

Cabinet Secretary for Infrastructure and Capital Investment
Alex Neil MSP

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Maureen Watt MSP
Convener
Infrastructure and Capital Investment Committee
Scottish Parliament
EDINBURGH
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3 June 2011

Dear Maureen

I am writing to provide the Committee with information about an important issue relevant to the Committee's remit.

I enclose a copy of a letter I have sent to Philip Bentley, Managing Director of Centrica PLC which is self explanatory in its terms.

I look forward to working with you and other members of the Committee in the coming years.

ALEX NEIL

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Phil Bentley
Managing Director
Centrica PLC
30 The Causeway
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TW183BY

Email: phil.bentley@centrica.com

02 June 2011

Dear Phil

Scottish Government Energy Assistance Package - Scottish Gas Contract

The Energy Assistance Package is the Scottish Government's major programme aimed at addressing fuel poverty. The contract Scottish Gas has with us is the way we aim to ensure that upwards of 10,000 fuel poor and vulnerable households across Scotland get efficient heating systems and better insulated homes each year. A good service to customers and productive work for installers is very important to us.

On taking up my new role last week as Cabinet Secretary for Infrastructure and Capital Investment, I have been made aware from a number of sources of the severe disruption in service affecting customers and installers arising from the failure of your new IT system. Installers would like to help you meet the needs of your customers but are not receiving the work to do and lay-offs are feared in the Scottish industry. Your IT difficulties mean an absence of reliable management information which is affecting both Scottish Gas and Scottish Government, but I am concerned to learn that perhaps 10,000 Scottish customers could be affected by delays.

It is vital for fuel poor and vulnerable customers awaiting heating systems, as well as the installer business affected, that these issues are resolved quickly and effectively. In view of the importance I am asking you to ensure that these issues are rectified by the end of June and I would be grateful if you could, within one week, give me details of your company's plan for achieving that as well as a short and clear stock-take of the position for customers and your Scottish suppliers.

I also think it is important that Scottish Gas take the public lead in explaining what has happened with your IT system and explaining to everyone what steps you are taking to resolve the situation. It would help for us to have better understanding of how you aim to do this too.

ALEX NEIL