

Rt Hon Humza Yousaf MSP, First Minister of Scotland By email: <u>firstminister@gov.scot</u>

Dear First Minister

## Final Report of the Scottish Energy Insights and Coordination Group

In advance of the Energy Summit on 21<sup>st</sup> June, Consumer Scotland is pleased to provide the final report of the Scottish Energy Insights and Coordination Group (SEIC).

The SEIC group was convened by Consumer Scotland in response to the Scottish Government's Energy Summit in August 2022.

SEIC brought together representatives of frontline advice bodies supporting energy consumers in Scotland. This included representatives of Advice Direct Scotland, Age Scotland, Changeworks, Citizens Advice Scotland, Energy Action Scotland, the Energy Ombudsman, Energy Saving Trust, Inclusion Scotland, the Scottish Federation of Housing Associations, and the Wise Group. Consumer Scotland convened and provided secretariat, policy and communications support to the Group, which was chaired by Lewis Shand-Smith, Chair of the Energy Consumers Committee.

The remit of the Group was to understand the ongoing impact on consumers of sharply rising energy costs over the winter of 2022-23 and report on ways to mitigate those impacts. The group met three times between November 2022 and March 2023, with members also contributing through research material and individual meetings.

There was a consensus amongst the group that consumers most impacted by energy affordability problems were those on prepayment meters, disabled people, households on lower incomes, electric heating users, and women. Lack of affordability is exacerbated for those consumers living in less energy efficient houses.

Information from the group provided the context for ongoing engagement with Ofgem, energy suppliers and government over the last six months.

SEIC members also reported demand for advice services had increased significantly. Their experience was that poor customer service on the part of some energy suppliers was and remains a significant factor in this.

Recommendations from the Group to mitigate impacts follow from the above. Members recognise and appreciate the support which has already been provided by the Scottish Government. The report identifies further, specific actions proposed by the Group which are both within the control or influence of the Scottish Government, and which contribute to existing long term policy aims in relation to both elimination of fuel poverty and reduction of climate change emissions.

The Group's recommendations are set out in full in the report, and include:

- urgent and essential improvements to customer support from energy suppliers
- continuing financial support for consumers in the short term and clarity on longer term financial support
- improvements to the delivery of energy efficiency schemes, including both long term financial commitment and greater use of existing data to target programmes

Group members appreciate that the broad areas covered by these recommendations are not new. However, the report seeks to be as specific as possible in terms of the actions which can be taken.

Finally, the Group consider that investment in the energy advice sector is necessary to underpin delivery of the recommendations above. This is particularly necessary given the Scottish Government's target to improve the energy efficiency of homes and increase take-up of low carbon technologies over the next decade. Advisers assist consumers, often those in vulnerable circumstances, on a daily basis with issues ranging from incorrect billing, debt management and access to financial support, to advice on smart meters, insulation and the benefits of low carbon technologies, all tailored to individual circumstances.

SEIC Group members consider that a consistent approach to both programmes and advice services is needed to ensure delivery of long term Scottish Government aims, to which all group members are committed.

Looking ahead, SEIC was established as a short life working group with the intention of running until the end of March 2023. While SEIC's reporting work is now complete, members recognise that more will be needed to ensure delivery of the recommendations identified.

Consumer Scotland is now considering how best to take forward the work of the group, and the need to make an effective and focused contribution to wider Scottish Government policy and programme development will be a key element of those discussions.

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