
Island Communities Impact Assessments

Local Heat and Energy Efficiency Strategy (LHEES)

Version 2, updated April 2024



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Local Heating and Energy Efficiency Strategy (LHEES)

PRELIMINARY CONSIDERATIONS	Responses
Please provide a brief description or summary of the policy, strategy or service under review for the purposes of this assessment.	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.
STEP 1 - Develop a clear understanding of your objectives	Responses
What are the objectives of the policy, strategy or service?	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.
Do you need to consult?	We have consulted with key internal and external stakeholders. There will be further consultation as and when required as the Delivery Plan actions are developed.
How are islands identified for the purpose of the policy, strategy or service?	The LHEES covers all build stock in Shetland meaning all areas of Shetland including island communities have been included.
What are the intended impacts/outcomes and how do these potentially differ in the islands?	The outcome of the LHEES is the Delivery Plan. The LHEES is being developed in the context of changing national policies and targets. Multiple relevant national policies and their specific targets are under review, such as the Heat in Buildings Bill and standards for social housing. Equally, established targets have been changed, such as the Scottish Governments aim to reduce greenhouse gas emissions by 75% by 2030. Local programmes are also

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

	subject to change year on year. The Delivery Plan looks at actions over a five-year period however, it is likely the Plan will require reviewing within a shorter timescale given the changing landscape noted above. The Delivery Plan looks to deliver outcomes further to the issues highlighted in the LHEES, which are common throughout Shetland.
Is the policy, strategy or service new?	Yes
STEP 2 - Gather your data and identify your stakeholders	
What data is available about the current situation in the islands?	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) As noted, the data sets available are national datasets and the information from these has highlighted areas within Shetland that are potentially fuel poor and could be targeted for energy efficiency interventions (mix of mainland Shetland and Island areas). However, there are major question marks over the accuracy of the data. Using SIMD data as a tool for identifying areas at high risk of fuel poverty highlights some specific areas of Shetland. However, the Locality Profiles (developed by the Shetland Partnership), along with the known high rates of fuel poverty that exists in pockets in all community areas,

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

	indicate that all areas of Shetland need to be part of the consideration for programmes and projects designed to improve energy efficiency and alleviate fuel poverty. Whilst we will review all data while continuing to deliver and develop energy intervention programmes we will also be looking at potential alternative data sources that may provide a more accurate picture and assist in the development of energy intervention programmes.
Do you need to consult?	We have consulted with key internal and external stakeholders. There will be further consultation as and when required as the Delivery Plan actions are developed.
How does any existing data differ between islands?	All areas of Shetland have similar issues should it be hard to treat homes or converting current heating systems to low carbon alternatives. The only real difference, but not specific to island areas, is at this time areas of Lerwick have an additional alternative low carbon option in the form of district heating.
Are there any existing design features or mitigations in place?	No
STEP 3 - Consultation	
Who do you need to consult with?	We have consulted with key internal and external stakeholders. There will be further consultation as and when required as the Delivery Plan actions are developed.
How will you carry out your consultation and in what timescales?	An internal stakeholder workshop was held 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.

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

	A series of workshops were organised by the Climate Change Strategy (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.
What questions will you ask when considering how to address island realities?	As noted above issues raised within the development of the LHEES are not island specific.
What information has already been gathered through consultations and what concerns have been raised previously by island communities?	Through stakeholder engagement, and also through non-LHEES work fuel poverty and the lack of accredited installers have been raised as major issues and as noted these are issues that impact Shetland as a whole.
Is your consultation robust and meaningful and sufficient to comply with the Section 7 duty?	To date yes, as noted further consultation may be required as specific projects are developed.
STEP 4 - Assessment	
Does your assessment identify any unique impacts on island communities?	No
Does your assessment identify any potential barriers or wider impacts?	Issues around lack of accredited installers for insulation measures are well documented and is a pan Shetland issue.
How will you address these?	The employment of a Managing Agent to oversee the administration of the Area Based Scheme energy efficiency grant will help in delivery of funding through helping to deliver training opportunities and contract rates for installers.
You must now determine whether in your opinion your policy, strategy or service is likely to have an effect on an island community, which is significantly different from its effect on other communities (including other island communities). No.	

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

If your answer is NO to the above question, a full ICIA will NOT be required and <u>you can proceed to Step SEVEN.</u> If the answer is YES, an ICIA must be prepared and <u>you should proceed to Step FIVE.</u> To form your opinion, the following questions should be considered: • Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as different levels of satisfaction, or different rates of participation)? • Are these different effects likely? • Are these effects significantly different? • Could the effect amount to a disadvantage for an island community compared to the mainland or between island groups?	
STEP 5 – Preparing your ICIA	Responses
In Step Five, you should describe the likely significantly different effect of the policy, strategy or service:	
Assess the extent to which you consider that the policy, strategy or service can be developed or delivered in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it.	
Consider alternative delivery mechanisms and whether further consultation is required.	
Describe how these alternative delivery mechanisms will improve or mitigate outcomes for island communities.	
Identify resources required to improve or mitigate outcomes for island communities.	
STEP 6 - Making adjustments to your work	Responses
Should delivery mechanisms/mitigations vary in different communities?	
Do you need to consult with island communities in respect of mechanisms or mitigations?	
Have island circumstances been factored into the evaluation process?	
Have any island-specific indicators/targets been identified that require monitoring?	
How will outcomes be measured on the islands?	

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

How has the policy, strategy or service affected island communities?	
How will lessons learned in this ICIA inform future policy making and service delivery?	
STEP 7 - Publishing your ICIA	Responses
Have you presented your ICIA in an Easy Read format?	This document
Does it need to be presented in Gaelic or any other language?	No
Where will you publish your ICIA and will relevant stakeholders be able to easily access it?	Appendix on published strategy and action plan will be published at: Island Communities Impact Assessments – Shetland Islands Council
Who will sign-off your final ICIA and why?	John Simpson, Team Leader Energy Efficiency.

ICIAs must be signed off by the staff member who completes it. They must then be approved and signed off by an executive manager or director. If an executive manager completes the ICIA, then the director should approve the ICIA.

ICIA completed by:	Elliot Tait
Position:	Senior Climate Change Officer
Signature:	ELLIOT Tait
Date complete:	25/02/25

ICIA approved by (Executive Manager or Director):	Carl Symons
Position:	Executive Manager, Environment & Estate Operations
Signature:	
Date approved:	03 Mar 2025

Once approved and both the signature boxes are complete, you should publish the ICIA in PDF format on the [Island Communities Impact Assessments](#) page of the Shetland Islands Council website. All services should have a staff member who can edit the website. If not, please contact Community Planning and Development.

Island Communities Impact Assessment
Local Heating and Energy Efficiency Strategy (LHEES)

Even if a full assessment is not required (where the answer to Step 4 is no), this should still be published.