delivery plan actions include the development of means to improve the rate of energy	Neutral ☐ please explain:	Negative ☐ please explain:	

	efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on households living in fuel poverty.		
Material deprivation Those who cannot access basic goods and services, such as repair/replace broken electrical goods, heat their homes or access to leisure or hobbies	Positive ☒ please explain: Delivery plan actions include the development of means to improve the rate of energy efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on households living in fuel poverty.	Neutral ☐ please explain:	Negative ☐ please explain:
Area deprivation Consider where people live (such as rural areas) and where they work (accessibility and cost of transport)	Positive ☒ please explain: Delivery plan actions include the development of means to improve the rate of energy efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on	Neutral ☐ please explain:	Negative ☐ please explain:

	households living in fuel poverty.		
Socio-economic background Social class, such as parents' education, employment, income	Positive ☒ please explain: Delivery plan actions include the development of means to improve the rate of energy efficiency interventions through national grant and loan funding schemes. At the current time eligibility criteria means a positive impact on households living in fuel poverty.	Neutral ☐ please explain:	Negative ☐ please explain:

Outcome of Screening Process		
If any negative impacts have been identified above, a Full Impact Assessment will be required (Step 4).		
Will a Full Impact Assessment (FIA) be required for:		
Equalities	Yes ☐	No ☒
Fairer Scotland Duty	Yes ☐	No ☒

If a Full Impact Assessment (FIA) is not required, do not complete Step 4 or 5 and proceed to Steps 6 & 7.

STEP 4: Full Impact Assessment

The full impact assessment must be completed where negative impacts have been identified at Step 3 above. Each of the negative impacts identified at Step 3 above will be explored in more detail to identify whether the proposal has a low, medium or high impact and whether there are any appropriate mitigating actions or changes that can be put in place to lessen that impact.

Protected Characteristic	Identified Negative Impact from Step 3	Low /Medium / High Negative Impact	Mitigating Actions/Changes Please state and summarise your mitigating actions or changes to the proposal for the negative impact(s) identified in Step 3.

Type of Socio-Economic Disadvantage	Identified Negative Impact from Step 3	Low/ Medium / High Negative Impact	Mitigating Actions/Changes Please state and summarise your mitigating actions or changes to the proposal for the negative impact(s) identified in Step 3.

STEP 5: Monitor & Review	
What will change as a result of this proposal?	

How will the implementation of the proposal and any impacts be monitored?	
When is the proposal due to be reviewed?	
Who is responsible for ensuring this happens?	

STEP 6: Decision	
Implement proposal with no amendments	☒
Implement proposal taking account of mitigating actions as outlined above.	☐
Reject proposal due to disproportionate negative impact.	☐
Reason for decision: There are no negative impacts identified and so mitigating measures are not needed.	

Authorisation			
Title of Policy / Proposal:	Local Heat and Energy Efficiency Strategy		
Directorate and Service:	Infrastructure Services, Environment and Estate Operations		
Policy and assessment author (s)	<table border="0"> <tr> <td>Name: Elliot Tait Job title: Climate Change Officer, Climate Change Strategy Date: 25/02/2025</td> <td>Name: John Simpson Job title: Team Leader, Energy Efficiency Date: 25/02/2025</td> </tr> </table>	Name: Elliot Tait Job title: Climate Change Officer, Climate Change Strategy Date: 25/02/2025	Name: John Simpson Job title: Team Leader, Energy Efficiency Date: 25/02/2025
Name: Elliot Tait Job title: Climate Change Officer, Climate Change Strategy Date: 25/02/2025	Name: John Simpson Job title: Team Leader, Energy Efficiency Date: 25/02/2025		
Authorised and approved by Director or Executive Manager	 Name: Carl Symons Job title: Executive Manager, Environment and Estate Operations Date:		

STEP 7: Publication
Please include a detailed summary of the result of the assessment in any Council reports.
This summary and the EQIA should now be published at Diversity and Inclusion – Shetland Islands Council

