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News release

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Scotland's strategy for renewable energy is clear but achieving goals will be challenging

The Scottish Government has a clear strategy for renewable energy that links with other policy areas, and it has made steady progress so far. Achieving its overall goals will be challenging and depends on private sector investment.

An Audit Scotland report published today, *Renewable energy*, looks at public sector action and investment in developing renewable energy and what has been delivered to date. The Scottish Government wants Scotland to be a world leader in renewable energy and for renewable sources to meet 30 per cent of the country's total energy consumption by 2020.

Audit Scotland's report focuses on the Scottish Government, Scottish Enterprise, and Highlands and Islands Enterprise. Its findings include:

- Scotland is making steady progress towards meeting its renewable energy targets for 2020, but achieving them will be challenging.
- The public sector has spent over £209 million since 2002 on developing renewable energy. Funding will rise sharply over the next two years, with a total budget of £264 million available.
- Renewable energy projects are progressing more slowly than expected, due to the economy and changes in UK energy policy. As a result, public bodies have experienced delays in spending some of the money available for initiating and supporting projects.
- The government expects renewable energy to deliver up to £30 billion investment and 40,000 jobs. It needs to improve its recording of private sector investment and work with other public bodies to develop more realistic employment projections.

Auditor General for Scotland, Caroline Gardner, said:

"Scotland's strategy for renewable energy is a good example of clear leadership and direction supported by integration across other policy areas. While there are aspects the Scottish Government and other public bodies should improve, the main challenge is that private sector investment has been slower than expected, reflecting the state of the economy and the uncertainty of developments in the wider UK energy sector.

"The Scottish Government needs to better report what has been achieved so far and, along with Scottish Enterprise and Highlands and Islands Enterprise, identify what extra steps they can take to accelerate progress. The Scottish Government needs to estimate how much public sector funding will be needed after 2014/15 to attract private sector investment and meet its goals for renewable energy. It also needs to start considering what its longer-term ambitions for renewable energy are after 2020."

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Notes to editors

1. Renewable energy comes from sources that cannot be depleted (such as the sun, the wind or the sea) or that can be replaced (such as wood). Renewable sources can generate electricity, provide heat and fuel transport.
 2. The development of renewable energy relies largely on private sector investment. Many public sector funding sources are available to attract, encourage and support this investment.
 3. This audit looked at the leadership and direction of the Scottish Government and what the public sector is doing to meet the government's objectives and targets. It looked at how much has been spent and how much is budgeted, performance against national targets, and how many jobs and how much private sector investment have been delivered. It did not examine the role of the planning system in assessing applications for renewable energy projects.
 4. Audit Scotland has prepared this report for the Auditor General for Scotland. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
 - The Auditor General appoints auditors to Scotland's central government and NHS bodies; examines how public bodies spend public money; helps them to manage their finances to the highest standards; and checks whether they achieve value for money. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament
 - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.
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