

Minister for Local Government and Housing  
Kevin Stewart MSP



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Mr Bob Doris MSP  
Convener  
Local Government and Communities Committee  
The Scottish Parliament  
Edinburgh  
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Dear Bob

I am writing to you, as Convener of the Local Government and Communities Committee and following my attendance at Committee on Wednesday 29<sup>th</sup> June, to confirm my statement that the statutory target to eradicate fuel poverty by November 2016 will not be met. I have also confirmed this announcement in response to a parliamentary question from Mairi Evans MSP.

I met with David Sigsworth, Chair of the Scottish Fuel Poverty Strategic Working Group, on the evening of Tuesday 28 June where the interim findings of the Strategic Working Group were presented to me.

Key findings related to fundamental issues, including identifying significant flaws in the way fuel poverty is defined, which requires an urgent review. In addition, it is the Group's view that, despite the significant benefits delivered through Scottish Government investment in our fuel poverty and energy efficiency programmes, the ambitious target to eradicate fuel poverty by November 2016 will not be met.

This Government has allocated over half a billion pounds since 2009 and this year we are making available more than £103 million to tackle fuel poverty and improve energy efficiency. Our £103 million budget this year will be used to help install energy efficiency measures, including solid wall insulation, in 14,000 homes and will build on the over 1 million energy efficiency measures which have been installed in nearly 1 million households since 2008. Installers, industry and those working to tackle fuel poverty have greatly welcomed our Programmes and noted repeatedly about how effective they are in both providing economic opportunities and assisting householders stay warm in their homes.

Our record investment is reflected in the big improvements in the energy efficiency of Scotland's housing. Two out of five dwellings are now at Energy Performance Certificate (EPC) Band C or better, an increase of 71% since 2010 and 11% in the last year alone and we now have proportionately 35% more homes with a good EPC rating (C or above) than England.

Whilst we have welcomed this success, factors beyond our control have greatly impacted on Scottish households. All of the increase in fuel poverty since the introduction of the fuel poverty target can be explained by above-inflation energy price increases which are regulated by the UK Government. Fuel poverty in 2014 would have been around 9.5% (instead of nearly 35%) if fuel prices had only risen in line with general inflation.

Therefore based on the advice we have now received from experts across the sector, we must reluctantly accept that fuel poverty will not be eradicated this year. We are committed to continuing our efforts in this area and I informed Professor Sigsworth that we will continue to work with stakeholders to review the fuel poverty action plan, including the fuel poverty eradication target. This will include considering the recommendations from the Scottish Rural Fuel Poverty Task Force and Fuel Poverty Strategic Working Group who are both due to issue final reports on their findings by the end of the calendar year.

I am copying this letter to Graeme Dey MSP, Convener of the Environment, Climate Change and Land Reform Committee.

Kind regards



**KEVIN STEWART**