

Fuel Prices Support Drop in Fuel Poor Households

NEWS RELEASE

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Energy Action Scotland Reaction to new Scottish Fuel Poverty Figures Published

Norman Kerr, Director of Energy Action Scotland (EAS), has welcomed today's announcement that the level of fuel poverty in Scotland has fallen.

Figures released by Scottish Government show that in 2016, 26.5% (or around 649,000) households were fuel poor and 7.5% (or 183,000 households) were living in extreme fuel poverty. This is a fall since the previous year when 748,000 households (30.7%) were fuel poor.

Responding to the announcement, Norman Kerr said,

"I am pleased to see the number of fuel poor households decrease, which is a move in the right direction. The news that fewer people are living in cold damp homes is to be welcomed but unfortunately a return to 2007 levels of fuel poverty is far from 'job done'.

"About a third of the drop in the annual fuel poverty level in 2016 is due to making homes in Scotland more energy efficient, while around two thirds are due to lower domestic energy prices. This underlines how important it is that the energy efficiency of homes should continue to be improved, particularly as it is unlikely that energy prices will remain relatively low as recent increases in electricity prices demonstrate.

No respite for rural households

Kerr continued,

"The Scottish Government is right to continue to fund programmes that aim to stop homes leaking heat and to provide modern and efficient heating however continued and higher investment in these is needed.

"The action the Scottish Government is already taking to improve the housing stock must in fact

be stepped up and this is abundantly apparent in rural areas where fuel poverty levels have remained the same.

“This is particularly important at a time when Ofgem figures show that while the number of people in debt to suppliers has fallen, the average debt has increased significantly. The progress made on solving the problem of cold, damp and unaffordable to heat homes must not be lost, but can and should be built upon with increased investment and a national strategy which is capable of eradicating fuel poverty well before the proposed date of 2040.”

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Notes for Editors:

1. Energy Action Scotland is the national organisation working with Government and energy companies to end to fuel poverty and create warm, dry homes for all in Scotland. www.eas.org.uk
2. Fuel poverty is the inability to afford adequate warmth in the home, currently defined as needing to pay more than 10 per cent of income on energy costs.
3. The main causes of fuel poverty are poor energy efficiency of the home, high domestic fuel prices and low household income.
4. EAS campaigns for policy to acknowledge the particular difficulties faced by the fuel poor in rural areas. Higher fuel costs, lack of access to the mains gas grid, premiums on energy, a challenging housing stock and difficulty getting companies delivering energy efficiency measures to operate in some areas are a few of the difficulties faced. Consumers in rural areas off the gas grid can pay significantly more for the same fuel sold in urban areas. EAS believes that the reason behind this discrepancy in price can be attributed, in some part, to the lack of regulation of most rural heating fuels. Regulation is therefore needed on domestic fuels such as heating oils, solid fuels, and LPG.
5. The official Scottish Government figures show that in 2016 there were 649,000 households in Scotland in fuel poverty i.e. 26.5%. Source: Scottish House Condition Survey 2016: Key Findings published by the Scottish Government on 5 December 2017 and accessed [here](#).
6. The Housing (Scotland) Act 2001 had placed a statutory duty on the Scottish Government to ensure, so far as reasonably practicable, that people were not living in fuel poverty in Scotland by November 2016. This target was not met. Two advisory groups published their

recommendations to the Scottish Government on how to take forward their plans to eradicate fuel poverty in Scotland. The reports can be found [here](#) for the Scottish Fuel Poverty Strategic Working Group and [here](#) for the Scottish Rural Fuel Poverty Task Force.

7. The Ofgem report entitled 'Vulnerable Consumers in the Retail Energy Market: 2017' can be found [here](#).