



The Scottish Parliament  
Pàrlamaid na h-Alba

**Local Government and Communities  
Committee**

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14 February 2019

Dear Minister,

The Local Government and Communities Committee of the Scottish Parliament recently published its Stage 1 Report on the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill (the Bill). The report is available here:

<https://digitalpublications.parliament.scot/Committees/Report/LGC/2019/1/29/Stage-1-Report-on-the-Fuel-Poverty--Target--Definition-and-Strategy---Scotland--Bill#>

The Bill primarily puts in place a new definition of fuel poverty and sets a target to reduce fuel poverty to no more than 5% of households in Scotland by 2040. As part of its scrutiny of the Bill, the Committee also considered the Scottish Government's draft fuel poverty strategy and the related policies and measures that are intended to be used to meet the target. In doing so, the Committee took note of the Scottish and UK-based energy efficiency installation measures in use, how they are funded, and the monitoring systems in place to ensure the value for money and quality of the works carried out.

During visits in connection with their scrutiny of the Bill, Committee members were concerned to hear about contractors carrying out sub-standard repairs to people's homes under UK Government-backed energy efficiency schemes. Members heard views that there had been a lack of monitoring and quality control in relation to this work.

In his evidence to the Committee on the Bill, the Minister for Local Government, Housing and Planning corroborated this anecdotal evidence, stating that in some cases, people's homes had been badly damaged as a result of work carried out under the now discontinued Green Deal. The Minister referred to "sub-standard" work carried out by the now liquidated company Home Energy and Lifestyle

Management Systems, and said that many households had been left without redress.

The Minister also expressed concerns about the UK-based Energy Company Obligation (ECO) scheme, stating that it is largely contracted out by energy companies, which causes “long supply chains of contractors and sub-contractors”, which in turn makes it hard to determine where accountability lies. The Minister criticised what he called “a sales motivated approach to promoting energy efficiency improvements”, which, he said, could “lead to unnecessary, or unsuitable measures, being installed”. Finally, the Minister expressed concerns about what he saw as the low rate of inspections in relation to the ECO scheme, with an obligation to monitor only 5 per cent of measures installed. All these issues, the Minister said, had caused some people difficulties in selling their homes.<sup>12</sup>

The Committee was concerned by this evidence. We were also concerned with reports that the UK Government had not adequately supported households seeking redress for defective work carried out under UK Government-sponsored schemes. The Committee therefore recorded in its report that it would write to the UK Government to call for it to take action on this issue. (see further paragraphs 189-197 of the report)

The Committee seeks your assurance that the UK Government is aware of these serious concerns brought to our attention during Stage 1 scrutiny of this Bill and would welcome your response to them. We invite you, in particular, to respond to concerns that UK Government-backed energy efficiency schemes have been insufficiently monitored and to outline what steps your department proposes to take to ensure increased value for money and better quality of work under these schemes in future, so that households will not be negatively impacted by substandard work. The Committee also seeks reassurance from the UK Government that households which have received defective energy installation measures can access measures that will provide redress for any loss they have suffered.

I would be grateful for a response to this letter by close on Wednesday 6 March 2019. If you have any further questions about this matter, then please do not hesitate to contact the Clerking Team on the contact details provided above.

Kind regards,

James Dornan MSP  
Convener of the Local Government and Communities Committee

CC: The Rt Hon David Mundell MP, Secretary of State for Scotland

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<sup>1</sup> Scottish Government, Written submission on the Fuel Poverty (Target, Definition and Strategy (Scotland) Bill, 14 January 2019.  
[https://www.scottish.parliament.uk/S5\\_Local\\_Gov/Inquiries/20190114\\_FPB\\_MinLGHPToConvener.pdf](https://www.scottish.parliament.uk/S5_Local_Gov/Inquiries/20190114_FPB_MinLGHPToConvener.pdf)

<sup>2</sup> Local Government and Communities Committee. Official Report 19 December 2018, Cols 12-14.  
<https://www.scottish.parliament.uk/parliamentarybusiness/report.aspx?r=11858>