Stephen Gethins MSP
Minister for Europe, External Affairs and Energy
St Andrew's House
Regent Road
Edinburgh
EH1 3DG

Re: Urgent action to protect households from the anticipated energy price cap rise

Dear Minister,

We are writing jointly to urge the Scottish Government to act immediately in response to the ongoing rise in energy costs and the now anticipated rise in the energy price cap.

Cornwall Insight forecasts a further rise in Ofgem's price cap by 16% in January, up from £1,723 in October to £1,999 a year for a household with typical energy use. This would be an increase of £276, and the highest level since March 2023.

An unacceptable 28.7% of households in Scotland already live in fuel poverty, with 14% of these in extreme fuel poverty and 19% trapped in energy debt. Families are entering a brutal winter with depleted financial resilience. Failing to provide more immediate, targeted support as the cap rises further will escalate the crisis, forcing a third of Scots to choose between freezing or falling into unpayable debt.

The Government must act now. We are writing to you in your capacity as Minister for Europe, External Affairs and Energy, because you are well placed to bring together a cross-governmental response addressing rising energy costs and support for the most vulnerable.

We welcome the extension of the Scottish Emergency Heating Oil Scheme, which will provide important support to households that rely on alternative fuels.

We also welcome the UK government's budget announcements to cut VAT on electricity, reform energy levies, and remove gas standing charges to alleviate fuel poverty. However, given the distinct needs of our communities, we urge the Scottish Government to swiftly provide detail on how the funding for these schemes will be implemented within Scotland, alongside other programmes.

Despite this, the anticipated scale and breadth of the challenge means that further action is needed to protect all households at risk.

Households urgently need financial assistance. We therefore call on the Scottish Government to:

- Reinstate the Home Heating Support Fund, or equivalent, ahead of winter, to provide fast, flexible and needs-based support for households facing unaffordable energy costs

- Provide cross-sector leadership to bring together the energy suppliers, advice and debt support sectors to address the energy debt mountain ahead of further price rises

- Provide additional, targeted support for rural and island households, who need targeted short-term relief due to higher rates of fuel poverty, reliance on alternative fuel sources and increased costs to insulate their households

Alongside immediate crisis support, sustained action is needed to provide long-term solutions. We recognise the pressures on the Scottish Government's budget, however, the scale of the crisis requires a coordinated response across government portfolios, including:

- Increased investment in retrofit to support households to alleviate fuel poverty long term

- Provide policy certainty to unlock investment. As delays to policy have stalled home energy improvements, the Scottish Government must provide certainty to give social landlords and owner-occupiers the confidence to invest, providing permanent bill relief to households.

- Work with the UK Government and Ofgem to reduce energy costs through a social tariff

We therefore ask the Scottish Government to set out, as a matter of urgency, what additional measures it will take to mitigate the impact of the price cap rise, maximise access to financial assistance and energy advice, and ensure that support reaches households quickly.

We would welcome the opportunity to host a roundtable discussion with you, your officials, and the signatories of this letter to help shape a coordinated response.

Yours sincerely,

CHANGEWORKS.
ENERGY AGENCY
MINERAL WOOL INSULATION MANUFACTURERS ASSOCIATION
SFHA
LOCO HOME RETROFIT
THE MCS FOUNDATION
SHN Scotland's Housing Network
green new deal rising
One Parent Families Scotland changing lives, challenging poverty
ALACHO ASSOCIATION OF LOCAL AUTHORITY CHIEF HOUSING OFFICERS
Scottish Women's Budget Group
the POVERTY ALLIANCE WORKING TOGETHER TO COMBAT POVERTY
energy action SCOTLAND
sccan
fuel bank FOUNDATION
Highland Energy Community Partnership with CHANGEWORKS.


scarf
ENERGISING COMMUNITIES


PARENTS
FOR
FUTURE
SCOTLAND


WELLBEING
ECONOMY
ALLIANCE
SCOTLAND


wise
group
mentoring people out of poverty