



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government and Communities Committee

Wednesday 27 March 2019

Session 5



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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

10th Meeting 2019, Session 5

CONVENER

*James Dornan (Glasgow Cathcart) (SNP)

DEPUTY CONVENER

*Alex Rowley (Mid Scotland and Fife) (Lab)

COMMITTEE MEMBERS

*Annabelle Ewing (Cowdenbeath) (SNP)

*Kenneth Gibson (Cunninghame North) (SNP)

*Graham Simpson (Central Scotland) (Con)

*Alexander Stewart (Mid Scotland and Fife) (Con)

*Andy Wightman (Lothian) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Ash Denham (Minister for Community Safety)

Liam McArthur (Orkney Islands) (LD)

Peter Reid (Scottish Government)

Kevin Stewart (Minister for Local Government, Housing and Planning)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Local Government and Communities Committee

Wednesday 27 March 2019

[The Convener opened the meeting at 09:30]

Decision on Taking Business in Private

The Convener (James Dornan): Good morning and welcome to the 10th meeting in 2019 of the Local Government and Communities Committee. I remind everyone to turn off their mobile phones.

Item 1 is consideration of whether to take business in private. Do members agree to take item 4 in private?

Members indicated agreement.

Alcohol Licensing

09:30

The Convener: Item 2 is an evidence session on alcohol licensing in Scotland. The session was delayed due to a Cabinet reshuffle last year. I welcome the Minister for Community Safety, Ash Denham, who now has lead portfolio responsibility for alcohol licensing. I also welcome Peter Reid, who is team leader in the Scottish Government's criminal law, practice and licensing unit.

I invite the minister to make some opening remarks.

The Minister for Community Safety (Ash Denham): Thank you for the invitation to appear before you this morning to discuss alcohol licensing. I understand that the committee wants to discuss community involvement in the alcohol licensing process and other issues relating to licensing that were raised in the committee's evidence session last year.

As members know, the committee had been due to have a session last year with the then Cabinet Secretary for Justice, Michael Matheson. As a result of the reshuffle, that session was postponed, and the portfolio responsibility that today's meeting is concerned with has been passed to me, as the Minister for Community Safety.

It might be helpful if I provide a quick overview of the regime. As members will be aware, the main piece of legislation that controls the sale of alcohol in Scotland is the Licensing (Scotland) Act 2005, which came into full effect in late 2009. That has since been added to by primary and secondary legislation, with the most recent piece of primary legislation to make changes to the alcohol licensing regime being the Air Weapons and Licensing (Scotland) Act 2015.

Day-to-day responsibility for the administration of our alcohol licensing regime rests with licensing boards. The boards are made up of elected councillors from the relevant council, but they are independent public bodies that are separate from the local authority. All boards have a wide discretion to determine appropriate licensing arrangements according to local needs and circumstances and their own legal advice. The key strategic role of a board is the preparation of the licensing policy statement for its area. Within that policy statement will be an overprovision assessment, which will state whether the board considers there to be overprovision of licensed premises in its area.

It is important to emphasise that licensing boards have responsibility for individual licensing

decisions and that those are not issues in which the Scottish Government intervenes. The role of the local licensing forum, which I know was a topic that came up in the previous meeting on this subject, is to keep under review the operation of the licensing system in the area and to give advice and recommendations to the board. I am sure that we will discuss that further today.

I know that there are a number of other issues that the committee might want to raise, and I am happy to take any questions that members have.

The Convener: We will move straight to questions. Annabelle Ewing has the first one.

Annabelle Ewing (Cowdenbeath) (SNP): Good morning, minister. I understand that the draft revised guidance for licensing boards is out for consultation at the moment, and that the role of local licensing forums will be considered within that consultation. What do you see as the possible outcome of that discussion? What role should local licensing forums play? I think that people feel that there is bit of confusion about the role of the forums; indeed, there is a question as to whether the role could be strengthened in various respects. Can you give us your initial thoughts on that?

Ash Denham: The role of the forum is to review the operation of the licensing system in its area and to give advice and recommendations to the board. My view is that the local licensing forum has a vital role. The forum represents different communities of interest and ensures that a number of views are given to the board and are considered and debated. That is important.

It is good for forums to be as proactive as possible in encouraging a diversity of people to attend meetings, so that they get a breadth of views. The committee will have seen in the evidence that it took last year that there is some very good practice out there. I was struck by the example of the forum that went out to a local high school to speak to modern studies students. The forum took suggestions from the students about a local event and found the exercise quite useful.

There is evidence that forums are working really well in some areas, but not so well in other areas. That is where the guidance on which we are consulting will come into play. My officials have been working with several stakeholders over the past few months to get as much input as possible to improve the guidance so that we make it as clear and helpful as possible and get people to engage with it. Part of that guidance will be about helping boards better support forums in sharing good practice. I ask Peter Reid to give a little bit more colour to that.

Peter Reid (Scottish Government): The role of the licensing forums is set out in legislation and is

not due to change any time soon—we are not currently working on another licensing bill.

Boards vary enormously in size and resources. There are options available to the very large boards to be proactive and do a lot of work. However, some boards are very small—there is one board that is responsible for fewer than 100 premises licenses—so they have a lot fewer resources available to them. From a national point of view, we understand that there will be a variety of levels of engagement and practice that are possible and appropriate at the local authority level.

The statutory guidance that we are working on includes a chapter related to licensing forums, encouraging good practice and giving examples. As the guidance must reflect the underlying legislation, it is for licensing boards, although it may be that there is scope for other guidance for other audiences. That is something that we might draw out of the consultation responses, and we would be happy to look at that.

We would like the forums to operate effectively. We see that there is good practice and we would like to encourage local authorities to adopt good practice.

Annabelle Ewing: The suggestions that the committee heard included training for forum members, access to budget, better guidance—as you say, the Government is looking at that—and perhaps even a national support body. Are those suggestions under consideration?

Peter Reid: I have been active on my local community council for more than a decade and, from time to time, I attend my local licensing forum as an ad hoc member, which means that I have a degree of familiarity with what happens on the ground. My impression is that, as with all such engagement mechanisms, the forums can be quite reliant on the usual suspects: people who are retired or who are involved in quite a lot of groups. It is genuinely difficult to bring more folk in. We would be happy to consider things that work. The best source of such information would be the local authorities that have successful forums, as they can inform others about what seems to work well in their area.

Some ideas may not be appropriate for all areas of the country. I do not think that mandatory training for forum members would encourage more people to attend the forums. Offering more support and making engagement more meaningful when members are there might make more of a difference. The local authorities will have plenty of experience of what works in relation to local engagement.

Annabelle Ewing: When will the consultation come to an end?

Ash Denham: It ends on 11 June. We would encourage people who have views on the issue to get involved and give us their feedback, so that we can take it into account.

Annabelle Ewing: It is important to make that call to all the people watching our committee proceedings.

It is all well and good that there is an on-going consultation, but I have a concern. Let me give the example of a successful organisation in Fife. The Fife Alcohol Support Service, which celebrated its 40th anniversary last year, provides front-line counselling. Because it is on the front line, it will have lots of views on the issues that it deals with day and daily. Would it be possible to have a system in which organisations such as the Fife Alcohol Support Service can be involved? After all, they will have a lot to say. I sense that we are getting into the issue of public health, which I realise is not the minister's direct responsibility, but how could we use the expertise that there is on the ground?

Ash Denham: The organisation that the member mentioned could certainly be a forum member. I think that that would be a useful way forward, because it would mean that, as I said earlier, its expertise, advice and recommendations could be provided to the board.

Annabelle Ewing: Thank you.

Graham Simpson (Central Scotland) (Con): Mr Reid talked about the difficulty of getting people to attend some of the forums. I certainly know from my experience of sitting on a licensing board that the forum in my area was not very successful; it hardly ever met, and it was made up of the usual suspects. I do not know what Mr Reid or the minister has found, but I certainly found a disconnect between the board and the forum, simply because hardly anyone turned up and not many people were involved. There might be good practice in some places, but there will be very bad practice elsewhere. What are your reflections on that?

Ash Denham: I will bring in Peter Reid in a moment, but I would say that that is the point of updating the guidance. The really good practice that we have seen in some areas—where, for instance, the forums have a plan for the year, decide what they are going to look at, clearly engage and are useful to the people involved and provide good advice and recommendations to the board, with a good linkage between the two—is something that we would like to replicate across the country, and the guidance will contain examples so that we can share that good practice across Scotland.

Peter Reid: Mr Simpson made an interesting point that prompts a number of thoughts. The

licensing forum that I attend has quarterly meetings at the local council headquarters that are quite formal, with an agenda and a chair. It might well be that, in the modern age, that model of engagement is not particularly attractive to a lot of people. Indeed, it is clear that it is not, and we might need to think more creatively about how to bring in people in a meaningful way. A lot of people have a lot of opinions on and would like to engage with the issues, so there is probably scope to think about how we move on and what other approaches might be adopted.

Graham Simpson: We certainly found it difficult to interest young people. They should be interested, but you cannot force them to be. I think that you have to make this sort of thing interesting, and at the moment, it simply is not. Most members of the public will have no idea what the board does, and certainly no idea what the forum does, and that is a challenge.

I am sorry to go on, convener—

The Convener: I am used to it. [*Laughter.*]

Graham Simpson: Speaking from experience, I know that the health board was not really engaged, and it should have been. Have you done any research across the country on the levels of engagement of different groups with the forums?

Peter Reid: I am afraid that I have not got down to that level of detail. Alcohol Focus Scotland, which has quite close engagement with the forums, might have looked at the matter.

Ash Denham: Forum membership should include a nominee from the health board. However, I hear what the member says; indeed, the same issue came up in the evidence that was taken last year. Some people found that, because the meetings were held in council chambers, it was quite an intimidating experience for laypeople who might not be used to that environment and might be a bit put off from going along or speaking up. We might need to think about how to make the forum meetings engaging, informal and welcoming.

The member mentioned young people, which is an issue that I have already touched on. I wonder whether, instead of waiting for young people to come to them, the forums need to go to the young people themselves—for example, by engaging with local modern studies teachers as a way of capturing the views of those young people. However, I agree that it can be difficult to attract young people to these things.

09:45

Alex Rowley (Mid Scotland and Fife) (Lab): Is there a danger that the forums are a tick-box exercise, so that the boards can point to their

forum and say that they are engaging? The evaluation that was done by the monitoring and evaluating Scotland's alcohol strategy—MESAS—group in 2013 highlighted structural issues with local licensing forums, including a lack of power and a lack of clarity about their role. Peter Reid said that there was no intention to bring forward legislation, but if the forums do not get those powers and that lack of clarity about the role remains, are they not just a tick-box exercise?

Ash Denham: I do not think that they are a tick-box exercise. We have already covered the point that they are working well in some areas and not so well in others. As a Government, we can give help and support in that regard, and we are happy to do so. Officials have engaged with all the licensing boards and have offered them any support that they think would be useful. None of them has taken up that offer. The guidance also offers support, advice and clarity—

Peter Reid: I am sorry to interrupt, but I think that that offer was in relation to personal licence holders rather than local licensing forums.

On engaging with licensing boards, I attend the quarterly meeting of the Scottish Society of Local Authority Lawyers and Administrators—SOLAR—networking group for local licensing solicitors to hear views and provide updates. I am engaged with that network and aware of the good work that it does. I take on board the concerns that it raises, and remain happy to do so.

Alex Rowley: You keep talking about examples of best practice, and it would be interesting to see further information in that regard. The boards are quasi-judicial. I have never attended a licensing board meeting, but I know that lots of lawyers go to them and that their members get in-depth training. To what extent do forums have any power over the boards? For example, when the Air Weapons and Licensing (Scotland) Act 2015 came in, a clear correlation could be seen between areas of high deprivation and poverty and overprovision of alcohol sales outlets. Are there any examples of forums being able to look at that kind of detail and influence those situations?

Ash Denham: I will let Peter Reid answer that question.

Peter Reid: We would expect the licensing board to engage with such situations. I cannot remember whether that is a statutory responsibility, but we certainly expect boards to engage directly with local licensing forums. Boards are also obliged to have an annual meeting with forum members.

We talk about boards having a quasi-judicial role. They have a role in relation to individual applications, reviews and so on, but they also have a more strategic role that is linked to the

licensing policy statement and overprovision, as you mentioned.

The local licensing forum, which brings in a broad mix of people—from the police, the national health service, communities and the trade—gives the board a natural hinterland to fall back on and from which to seek views and challenge. That is a useful and valuable role for the forum. I would imagine that a licensing board might find it useful and invigorating to test out its ideas, approaches and thinking in front of a forum, to see the reaction that they generate. Most of us value engagement and the views of others.

Alex Rowley: Convener, I think that it would be interesting if the committee could get not only examples of best practice but the data on how the overprovision powers are being used. That would allow us to see the linkages with the forums in that regard and how things are working.

Witnesses to the committee agreed that support from local authorities, particularly in the form of staff time, was an important factor if forums were to be successful. Local authority services are under massive financial pressure. If we have forums that have some powers and a meaningful and clear role, will local authorities have the capacity to support them?

Ash Denham: It is obviously for local authorities to support the boards and forums, but we are aware that resourcing can be a challenge for boards. That is why we are about to consult on the level of the occasional licence fee, which has been £10 for some time. I will let Peter Reid give a bit more detail, but if we decide to increase the fee, that could be an important source of revenue that may lead to better resourcing.

Alex Rowley: I wonder what local authority licensing staff think of the forums and whether they think that they are just a tick-box exercise. I suppose that that is a question for them.

Andy Wightman (Lothian) (Green): In our discussion in May last year, concern was expressed that it was unclear whether the law supported the expansion of the overprovision powers, which were originally intended to focus on public order, to deal with public health issues. It has been drawn to our attention that doing that has proved fraught with legal difficulty. What is the Government's view on whether it should be possible to use overprovision powers to deal with public health and whether the law is in a fit state to allow that to be done?

Ash Denham: Two portfolios are involved here, as the issue comes under justice, but there is also a public health aspect. We recognise that we need to work between portfolios at times and cannot work in a silo. The Government has worked hard to reduce alcohol-related harms, for example with

minimum unit pricing and action on multibuys. I have seen the report that AFS brought out last April, which drew a link between overprovision and crime and other types of harm. The Government is definitely looking at the issue that you raise.

Under the licensing regime, the boards have the power to determine that there is overprovision in their areas. They have to put out a statement about overprovision levels and, if they decide that there is overprovision, they can act on that. Obviously, the evidence has to be robust. There are many examples in which boards have used those powers successfully; Peter Reid can give a bit more detail.

Peter Reid: We recognise that overprovision is an issue that is always going to be fraught and open to debate between differing opinions. It is difficult, and we are doing what we can to support boards to make a finding of overprovision if they want to. The guidance has been updated substantially, as has been mentioned, and there has been a lot of legal discussion to make the process more straightforward and easier for boards to use. We hope that the guidance will help boards, because the process is often the stumbling block when a board wants to do something.

We are mindful about concerns that have been raised about overprovision, in particular by Alcohol Focus Scotland. It made a number of good points, which were taken forward in the 2015 act. One point was to make it absolutely clear that a board could determine that the entire board area was the locality for the purposes of overprovision, which makes it a lot easier for a board to make use of public health evidence, which is generally available for a much larger area. It would be challenging to find public health evidence for Sauchiehall Street but a lot more straightforward to find it for South Lanarkshire. Using public health data and finding overprovision on public health grounds is a lot more straightforward, and we encourage boards to do so.

Andy Wightman: Are you saying that it is clear in law that public health criteria over a licensing board area can be used as a reason for restricting alcohol licences?

Peter Reid: Yes, public health is part of the evidence that the board can consider.

Andy Wightman: Are you confident that the legal framework within which such decisions would be made is watertight?

Peter Reid: I do not think that we could ever promise that the legal framework is watertight.

Andy Wightman: That is the problem that has been highlighted—it is not clear whether licensing

boards can use the overprovision assessment aspect of the act to tackle public health questions.

Peter Reid: Public health represents one of the five underlying objectives in the 2015 act; boards have used public health arguments in the past, and I expect them to continue to do so.

Ash Denham: The purpose of updating the guidance is to provide as much clarity, help and support as possible to boards so that they are able to make those decisions.

Andy Wightman: What are your views on the concern that the need to establish a dependable causal link between harm and overprovision is a barrier to using overprovision assessment to address public health concerns?

Peter Reid: When we were developing the guidance, there was considerable legal debate about what exactly terms such as “dependable causal link” and “rebuttable presumption” mean. We have tried to make them as clear as we can in the guidance, in order to help boards’ understanding of how it works. There was considerable discussion about that among lawyers. I am not a lawyer, but my take on it was that it is a matter of law that there must be some form of causal link. However, within the guidance, we have tried to make it clear how boards can evidence that causal link in preparing their overprovision assessment. The standard is on the balance of probabilities, so we do not feel that it is an insurmountable barrier to a board arriving at an overprovision assessment. It is a matter of the law.

Ash Denham: There is no current plan to change the law in that area, but we would be interested in the committee’s views on that and we will take them into consideration. We will keep that matter under review.

Andy Wightman: However, if the evidence is that it is a complicated area of law that is under dispute, guidance—although it can help people and give them more confidence in reaching decisions—will not change the underlying tensions. The Government has a good track record of dealing with public health concerns around alcohol, but it is clear to me that licensing must be one of the tools that one uses to address those concerns. If it can be shown that it remains an area of legal dispute, will the Government move to change the law to make it beyond doubt that overprovision assessment can be used to tackle public health questions?

Peter Reid: Overprovision assessment can be used to tackle public health concerns. You have latched on to one view that was expressed by one stakeholder, but I do not feel that that is a widely held view.

Ash Denham: Many boards have successfully demonstrated that there is overprovision and they have successfully defended that in the courts. However, I hope that the updated guidance will give more clarity about that. We are keeping it under review; if we feel that it is an on-going problem, the Government will look at it.

The Convener: To clarify the matter, you are saying that the boards have already found that they can use overprovision assessment, but some have used it better than others, which is why the courts have found in their favour, and you think that no change in the law is required at this stage.

Ash Denham: Yes.

Kenneth Gibson (Cunninghame North) (SNP): Online and out-of-town supermarket alcohol sales contribute to overconsumption, and I think that supermarket sales contribute to overprovision. How can the Scottish Government and licensing boards tackle those issues?

Ash Denham: We are seeing a changing trend in how people buy and consume alcohol. As part of the 2018 alcohol framework, the Government is undertaking work to understand online sales. We are looking at that area, but I will let Peter Reid explain it from the licensing perspective.

Peter Reid: Premises that sell alcohol will have a premises licence and will be considered by a board in the normal run of things. You alluded to the fact that there is a growing trend of the online sale of alcohol. As the minister said, research is being carried out on that, and we will consider the findings. It is not easy to determine what we might do, but we will be interested to hear views on the matter.

10:00

Kenneth Gibson: There are areas where there are not many off-sales outlets but people can drive to a supermarket a couple of miles away, and those people could be more likely to buy online. In that case, we end up getting a distorted picture of where alcohol is being consumed. Is any research being done on that so that we can get a more accurate picture of alcohol consumption in Scotland?

Ash Denham: Yes. That is covered in the research under the alcohol framework that is being done by public health colleagues.

Kenneth Gibson: Excellent.

I will move on to another area. Last year, it became a requirement for licensing boards to produce annual functions reports, which communities can use to scrutinise the boards' work. Given that those reports vary considerably in their content and format, is the Government

committed to producing guidance to aid the function and ensure best practice and perhaps standardisation?

Ash Denham: Yes. The functions reports that we have seen have varied in length from four pages to 358 pages, so there is clearly quite a bit of diversity there. That will reflect the nature of different local areas; some will have many premises and some will not, and perhaps that plays into it. My officials received an analysis on the annual functions reports a few days ago from Alcohol Focus Scotland.

We do not want to unduly burden the licensing boards, so we need to make sure that what we ask them to do is useful and appropriate. We are looking into that and we expect that the guidance will address issues around it. We do not want the reports to be completely standardised. We want to ensure that people can write them in the way that they want. However, we want them to be useful and to add clarity to the issue.

I will let Peter Reid say a little more on that.

Peter Reid: The functions report was one of the two additional reporting requirements that were brought in by the 2015 act. The other one was the income and expenditure report. On the latter, we met informally with boards and had a discussion about what might be useful for inclusion in the reports and what they might look like. I think that we got an example from a board that had done one and we shared that, and we also did a minute of the meeting and shared that with the boards for them to consider. In that way, we provided a bit of a steer for when they provided the income and expenditure reports.

When the functions report came in, we spoke to the board solicitors again, and the feedback that we got from them was that the fairly light-touch approach to the income and expenditure reports had worked well and they would welcome a similar approach for the annual functions report. For that reason, we did some light engagement with the local authorities' boards and Alcohol Focus Scotland, which is alluded to in its report, and a minute of that was circulated to the boards to help to inform them.

The boards have now prepared their first functions reports and will be able to see what other boards have produced, and there is also the overarching analysis that AFS has done. That will help to inform improvements in the production of the reports. We hope that boards will see and pick up on good examples from elsewhere and reflect on what has worked well and what has not worked so well in their own reports.

I do not think that we will necessarily rush to do a review of the reports immediately. When we are

a few reports down the line, we will be at a far more appropriate stage to look at them.

Graham Simpson: The written submission that we have received from Alcohol Focus Scotland, which I hope you have seen, mentions the draft guidance. It says.

“This document has no statutory authority and in AFS’s view is not fit for purpose. The poor drafting risks exacerbating the existing confusion and ambiguity that the update was intended to address, particularly in relation to the crucial section on overprovision.”

What is your response to that?

Ash Denham: I will let Peter Reid answer that one.

Peter Reid: I will take you back a bit to provide some context around the issue. The work on updating statutory guidance has been a substantial undertaking. We started it in 2017 and have been working with a wide range of stakeholders. The Institute of Licensing brought together a lot of stakeholders, including Alcohol Focus Scotland, to work on it.

In parallel, there was a revised requirement in relation to the licensing policy statements, which are the key strategic documents for licensing boards. In the past, they were prepared every three years, but AFS and others said that that did not work very well, and recommended that the licensing policy statements should be aligned with the duration of the licensing board that owned them. That is what we did in the 2015 act, which gave a new board 18 months to settle down and prepare a new licensing policy statement, which would mean that it would feel that it had ownership of it. That is reasonable, but the result of that was the creation of a November 2018 deadline for the licensing policy statements to be published, and we were not going to have the guidance finished by then.

When we spoke to licensing board clerks, they told us that they were worried that the guidance would completely contradict the work that they had been doing to develop the licensing policy statements. They were not sure whether they should be doing that work and were concerned that they might be undermined. Because of that, we prioritised work on the relevant chapters on overprovision so that we could get a workable draft, and that was shared informally with stakeholders, including licensing boards, to give them the reassurance that they should carry on doing the important work that they were doing on the licensing policy statements that were due for publication in November 2018. I got the impression that they were reassured by that, and they carried on and published those documents at the right time. It would have been unfortunate to lose the publication of those 2018 licensing policy

statements for the sake of a requirement to ensure that the guidance was published properly first. The boards were reassured by what they saw and were able to produce their licensing policy statements. It was not an ideal situation, but we were dealing with change, and I think that we came up with the best compromise that we could.

Graham Simpson: I am not sure whether you are agreeing or disagreeing with Alcohol Focus Scotland. It describes the guidance as “not fit for purpose”. That is quite strong.

Peter Reid: Alcohol Focus Scotland has a particular set of views and it is robust in expressing them.

Alexander Stewart (Mid Scotland and Fife) (Con): We have talked this morning about the process and the guidance that has been put in place, and about overprovision. However, local residents sometimes find it difficult to understand how they can become involved in the process. There is a lack of understanding of how they can participate and what they can do. Sometimes, they live in an environment that has a detrimental effect on them and they see what is happening around them, but they find that expressing their views can be something of a minefield. Can more be done in the current system to allow local residents to express their views in a more pronounced way?

Ash Denham: There is always more that can be done, but I think that, in this case, there are already lots of opportunities for local residents to express their views. The licensing regime has that baked into it. The boards can carry out engagement around their licensing policy statements, and residents can feed into their local licensing forum, attend meetings of the boards and speak to their councillors who sit on the boards. I take your point that, sometimes, people might not be aware of what they can do, but that facility is there, and people can take advantage of it.

Alexander Stewart: You have touched on the role of councillors and the community council, and you talked about attending a community council yourself. Councillors and members of the community council are seen as representatives to whom people can express their opinions. However, there still seem to be some barriers to achieving that. If you have been to a licensing meeting, you will know that it has something of the flavour of a court environment. Individuals do not see how they can participate in that process. Of course, the applicant may well have representation and there may well be some discussion on the part of the forum or interested parties about how that can take place, but do you think that there is a bigger role for councillors and community councils in ensuring that people have an opportunity to express their views and opinions?

Ash Denham: Community councils are statutory consultees for a premises licence and we would always encourage them to put forward their views. Anybody who is worried about premises near them can request a review. There are lots of mechanisms and ways in which people can engage. Peter Reid may have more detail on that.

Peter Reid: The licensing standards officer is a role under statute, which includes providing support and advice and mediating. The MESAS programme that was mentioned earlier reported very favourably on the licensing standards officers and the positive impact that they have. I am out and about a lot and I seldom hear a bad word about them; I hear nothing but praise for their efforts.

Alexander Stewart: They have a vital role to play in ensuring that information is processed back and forward between the council, the licensing forum and individuals, so that there is participation and the community feels involved. However, previous witnesses have talked about the lack of understanding of the licensing system and the barriers to participation. What can the Scottish Government do to increase the understanding? There are still barriers in the process, so more has to be done to ensure that that happens.

Ash Denham: We do not want people to face barriers to participating; we want to encourage community engagement, which is why we have the local forums and so on. That is all designed to ensure that we receive a diversity of views that can be fed into the board. I know that we keep talking about the guidance, but I ask Peter Reid to confirm whether this is another issue that is covered in that.

Peter Reid: The guidance is primarily a document for the licensing boards.

Ash Denham: Okay, so it is more technical.

Peter Reid: However, I heard a suggestion the other day that there might be value in advice for people who want to make objections. We would not have any problem with preparing some advice on that. Advice that is guidance for boards is written in a certain style and will not be as accessible. Somebody who may be concerned about premises opening next door to them and the potential nuisance will want to know what sort of points to get across if they want to make an objection. The Government could prepare something and publish it on the website as an adjunct to the guidance.

Alexander Stewart: That would certainly help because, as I say, some people see it as a bit of a minefield. The guidance is remote and legal, and they do not feel that they have the necessary qualifications or understanding. Giving people some kind of template outlining the areas that

might be covered would give them more confidence in the system, which is what we want.

Ash Denham: I take that point. We will be happy to look into it and see whether we can publish something that would be helpful.

Alex Rowley: It would be fair to say that most people are not lying in their beds at night worrying about the local licensing policy. However, I agree entirely with your view of what licensing standards officers do when people have an issue: my experience has always been that they do a good job. People want to know that officers will respond when there are issues. Has the Government looked at the resources that are available in licensing boards? We can talk around the issue all day, but we will get nowhere if local authorities do not have the capacity to respond to public concerns. Is the Government looking at that, or would it be prepared to do so, so that the committee can have a look at the results?

Ash Denham: We are looking at the matter. Peter Reid will give you the detail.

Peter Reid: Resources for licensing boards are a perennial concern. A while ago, we looked at fee levels in licensing, but we faced a stumbling block in that it was difficult to get enough information to form views on whether fees were appropriate. That is why, in the 2015 act, we set up the requirement to have an income and expenditure report, which meant that we would get information from boards throughout Scotland on their levels of income and expenditure. As has already been mentioned, we intend to consider whether the occasional fee is set at an appropriate level. Further to that, we intend to look at the boards' overall levels of fees and expenditure and consider whether that should inform a change to the current fees structure.

10:15

We would need to balance the interests of people who might apply for a licence with the need to ensure that boards have the appropriate resources to carry out their function properly, by ensuring that the fee is not punitive and does not have a distorting effect.

The Convener: You talked about LSOs and how well respected their jobs are. We hear evidence that the role is under some pressure. What is the Scottish Government doing to help local authorities to recognise the value of the role and to provide adequate staff resource?

Ash Denham: The Licensing (Scotland) Act 2005 requires a local authority to appoint at least one LSO for its area. The data that the Scottish Government has shows that the number of LSOs fell from 63.6 in 2011-12 to just over 59 in 2017-

18. We are hearing the same concerns—LSOs are being expected to cover additional duties, including the recently created civic licensing standards officer role, for example. We will keep that under review. If we get more data, we would be happy to share it with the committee.

The Convener: That would be very helpful. For understandable reasons, the licensing boards sit outwith the councils' community planning and strategic planning frameworks. That helps them to remain independent, but it makes it difficult to connect alcohol licensing to other community initiatives. Is there any benefit in requiring the licensing boards to be more connected to community planning work?

Ash Denham: There is nothing to stop boards going beyond the current minimum requirements when they undertake engagement. When they are developing the licensing policy statement there is a really good opportunity for boards to engage as widely as possible. Many boards do that.

I can see that the committee has a strong interest in the issue. If the committee has recommendations and suggestions for making progress on that, I would be happy to consider them.

The Convener: The community planning partnership is supposed to be the hub where everyone gets together. It is important that something that is as significant as licensing feeds into those partnerships. The committee can consider that later.

As there are no other questions, I thank the minister and Mr Reid for attending the committee.

10:17

Meeting suspended.

10:31

On resuming—

Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill: Stage 2

The Convener: Agenda item 3 is consideration of the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill at stage 2. I welcome to the meeting Kevin Stewart and his officials. I also point out that because some non-committee members have lodged amendments that might be debated today, they are likely to attend later this morning.

When the bill was introduced, the Presiding Officer determined that a financial resolution is not required for the bill. Under rule 9.12.6C, the Presiding Officer has determined that the costs that would be associated with amendments 48 and 62 would, in themselves, exceed the current threshold that requires a bill to have a financial resolution. As a result, although the amendments may be debated as part of stage 2 proceedings, they may not be agreed to, in the absence of a financial resolution.

The Presiding Officer has also ruled that amendments 93, 31, 81, 84, 82 and 85 are cost bearing, but the potential cumulative cost of the amendments does not require a financial resolution. As a result, those and any consequential amendments may be debated and the questions put on them, as is normal in stage 2 proceedings.

Section 1—The 2040 target

The Convener: Amendment 53, in the name of Alex Rowley, is grouped with amendments 55, 66, 67, 69, 70, 77 to 80, 86 and 90 to 92. I draw members' attention to the eight pre-emptions, as shown in the groupings.

Alex Rowley: Amendment 53 seeks to move the fuel poverty target from 2040 to 2032, because my view is that the 2040 target is not ambitious enough, and that we need to be more ambitious in driving the Government's fuel poverty objectives.

In the evidence taking for the bill, a number of members commented on the fact that since they have been here—and, indeed, since the Parliament's inception—targets for tackling fuel poverty have been set and missed. That, in itself, should be a lesson to us all that we have to be more ambitious. Indeed, we have been told as much by many people who have the broadest experience of tackling fuel poverty and who work directly with people who experience it. For example, Citizens Advice Scotland, the rural and islands housing association forum, Inclusion

Scotland, East Ayrshire health and social care partnership and the Existing Homes Alliance Scotland have all said that we need to be more ambitious. Norman Kerr from Energy Action Scotland told us that the 2040 target

“condemns another generation to ... fuel poverty.”—[*Official Report, Local Government and Communities Committee*, 21 November 2018; c 11.]

We have also heard that a 2032 target would be more in line with the energy efficiency targets and the Climate Change (Emissions Reduction Targets) (Scotland) Bill.

It is important to have joined-up Government if we are to succeed in achieving the objective that all of us at the table share, which is to rid Scotland of the blight of fuel poverty. That is contingent on there being a strong plan and adequate funding. We support the Government developing an ambitious and well-funded strategy, and we believe that bringing forward the target would help us to drive that strategy. A number of our amendments would help to facilitate that.

I have also lodged an amendment that would give the Scottish fuel poverty advisory panel the power to recommend moving the target if we discover that, even under the best circumstances, the target cannot be met. This is not about setting up targets against which to fail; it is about having in place the best possible statutory structures to prevent people from the short-term and long-term harm that is associated with fuel poverty.

I accept that a number of drivers of fuel poverty are not under the control of the Scottish Government or Parliament. That said, there are drivers that are under our control and which we are less ambitious about tackling. For example, last week, I held an advice surgery in Balingry in Fife, at which a lady came up to me, on whose case I have corresponded with the minister. There is a lack of insulation in her house. Her problem is a problem that many people in Scotland come across. The funding that is available through the various grants is not enough to pay for the types of insulation that are needed for steel-framed houses—including Stuart steel-framed houses—and timber-framed houses. There are not enough resources. We are not doing enough in relation to that driver of fuel poverty, so we need to be able to do more.

A few months ago a lady—again, I have corresponded with the minister and with the local authority about her case—brought to me photos of her timber-framed house. In the photos, it had been raining; you could see where the heaters were on the inside of the house because, on the outside, the timber frame was dry where they were. Heat is just pouring out of the house. There are loads of houses like that. Lack of insulation is a driver of fuel poverty that we surely need to be

ambitious about. Imagine going back to those people and telling them that we have set a target for 2040. The people of Scotland will not be impressed by a 2040 target.

As I said, there has to be a clear strategy and there has to be funding to reach that target. Bringing forward the target to 2032 would give more impetus to the Government to put in the proper resources. We need to be serious about this. Where we can influence drivers of fuel poverty, we need to do so, and quickly. Otherwise, what are we saying?

The grants and the funding are not enough for us to meet fuel poverty targets. It is sad that although this Parliament, since its inception, has had the objective of tackling fuel poverty in Scotland, in 2019, we are saying that that target is being put off to 2040. I will be in my 70s by 2040. The people who are coming to my surgeries talking about fuel poverty now will probably no longer be alive in 2040. We must have more ambition and more hope, and that is why we should change that target to 2032.

Amendment 53 would not make the Government a hostage to fortune. If there are legitimate reasons why we cannot reach the target, we can change it. However, let us be ambitious for Scotland. Let us be ambitious about ending fuel poverty in Scotland, and shift the target to 2032 to drive the ambition to tackle fuel poverty.

I move amendment 53.

Andy Wightman: I support the amendments in the group. I want to raise two issues. In previous evidence, the minister has indicated that bringing forward the target from 2040 to 2032 would be extremely challenging and difficult. I understand that that is based on analysis that the Scottish Government has done that has not been shared with the committee. We do not have the evidence that the minister has with which to defend the 2040 target. Therefore, I am interested in seeing that evidence on the difficulties in achieving the 2032 target. Some of the minister's language has suggested that achieving it would be an impossibility.

I will back the 2032 target, but with a proviso. Anyone who argues that we can or cannot reach a target by a date that is 12, 15 or 20 years in the future makes that statement with a degree of confidence, which might be a high degree or a low degree of confidence. Whatever target we set—whether it is 2032 or 2040—as we move forward it will become clearer whether that target will be achieved. I do not think that there is any shame in saying in 2025, for example, that we are not going to hit the target by 2032 or by 2040. Alternatively,

we could be saying that we will easily make it by 2040, so we should bring forward the date.

My proviso is therefore that the bill incorporate Alex Rowley's amendment 54, which provides for the target to be changed in the light of circumstances. If that amendment is accepted, I will be comfortable supporting the 2032 target, because if it is demonstrated that meeting the target will be impossible—I do not think that we can take that view now, but it could well be taken in 2025, for example—we will be able to shift the date. It would be reasonable to do that in the light of evidence and what we know.

On that basis, I will vote for Alex Rowley's amendments in the group.

Annabelle Ewing: It is axiomatic that we all want fuel poverty to be tackled as quickly as possible—no one would doubt anybody's commitment to that. I will remind the committee what we agreed on the issue in our stage 1 report, which brought in the different strands of our thinking. We said:

"The Committee notes concerns regarding the length of the target date set out in the Bill, which at 21 years is considerably longer than the 14-year target previous Scottish administrations had worked to. However, the Committee also understands views that this approach is a pragmatic response to previous attempts to set a target, which ultimately failed. We also recognise arguments that reducing fuel poverty will lean heavily on applying technologies still in development and that it is realistic to build in time for these to come on-stream."

The committee went on to say:

"The Committee therefore accepts the Government's reasons for setting the target date at 2040. This would however be conditional on the Government bringing forward amendments to make at least some of its interim milestones statutory by way of amendment at Stage 2, and we are pleased to note that a public commitment has been made to enshrine two of these at Stage 2. If the amendments are agreed to, this should help protect the fuel poverty strategy from 'drift', and enable comprehensive assessment of how well the strategy is working at its mid-point."

I think that the committee got it right at stage 1, and it took into account the minister's commitment to introduce interim targets. Frankly, I do not see what has changed between our agreement at stage 1—no member dissented from those points in the report—and today.

I will pick up a couple of other points that relate to what has been said. I accept that a target was set previously and that it was missed. To be fair to the previous Labour-Liberal Administration and the first Scottish National Party Administration in 2007, certain events formed the backdrop in that period—there was a global economic recession and massively increased energy prices. It is only fair to put that in context.

However, things happen in life, and it is not always easy to entirely predict what will happen. That is particularly the case at the moment, in the context of the Westminster Brexit saga.

10:45

The target was set and it was missed. To me, that does not seem to be a good reason to set a target that, collectively, for pragmatic reasons, we have agreed is not the best way forward. Instead, it seems to me to suggest that it is a good idea to keep the target that is in the bill—2040—which, for pragmatic reasons, is deemed to be achievable. That does not mean that, between now and 2040, nothing will happen and nobody will see an improvement in their living standards—the contrary is the case. We will see people move into a better situation in terms of their use of fuel, the warmth of their homes and so forth as the years progress, and we will be able to take advantage of the opportunity that is presented by the interim targets. It is an important point to make that what happens in 2040 will not be achieved from a standing start, with nothing happening between now and that point. We are talking about progress being made year on year.

On the point that there might be a possibility of the Government saying that it has got the approach wrong, that it is not moving forward quickly enough and that it should change the target, I would say that what we need is a clear plan or route map, which is what the current approach is in the fuel strategy document. We need a clear plan for how we intend to get from where we are to bringing everything together to meet the target in 2040. I think that that makes sense—it is a reasonable way to proceed. It provides some certainty, unlike the approach that is being suggested today, which was not suggested at stage 1 by anybody on the committee, and which involves the ability to somehow change back to the 2040 target in a few years. I do not see that as a practical or helpful way forward.

When I am dealing with cases in Ballingry or Cowdenbeath, for example, and I see the conditions that some of my constituents are living in—which I have to say include conditions in houses that are tenanted from Fife Council—the first thing that I do is get on to Fife Council to say, "What is going on here? Come and treat this home. This is absolutely unacceptable." We have to understand that other players have responsibilities with regard to this matter.

Finally, as Alex Rowley pointed out, we in this Parliament do not hold power over all the key drivers, particularly energy prices and household incomes. To set a target that does not reflect that fact is not helpful to the people we are trying to

help. We have to accept the reality of where we are. I would argue that the Parliament should have those powers, but not everybody around this table agrees with me. While we do not have those powers, it is unhelpful and, indeed, risky with regard to the goal of improving people's lives to try to pretend that that is not the reality. It does not do the people who we are trying to help a service. Therefore, I am afraid that I will not be supporting Alex Rowley's amendments in the group.

Kenneth Gibson: I agree with what Annabelle Ewing has said. I thank her for reading out the paragraphs from page 1 of our stage 1 report, because it saved me from having to do it.

We discussed the matter at some length and, based on the evidence, we came to a unanimous view, as I understand it, that 2040 was a realistic and achievable target and that 2032 was not. Therefore, like Annabelle Ewing, I am surprised that the amendments have been lodged and that they have some support on the committee.

The Convention of Scottish Local Authorities has said that it considers that it would be "callous" to implement another target that cannot be achieved. It is one thing to be ambitious, but reality has to come into play as well, which is why the committee decided what it decided.

Think about what lies ahead of us—we are going to go through Brexit, which the United Kingdom Government and the Scottish Government believe will lead to the Scottish economy shrinking by up to 8 per cent by 2030. Further, we will have fewer workers in our economy, and, therefore, there could be considerable issues with regard to labour shortages when it comes to implementing the policy to 2032, even with the best will in the world and even if finances were available.

Energy prices, which are one of the four drivers of fuel poverty, could increase if sterling continues to decline—indeed, energy prices have gone up 10 per cent in the past few months. We have to be realistic about what we can deliver.

Alex Rowley talked about putting in more funding, to properly resource the policy, but I did not hear him mention a figure for the estimated cost or say how the Government would be expected to source that funding and pay for his proposed approach.

Everyone on the committee wants fuel poverty to be eliminated at the earliest possible date, and we would all like the Government to be more ambitious. I would like the target to be elimination by 2025, if that were possible, but the reality is that that cannot happen, given current resource restraints. It is unfortunate, but 2040 is the most realistic date.

However, if progress is made—if the economy grows much more strongly than is anticipated, if fuel prices do not rise and if incomes go up—then yes, we can look again at the interim targets and perhaps bring the dates forward to 2036, 2032 or even sooner, if possible.

Nevertheless, as COSLA said, it would be callous to set a target and raise expectations that cannot be met. I urge the committee to reject Alex Rowley's amendments.

Graham Simpson: This was one of the key issues that the committee had to deal with at stage 1.

I do not think that members of any committee should necessarily feel bound by a committee report. I fully accept that we produced a unanimous report, with nobody registering any dissent, but members of any party are free to go away and reflect on matters and then come to a different view.

During the stage 1 debate, I said that I was reflecting on the issue. I made the point that 2040 is a long time away and does not sound very ambitious. I think that at that point Mr Gibson got quite exercised and intervened, thinking that I was about to depart from the committee's report. However, what I was actually saying was that I was still thinking about the target, because it is a difficult issue and there is no right or wrong answer.

I have reflected on the matter and my conclusion is this: if we are making law, it needs to be deliverable, so that there is a chance of achieving what we set out to achieve. The year 2032 is ambitious and I think that there is a good chance that we would not hit the target by then. There is a much better chance of our achieving the target by 2040, although I accept that that is a long way off.

My proviso to that is that we will need to put in interim targets. I note that there is an amendment in the minister's name that would put in one such target. My preference is to put in a couple of interim targets. If there is no opportunity to do that at stage 2, we should consider doing so at stage 3.

Such an approach, along with the amendments on periodic reporting that we will consider later, would address the issue that Annabelle Ewing raised about the need for a clear route map. If we had not just one but at least two interim targets—two would probably do it—so that we could say, "By dates X and Y, we need to have achieved this target or that target", it would not just be about 2040; we would have to hit other targets along the road.

Obviously, we have not yet agreed to that approach. However that is my view on things.

I would be comfortable with the 2040 target as long we can see a way to achieve what everyone on the committee wants, which is the eradication of fuel poverty—although I am not quite convinced that we can eradicate it completely.

In the stage 1 debate, Andy Wightman said, on targets, that we should

“take a more critical and sceptical view”.—[*Official Report*, 20 February 2019; c 40.]

He is absolutely right that we need to be sceptical about things. That is why we also need to be realistic.

I will not be supporting Alex Rowley’s amendments. I understand why he lodged them and I see what he is trying to achieve, but we must produce law that is achievable.

Alexander Stewart: Members of the committee have made some valid points this morning. Setting a target always sets out an ambition, but that is not always realised. As we have heard today, we all want to do as much as we can to tackle fuel poverty—it is an issue that none of us takes lightly. However, to be realistic, we must consider all the options.

I acknowledge that Mr Rowley lodged his amendments with the best of intentions. However, it will be very difficult to achieve that target and we should not set ourselves up to fail—as could be the case. The interim target that has been discussed is potentially the best way forward. It is a stepping stone—a location from where we can see how we are progressing.

We have already heard about the external circumstances that are not within our control and that may have an impact on the issue. Those have to be taken into account. If we are to be realistic about what we are to achieve, we cannot ignore those potential dangers and warnings from the sector, which may not support what we are trying to achieve.

As the stage 1 report indicated, at the end of the day, we are all very passionate about the process. That has not changed. We are still passionate about trying to do as much as we can. However, we must do so within the limitations of our situation and realistic timescales—2040 would give us that opportunity. An interim target would also give us the opportunity to see where we are going.

I, too, cannot support Alex Rowley’s amendments.

The Convener: I agree with Graham Simpson that everyone is entitled to have a slightly differing opinion or to change their mind following the stage

1 report, but I find it strange that on one of the most important issues, on which we had a lot of debate, some members have changed their minds totally. Having said that, I have no doubt at all that Alex Rowley lodged amendment 53 with the best of intentions and is trying to push us forward to help us bring about the end of fuel poverty as quickly as we can.

Alex Rowley commented that the fact that the first target was missed under the previous Administration was a reason for us to bring an earlier target here, but I would say the opposite. Missing that target was such a disappointment to so many people that we would not want to do it again. It also highlighted the problems that we have in trying to achieve such a target, because we lack the full range of powers. Like any country, we have to wait and see what happens with oil prices and all sorts of other things. It is important that we set a target that people respect and can trust.

Annabelle Ewing mentioned the new technologies, but there is more to it than that. Some things take time, such as behavioural change and education about how people use technology. One of the witnesses—perhaps from Argyll and Bute Council—talked about the fact that behavioural change will take time. They said that they will have to have boots on the streets and people chapping doors to make sure that they start to get people educated about the best way to change their behaviours and not use heating unnecessarily.

Alex Rowley made a valid point about his constituents, but as Annabelle Ewing quite rightly said, it is not as if we will be waiting until 2040 before we do anything. Instead, the hope is that, by the time we get to 2040, everything is resolved as best as it can be.

Clearly, I will not be supporting amendment 53, although I appreciate the reasons why Alex Rowley lodged it.

11:00

The Minister for Local Government, Housing and Planning (Kevin Stewart): This has been a good debate. As members know, I am against the change. I strongly urge members to vote against Alex Rowley’s amendments, but I recognise that they have been lodged with the best of intentions.

At stage 1, the committee accepted that it was better to have realistic and achievable targets that all involved could work towards. The committee asked the Government to amend the bill to include interim targets, and we have done so in respect of 2030. I am more than happy to continue to discuss with members other aspects of interim targets in the run-up to stage 3, but I appeal to them to

ensure that any such targets do not come too early in the process, because we would not get very much out of them.

As the committee is well aware, we do not have all the powers that we need over the drivers of fuel poverty, particularly over energy prices; as a result, our action has to be taken using the powers that we have. For example, we are tackling fuel poverty by going for transformational change in homes through energy efficiency measures. That will rely on technologies, some of which are still being developed; a skilled workforce; and local companies to take forward the work.

The target date has to be agreed by the partners who will bring about the change: the businesses that will take the work forward, COSLA and, of course, those who own homes, such as home owners, private landlords and registered social landlords. Those sectors do not want the target to be changed in a way that will set everyone up to fail; instead, they want to work towards a target that can be achieved.

Moreover, the amendments, if accepted, would require our energy efficient Scotland programme to be accelerated, and I have not yet seen an alternative to the comprehensive route map. Let me just mention a few of the risks of such acceleration. First, it could lead to investment in existing technologies that might need to be replaced, perhaps in the very near future, and we must look at that properly if we are to reach and meet our climate change targets.

Graham Simpson: Can you clarify the phrase

“technologies that might need to be replaced”

so that people understand what you mean? I assume that you are talking about, for example, boilers in people’s homes.

Kevin Stewart: Absolutely. Mr Simpson has nailed it completely. We might well decide to replace gas boilers, only to find that we have to quickly replace them again to meet our climate change targets. In his earlier remarks, Mr Rowley talked about a joined-up Government approach. That is what we have tried to do in this bill, in the climate change bill that will come before the Parliament very soon and in energy efficient Scotland. By taking that path, we have taken account of all the pieces of the jigsaw in order to get this right. As I said, Mr Simpson is absolutely right in his assumption.

Other risks include the loss of economic opportunities from developing skills in the supply chain across Scotland, which could support 4,000 jobs. At the moment, only larger businesses outwith Scotland would be ready to match any accelerated pace.

I also point out the risk of inflationary pressures. If demand exceeded supply, corners could be cut and costs could escalate, which would result in higher public spending or, indeed, increased rents if costs needed to be met by landlords.

There is also a risk of alienating the public, because cutting eight years from the target would mean speeding up the pace of regulation and enforcement. We have committed ourselves to a phased approach to maximise the take-up of energy efficiency improvements voluntarily up to 2030, with mandatory action to follow. Bringing the target forward would mean taking mandatory action by around 2024. That is not enough time to work with the public and bring people with us on all these issues. Moving too quickly might alienate the public and not allow individuals and families to plan their own actions.

Of course we want to go faster—I want to go faster—if that is possible. That is why we have started our consultation on the effects of speeding up the programme. However, we cannot move faster if doing so risks the credibility of our actions or leads to people paying out more through the public purse or other means.

Mr Gibson highlighted the concerns that have been raised by COSLA, which pointed to the damage that could be done if unrealistic targets are set—it even said that it would be “callous” to do so. As COSLA noted, if the improvements that are required result in increasing more than the achieved savings in fuel costs, all that we will have done is to replace fuel poverty with poverty. We must have a realistic starting point for the target that is within our grasp and which we can strive for. Aiming for 2032 is unrealistic and unachievable before we have even started. It flies in the face of all the concerns that I have set out, and of the considered opinion of the committee in its stage 1 report.

Changing the target date risks the Parliament losing credibility on tackling and eradicating fuel poverty. I therefore urge the committee to reject the amendments, which no partner that needs to deliver the 2040 target agrees with.

Alex Rowley: The minister refers to the risk of Parliament losing credibility on tackling fuel poverty, but one would have to assume that such credibility exists at present. I am not sure that it does.

The minister talked about energy efficiency improvements, around which there are a number of myths. There is the myth that Annabelle Ewing talked about, which is that somehow we are just waiting on the technologies, and they will come at some point. I talked about specific cases, particularly the older lady up in Ballingry. She was not in a council house; she was in a bought house,

and so were most in her street. When works were being done in Ballingry, they got an offer to insulate their houses. The minister knows about the case, because I have corresponded with him about it. The people got an offer of £600 to insulate their houses and they all handed over the £600. They then discovered that the Stuart metal-framed housing was more expensive to insulate properly. As a result, those people are sitting in fuel poverty, not because the technology does not exist but because it is more expensive and there is not enough funding.

If we are going to be ambitious, we must accept that part of that ambition should be to bring forward more resources. Kenneth Gibson rightly asked me where those resources would come from. I do not want to get into the politics of it but I am quite sure that, if my party was in government in Westminster, over 10 years there would be £47 billion of capital investment coming to Scotland. That is the level of investment that we need to see in housing and other infrastructure across Scotland. It is a myth to say that fuel poverty is all down to new technology. For the people who are in fuel poverty now and need energy efficiency improvements, the problem is the lack of funding.

I know that that will come forward in the strategy, the financial memorandum and the commitment to finance alongside that. If we set a more ambitious target, there is more likelihood of getting more resources to deliver. If we are not ambitious, we will not have the resources to deliver.

I turn to being realistic about what is achievable. The minister almost gave a list of reasons why we will probably never tackle fuel poverty—Brexit, fewer workers, a shortage of workers, and a shortage of skilled workers. That all has to be part of the strategy, but I do not think that it will take until 2040 to put it together. I am not convinced that the people of Scotland will be impressed that we are setting yet another fuel poverty target, which is for 2040; by then, I will be in my 70s and lots of people in Scotland who are living in fuel poverty today will no longer be living.

The issue is whether we have the will, the commitment and the drive to put in the resources to make this happen. It seems that SNP and Conservative members will team up to put off the target into the future; I think that that is sad. We need to be ambitious, and this Parliament needs to be ambitious—

Kenneth Gibson: May I ask where this dissent is coming from? I did not hear all this rhetoric when we debated the stage 1 report; I heard not one word of all this stuff. The member agreed with us about what we should do and what target should be set. He referred to £47 billion over 10 years for Scotland, which is pie in the sky—it is

fantasy stuff. We are trying to deliver realistic policies for real people in Scotland at this moment in time, not for some potential UK Government that may or may not have resources to invest at some point in the future. That is where we are.

Alex Rowley: With the greatest of respect, Kenneth Gibson has today set out a load of excuses as to why we cannot do this. You have to dispel those myths about the key drivers. A key driver is poverty, and COSLA says that we would drive more people into poverty—I do not know where that comes from.

Consider the unacceptable increase in the level of child poverty in Scotland. An argument that is growing is being made by civic Scotland and the “Give me five” campaign: 30,000 children would be lifted out of child poverty if child benefit was increased by £5 a week. That would sit within the powers of this Parliament, so it is wrong to say that we do not have any influence over the key drivers.

Annabelle Ewing: Would the member—

Alex Rowley: I want to respond to Kenneth Gibson’s other point, which was about the committee’s report. I have listened to the evidence to this committee; I have also spoken to Citizens Advice Scotland, met Energy Action Scotland, listened to the rural and islands housing associations forum and East Ayrshire health and social care partnership and met the Existing Homes Alliance Scotland. They all say that the target is not ambitious enough and that we need to be more ambitious, with the flexibility to shift the target if need be.

Let us be ambitious for Scotland. Let us say that fuel poverty in Scotland is not acceptable and earn our crust by doing everything that we can to eradicate fuel poverty and bring the target forward.

I will conclude at that, convener. I press amendment 53.

The Convener: The question is, that amendment 53 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Rowley, Alex (Mid Scotland and Fife) (Lab)
Wightman, Andy (Lothian) (Green)

Against

Dornan, James (Glasgow Cathcart) (SNP)
Ewing, Annabelle (Cowdenbeath) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Simpson, Graham (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

The Convener: The result of the division is: For 2, Against 5, Abstentions 0.

Amendment 53 disagreed to.

The Convener: Amendment 3, in the name of Graham Simpson, is grouped with amendment 2.

Graham Simpson: I suspect that this will be slightly less contentious. Members can see amendment 3, but I thought that it might be useful if I read out how section 1(1) would look if amendment 3 were agreed to:

“The target is that in the year 2040, as far as reasonably possible no household in Scotland is in fuel poverty and, in any event, no more than 5% of households in Scotland are in fuel poverty.”

It should be clear enough to members that the purpose behind the amendment is that we do not want to say that our ambition is just 5 per cent. We want to go beyond that. It is a simple amendment that will clear up possible confusion and perhaps deal with the ambition that Mr Rowley wants to insert into the bill.

I move amendment 3.

11:15

Andy Wightman: Amendment 2, in my name, is a straightforward amendment. Notwithstanding Graham Simpson’s amendment 3, which proposes to alter the target, according to the “Oxford English Dictionary” the word “eradication” means

“the complete destruction of something”;

it means getting rid of something completely. The target is 5 per cent, which is therefore a reduction from the current rate of fuel poverty, so it is a simple question of language that would reflect more accurately the purpose of the bill.

Annabelle Ewing: Mr Simpson’s amendment picks up on the discussion that we had at stage 1; I am happy to support it on that basis.

I also recall discussions on the point that Mr Wightman’s amendment makes. Language is important in sending signals, but I feel that Mr Wightman’s approach would not send the best signal. We want to send the signal that we are absolutely determined to tackle fuel poverty in Scotland. That is our ambition and—picking up on the previous debate—we want to move as quickly as we can. However, we need to be realistic and not cynically and unnecessarily get people’s hopes up. We want to do the right thing and work together according to a route map, as we have just agreed to do.

In that context, it is important to retain the ambition. I worry that Mr Wightman’s amendment might detract from that. It is, perhaps—to an extent—a semantic issue. As a matter of practicality, it must be recalled that people move in and out of fuel poverty. In the future, there could be very dramatic circumstances—perhaps beyond

the control of this or any Government—that could result in that happening on a significant scale. I think that Mr Wightman and I had an exchange on that in the stage 1 debate; as I said then, the Scottish Parliament does not control the key drivers of fuel poverty, including—to name but a few—household income, macroeconomic policy, income tax personal allowances, tax exemptions, value added tax, or 85 per cent of the value of social security payments. Sadly, one could go on and on.

Andy Wightman: I do not intend to address that latter point, which we rehearsed at stage 1, but Annabelle Ewing talked about the danger of changing the ambition of the bill. The long title is not really about ambition; the ambition is embodied in the sections of the bill. The long title should reflect what the bill says. The bill does not make any provision for the eradication of fuel poverty; it makes provision for a reduction to 5 per cent. It is not a question of whether there should be more or less ambition.

I understand Ms Ewing’s point about the importance of language, but the importance of language in the long title is to reflect accurately what the bill intends to do.

Annabelle Ewing: I hear what Mr Wightman says, and he has made that point on a number of occasions. However, if we took his approach, there is a risk that we would send a signal—which is really important—that we are limiting our ambition. We are not limiting our ambition; all committee members are very ambitious to tackle fuel poverty, but I fear that Mr Wightman’s approach would muddy the waters and not send the correct signal. Therefore, I will not support Mr Wightman’s amendment.

Kevin Stewart: I am happy to accept Mr Simpson’s amendment, but not Mr Wightman’s. The bill’s target is for

“no more than 5% of households”

to be in fuel poverty in the year 2040. I stress the words “no more than”, because I feel that they are sometimes forgotten. Five per cent is a maximum, not a minimum; our long-term ambition is that no household should be in fuel poverty. The target is 5 per cent not because we are reluctant to go any further, but because we do not control all the drivers of fuel poverty—again, particularly energy prices.

Getting to 5 per cent is realistic, credible and deliverable by 2040, but we will always strive to do better. However, people’s circumstances change and they can move in and out of fuel poverty, as Ms Ewing highlighted. For example, a huge increase in fuel prices could move someone into fuel poverty, as could personal economic shocks. However, 5 per cent is not the limit of our

ambition. Our long-term goal is the eradication of fuel poverty. I was pleased that the committee endorsed that position in its stage 1 report. The 5 per cent target in the bill both relates to and contributes to achieving that ambition.

Mr Simpson's amendment serves a useful purpose. It will strengthen the bill's target, so that

"in the year 2040, as far as reasonably possible no household ... is in fuel poverty".

Importantly, it will not remove the 5 per cent target but rather will draw out the full intent behind our 2040 target. That is why I support it.

Mr Wightman's amendment would substitute the word "reduction" for the word "eradication" in the long title of the bill. The long title states what our fuel poverty act will do, which includes setting

"a target relating to the eradication of fuel poverty".

I believe that our 5 per cent target is entirely compatible with that description and will be even more so if the committee supports Graham Simpson's amendment. Mr Wightman's amendment would dilute, and detract from, that long-term ambition to eradicate fuel poverty, which is why I cannot support it.

Therefore, I urge the committee to support Mr Simpson's amendment but reject Mr Wightman's.

Graham Simpson: Thank you for all the comments. The minister has summed up very well that, if the committee is minded to accept my amendment, we will be saying that we are trying to ensure that nobody in Scotland is in fuel poverty, which is our aim.

If that is accepted, it is clear that the word "eradication" in the long title is also accepted, because that is what we are trying to achieve. In any case, the long title only says that it will be

"An Act ... to set a target relating to the eradication of fuel poverty".

I am surprised that Andy Wightman, of all people, has tried to water that down and I will not support his amendment. Clearly, I will support my own amendment.

Amendment 3 agreed to.

11:23

Meeting suspended.

11:30

On resuming—

The Convener: Amendment 15, in the name of Kevin Stewart, is grouped with amendments 16, 24, 25 and 38. I invite the minister to move amendment 15 and to speak to all the amendments in the group.

Kevin Stewart: The amendments will improve the bill and are in line with the committee's stage 1 recommendations, so I urge the committee to support them. They mean that we will have in the bill a definition of extreme fuel poverty and of the fuel poverty gap, as well as new, challenging targets for them. Putting those additional targets on the same statutory basis as the overall fuel poverty target will bring a focus on those who are deepest in fuel poverty and ensure that the fuel poverty strategy will help those who are most in need and not those who are easiest to help.

The test for establishing whether a household is in extreme fuel poverty will be the same as the two-part test for fuel poverty that is in the bill. However, to be in extreme fuel poverty, a household will need to spend more than 20 per cent of its net income, after housing costs, on fuel, rather than more than 10 per cent.

The second part of the test remains the same: that that spending on fuel must leave the household with insufficient income to maintain an acceptable standard of living. Setting the target in the bill that, in the year 2040,

"no more than 1 per cent of households are in extreme fuel poverty"

clearly demonstrates our commitment to prioritising those who are worst off and indicates that we will not tolerate extreme fuel poverty. It is a realistic target that takes account of people who might move in or out of extreme fuel poverty temporarily, due to circumstances beyond the Scottish Government's control, such as fuel prices or personal economic circumstances.

The fuel poverty gap measures not only whether a household is in fuel poverty, but how far away it is from the 10 per cent threshold, or from reaching the minimum income standard threshold. The target will require that our strategy does not leave behind those who need help the most. We know that in 2015 the median gap was almost £650, so achieving the 2040 target of £250 will substantially reduce the severity of the fuel poverty that households experience.

The achievement of the targets will improve many people's lives considerably. The smaller the proportion of net income that they have to spend on fuel, the more they will have for other essentials of daily life.

By adding statutory targets for extreme fuel poverty and the median fuel poverty gap to the existing fuel poverty target in the bill, we will ensure that future efforts leave nobody behind.

I therefore urge the committee to support all the amendments in the group, and I move amendment 15.

Annabelle Ewing: The minister's comments and amendments are welcome, because the committee asked the Government to address those issues at stage 1. We heard evidence from a number of stakeholders, including the Wheatley Group, the Scottish Federation of Housing Associations, the Existing Homes Alliance Scotland and others, that were concerned to note that in the bill, as first published, there was no definition of extreme fuel poverty. We also heard concerns that, absent such a definition, there would be a risk of efforts being targeted at low-hanging fruit, even if the overall target was ultimately met. That might leave a disproportionate number of those with the most critical needs in the final 5 per cent of households that would continue to face fuel poverty by the 2040 target. I am very pleased indeed that the minister has listened to the committee and come forward with amendments on this important issue. I am happy to support the amendments.

Kenneth Gibson: I concur with those comments. This issue is important. As you will be aware, minister, a significant proportion of people live in extreme fuel poverty, particularly those with rural, hard-to-heat homes. The proposal is an excellent way to ensure that we do not end up in a situation in which the people who are in the deepest fuel poverty at the moment remain so many years from now. It is important that all groups in society benefit equally from the bill. You will be familiar with the phrase, "low-hanging fruit". We have raised the issue that we are discussing on a number of occasions, and we want to ensure that everyone has equal access to the opportunity to have their fuel poverty reduced. I very much endorse what you and Annabelle Ewing have said.

Graham Simpson: As I have done before, I praise the minister for the way in which he has engaged with the committee on our recommendations, particularly the one that we are discussing now. It is important that we tackle the issue of people who are living in extreme fuel poverty. What the minister has said is most welcome. The issue has been raised by a number of people and organisations, including the Scottish Federation of Housing Associations, the Wheatley Group, the Highlands and Islands housing associations affordable warmth group and the Existing Homes Alliance Scotland. Again, I welcome what the minister has brought forward, and we will support the amendments.

The Convener: I invite the minister to wind up.

Kevin Stewart: I thank the committee and other stakeholders for expressing their views on this issue and for co-operating with the Government to come up with the amendments that we are dealing with just now.

Defining extreme fuel poverty and setting ambitious targets to tackle it sends a clear signal that we are absolutely committed to dealing with the worst first. I have heard the committee and others talking about going for the low-hanging fruit first. We know that that should not be the case, and the amendments in the group will ensure that we are dealing first of all with those folks who are in the most extreme fuel poverty.

No one should have to choose between heating and eating. For those who experience that, tackling this problem and keeping them warm and comfortable in their homes is likely to have much wider benefits to their lives, and could possibly improve their health and education. Further, it has a huge benefit to our society.

By adding these statutory targets for extreme fuel poverty and the median fuel poverty gap to the existing fuel poverty target that is in the bill, we will ensure that future efforts do not leave anyone behind.

Amendment 15 agreed to.

Amendment 16 moved—[Kevin Stewart]—and agreed to.

The Convener: Amendment 5, in the name of Graham Simpson, is grouped with amendments 4, 7, 6, 10, 9, 12, 11, 14 and 13.

Graham Simpson: This suite of amendments reflects the view, expressed in the committee's stage 1 report, that the 5 per cent target should be met in all council areas across Scotland.

There are a couple of things to say about that. If you say to councils that they should be responsible for achieving the 5 per cent target in their areas, that is potentially extremely onerous for them. It is no wonder, therefore, that we have had some pushback on the proposal, because that is what they thought that the intention was.

My amendments do not say that; they would place the onus on the Scottish Government to ensure that the target is met in each council area. That is not the same as putting the onus on councils. It is saying, to go back to that phrase "low-hanging fruit"—[*Interruption.*] Sorry, convener, but I am being distracted slightly.

The Convener: Excuse me—

Annabelle Ewing: Sorry.

Graham Simpson: Thank you, convener.

If we do not agree to the amendments, there is a danger that the easiest to target areas will be picked and the less easy areas will be left. The intention behind the committee's recommendation is to deal with that issue.

I will go through the amendments. Amendment 4 says that

“Ministers must ensure that the 2040 target is met in each local authority area.”

Ministers would then have to set out the approach that they intend to take to ensure that the target is met and say what steps have been taken to meet the target in each council area. Ministers would then have to say what progress has been made on meeting the target. Finally, ministers would have to say what steps they propose to take in the next reporting period to meet the target in each council area.

Clearly, the onus would be on ministers, which is the important thing. I hope that COSLA can be reassured—I see the minister laughing, so perhaps it will not be—that the intention behind the amendments is not to inflict more burdens on councils; it is to ensure that we get a uniform picture across the country in trying to deal with this important issue.

I move amendment 5.

Andy Wightman: I have sympathy with the amendments in the group, but I cannot support them, as I have a number of problems with them. In the first suite of amendments, which are 5, 4, 7 and 6, the phrase “must ensure” is used. However, as far as I am aware, nowhere else in the bill is there language that ministers “must ensure” that the national target is met. That is because, clearly, although ministers of all Administrations up to 2040 will use their best endeavours, it is hard to see how they could be held to a mandatory obligation to ensure that the target is met. I therefore have difficulty with that language.

I also have difficulty with the fact that the amendments cause local authorities concern. Notwithstanding that it would, as Graham Simpson said, be the Scottish ministers who “must ensure” that the target is met, local authorities inevitably feel that, for those areas with high levels of fuel poverty—perhaps they will be disproportionately high as we move forward—the local authority’s scope for making choices about how to reduce fuel poverty and spend its money will be compromised. That is because ministers may well put pressure on local authorities to meet a target that ministers have to ensure is met, even though it is substantially up to local authorities to in fact meet it.

I have fewer problems with the amendments to section 6, on periodic reports from ministers. It would be helpful if those periodic reports reflected what ministers have done and propose to do in each local authority area. However, that is probably beyond the scope of the periodic report as set out in the bill. Local authorities have their responsibilities for reporting and publishing plans,

so I do not feel that those amendments would add a great deal to the bill.

Finally, as the minister made clear in response to a question that I put to him when he gave evidence to the committee on the minimum income standard for remote rural areas, and as has been made clear through the reporting to date on fuel poverty, the fuel poverty rates across the country can, and I imagine will, be reported local authority by local authority—indeed, we have that data.

I would like to see it reported according to the urban/rural classification. In fact, there is no reason why the data could not be reported in relation to any geography that we wish—obviously, it could not be reported for very small geographies, but it could be reported for any other geography, such as each health board area. That reporting would highlight where progress was and was not being made. For example, we know that fuel poverty rates are still unacceptably high in Orkney.

In my view, that should be sufficient to create circumstances in which ministers and local authorities work hard to ensure that local authorities in whose areas fuel poverty rates remain stubbornly high have the resources and tools at their disposal to be able to bring them down. Essentially, I believe that the reporting will be sufficient to take account of any concerns that exist, and it is a legitimate concern that we may have a multispeed approach to eradicating fuel poverty, with rates in some local authority areas remaining stubbornly higher than those in others.

11:45

Kenneth Gibson: I strongly support amendment 4. I think that it follows on from amendment 3, because if we are looking at a target of 5 per cent for Scotland, how do we make that into a target of 5 per cent for every local authority area? We do not want situations such as exist in Orkney, where some 57 per cent of people are in fuel poverty.

I do not believe that the burden should or will fall on local authorities to reduce the levels. I would expect the Scottish Government, when it allocates resources for eradication of fuel poverty, to do so on a pro rata basis so that all local authorities can meet the target. There would be no point in giving every local authority similar amounts per capita, for example, when the problem is much more acute in some areas than it is in others.

Amendment 4 would make the direction of travel clear and allow the Government the flexibility to dedicate its resources to ensure that Liam McArthur’s constituents and my island constituents are not disproportionately burdened by fuel

poverty for years to come. Again, I refer to the old adage about low-hanging fruit. We want to make sure that we are addressing the issue across the board in every community and every local authority, whether people are in extreme fuel poverty or not. Amendment 4 will help us to do that.

Annabelle Ewing: The subject was an important aspect of the evidence that we took and, at stage 1 at least, the committee agreed unanimously that there should be recognition that the 2040 target must be met in each local authority area. For reasons that have already been stated, that is entirely right and proper. If we were not to proceed with that approach, there would be a real danger that some would be left behind. That point was made by Argyll and Bute Council, which stated that, with a blanket nationwide target, there would be a risk that

“householders in remote and rural areas will be disproportionately represented in the residual 5%; and will still be in fuel poverty even if this target is met.”

The bill is for the whole of Scotland including our islands, our remote communities and our urban areas. It is for everybody, and nobody should be left behind.

We are still to hear from the minister, but as the committee said in its stage 1 report, it is good to hear in the debate recognition of

“the Minister’s commitment to ... work with local authorities to consider how best to distribute schemes to balance ... requirements”

and to meet needs. Perhaps we will hear a bit more about that shortly, but I am happy to support amendment 4 on the basis of the 2040 target, and those of Mr Simpson’s amendments that relate to the 2040 target, which is what we have agreed in the first group of amendments this morning.

Liam McArthur (Orkney Islands) (LD): Having been named and shamed by Kenneth Gibson, I thought it pertinent and probably advisable to contribute, albeit only briefly to endorse the comments that Annabelle Ewing and Kenneth Gibson have made. I think that there is a risk in trying to put in place an overly onerous requirement on local authorities or the Scottish Government. I think that the way that amendment 4 is phrased strikes the right balance.

The trajectory for getting to the target will be different in each area, according to where the area currently stands and the local circumstances, but it will be seen as a failing if we get to 2040 and there is still a wide disparity between the best and poorest performing local authorities. As I have said, amendment 4 strikes the right balance in terms of achieving the objective.

Kevin Stewart: The committee and I agree that fuel poverty needs to be tackled in every community throughout Scotland, but to do that, we must not leave behind the people who are in the most challenging circumstances. As a result, we have lodged amendments that will introduce additional targets on the median fuel poverty gap and extreme fuel poverty, which are intended to reduce the severity of the fuel poverty that is experienced in all areas of Scotland—whether it be Orkney, Arran or Aberdeen—and that we focus not just on the households that are easiest to raise out of fuel poverty.

I know that at stage 1 the committee said that we should consider amending the bill to introduce local authority statutory targets, and in my response, I said that we would need to seek COSLA’s views, given the implications of such an amendment for Scotland’s councils. COSLA has since made clear to me and the committee a “series of concerns” that it has about the amendments. Equally, I have had strong representations on this issue from Graham Simpson with regard to his amendments, and from my own party colleagues, in particular Kenneth Gibson, and I am aware of the balance that I need to strike between the views of Scotland’s local authorities and those of Parliament.

Following my conversations and the committee’s original recommendation, I think that it is clear that the committee would like to apply a 2040 target at local authority level to ensure that reporting and accountability take place in each council area. I confirm, therefore, that I will support Graham Simpson’s amendments, which provide for a 2040 target, although we might need to consider whether they need to be refined slightly at stage 3, not least because—as I understand it—local authority statistics are not available quite as quickly as national ones. That said, I am happy to work with Graham Simpson on that, in advance of stage 3.

I also want to emphasise that such targets make it vital that the Scottish Government work closely with COSLA and individual local authorities in order to focus on delivery. When I talk to councils about fuel poverty and energy efficiency, they consistently emphasise the need for local flexibility, so we have already made some changes in that respect. I want to ensure that it is all possible—especially the requirement to set out the steps that will be taken locally to address fuel poverty. By having a national target as well as local targets, we can tailor our approaches and ensure that no one is left behind. I therefore support Graham Simpson’s amendments relating to the 2040 target.

Graham Simpson: Once again, I thank committee members for their contributions. It was

particularly good to get the islands perspective not just from Liam McArthur but, of course, from Mr Gibson, who has spoken extensively in this committee about the islands in his constituency.

In delivering the targets, we must not miss anyone out. That is the intention behind the suite of amendments that we will be voting on; amendment 4 relates to the 2040 target and amendment 5 deals with the 2032 target, which we have already rejected. I am always prepared to speak to the minister if he feels that anything needs to be refined, because this is about making good law that works for everyone—in particular, councils. I would be happy to have those conversations.

The Convener: Can I clarify the situation with amendment 5?

Graham Simpson: I will not press amendment 5.

Amendment 5, by agreement, withdrawn.

Amendment 4 moved—[Graham Simpson].

The Convener: The question is, that amendment 4 be agreed to. Are we agreed?

Members: No

The Convener: There will be a division.

For

Dornan, James (Glasgow Cathcart) (SNP)
Ewing, Annabelle (Cowdenbeath) (SNP)
Gibson, Kenneth (Cunninghame North) (SNP)
Rowley, Alex (Mid Scotland and Fife) (Lab)
Simpson, Graham (Central Scotland) (Con)
Stewart, Alexander (Mid Scotland and Fife) (Con)

Against

Wightman, Andy (Lothian) (Green)

The Convener: The result of the division is: For 6, Against 1, Abstentions 0.

Amendment 4 agreed to.

The Convener: Amendment 54, in the name of Alex Rowley, on the Scottish fuel poverty advisory group, is grouped with amendments 93 to 95.

Alex Rowley: Thank you, convener.

The purpose of amendment 54 is to allow the target year to be changed, on the recommendation of the Scottish fuel poverty advisory panel. I intend to move the amendment, but I accept that changes will need to be made at stage 3, because the amendment reads

“advising that the target will not be met.”

That was to link it to my first amendment—amendment 53—to move the target to 2032. However, the same principle could apply if the advice of the advisory panel was that it believed that we were making good progress and could

shift the target the other way. I accept that the wording of amendment 54 needs to be tidied up, but if the advisory panel feels that we can reach the target sooner or later, depending on the issues, being able to move the target will be right.

I move amendment 54.

Andy Wightman: I will speak to amendments 54 and 93.

Amendment 4 is incredibly helpful. I make the proviso that I was content with and had agreed to changing the target to 2032, but amendment 53 has obviously been rejected. In the light of that, the language at the end of amendment 54 will need to be modified, because if in 2025, 2026, 2027 or 2028 it is felt that we could bring the target forward, that will need to be reflected in the legislation. I will support amendment 54.

Amendment 93 is critical. It is the view of the committee that we need more effective scrutiny, not just of the Government’s reports under section 6 of the bill, but of the likelihood of a target being met or missed, and of the extent to which the four drivers of fuel poverty are being addressed. Setting up independent scrutiny is always an issue in bills.

I am not a supporter of setting up a bureaucratic organisation using lots of resources, so I note that proposed new subsection (9) in amendment 93 would cap the finances that are available to the advisory panel. The job of the panel would be to provide a probably brief but considered and well-informed report to inform Parliament about the validity of what is said in the Government’s section 6 report, and to take a view on the likelihood of the target being achieved. With the best will in the world, any Administration would want to say that the target will be achieved, so independent analysis of that will be extremely useful.

Subsection (11) of the proposed new section refers to the

“four drivers of fuel poverty”.

Of course, incomes are not a driver, although they are an influence. Net adjusted incomes are a driver, and they are arrived at after taking account of factors that are well within the Parliament’s control.

In a similar vein, energy costs should relate to households, and energy performance should relate to dwellings. The language in amendment 93 requires to be tidied at stage 3, but with that in mind, I am happy to support all the amendments in the group.

12:00

Annabelle Ewing: On the basis of what Alex Rowley has said, I am happy to support the

amendments in the group. My wee caveat is that I expect amendments with language that is in line with what he described to be lodged at stage 3.

As I have said before in committee deliberations, while thinking of setting up a panel on this or any other area of activity, we must remember that resources are not endless and that the priority is always to put resources to the front line. However, I recognise that the proposed advisory panel would have a job of work to do. As long as it does not cost the public purse a lot of money that could otherwise be spent on improving individuals' existence in their homes, I will be happy to support amendment 93.

Graham Simpson: My comments about amendment 54 are similar. I am happy to support it, on the basis that Alex Rowley proposes to amend the wording at stage 3. We do not want the target to be pushed beyond 2040, which is a danger because of how the amendment is worded. With that proviso, I am happy to accept the amendment.

Amendment 93 needs a bit of work, not least because it refers to a 2032 target, which does not exist. Some tweaks will be required; if there is not time to make them next week, they will be needed at stage 3.

Kevin Stewart: Having considered the matter carefully, I am sympathetic to the concept of placing the Scottish fuel poverty advisory panel on a statutory footing. However, Alex Rowley's amendment 93 needs the refinement that folks have described, because it is based on a 2032 target. If we are to have a statutory panel, it must be aligned to the 2040 target date.

I appreciate Mr Rowley's proposed capping of costs. The costs of the Poverty and Inequality Commission are close to £400,000 a year; the advisory panel would need to have a secretariat and to go through the public appointments system, so we would need to build in a bit more than Mr Rowley has envisaged.

If the advisory panel is to be placed on a statutory footing, it should have powers to make recommendations, which would allow Parliament to revisit the target date. I am therefore content to support the principle of what Mr Rowley is trying to achieve. His amendments are proportionate and would improve the bill. However, I intend to lodge stage 3 amendments to align the advisory panel with the 2040 target date and to allow for more realistic expenditure, while keeping it within a cap that is close to what Mr Rowley seeks to achieve.

Alex Rowley: I am happy with all the responses and to discuss the proposal further with the minister. At stage 3, we can address the points that need to be addressed, but the principle has been agreed to.

Amendment 54 agreed to.

The Convener: Amendment 17, in the name of the minister, is grouped with amendments 18, 19, 26, 27, 29, 30, 33 to 35 and 40 to 44. I remind members of the eight pre-emptions in the group.

Kevin Stewart: My amendments are in line with the commitments that I have given during the passage of the bill and the committee's recommendations. I urge members to support them.

I committed to including the two 2030 targets from the draft fuel poverty strategy in the bill. The targets are that, in 2030, fuel poverty will be no more than 15 per cent and the median fuel poverty gap will be no more than £350 at 2015 prices before inflation. That was the recommendation of the committee in its stage 1 report, where it stated that interim targets would

"enable comprehensive assessment of how well"

the fuel poverty strategy was

"working at its mid-point."

The committee also recommended that the Government lodge amendments to include in the bill a target for tackling extreme fuel poverty. I committed to doing so, and I sent the committee a briefing on how we would take that recommendation forward. Amendment 18 will put a target in the bill that, by 2030, no more than 5 per cent of households should be in extreme fuel poverty, and that is part of my commitment to tackling extreme fuel poverty—as are the two other 2030 targets. My amendments represent a practical means of maintaining the momentum of the fuel poverty strategy through to the final target date of 2040.

Mr Wightman's amendment 19 would set interim targets. However, setting interim targets so early in the programme would result in targets that were unachievable and would undermine the credibility of the strategy. Given the fact that the committee's stage 1 report called for amendments to enshrine 2030 interim targets in legislation, I am a little bit surprised by amendment 19.

We must be realistic in our targets and work closely with our local delivery partners to demonstrate progress towards the target of no more than 5 per cent of households being in extreme fuel poverty by 2040. That means ensuring that we can take advantage of new technologies that provide people with the right solutions for their homes and improve their lives. We must not set unrealistic and unachievable targets for which we do not have a credible delivery plan and so risk failing to achieve them once again.

In a briefing for the committee, COSLA said that setting unachievable fuel poverty targets would be callous. In addition, the Government's proposed amendments are in direct response to the committee's recommendations in its stage 1 report. It is vital that we set interim targets that can be met; otherwise, we risk the public and those who need our help the most losing confidence in all of us.

I am more than happy to have further discussions about setting achievable interim targets, but I ask the committee to reject amendment 19, in Andy Wightman's name, and to support the amendments in my name.

I move amendment 17.

Andy Wightman: I will not move amendment 19. It was framed in the context of a possible 2032 target that will not be in the bill. I am conscious that the text of amendment 18, in the name of the minister, more accurately reflects the provisions of the bill, such as the section on the meaning of the fuel poverty gap. That point is absent from amendment 19.

Is the minister open to discussing the possibility of an additional interim target, which would be set for between now and 2040? I am not precious about when it should be set for, but it would not be unreasonable to have two targets with a 20 to 21-year outlook.

Graham Simpson: I am pleased to hear that Andy Wightman will not move amendment 19, which was clearly related to the 2032 target. I fully support amendment 18, in the name of the minister. However, I go back to what I said earlier, which is that there should be an extra target. I do not know what that target should be, but I am open to having discussions with the minister about it. I agree with the minister that, whatever the target is, it should be achievable.

Annabelle Ewing: I am pleased that the minister has acted in accordance with commitments that he made. Of course, I would fully expect him to do so at all times, but it is pleasing, nonetheless, to note a politician actually doing what they said they were going to do.

I hear what Andy Wightman says, and I note that he will not press his amendment 19. I understand the context in which he lodged the amendment, but the committee has agreed 2040 as the target date. In that context, the amendment does not fit with the interim target date of 2030 that is now proposed.

It would be interesting to hear about the possibility of a further interim target—I guess that we will hear from the minister on that shortly. That might be a useful way in which to proceed in the light of our initial discussion on the first group of

amendments. I reiterate that we are all absolutely determined to tackle fuel poverty in Scotland.

The Convener: I do not think it is good for the reputation of politicians when a politician sounds surprised that another politician has kept their word.

Minister, will you wind up, please?

Kevin Stewart: I share your view on that, convener. I will keep this brief in the hope that you will allow a wee break for comfort purposes.

I am more than happy to meet Mr Simpson, Mr Wightman and any other member to talk about putting in play another interim target as long as it is viable and achievable, which I think everybody understands. I am more than happy to have those further discussions with both members and with any other member who wants to speak to me on the issue.

Andy Wightman: Will the minister take an intervention?

Kevin Stewart: I had finished, but I will do so if the convener allows it.

Andy Wightman: I am grateful to the minister for what he has said. For clarity, will he confirm that, in the light of the fact that we will probably be enshrining the interim target in amendment 18, amendment 54, which we have just agreed to and which says

"The Scottish Ministers may by regulations change the target year",

should be amended at stage 3 to include any recommendations on changing the interim target?

Kevin Stewart: I will consider that point when I have had discussions with Mr Rowley and Mr Wightman.

Amendment 17 agreed to.

Section 1, as amended, agreed to.

Andy Wightman: On a point of order, convener. It is my understanding that we should also be considering amendment 55, which would amend section 1.

The Convener: Amendment 55 was pre-empted.

Andy Wightman: I beg your pardon, convener.

The Convener: That is okay. If our clerk, Peter McGrath, had not been here, I would not have realised that either.

After section 1

Amendment 18 moved—[Kevin Stewart]—and agreed to.

The Convener: We will have a very short comfort break.

12:13

Meeting suspended.

12:15

On resuming—

Amendment 19 not moved.

The Convener: That brings us to the end of the meeting. I thank the minister for his time today.

12:15

Meeting continued in private until 12:17.

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