

Committee for Social Development

Report on Fuel Poverty

Together with the Minutes of Proceedings
of the Committee relating to the Report

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Report: NIA 36/11-15 (Committee for Social Development)

**REPORT EMBARGOED
UNTIL COMMENCEMENT OF
THE DEBATE IN PLENARY**

Committee Powers and Membership

The Committee for Social Development is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of the Belfast Agreement, section 29 of the Northern Ireland Act 1998 and under Standing Order 48.

The Committee has power to:

- consider and advise on Departmental budgets and annual plans in the context of the overall budget allocation;
- consider relevant secondary legislation and take the Committee stage of primary legislation;
- call for persons and papers;
- initiate inquiries and make reports; and
- consider and advise on any matters brought to the Committee by the Minister for Social Development.

The Committee has 11 members including a Chairperson and Deputy Chairperson and a quorum of 5.

The membership of the Committee since 23 May 2011 has been as follows:

Mr Alex Maskey (Chairperson)

Mr Mickey Brady (Deputy Chairperson)

Ms Paula Bradley ¹

Ms Pam Brown

Ms Judith Cochrane

Mr Michael Copeland

Mr Mark H Durkan

Mr Alex Easton

Mr Fra McCann

Mr David McClarty

Mr Alastair Ross ²

1 With effect from 20 February 2012 Ms Paula Bradley replaced Mr Gregory Campbell

2 With effect from 26 March 2012 Mr Alastair Ross replaced Mr Sammy Douglas

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Preface

The Department for Social Development has a central role in tackling fuel poverty. As far back as 2007 the then Inter-Departmental Group on Fuel Poverty stated:

“..... DSD has the lead responsibility for tackling fuel poverty, a role which involves the coordination of information, engagement with departments and other organisations that influence the factors which contribute to fuel poverty and more directly, through the provision of funding for and oversight of the Warm Homes Scheme” .¹

That lead role continues today but it is recognised that there is need for a more collaborative, cross-departmental and cross-sectoral approach in order to address fuel poverty. The new fuel poverty strategy states:

“.... other departments also have a significant role to play in the eradication of fuel poverty. There are clear links to other government strategies including the Northern Ireland Strategic Energy Framework, the Green New Deal, the Sustainable Energy Initiative, and the forthcoming new Child Poverty Strategy. Closer working, not only between government departments, but between government and the private and voluntary sectors is vital. There is a strong body of evidence that partnership working is the best way to tackle fuel poverty. We will work with other government departments, the voluntary sector, the energy sector and others who are committed to alleviating fuel poverty”.²

In light of this, the Committee for Social Development convened a stakeholder event comprising relevant government departments, Non-Governmental Organisations (NGOs), statutory committee chairs and stakeholders from the public and private sector to identify potential solutions to fuel poverty and a mechanism to take these forward.

1 DSD (2007) Tackling Fuel Poverty: A Strategy for Northern Ireland. Inter-Department Group on Fuel Poverty, Annual Report 2007, p9

2 DSD (2011) Warmer, Healthier Homes: A New Fuel Poverty Strategy for Northern Ireland, p36

Executive Summary

The factors that contribute to fuel poverty have been widely reported and debated yet despite this little progress appears to have been made to prevent or reduce fuel poverty in Northern Ireland.

The Committee recognises the frustration of stakeholders regarding the fragmented approach to address fuel poverty and sympathises with the call for action.

The Committee saw its fuel poverty event as a first step to consider how statutory committees, government departments, the private sector and NGOs could work together to prevent and reduce fuel poverty.

It is clear to the Committee that:

- bridging the gap between identifying solutions to fuel poverty and implementation of those solutions is going to require innovative thinking;
- elimination of fuel poverty is going to require a long-term strategic policy approach; and
- ‘quick fixes’, while necessary to address short-term pressure points, are not the answer.

Therefore, the Committee agrees, despite the evident frustration among stakeholders, that the solutions proposed at the fuel poverty event require further and urgent consideration.

The Committee strongly advocates a strategic approach to dealing with fuel poverty based on a time-bound, ‘thematic action group’ (TAG) approach.

While further discussions with the Department and stakeholders are necessary the Committee envisages a key role for thematic action groups working alongside the Cross Sectoral Fuel Poverty Partnership, recently established by the Department for Social Development.

Introduction

1. A household is said to be in fuel poverty if it needs to spend more than 10% of its income on fuel to maintain an adequate level of warmth. In Northern Ireland, it is widely agreed that the rate of fuel poverty is among the worst in Northern Europe. The most recent official estimate puts the rate of fuel poverty here at 44% of households (NIHCS, 2009).³
2. Fuel poverty can disproportionately affect those on low incomes, ill families with infants and young children, and older people.
3. Recent statistics indicate that the excess winter mortality index in NI is around 15-20% in most years. While these deaths cannot be wholly attributable to fuel poverty it is undeniable that not being able to afford to heat one's home is a contributing factor to ill-health and has potentially life-threatening implications for older people. Based on the most recent Surgeon General's Annual Report for Northern Ireland it can be estimated that there have been 1,890 excess winter deaths in the last decade which are directly attributable to people living in cold and damp homes (Morris & Liddell, 2011).⁴
4. It was in this context that the Committee decided to host a stakeholder event to focus specifically on potential solutions to fuel poverty.
5. To maintain a sharp focus on outcomes the event was structured around the membership of the then Inter-Departmental Group on Fuel Poverty (IDGFP). This Group was comprised of representatives of 8 Executive departments tasked with developing strategy and actions to address fuel poverty.
6. The Committee therefore decided to invite officials from each of these departments to attend the event to summarise their department's role in addressing fuel poverty and to take part in discussions with stakeholders.
7. Furthermore, recognising that fuel poverty was an inter-committee issue the Committee invited the Chairs of each of the other seven statutory committees whose departments were represented on the IDGFP to 'host' a table of officials and stakeholders and chair those discussions. The aim was to initiate a collegiate approach to address this multi-faceted problem.
8. Thirty-three stakeholder organisations were also invited to attend the event.
9. Submissions from Executive departments and stakeholders which formed the basis of discussion are in Appendices 2 and 3 respectively.

3 Northern Ireland House Conditions Survey, 2009

4 Morris, Chris and Liddell, C (2011) Chapter 2: Seasonality of Mortality in Northern Ireland: A preliminary review.

Key Recommendations

10. The Committee recommends that the Department for Social Development establish an Overall Action to address fuel poverty.
11. The Committee recommends that this Overall Action should be: **Reducing and Preventing Fuel Poverty – a coordinated and collaborative approach.**
12. The Committee recommends that Thematic Action Groups (TAGs) are established and are based on themes identified as a result of the discussions on the night of the fuel poverty event.
13. The Committee recommends that the key role of each TAG will be to identify and prioritise agreed workable and realistic solutions to fuel poverty and not to develop ‘wish lists’.
14. Concerned about the potential for TAGs to be considered a ‘talking shop’ the Committee recommends that each TAG publishes a work-plan which details specific actions to be undertaken. The work of each TAG should not exceed 6 months.
15. The Committee recommends that Joint Thematic Action Group events are held every 3 months to advise TAG members of developments in all the groups and to generate co-ordinated thinking across the TAGs.
16. The Committee recommends that each TAG reports to the recently established Cross Sectoral Fuel Poverty Partnership on initiatives they recommend for implementation and that the relevant statutory committees are advised of progress every two months with a final report delivered after 6 months.
17. The Committee recommends that the role of the Cross Sectoral Fuel Poverty Partnership should be to coordinate a strategic approach to the implementation of effective fuel poverty initiatives arising from the work of the TAGs.
18. The Committee recommends that the Cross Sectoral Fuel Poverty Partnership monitors progress of the implementation of these initiatives and makes quarterly reports to the relevant statutory committee on those programmes for which committees have a statutory responsibility to scrutinise.
19. The Committee acknowledges that the membership of the Cross Sectoral Fuel Poverty Partnership has already been established. However, in light of the Committee’s report the Committee recommends that membership of the Cross Sectoral Fuel Poverty Partnership is reviewed and suggests the following composition:
 - Chair - Minister for Social Development;
 - Permanent Secretaries of each relevant department; and
 - Chairs of each TAG.

In addition, other expert groups or individuals should form part of the Cross Sectoral Fuel Poverty Partnership on an ad hoc or continual basis to bring insight and objective consideration to the proposed actions.

Principles for Working

20. It is essential that the work of both the TAGs and the Cross Sectoral Fuel Poverty Partnership is transparent and based on shared information and timely communication.
21. The Committee feels that the Cross Sectoral Fuel Poverty Partnership has the potential to act as the group with responsibility for overseeing the strategic implementation of the initiatives developed by the TAGs but such a group must command the confidence of TAG members.
22. In the Committee's view, if the Cross Sectoral Fuel Poverty Partnership does not have specific terms of reference, is unclear about its powers and cannot take decisions on implementation of solutions developed by the TAGs, then it is not fit-for-purpose and will not command the confidence of stakeholders or the Committee.
23. Objective, evidenced-based decision-making is critical if both the TAGs and the Cross Sectoral Fuel Poverty Partnership are to have credibility and integrity and if they are to avoid sectoral interests directing outcomes.

Consideration of Process

24. The Committee suggests that the membership of each TAG should be established by self-nomination of stakeholders to a specific TAG and also include departmental officials.
25. The Chairperson and Deputy Chairperson of the TAG should be elected by the membership of each specific TAG.
26. The thematic groups outlined in Appendix 4 are to highlight the potential to ensure a comprehensive and strategic consideration of these issues and to develop real, achievable outcomes. It does not preclude the discussion of other relevant issues that stakeholders bring to the table under a particular theme nor indeed does it preclude a different combination of departments under a specific TAG.

Conclusions

27. It is evident that stakeholders feel there has been an absence of a joined-up approach to address fuel poverty. A key demand of stakeholders was the need for a much more coherent, strategic and collaborative approach to address fuel poverty. This must include a greater alignment of policies with associated verifiable targets. The Committee believes that its proposal can help achieve this.
28. It is evident that although there is no shortage of suggestions as to how fuel poverty can be addressed it is not clear which of these is feasible. The Committee strongly feels therefore that it is necessary to establish a time-bound, cross-sectoral and cross-departmental approach to establish the appropriate actions to be taken to address fuel poverty.
29. The Committee believes that the number and the composition of thematic action groups should be determined by the stakeholders and to that end the Committee is willing to engage with stakeholders and the Department to further develop these ideas. However, the Committee provides an example of possible options in Appendix 4.
30. The Committee believes that the work of both the TAGs and the Cross Sectoral Fuel Poverty Partnership should focus on identifying and implementing practical and realistic actions to reduce and prevent fuel poverty and that these should be based on clear, objective evidence.

Issues for Consideration by TAGS

31. A wide range of solutions were suggested which the Committee believes indicates a need for the type of thematic and inter-departmental approach outlined above.
32. Key underlying issues identified could be grouped into the three broad areas which are at the root of fuel poverty: the cost of energy, low incomes and energy efficiency.
33. Increasing income levels for those in fuel poverty is key to its eradication. This requires a multi-faceted approach but maximisation of benefit uptake and access to grants will form a large part of this. The Committee acknowledges the recent benefit uptake campaign by DSD but stakeholders believe that more needs to be done to maximise benefit uptake. Given that the DSD will be informing all of its customers about the changes to benefit payments as a result of welfare reforms the Committee believes that this could offer an opportunity for DSD to review how it can communicate with customers to ensure that they receive all the benefits they are entitled to. DSD should therefore develop a benefit maximisation campaign in association with the expected welfare reform information that claimants will receive.
34. There was a clear position that automatic payment of Pension Credit would be a major step forward to help older households pay for rising energy costs. It was suggested that there should be greater emphasis on encouraging people to access non-governmental/non-statutory bodies for benefit checks.
35. There should be a discussion on whether it would be better to pay the Winter Fuel Payment as a credit to either a household's electricity or gas bill or as a credit towards household oil rather than being paid in cash.
36. The Advice Sector also has an important role to play in providing advice on how households can be more energy efficient but consideration should be given to how this sector can work with the energy suppliers to ensure that consumers have greater confidence in advice given by the suppliers and that the advice is consistent. For example, this could be in the form of literature on energy efficiency produced by suppliers being endorsed by an independent advice organisation such as Energy Savings Trust or Bryson Energy. This could also be coupled with advice on maximising benefit uptake e.g. pilot of the firmus Energy Efficiency Support Package taken forward by Bryson Energy. This approach should also highlight the potential carbon savings to be made and how this contributes to carbon reduction targets and sustainability.
37. Consideration should be given to how community outlets e.g. pharmacies, can be utilised to provide advice on maximising benefits/energy advice.
38. The impact of welfare reform on benefits was a recurring issue with the over-riding concern that the expected changes would make fuel poverty worse. Welfare Reform should be factored into estimations of fuel poverty so that a strategic approach addresses the potential increase in the number of households in fuel poverty as a result of these changes.
39. There should be a greater focus by energy suppliers and relevant departments on educating consumers about energy efficiency and how this can reduce fuel bills. In particular all relevant departments must acknowledge and accept greater responsibility to quickly consolidate energy and efficiency policy. Consideration should be given to establishing one body with responsibility for this as per the ETI Committee's Renewable Energy Inquiry.
40. There should be greater transparency and accessibility of information in relation to the debt management policies of energy companies.
41. While it is acknowledged that there are a range of licensing conditions to protect consumers there was a need for a review of these, particularly those aspects relating to disconnections and the unfair repayment of debt.

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42. A number of schemes are currently in operation to facilitate more flexible payment of home heating oil. These include oil saving stamps and innovative credit union initiatives. Consideration should be given to if/how these could be made more mainstream.
 43. The results of DSD's 'Pay-as-You-Go' oil scheme should be made available as soon as possible. If these are positive, consideration should be given to how this can be rolled out to a wider consumer base.
 44. Consideration could be given to the proposal for the regulation of the home heating oil industry. The Committee notes the recent debate in the Assembly on this issue. However, it must be clear what regulation actually means. It suggests regulation of price but it was not clear if this was possible given that global oil prices are beyond the control of the Executive. Any consideration of this issue must therefore be based on clear, unambiguous and independent data regarding the cost of oil to the distributor and the subsequent cost to the customer. Regulation should be explored to determine what impact, if any, this would have on fuel poverty.
 45. In the same context, many people rely on expensive small volumes of oil, usually 20 litre drums, in order to see them through a short cold period. The oil industry needs to consider how it will address the current requirement for a minimum delivery of oil.
 46. Consideration should be given to the energy brokerage scheme developed for Housing Executive tenants to determine if there is potential for this type of scheme to be adopted by other organisations that could act as brokers.
 47. To address the ability of people to pay for oil the role of lending institutions, such as credit unions, to provide short-term fuel-specific loans should be investigated. For example, an institution could establish a Fuel Loan Scheme. Under this an individual could establish a £500 loan capacity specifically for oil. The oil distributor could then be paid by the credit union directly from this account on presentation of a signed customer receipt. This would ensure the loan went directly to pay for fuel.
 48. It should be determined whether social tariffs are feasible and what impact they would have on fuel poverty. For example, the Warm Home Discount Scheme which operates in GB provides a £120 rebate on a person's electricity bill subject to certain eligibility criteria. The Committee recommends an in-depth analysis of the efficacy of such a scheme in Northern Ireland.
 49. As suggested in Power NI's submission the lack of 'hedging' options for electricity suppliers means that the cost of a social tariff would be pushed on to the customer. In consideration of social tariffs therefore, consideration must be given to the type and range of 'hedging' options that are available and whether they are feasible in a NI context.
 50. The role of Councils in addressing fuel poverty at a local level should be considered and incorporated into the strategic approach outlined above. Consideration should be given to the development and implementation of local action plans within a council area to address fuel poverty. These could have the advantage of targeting specific areas e.g. those areas identified as being in severe fuel poverty.
 51. Analysis of best practice should inform such plans. In that respect the Maximising Access in Rural Areas (MARA) project managed by the Public Health Agency deserves consideration.
 52. The potential for an area-based approach should be considered in the context of Professor Liddell's on-going research for the Department of Social Development.
 53. Building regulations, in respect of energy efficiency, should be improved as per the public consultation (Conservation of fuel and power) but by a minimum (as opposed to an average referred to in the consultation) of 25% and these should apply to both social and private housing developments. Assuming agreement by the Committee for Finance and Personnel,
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the Minister for Finance and Personnel should seek to ensure these that these come into operation this year.

54. Relating to this is the requirement to produce an Energy Performance Certificate (EPC) which helps homeowners understand the energy efficiency of a home. However, consideration should be given to introducing legislation that requires either a landlord or owner to bring a house up to the levels required under the revised building regulations noted above before they can rent or sell the property. This would apply to new builds right away and to existing housing stock from a date in the future that gives sufficient time for owners and landlords to comply. As an incentive to achieve the highest EPC standard a one-off rate reduction could be offered to landlords/owner occupiers if achieved by a certain date.
55. Consideration should be given to the forthcoming EU Directive on Energy Efficiency, the implications for statutory bodies and any associated targets.



Northern Ireland
Assembly

Appendix 1

Minutes of Proceedings

Thursday 17 May 2012

Room 29, Parliament Buildings

Present: Mr Alex Maskey MLA (Chairperson)
Mr Mickey Brady MLA (Deputy Chairperson)
Ms Paula Bradley MLA
Ms Pam Brown MLA
Ms Judith Cochrane MLA
Mr Michael Copeland MLA
Mr Mark H Durkan MLA
Mr Alex Easton MLA
Mr David McClarty MLA
Mr Alistair Ross MLA

In Attendance: Dr Kevin Pelan (Assembly Clerk)
Mr Stewart Kennedy (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Allison Ferguson (Clerical Officer)

Apologies: Mr Fra McCann MLA

10:04am The meeting began in closed session

1. **Fuel Poverty Report**

10:11am Mr Alex Easton joined the meeting

10:15am Ms Judith Cochrane joined the meeting

10:17am Ms Pam Brown joined the meeting

The Committee considered the Draft Fuel Poverty Report.

A minor amendment was agreed to paragraph 44.

Question put and agreed:

That the Report be the Second Report of the Social Development Committee to the Assembly

Agreed: The Committee agreed the following draft motion for debate in the Assembly:

That this Assembly approves the Report of the Committee for Social Development on Fuel Poverty NIA 36/11-15; and calls on the Minister for Social Development to implement its recommendations to ensure a strategic, cross-departmental and cross-sectoral approach is adopted to reduce and prevent fuel poverty.

[EXTRACT]



Northern Ireland
Assembly

Appendix 2

Departmental Submissions

Department for Agriculture and Rural Development

Annex B

Briefing for DSD Committee

- DARD's 2008/11 Rural Anti-Poverty and Social Inclusion programme, has made a positive impact on the lives of some of the most vulnerable in our society. In the 3 year period of the Programme, over 15,000 rural people have benefitted from various initiatives, including:
 - 700 rural homes received home insulation and central heating systems through the DARD intervention facilitating the 'top-up' of the DSD Warm Homes Scheme in 2008/09.
 - During the 09/10 Financial Year, DARD in collaboration with DSD and NIE funded the insulation of 300 rural homes on low incomes that could not be supported through the new 'Warm Homes Scheme' - none of which would have been assisted had DARD not made funding available.
 - During the last financial year (10/11) DARD worked with DSD and the new Warm Homes Scheme Implementation agents (Bryson Charitable Group and H&A Mechanical) to assist the targeting of "hard to reach" rural dwellers.
 - DARD also increased the number of rural referrals to the DSD Warm Homes and Insulation Schemes through the Maximising Access to Grants, Benefits & Services Project. Over 1,500 referrals have resulted from the Maximising Access Project and 560 rural householders have benefitted to date. The number of beneficiaries is set to increase as referrals work their way through the system.
 - A further £16 million has been allocated to addressing poverty and social isolation in rural areas in this current budget period. DARD officials are developing a number of measures to tackle rural poverty and are engaging with stakeholders and other Departments (such as DSD on Fuel Poverty) to bring forward initiatives that will help those experiencing poverty and social isolation.

Key Issues

- DARD is committed to taking action to address the difficulties facing rural areas and to improving the quality of life of rural dwellers and wish to continue to work with key stakeholders to ensure that action is taken to target fuel poverty in rural areas.
- DARD is keen to ensure that any solutions aimed at addressing fuel poverty as a whole take account of the very unique and specific nature of rural areas.
- DARD is concerned about the impact that rising fuel costs are having, particularly on the vulnerable in rural areas who are limited in the choice of fuel that they can avail of and do not have access to cheaper alternatives such as mains gas.
- DARD would welcome proposals to address rural fuel poverty from across departments and stakeholders and is keen to play its collaborative role.

Department for Employment and Learning – Fuel Poverty Contribution

Background

1. The new Fuel Poverty Strategy, 'Warmer Healthier Homes' focuses strongly on removing energy inefficiency as a cause of fuel poverty, opens new ground on fuel prices, while exerting influence on other departments to help tackle prices and low incomes. It identifies 4 key areas for action to tackle fuel poverty in the future:
 - Targeting of Resources
 - Improving Energy Efficiency
 - Achieving Affordable Energy
 - Building Strong Partnerships
2. 'Maximising Incomes element of Key Area 3 - 'Achieving Affordable Energy' acknowledges that 'the downturn in the global and local economy make increasing household incomes very challenging. The Department [DSD] is limited in the actions it can take to maximise incomes and other government departments also have limited provision for increasing and maximising incomes'.
3. The 'Warmer Healthier Homes' Strategy lists the following practical ways of increasing and maximising household incomes:
 - Benefit uptake
 - Automatic payment of Pension Credit
 - Oil stamp saving schemes
 - Achieving affordability through renewable and sustainable sources
 - Social tariffs

DEL's Contribution

4. The Department for Employment and Learning continues to "promote learning and skills, to prepare people for work and to support the economy". While of the 18 specific Actions listed against the 4 Key Areas identified in the Fuel Poverty strategy, none directly relate to DEL core business, the Department's contribution to reducing or preventing fuel poverty is focussed on its core remit of getting people back into work, raising individuals' skill levels and upskilling those in work to improve earning capacity.
5. The Department's membership of the Inter Departmental Group on Fuel Poverty is largely because of the impact of employment on those who might fall into the fuel poverty group and from a Departmental perspective, increasing earning capacity will assist in decreasing the impact of fuel poverty, though it will have limited overall impact on the more specific Fuel Poverty issues. Also of interest, however, is the fact that at present our universities are carrying out research work in a range of areas relevant to the Fuel Poverty agenda.
6. The Economic Downturn has impacted on many employers and employees in Northern Ireland. DEL has adapted its programmes and services to meet changing and increasing demands in order to provide opportunities for people to acquire the skills and knowledge to enable them to better access work, when the economic climate improves.

Department for Enterprise Trade and Investment

Briefing for Social Development Committee

Energy Policy

Energy policy in Northern Ireland is driven to a large extent by wider United Kingdom and European Union policy. Over recent times the focus of energy policy worldwide has shifted towards addressing concerns about security of energy supply and tackling the threats posed by climate change. Therefore in setting out Northern Ireland's strategic energy goals it is important to consider the European Union vision of a single European energy market alongside its overarching objective of seeking to decarbonise the European Union energy mix.

The targets the European Union has set for Member States are challenging and include a minimum cut of 20% in greenhouse gases by 2020, with the United Kingdom setting itself the aim of achieving an 80% cut from 1990 levels by 2050. Specifically, the latest European Commission Renewable Energy Directive has set the United Kingdom a challenging 15% target for the amount of total energy (across electricity, heat and transport) that should come from renewable sources by 2020.

Northern Ireland is currently dependent on imported fossil fuels for most of its energy needs. This poses many risks as we have little control over security of that energy supply and are exposed to the volatility of world energy prices. The Executive has therefore agreed the need to move away from our dependence on fossil fuels and to ensuring that Northern Ireland has a secure and sustainable energy future. Hence the Strategic Energy Framework (SEF2010), while acknowledging the environmental and cost challenges these present, has confirmed that Northern Ireland will seek to achieve 40% of its electricity consumption from renewable sources and 10% renewable heat, both by 2020.

Energy Regulation

The Northern Ireland Authority for Utility Regulation carries out its work in line with statutory duties set out in the Energy (Northern Ireland) Order 2003 and Electricity (Single Wholesale Market) (NI) Order 2007, and is responsible for regulating the electricity, natural gas (and water) industries in Northern Ireland.

The legislation clearly confers the function in relation to tariff setting on the Regulator as the expert body. The legislation requires the Regulator to carry out his functions in this area in a way that is independent of Government but regulation must be developed with regard to Ministerial policy. The Utility Regulator does not report to DETI – it is a non-Ministerial government Department that is accountable to the Northern Ireland Assembly through financial and annual reporting arrangements.

The Utility Regulator takes an active role in scrutinising and approving retail energy tariffs of the incumbent suppliers, which are the final prices customers pay. Where monopoly conditions exist in elements which make up the final energy tariff, or where a competitive market has not been fully established, it is important for the Utility Regulator to carry out this detailed scrutiny.

It must also be recognised that the regulatory system in Northern Ireland is quite different from that in Great Britain and the Republic of Ireland. Northern Ireland does not have the level of confusion around energy regulation that currently exists in Great Britain and which led to the recent Ofgem probe of the GB retail market. This was concerned with the more than 400 domestic retail tariffs in GB. In Northern Ireland the position is quite different as we have

a much simpler and more transparent tariff structure, plus regulation, as reflects our less mature competitive market.

Single Electricity Market (SEM) and Competition

Fuel prices in Northern Ireland (oil, petrol and diesel) respond to fluctuating wholesale prices that are set internationally and are outside the control of DETI and government as a whole. In addition, while DETI has no direct role in the setting of electricity and natural gas tariffs, officials work closely with the Utility Regulator and the energy industry to establish, where possible, measures to put downward pressure on prices.

Among the tangible steps taken to achieve this has been the opening to competition of the gas supply market in Greater Belfast and the electricity supply market across Northern Ireland. The creation of the Single Electricity Market (November 2007) has also provided greater transparency and an increased number of electricity suppliers in the retail market, thus acting to put downward pressure on retail electricity tariffs. As at end October 2011, in addition to Power NI, the incumbent supplier, Airtricity has some 70,000 customers, Budget Energy some 3,600 customers, Electric Ireland is soon to enter the market and Firmus have confirmed that they hope to enter the market as a dual fuel provider in the second half of 2012.

Gas Network Extension

DETI has been encouraged by the ongoing work of Phoenix Natural Gas in the Greater Belfast gas licensed area and of *firmus energy* in the 10 towns licensed area outside Belfast to provide new natural gas networks and connect new customers. The Department recognises the great benefits to be gained from bringing gas to new areas, including greater fuel choice, enhanced security of supply, reduced CO₂ and other emissions, lower business costs, pre-payment gas meters to help with alleviating fuel poverty and the employment benefits from gas extension.

A twelve week DETI consultation inviting views on the potential for extending the natural gas network to areas currently without gas, such as the West of Northern Ireland and East Down, recently closed. The Department is currently taking stock of the responses and will be providing Minister Foster and the Enterprise, Trade and Investment Committee with a report on the views proffered.

Ultimately, further extension of the natural gas network will depend largely on the availability of sufficient gas loads in respective towns and the willingness of a gas company to undertake the construction of the new network. Extension of the gas network will therefore only be considered where it is proven to be both economically and technically feasible to proceed.

Mutualisation of Energy Assets

Mutualisation of energy assets such as the Scotland to Northern Ireland gas pipeline, the Moyle electricity interconnector and the Belfast gas transmission pipeline has also helped to reduce costs to gas and electricity consumers, through the use of profits and reserves to help off-set energy costs. Mutual Energy, which holds these important energy assets has also become involved in work to develop an underground gas storage facility at Larne Lough and has committed finance to a renewable energy fund. There is also potential for other key energy assets to be mutualised in Northern Ireland and these could include other gas transmission pipelines.

DETI Actions Aimed at Improving Energy Efficiency

DETI has also taken a number of actions aimed at improving domestic energy efficiency, one of the main contributors to fuel poverty. These include:

- (i) Voluntary Energy Services Agreements with all major energy suppliers (electricity, coal, oil, gas and biomass) in Northern Ireland. These agreements are part of the implementation of the Energy End Use Efficiency and Energy Services Directive. Energy suppliers have agreed to deliver an enhanced range of energy services to small business and domestic customers with a view to realising 1% energy savings per annum up to 2016;
- (ii) In February 2010, DETI made the Electricity and Gas Billing Regulations which require electricity and gas suppliers to supply domestic consumers with comparable historical consumption data on their bills. The data is presented either graphically or in tabular form to allow consumers to easily monitor and compare their energy consumption year on year;
- (iii) DETI is working closely with the Utility Regulator on a cost benefit analysis for Smart Meters. This analysis is to comply with the European Union IME 3 Directive. GB has already committed to a Smart Meter rollout by 2020, but to date, and until the cost benefit analysis is completed, Northern Ireland has not yet publicly committed to a Smart Meter roll out. In the meantime, the Utility Regulator has two smart meter trials at the early stages. The first is focused on technology and smart grid application, being lead by NIE in the Coleraine area incorporating approximately 200 customers. The second relates to the customer behaviour and education element and is being lead by University of Ulster. Specifically this trial focuses on how smart meters could help customers vulnerable to fuel poverty (by provision of useful information on consumption). There are approximately 120 customers involved in this trial;
- (iv) Combined with Smart Meters, Smart Grid can provide digital communications between electricity consumers and suppliers, thus helping to save energy and increase reliability of electricity supply. Smart Grid can also mean that network faults and overall reliability are more effectively managed. As the Northern Ireland electricity grid is strengthened and improved, opportunities will be taken to consider where Smart Grid can enhance grid operation and provide economic benefits to consumers.
- (v) As indicated in the 2010 Strategic Energy Framework DETI is currently considering an energy supplier obligation which could offer significant new energy efficiency opportunities for Northern Ireland. Typically such a proposal would require all energy suppliers, including oil, gas, electricity (and possibly coal), to meet carbon emission saving targets through promoting and/or supporting a range of energy efficiency and low carbon measures to households and small businesses. A supplier obligation of this nature could also have a role in market transformation and in encouraging activity by suppliers to promote innovative measures and approaches. The first stage of the work, which is currently underway, will be to develop a set of options and put them through an appraisal process to select the best option for the Northern Ireland energy market.

DETI is also involved at a senior level in the DSD led Inter-departmental Group which has been formed to help take Green New Deal forward. DETI is generally supportive and will continue to help where it can as there is no doubt that greater energy efficiency will help to reduce our energy consumption, and assist in combating fuel poverty, as well as providing a welcome boost to the supply chain around the installation of energy efficiency measures.

As part of its work on investigating an energy supplier obligation, DETI will be examining in greater detail the Great Britain Green Deal model and potential advantages for Northern Ireland. This model draws financing from the private sector, through the establishment of

Green Deal providers, and will allow consumers to repay through their energy bills. As a result, no Government funding is required.

Northern Ireland Sustainable Energy Programme

The Northern Ireland Sustainable Energy Programme (NISEP) is administered by the Energy Savings Trust on behalf of the Utility Regulator and is funded by means of a levy of approximately eight pence per unit on electricity customers. In 2011/12, almost £7.4 million of NISEP funding is available to consumers for heating, lighting and insulation measures. Of this figure 80% (c. £6 million) is ring-fenced for priority (vulnerable) domestic customers; the remaining 20% being available to support non-priority domestic and commercial schemes.

During 2010/11 the NISEP provided assistance to 9,442 households utilising an overall budget of just over £7 million. Among the projects funded were the firmus 'Toasty Homes' and the Power NI and Phoenix 'Snug Plus' schemes which assisted households in insulating their homes and switching their heating systems to natural gas.

OFT - Review of Competitiveness of UK Domestic Heating Market

On 18 October 2011, the Office of Fair Trading published its review on the competitiveness of the UK Energy Market. DETI had maintained close contact with the OFT and ensured that the specific NI market conditions formed part of the terms of reference for the review. In advance of OFT organising and then visiting NI on 24 June 2011, to hold two roundtable discussions to understand stakeholder issues as part of this review, DETI advised OFT on additional community groups to be invited. Additionally, Energy Division contacted the NI Consumer Council and DSD to ensure consumer organisations and those involved in fuel poverty (including academia) were made aware of the event which was also published in the local press.

The report confirms that genuine competition exists within the Northern Ireland domestic heating oil market and is working well for consumers. The report highlights that consumers can choose the best price from at least 10 suppliers in each postcode area across Northern Ireland. It also recognises that over 90% of the cost of home heating oil is outside the control of local distributors and consumers and clearly states that retail and wholesale heating oil prices in recent years have been lower in Northern Ireland than other parts of the United Kingdom.

Furthermore, the report goes on to state that regulation of a competitive energy market such as heating oil would not significantly impact on the overall price to consumers, and probably no more than can be achieved from customers shopping around.

Inter-Departmental Group on Fuel Poverty

DETI is represented on the Inter-Departmental Group on Fuel Poverty (IDGFP) which is chaired by Nelson McCausland, the Minister for Social Development. The Group meets (approximately) quarterly and includes representatives from other key departments with a role in addressing poverty, income and health. DETI has also attended the Fuel Poverty Advisory Group on request.

Department for Finance and Personnel

ONE PAGE SUMMARY OF THE KEY ISSUES

Fuel Poverty - The Building Regulations

When fuel poverty is discussed, Building Regulations are often cited. Modern building regulations already provide for highly thermally efficient new buildings with efficient controls and services. In relation to the existing building stock, it is only when work is being proposed to a building that the building regulations standards apply, if no work is proposed there is nothing that the Building Regulations can do about it.

The total number of dwellings in NI is around 700,000. The current rate of new build for housing is around 6,000 per annum, down from a peak of 15,000 in 2006/2007 having previously averaged at 12,500 houses. The number of new builds and refurbishments taking place each year is minimal in comparison with the number of houses already in existence, and therefore have little effect on the overall composition of housing stock and fuel poverty where people spend more than 10% of their income in heating and electricity costs - predominantly where those people live in older poorly insulated hard to heat houses.

The Department of Finance and Personnel is responsible for the maintenance of the Northern Ireland Building Regulations. These regulations were first introduced in April 1973 and included measures requiring the thermal insulation of buildings. In 1980, the scope of the relevant requirements was expanded to regulate for the "Conservation of fuel and power". Periodic amendments to the requirements of these regulations have been made with each amendment required higher standards of energy performance.

The last amendment was made in 2006 and as well as setting standards that were 44% above previous requirements, the method of demonstrating compliance was changed from an elemental approach (each element of the building complying with a stated U value {a measure of the heat flow through the element}) to a whole building approach.

In the whole building approach, compliance is measured against emissions targets, calculated using approved software and which take into consideration the thermal efficiency of all elements in the external fabric of the building (floors, walls, roof, doors and windows), the building's orientation and the efficiency and effectiveness of the heating system, its fuel and controls.

A public consultation on proposals to further amend "Conservation of fuel and power" to improve standards by an average of 25% has just concluded. On the basis that the Minister agrees, and the Finance and Personnel Committee are content, these revised standards will come into operation early/mid 2012. In line with proposals elsewhere in the UK and ROI, further amendments with the aim of requiring low or zero carbon buildings from 2016/2017 will be prepared.

The Department of Finance and Personnel is also responsible for the Energy Performance of Buildings regulations. These regulations require that where a building is constructed, sold or rented out, an Energy Performance Certificate is made available to the prospective owner or tenant.

The EPC is accompanied by a report which contains recommendations for the cost effective improvement of the energy performance of the building. The recommendations are advisory and there is no requirement to carry them out, however, the EPC would indicate the improved energy rating for the building if the recommendations were carried out.

Department for Health Social Services and Public Safety

FROM THE MINISTER FOR HEALTH,
SOCIAL SERVICES AND PUBLIC SAFETY
Edwin Poots MLA



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Your Ref: CSD/011/2011/CMcC

Our Ref: COR/1711/2011

9 November 2011

Dear Mr Maskey

Thank you for your letter dated 14 October asking me to nominate a senior official to represent my Department at the Fuel Poverty Event on 16 November 2011.

I welcome all efforts to address and improve issues relating to fuel poverty and the negative impact it can have on the health and well-being of the population of Northern Ireland. I would therefore be pleased to nominate Dr Naresh Chada to attend the fuel poverty event. Also attached as requested is a three-sided briefing and summary for the Committee.

I am copying this letter to Michelle Gildernew.

Edwin Poots MLA
Minister for Health Social Services and Public Safety

**ISSUE: DRAFT BRIEFING FOR THE DSD COMMITTEE REGARDING
FUEL POVERTY 16 NOVEMBER 2011**

TO: DSD COMMITTEE

FROM: DHSSPS

1. The health and wellbeing of all those living in cold homes/ fuel poverty is negatively impacted to a greater or lesser extent. Low home temperatures especially impact on infants and children, older people and those living with chronic conditions such as osteoarthritis, neurological conditions, stroke and dementia, respiratory and cardiovascular disease – cold homes can cause excess deaths and exacerbate many illnesses, in addition to potentially delaying recovery from serious conditions.
2. Fuel Poverty is recognised as a public health issue in the current strategy Investing for Health. In keeping with the Public Health Agency's role it is working in partnership with DSD, the public, private, community, voluntary and academic sectors to research, evaluate and deliver a range of local and regional initiatives to alleviate fuel poverty and maximise income for those living in fuel poverty.
3. At strategic/policy level DHSSPS continues to be represented on the DSD led Ministerial Group on Fuel Poverty.
4. The Public Health Agency (PHA) continue to work in partnership with the public, private, community, voluntary and academic sectors to research,

evaluate and deliver a range of local and regional initiatives to alleviate fuel poverty and maximise income for those living in fuel poverty:

- PHA now takes the lead in the 'Keep Warm, Keep Well' annual campaign and this has been signposted through a bespoke NI Direct webpage for Winter 2011.
- The PHA have established a regional fuel poverty and health network to develop a more strategic approach to fuel poverty and health across the region.
- In partnership with National Energy Action (NEA), the PHA hosted a regional conference on fuel poverty and health in November 2010. A priority was to engage with frontline Health and Social Care (HSC) staff and highlight their key role in identifying vulnerable households and signposting to relevant support services and grants.
- The PHA invested £447,500 in 2010/11 to combat fuel poverty. Through working in partnership, this investment attracted significant additional funding, including energy efficiency grants through the Northern Ireland Electricity (NIE) sustainable energy fund and the warm homes scheme, and £707,000 from the Department of Agriculture and Rural Development (DARD) to alleviate rural poverty and isolation. In 2011/12, the PHA's investment to date in this area of work is £487,580.
- The Public Health Agency's investment in fuel poverty has provided assistance to all vulnerable groups. Services and support provided through their partnership working includes:
 - energy efficiency advice;
 - insulation measures and 'whole house solutions';
 - awareness-raising activity;
 - referrals to grant schemes;

- access to benefits and services
- signposting to local oil stamp savings schemes

5. Benefit maximisation schemes across Northern Ireland have significantly improved household incomes. These schemes, part of the PHA fuel poverty programmes, also take referrals from Health and Social Care staff and aim to promote health and wellbeing and reduce poverty within vulnerable groups.

PARTICULAR ISSUES DHSSPS WISH TO DISCUSS AT THE COMMITTEE EVENT?

We have no particular issues to raise at this time.

Department for Social Development

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9 November 2011

Dear Kevin

Thank you for your letters dated 14 October and 7 November outlining the Social Development Committee's plans for a Fuel Poverty Event in Parliament Buildings on Wednesday 16 November at 6pm. The Committee has asked for the names of senior officials who will represent the Department at this event and for advance briefing to include a one-page summary of the key issues. Jim Wilkinson and I will attend on behalf of Department for Social Development. Minister Nelson McCausland will also be delighted to attend the event. I have set out below some briefing on the key points from the Department's new Fuel Poverty Strategy. I have also attached a one page summary of the key issues.

The new Fuel Poverty Strategy for Northern Ireland "Warmer Healthier Homes"

The Department's new Fuel Poverty Strategy "Warmer Healthier Homes" was launched in April 2011. The strategy sets out the Department's vision for the future...*"a society in which people live in a warm, comfortable home and need not worry about the effect of the cold on their health"*.

The Strategy identified 4 key areas for action.

Key Area 1 - Targeting of Resources

This key area aims to "better target the resources available through the development and implementation of a robust mechanism for the measurement and analysis of fuel poverty with Northern Ireland".

The actions in this area centre on ensuring resources are targeted effectively at the most vulnerable households. The resources are committed through the various energy efficiency programmes funded by the Department such as Warm Homes Scheme, pilot Boiler Replacement Scheme and the Housing Executive's Heating Replacement Scheme.

Targeting of Resources

On 6 September, Professor Liddell from the University of Ulster published "Defining Fuel Poverty in Northern Ireland: A Preliminary Review". This review highlighted that within the 44% of households in fuel poverty, there is a core group of 13% of vulnerable households who are in extreme fuel poverty. This equates to approximately 75,000 households. The Department will use this research to evaluate how we deliver energy efficiency improvements to households in the future. We will examine existing energy efficiency schemes such as

Warm Homes and the pilot Boiler Replacement to ensure that the measures available and the delivery methods are still appropriate and properly targeted.

Key Area 2 - Improving Energy Efficiency

This key area aims “to improve the energy efficiency of vulnerable households”.

Warm Homes Scheme

Since its inception in 2001 the Warm Homes Scheme has provided insulation for almost 100,000 households and has installed new or upgraded heating systems in over 23,000 fuel poor households. During 2010, over 10,000 homes were assisted through the Warm Homes Scheme. The average energy efficiency gain was 25%. To date this year, almost 4,000 homes have been assisted with energy efficiency.

Pilot Boiler Replacement Scheme

The pilot Boiler Replacement Scheme was launched in June 2011. The rationale for the scheme was to offer assistance to vulnerable households who have not been eligible for any previous Government assistance. £2 million has been ring-fenced within the fuel poverty budget and we anticipate that approximately 1,330 households will benefit from the scheme. Initially, the target group was householders aged 60 and over, in receipt of Rates Relief (not Housing Benefit), with a boiler at least 15 years old. The scheme has now been extended to householders in receipt of Lone Pensioner Allowance. To date over 500 eligible applications have been received.

The Minister has asked officials to review the Warm Homes Scheme alongside the pilot Boiler Replacement Scheme to ensure our approach to energy efficiency improvement continues to target vulnerable householders.

Heating Replacement Programme

The Housing Executive continues to deliver its annual Heating Replacement Programme which ensures the standards of social housing in Northern Ireland continue to improve.

Smart Meters

The installation of smart meters in homes is expanding at an unprecedented rate in Europe. The European Union Energy Package includes a mandate to roll-out smart meters in all Member States with 80% coverage by 2020, and was endorsed by the European Parliament in Spring 2009. Used strategically, meters have the capacity to make energy efficiency both a desired option and an effortless transition for consumers throughout Europe. The Department is part funding a project in Northern Ireland which will pilot the use of smart meters.

Key Area 3 – Achieving Affordable Energy

This key area aims “to facilitate the achievement of affordable energy for households in Northern Ireland”.

Energy Brokerage

The Department has introduced legislation to support housing providers to broker energy at a competitive rate for their tenants. The social housing stock in Northern Ireland comprises approximately 90,000 homes owned by the Northern Ireland Housing Executive and approximately 30,000 homes which are owned by a variety of Housing Associations. The rate of fuel poverty being experienced by tenants in Housing Executive households is now the highest of all tenures, with 57% of these households living in fuel poverty. The Northern Ireland Housing Executive is developing a scheme which will broker for fuel for Housing

Executive and potentially Housing Association tenants. This energy brokerage scheme has the potential to make a significant impact on householder's ability to heat their homes and will, for the first time, provide some control on the price of household fuel. The Housing Executive plans to market test the proposal by the end of March 2012.

Benefit Uptake

Benefit Uptake has been one of the Social Security Agency's key priorities from 2005. Since then the Benefit Uptake Programme has generated £37 million in annual benefits and arrears. Of this, over £27 million has been for people aged 60 or over. The 2011/12 Benefit Uptake Programme consists of 4 strands; the first 3 mainly focus on those aged 60 or over.

It includes:

- targeted exercises - involving writing to 25,000 predominantly older people;
- a targeted Outreach strand - aimed at raising awareness at a community level of potential entitlement among older people;
- a province wide advertising campaign - aimed specifically at older people, it will be launched in the Autumn; and
- an innovation Fund - the community and voluntary sector has been invited to bid to an Innovation Fund of £250k to test new and innovative ways of reaching people to make them aware of benefits to which they could be entitled.

The 2011/12 Benefit Uptake Programme will complement the range of information and advice services already offered by the Social Security Agency. These include participation in local promotional activity, the production of specific publications, some in minority ethnic languages, the Department's website, the Benefits Adviser Service and general assistance with advice and information provided on ongoing basis through our network of local and centralised benefit offices.

The Social Security Agency 's Outreach Service, which is now an integral part of benefit uptake, provides home visits to vulnerable customers requiring assistance with all aspects of the benefit claims process.

Oil Stamp Savings Schemes

The Department believes that budgeting for fuel will be a critical tool in tackling fuel poverty in the future. DSD fully recognises the benefits of Oil Stamp Savings Schemes which encourage householders to budget more effectively for fuel. These schemes work most effectively when operated a local level and this is recognised a method of good practise. We continue to encourage Councils to operate schemes in their areas. The Department is also working with local companies Kingspan Environmentals and Carillion to develop a Pay as You Go option for oil. We plan to run a pilot exercise to test the feasibility of Pay as You go for oil early in 2012.

Key Area 4 – Building Strong Partnerships

This key area aims "to develop and consolidate effective partnership working across organisational and professional boundaries to provide more effective and integrated team working to eradicate fuel poverty".

DSD recognises the role of a wide range of stakeholders into tackling fuel poverty and firmly believe that it is only through partnership working that we can make real progress. Through the Fuel Poverty Advisory Group and the Inter Departmental Group on Fuel Poverty we have expertise from across Government and the wider energy sector. The Department now proposes to combine the two groups to form a new Fuel Poverty Forum which will bring more focus to fuel poverty.

Area Based Approach

DSD commissioned Professor Liddell to review the Kirklees model for delivering energy efficiency measures. The report concluded that it is a very worthwhile scheme providing the necessary resources are available. DSD is keen to investigate opportunities for an area-based approach and this will all form part of our review into future delivery of energy efficiency measures, as requested by Minister.

I trust the Committee finds this helpful and I look forward to the event on 16 November.



Eilish O'Neill

Fuel Poverty Event on 16 November Parliament Buildings

Department For Social Development Key Issues

- Fuel Poverty Definition
- Hills Review
- Warm Homes Scheme
- Boiler Replacement Scheme
- Future targeting
- Area based approach
- Green Deal/Green New Deal
- Energy Brokerage
- Pay as You Go for Oil
- Affordability of fuel
- Benefit Uptake

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Our Ref: COR/1381/11

Your Ref: CSD/011/2011/CMcC

8 November 2011

Dear Alex,

Thank you for your letter of 14 October, in which you outlined your proposal to have an event on fuel poverty.

OFMDFM Ministers are very supportive of the work undertaken with regard to the Fuel Poverty Strategy as it impacts on the most vulnerable in our society.

We have included, with this letter, issues that we would like raised and can confirm that Joe Reynolds, Policy Lead for Poverty, Social Inclusion and Disability will represent OFMDFM at the event.

Yours sincerely



RT HON PETER D ROBINSON MLA
First Minister



MARTIN McGUINNESS MP MLA
deputy First Minister

APPROVED BY THE MINISTERS
AND SIGNED IN THEIR ABSENCE



OFMDFM Key Issues on Poverty

1. The Social Investment Fund

- On 22 March 2011, the Executive agreed the establishment of a social investment fund aimed at reducing poverty and unemployment.
- The fund recognises that deprivation occurs across a number of areas, and eight possible investment zones have been identified.
- It is recognised that the government response to issues of economic and social disadvantage needs to break from a silo approach in order to have a long-term impact. Therefore, OFMDFM will co-ordinate an interdisciplinary approach across all departments.
- It is proposed that funding totalling £80 million will be allocated to the fund across the Budget period.

2. The Social Protection Fund

- The Executive remains committed to tackling the problem of disadvantage here.
- In addition to the Social Investment Fund, the Executive proposes a Social Protection Fund that will assist those most in need within the wider community. The Social Protection Fund programme will target individuals and families facing hardship due to the current economic downturn.
- It is intended that it will operate as an Executive Fund and as such it will be for departments, as opposed to individuals, to bid for funding for schemes.
- The prioritisation of proposals from departments is currently being considered.

3. The Child Poverty Strategy

- The Child Poverty Strategy was published on 24 March 2011. The Strategy sets out the actions proposed by the Executive to address the issue of Child Poverty here.
- Since publication of the strategy, Junior Ministers met with representatives of the Poverty and Social Inclusion Stakeholder Forum and with other departments to discuss possible actions.
- Our officials have also been working with colleagues in the other departments to develop an associated Delivery Plan which will detail key initiatives and signature projects to progress the priorities identified in the strategy.
- There have also been discussions with key stakeholders with regard to the identification of appropriate actions. Work has also been continuing with statistician and economist colleagues in other departments to develop an Outcomes Model to monitor progress of the Delivery Plan towards eradicating child poverty here.



Northern Ireland
Assembly

Appendix 3

Stakeholder Submissions

Access to Benefits

Potential Solutions to Fuel Poverty in Northern Ireland

A2B: Access to Benefits sees the following as potential ways of easing fuel poverty here:

- Maximising benefit uptake – more needs to be done to encourage people to have benefit checks and apply for benefits that they are currently not claiming. This is particularly important for older people who are missing out on, for example, at least £62million in Pension Credit here every year. Too often, they see it as accepting handouts or charity – the message we wish to promote is that claiming benefits is actually claiming back money you have paid into the system and is of benefit to the Northern Ireland economy. Receiving additional benefits can therefore help to pay for energy costs.
- Better data sharing and automatic payment – while some work has been carried out between Land and Property Services and the Social Security Agency on sharing data to improve uptake, this could be widened to help increase uptake to a wider range of benefits. Automatic payment of some benefits could also ensure that all eligible people receive payment. Again, this will lead to income maximisation which will help people to pay for fuel costs.
- Winter Fuel Payment – 97% of the Northern Ireland Pensioners' Parliament approved a motion calling for 'the UK Government to reverse its decision to cut the Winter Fuel Payment this year and to look at ways of linking future payments to energy prices'. A higher rate of the payment would again help to maximise income.
- Increasing financial capability – helping lower income groups to budget regularly over a period of time to mitigate the effects of price rise shocks, building on the oil stamps work already gaining traction among NI councils, would help greatly when householders are trying to plan for fuel expenditure.
- Better targeting and promotion of the Warm Homes Scheme – the Department should look at how it advertises the Warm Homes Scheme and look at ways of establishing eligibility for those who are not currently receiving help from the scheme. This also applies to other initiatives such as the Boiler Replacement Scheme and the insulation grants being offered by Power NI.
- Energy Brokering and Social Tariffs – some interesting work has already been carried out by the NI Assembly Research service, looking at examples from GB and further afield. This should be taken on board by the Department and recommendations should be drafted which would allow for some pilot work to be carried out on both of these initiatives.

Advice NI



Advice NI Fuel Poverty submission to Social Development Committee

November 2011





Advice NI is a membership organisation that exists to provide leadership, representation and support for independent advice organisations to facilitate the delivery of high quality, sustainable advice services. Advice NI exists to provide its members with the capacity and tools to ensure effective advice services delivery. This includes: advice and information management systems, funding and planning, quality assurance support, NVQs in advice and guidance, social policy co-ordination and ICT development.

Membership of Advice NI is normally for organisations that provide significant advice and information services to the public. Advice NI has over 65 member organisations operating throughout Northern Ireland and providing information and advocacy services to over 117,000 people each year dealing with around 250,000 enquiries on an extensive range of matters including: social security, housing, debt, consumer and employment issues. For further information, please visit www.adviceni.net.

Advice NI believes that advice services make a vital contribution to tackling problems that affect people's day to day lives. In particular the services of Advice NI members target deprivation and need as it exists within local geographic areas and within particular social groups – ensuring that the most vulnerable people have access to information, advice and representation on issues affecting them. This has always been the case: but the recession, welfare cuts and rising inflation have sharpened the intensity of the problems facing many households.

Advice services can play a key role in maximising people's incomes; which is one of the 3 determinants influencing fuel poverty (the other 2 being the cost of energy and the energy efficiency of the home). Advice NI believes that more must be done to address the issue of income maximisation for households both in and out of work.

Age NI

Briefing to the Social Development Committee 16 November 2011

Social Tariffs

Despite higher levels of fuel poverty in Northern Ireland, older people here are not afforded the same level of protection as their counterparts in the UK. The Warm Homes Discount, funded by energy suppliers is paid to older people receiving Pension Guarantee Credit as a £120 annual deduction from their electricity bill. The scheme came into operation on the 1st of April. In light of escalating levels of fuel poverty in Northern Ireland, affordability policy must be progressed here as a matter of urgency.

The same progress has not been witnessed in Northern Ireland mainly due to a lack of political support. The key arguments given against the introduction of a tariff system here have been over how such a system would be funded. Age NI believes that conclusions are premature and unfounded. We want to see a full analysis of the various options of introducing social price support in Northern Ireland. No in depth assessment of options has taken place. In response to the arguments against a system of price support here, Age NI would argue that the smaller profit margin of energy companies in Northern Ireland is irrelevant. In GB, the costs of running a tariff system are ultimately passed on to other consumers anyway through a system of cross subsidy. A joint analysis of the situation should be led by the Department for Social Development and the Department for Enterprise Trade and Investment.

Greater protection for oil customers

The majority of older people are dependent on oil as their main source of heating. Those in the 60- 74 age bracket are the age group with the highest dependence on oil central heating at 75%, while 63% of those aged 75 and over are reliant on oil. Oil is a much more expensive form of heating than gas (£1,000 more per annum on average).¹ This high dependence, coupled with the fact that oil prices can be up to 70% more expensive than gas here, means that some form of regulation would be beneficial in Northern Ireland. Gas consumers enjoy a regulatory framework which ensures that they receive certain standards of customer service. Protection of the interests of gas consumers with regard to price and quality of service is a key objective of the Utility Regulator. Regulation would provide some reassurance to oil users that the price they are paying for their oil is reasonable. Furthermore, regulations would ensure that certain standards are met. For example, that boilers are fitted properly ensuring greater efficiency and thus saving the customer money.

Oil stamp savings schemes also operate in a number of council areas across the province and are popular with older people. The DSD should work with the DOE and remaining councils to roll out oil stamp savings. We are also aware that the DSD is exploring the potential to pilot a pay-as-you-go system for oil. We are encouraged by this development.

An area based approach to fuel poverty

Age NI is aware that the Department is exploring the potential of an area based approach to fuel poverty and that the Warm Homes Scheme will be reviewed. Whilst we are not opposed to an area based approach in principle we would have a number of concerns. Firstly, we would have concerns that local Councils will be expected to fund measures. This could result in a

1 The Price of being Poor, The Consumer Council, June 2011

postcode lottery scenario. It could also result in a lack of clarity as to who has responsibility for fuel poverty measures. Secondly, we have concerns about targeting only those in severe fuel poverty does not take account of the fact that health impacts on an older person in 'moderate' fuel poverty could be s serious or more serious than a younger person in severe fuel poverty. There is a danger that this approach will neglect these older people.

Age Sector Platform

DSD Committee – Fuel Poverty Paper, November 2011

Introduction

Age Sector Platform (ASP) welcomes the invitation to take part in the Committee for Social Development's Fuel Poverty event on the 16th November and commends the Committee for organising this meeting.

ASP is a charity which represents the interests of older people in Northern Ireland. It has a membership base of 30 older people's organisations and networks which represent approximately 200,000 older people. During 2011 ASP organised the first NI Pensioners Parliament (NIPP) which saw large numbers of older people consulted on what their top concerns were. 'Keeping Warm in Winter/Energy Prices' was the top concern with three quarters of older people (75.8%) listing this as a real worry.

At the two day Pensioners Parliament in June older people from across NI discussed the issue in great detail and voted on what they believe could help address this serious issue. Some of the recommendations require action by the UK Government at Westminster while others are within the remit of the NI Assembly. The main recommendations on what could be done to tackle fuel poverty are included in the following pages.

NIPP Recommendations on tackling Fuel Poverty

The Northern Ireland Pensioners Parliament has called on the NI Assembly to make tackling pensioner poverty a key priority in their new Programme for Government. If older people are to be helped out of fuel poverty their income must be increased and they need to get greater protection from rising energy prices. The following pages provide some recommendations on how these two issues can be tackled.

1 Raising Income Levels

(i) Basic State Pension

One of the major factors in fuel poverty is inadequate levels of income and this has to be tackled if older people are to be able to heat their homes to a safe level. The basic state pension needs to be significantly increased from its current rate of £102.15, and even with pension credit the £137.35 available to those who claim falls well below the governments own estimated poverty line of £178 a week before housing costs.

(ii) Automatic Payment of Pension Credit

Despite a number of initiatives to promote benefit uptake amongst older people it is estimated that the average amount of weekly unclaimed Pension Credit in Northern Ireland is estimated to lie in the range £1.2m to £2.3m per week. This is money sitting in the treasury instead of in the pockets of many of the older people who need financial help the most.

The automatic payment of Pension Credit would address many of the barriers pensioners face to getting what they are entitled to and we believe that the Minister for Social Development should make a case to the DWP for a pension credit pilot in Northern Ireland. There is also a strong economic argument for automatic payments which should not be underestimated. The additional income could afford older people a better quality of life, increase local spending and boost the Northern Ireland economy.

(iii) RPI v CPI

The decision by the UK Government to change how pensions are up-rated from the Retail Price Index (RPI) to the Consumer Price Index (CPI) should be reversed. Since 2000, RPI has been higher than CPI by over 0.8 per cent a year on average and this will have a significant negative impact in the medium to longer term on pensioner incomes.

The NIPP also recognised that many pensioners just above the benefits line are also facing major difficulties in paying for the necessities of heating and eating and believes more needs to be done to help this group, many of whom are worse off financially than those receiving benefits.

2 Tackling High Energy Prices**(i) Energy Discount Schemes**

Age Sector Platform (ASP) believes that older people in NI are being disadvantaged by not being offered energy discount schemes which are in place throughout the rest of the UK. More than half a million pensioner households in Great Britain will get £120 off their bills this winter through the Warm Home Discount Scheme. However, pensioners in Northern Ireland can not benefit from this scheme as it is not provided by NI energy companies. ASP believes that the DETI Minister should bring forward plans to get energy companies to introduce similar schemes in Northern Ireland.

(ii) Winter Fuel Payment

This year, the UK Government has decided to cut the winter fuel payment for people aged between 60 and 80 by £50 and for people aged over 80 by £100. Age Sector Platform believes that this is a shocking decision which will cost lives and that the winter fuel payment should be increased to reflect high energy prices, not reduced.

(iii) Regulation of the Oil Industry

The NIPP has called for the oil industry in Northern Ireland to be regulated to help ensure that oil customers get value for money. Northern Ireland has the largest percentage of households using heating oil in Western Europe – with 68 per cent homes (82 per cent in rural areas) using heating oil as their primary heating source.

(iv) Oil Stamp Schemes

ASP is aware that some local council's have developed oil stamp schemes to assist pensioners to save for the purchase of home heating oil. The Pensioners Parliament has called for a NI-wide scheme to be developed so pensioners can avail of such a scheme no matter where they live.

(v) Social Protection Fund

The NI Executive can help those older people at risk from the cut this winter by providing an emergency payment through the Social Protection Fund. We believe that such a payment would significantly help older people this winter and would be an excellent use of these vital funds. This is not a long term solution to fuel poverty but something that could help older people cope with their cut in their fuel payment this year. Age Sector Platform's petition against the cut has attracted almost 16,000 signatures to date which highlights the level of concern amongst older people about the impact this cut will have on trying to keep warm this winter.

Conclusion

Age Sector Platform welcomes the opportunity to comment on this serious matter which is the number one concern of older people in Northern Ireland at this time. As outlined in our response, the NI Assembly does have the opportunity to help many vulnerable older people during the coming winter months through the social protection fund but also needs to start developing new schemes that can help tackle this serious issue in the medium to long term. We look forward to participating in the event on the 16th November and on working with the DSD Committee and others on how we can make progress on fuel poverty. If you need any further information on anything mentioned in this paper please do not hesitate to get in touch.

Summary by Bryson Charitable Group

Monday 7th November 2011

Fuel Poverty in Northern Ireland

Bryson Charitable Group welcomes the opportunity to contribute to the Fuel Poverty Event at Stormont on the 16th November 2011 and to meet with Committee Chairs and Department officials in relation to increasing problem of fuel poverty in NI.

Bryson is the sixth largest social enterprise within the United Kingdom with over 660 staff and a turnover in excess of £30m. Bryson has been involved in fuel poverty initiatives since the late 1980's and its business unit, Bryson Energy is currently one of the two Scheme Managers for Warm Homes, the Government's primary tool to tackle fuel poverty within NI.

There is no single solution to fuel poverty which occurs in 44% of NI households. While this figure is higher than other regions of the UK the solutions here will need to reflect that some 70% of households rely on oil as their primary source of heating. No single measure will solve fuel poverty rather a range of interventions will be required.

Potential Solutions

Targeting – Recent research by Professor Christine Liddell on behalf of DSD has identified that 14% of the 44% of households in NI are in severe fuel poverty, some 77,000 households. Bryson would be keen that funding is provided to identify these households and a package of appropriate solutions be implemented to ensure that we address the households that are clearly identified as most in need.

Payment Methods – Bryson would advocate a payment system for purchase of oil which does not have a premium attached to buying in low quantities. This would help negate the need for garage forecourt 5 litre drums at up to three times the normal cost of oil. A device similar to the prepayment cards for electricity and gas this could be in the form of a Pay As You Go system (PAYG) as currently being trialled however Bryson is concerned that costs such as administration of scheme and premiums for the PAYG system must not result in an inflated fuel price for the householder.

Regulation – The recent OFT Report into the oil distribution business in NI stated that it was an oddity that the large dependence on oil as a fuel in Northern Ireland had not resulted in regulation. Bryson believes that regulation both on price and installation standards, as in the case of electricity and gas should be examined for oil alongside an Energy Company Obligation or Levy for Fuel Poor initiatives. However, consideration would need to be given to the cost of regulation falling on the customer.

Warm Homes – As one of two scheme Managers of the Warm Homes Scheme Bryson has been concerned that the funding for Warm Homes has been depleted rather increased against the background of growing fuel poverty. In addition the recent introduction of a Boiler Allowance Scheme administered by the NIHE added another unnecessary confusing and expensive infrastructure and targeted at those who were not in greatest need. The restrictions of Warm Homes including financial limits on insulation levels and the exclusion of broken and old, inefficient boilers should be reviewed and the funding for the Scheme returned to at least the pre 2009 levels of £20m as opposed to the current £13m.

Energy Brokering – Recent work by Bryson the Consumer Council and NIHE show that there is significant savings to be made by households through energy brokering. Bryson believes that Government Estate could and should lead the way on this and the purchasing power of organisations such as NIHE could also result in significant savings for households.

Green New Deal – While the recent proposals to Government for Green New Deal were not exclusively tailored to address Fuel Poverty in Northern Ireland it would not be possible to operate a scheme without the inclusion of fuel poor households due to their significant numbers. Current interventions such as Energy Advice, Warm Homes, NISEP funded schemes and Utility Schemes would certainly be more effective if packaged together and operated on an area-based approach. The opportunity to carry out a *whole house solution* that Green New Deal offers is attractive to Bryson. Bryson believes that the working fuel poor and those on the edge of fuel poverty alongside those more affluent households will need a financial incentive to avail of the Green New deal offer. Bryson strongly advocates that Government provides this incentive as outlined in the green new Deal submission.

Advice - As the largest provider of independent energy advice to householders Bryson would advocate that sufficient resources be secured to continue an energy advice provision after the end of current DECC funding in March 2012. The current DECC funding will cease due to the introduction of Green Deal in GB however this will not apply in NI. Figures obtained from Professor Christine Liddell, University of Ulster show that energy bills can be reduced by 6% through behavioural advice while face to face advice and assistance can reduce bills by 12%. The Northern Ireland statistics for fuel poverty highlight, in contrast to the GB figures, that significant numbers of households are not, under the current definition, fuel poor but are close to being so. Intervention is always preferable to cure and while NI tackles large numbers of households already in fuel poverty it should also ensure that households are given the assistance needed to stay out of fuel poverty. Much of this intervention can be done through energy advice therefore Bryson believe that locally tailored and delivered advice should be recognised as an important element in both preventing and combating fuel poverty. Recent studies have highlighted that along with behavioural advice the presence of visual energy use technology can reduce energy usage and Bryson support the introduction of Smart Meters; however it is concerned that the increasing costs of proposed meter capabilities are more related to Utility requirements than householder needs. ENDS

Chartered Institute of Environmental Health

11th November 2011

Briefing for Social Development Committee

RE: Fuel poverty event, 16th November 2011

Introduction

The Chartered Institute of Environmental Health (CIEH) has a key interest in this issue, which is why we are supporting the Fuel Poverty Coalition in Northern Ireland and indeed are part of the steering committee. We further believe that there are clear opportunities for our membership located within the local authority sector in NI, to make a contribution towards alleviating the issue given the roles that they currently have in public health and housing. Indeed many environmental health departments across NI have already sought to provide practical support and interventions designed to address this significant public health issue.

Policy Context

Levels of fuel poverty in NI are well documented and are clearly unacceptable. The committee will be aware that NI has the worst levels of fuel poverty within the UK. There are also clear and inextricable linkages between fuel poverty and food poverty – certainly in terms of the fiscal issues.

It is not only fuel prices that continue to rise. Food prices too, in no small way because of the critical dependency of the food industry on energy and fossil fuel derived energy in particular, continue to escalate. In practical terms, as has been highlighted by several commentators recently, the choice between either heating or eating would now appear to be a very real one for many people within our society. Although it is currently not as easy to quantify the percentage of the NI population in food poverty because of the complexities of the issue, in our view it is reasonable to suggest that most if not all of households struggling to pay energy bills are also highly likely to be finding difficulties in affording the shopping baskets they would have previously selected. This in turn, as previous research has shown, can have significant implications for dietary health.

It therefore follows that, policies and interventions that alleviate fuel poverty are likely to have apposite impact on other areas of poverty and deprivation if they reduce expenditure on energy and fuel costs. It also follows that this, in turn, will make a potentially significant contribution towards sustainability, in particular by reducing greenhouse gas emissions (GHGE) through better energy efficiency. Domestic properties are a significant part of NI's GHGE portfolio due largely to the fuel mix involved, particularly oil, as well as inefficient houses in terms of energy conservation.

Solutions

- 1 The green new deal should be unequivocally supported and implemented. The relatively modest investments required will
 - Be recouped fairly quickly
 - Have the potential to provide much needed employment, particularly in the construction sector.
 - Will reduce household expenditure on energy and fuel and
 - Will make a significant contribution towards reducing NI emissions.

- 2 Much better efforts should be made to link publicly funded services that exist already to provide practical support and assistance to those suffering fuel poverty with those households that need it.
- 3 The executive should seriously consider interventions that would immediately assist in reducing the cost of energy to those most in need. Practical actions are needed to follow through on the executive's unanimous agreement that this issue is intolerable. The bulk purchase of heating oil is one example of ways in which the executive could intervene.

ABOUT THE CIEH

The CIEH is a registered charity and a professional and educational body. We are dedicated to promoting environmental health and encouraging the highest possible standards in the work and training of environmental health practitioners.

The CIEH has a history and heritage that gives us an authority, a wealth of knowledge and a keen commitment when it comes to environmental and public health issues. We have strength in depth thanks to the 10,000 or so members and the many partners we work with.

The CIEH has long argued that reducing health inequalities calls for prevention as well as cure. We believe our society benefits when there is an enhanced role for environmental health practitioners. For more information go to our website: www.cieh.org or www.cieh-nireland.org

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Chartered Institute of Housing

Committee for Social Development: Fuel Poverty Event

The Chartered Institute of Housing supports the Committee's recognition that fuel poverty must be a priority for government. We are a member of the Fuel Poverty Coalition and responded to the Department for Social Development's consultation on Warmer Healthier Homes. Our response to the new fuel poverty strategy concurred with the decision to focus improving energy efficiency as a key area that government can directly and effectively influence. This means that housing has a fundamental role to play in meeting government's objectives in tackling fuel poverty.

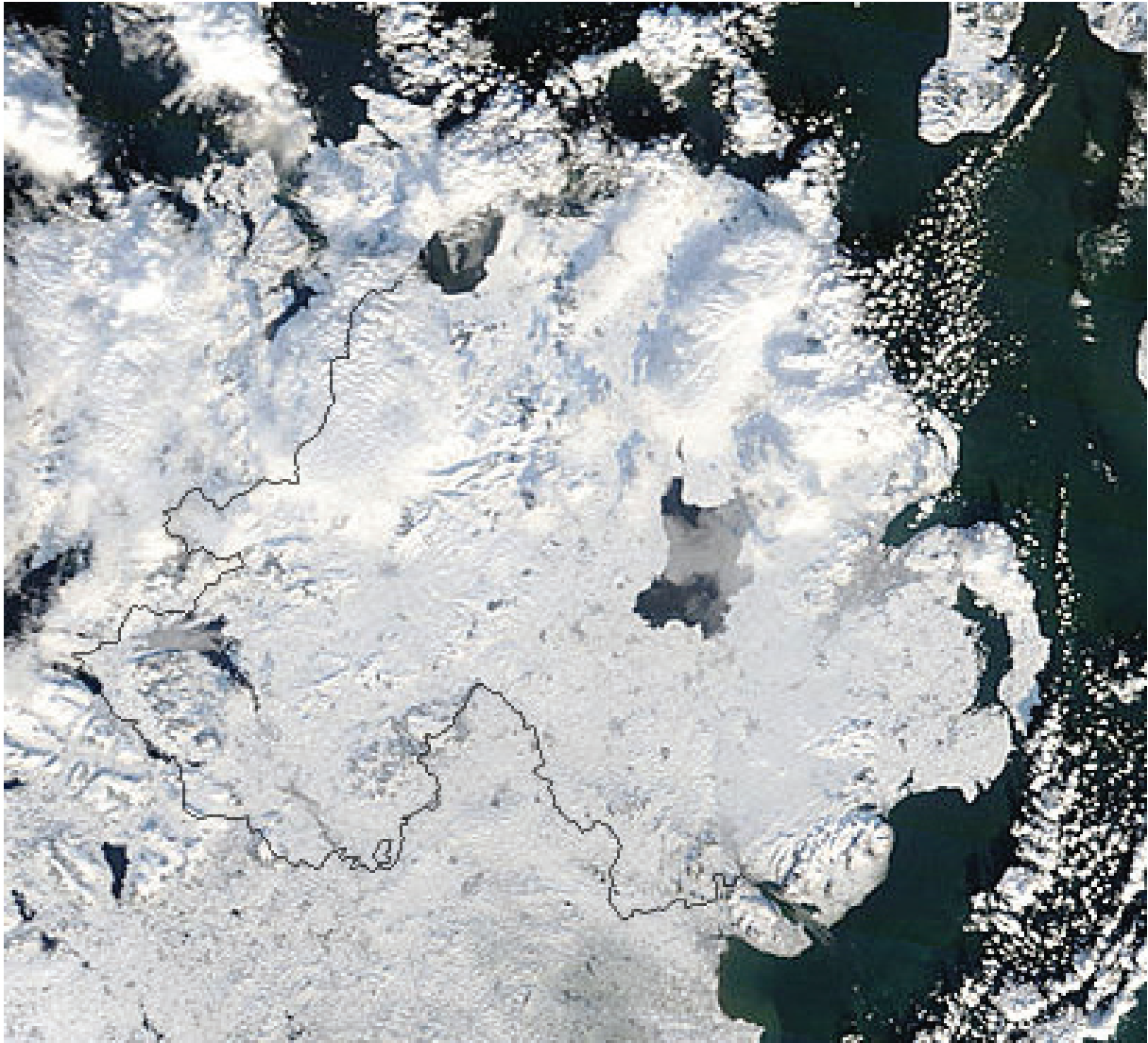
CIH welcomes the opportunity to take part in this event and hope to help inform the debate and discussion around potential solutions by looking at what work is currently underway elsewhere that could be relevant for Northern Ireland. This includes:

- The interim report on Fuel Poverty by Professor John Hills aimed at improving the targeting of resources to tackle fuel poverty and examining why significant investment in interventions have failed to meet targets to eradicate fuel poverty
- Scotland's Universal Home Insulation Scheme – the success of the scheme to date and levels of investment
- Wales's strategic energy performance investment programme – Arbed – and its success in helping to eradicate fuel poverty and the additional funding sources it has been able to access to support government investment in the scheme
- Nest – the Welsh Government's new fuel poverty scheme delivered in partnership with energy providers

In addition to the strategic approach to addressing fuel poverty, CIH believe that there are many practical ways in which housing providers, particularly in the social rented sector, can help mitigate the impacts of fuel poverty on households. This might mean supporting tenants who wish to downsize to smaller, easier to heat properties in doing so; helping to educate tenants about how to heat their homes more effectively (work that could and should also be extended to the private sector); or facilitating community energy projects.

The Commission on the Future for Housing called for a Retrofit Scheme for Northern Ireland that would directly address energy efficiency, thus reducing fuel poverty levels. Such a scheme would consolidate approaches to the energy efficiency aspect of fuel poverty across all tenures and could maximise public investment as well as having the capacity to leverage additional funding from European funds or the private sector. CIH still believes that this approach offers the best opportunity to effectively tackle fuel poverty in the short to medium term.

Citizen Advice Report



A Cold House for Everyone? Fuel Poverty in Northern Ireland



**“Fuel Poverty is not
simply about schemes and
programmes – it really is a
matter of life and death”**

Christopher Evans MP

Citizens Advice Northern Ireland – A Cold House for Everyone? 

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Citizens Advice Northern Ireland – A Cold House for Everyone? 

A Cold House for Everyone?

**A social policy report presenting Citizens Advice
research and evidence on Fuel Poverty in Northern
Ireland**

Adam Tinson

Citizens Advice Northern Ireland – A Cold House for Everyone?**Contents**

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Citizens Advice Northern Ireland – A Cold House for Everyone?

Executive Summary

This report seeks to make a contribution to the formulation of policy on fuel poverty in Northern Ireland by drawing on a significant body of evidence from Citizens Advice. Fuel poverty is defined as occurring when 10% of a household's income is insufficient to afford their energy needs. Consideration of fuel poverty is all the more important in the context of a sluggish economic recovery and a fiscal consolidation which disproportionately affects Northern Ireland, making it more difficult for people to afford to heat their homes.¹ This will be substantially exacerbated by the prices increases announced so far in 2011, with Phoenix Gas increasing prices by 39.1%, Firmus increasing prices by 28.4% and Power NI increasing prices by 18.6%. Oil prices remain extremely high and coal prices are forecast to increase by between 4-10%.

Within this context, Citizens Advice has conducted a survey of its clients to gain an insight into fuel poverty as an issue, examining the efficiency of existing government initiatives, gaps in existing provision and what help people need to see from the Assembly. The survey was conducted between February and March 2011 and had 386 respondents who are clients of 24 Citizens Advice Bureaux across Northern Ireland (see Appendix A for a copy of the questionnaire).

Key findings are:

- One in two CAB clients surveyed had experienced difficulty paying their heating bills, and 77% had been forced to ration the heat they use.
- Amongst elderly CAB clients, 30% have had to make the choice between heating and other essential items such as food. Amongst disabled respondents, this increases to 59%.
- Around one in ten CAB clients have had to borrow from relatives and friends or charities to pay for heating bills at some point.
- 12% of CAB clients surveyed have been forced to borrow from the Social Fund to pay for fuel, with an average fuel debt of over £300. Around 49% of those disabled or too sick to work have had to borrow from the Social Fund.
- A significant number of people attribute their problems to poor insulation and heating systems, with 49% of CAB clients claiming they would benefit from the provision of energy efficiency advice.
- Reports from bureaux around Northern Ireland also suggest that, while households relying on oil are facing significant problems in affording to heat their homes, there are also issues for those using gas or electric heating, especially if they have fallen into arrears.

It is important to acknowledge that the Department for Social Development (DSD) has taken an active lead on fuel poverty through its recently published strategy, 'Warmer Healthier Homes.' Citizens Advice welcomes the Department's initiatives on improving energy efficiency in homes

¹ *The Impact of Tax and Benefit Reforms to be Introduced between 2010-11 and 2014-15 in Northern Ireland, Institute for Fiscal Studies, James Browne, 2010.*

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as well as initial proposals on the issue of pricing such as the brokerage scheme for social housing. The evidence collected by Citizens Advice suggests a need, however, to expand the scope of these initiatives, as well to promote existing measures. Citizens Advice also acknowledges that some of the elements of fuel poverty are structural problems (such as those resulting from the size and location of the Northern Irish energy market) which are difficult for the Assembly to influence and eliminate.

Recommendations:

- 1. Substantial promotion of the Warm Homes scheme.**
- 2. Re-extend the eligibility of the Warm Homes Plus scheme.**
- 3. Energy efficiency advice provision should be extended and publicised.**
- 4. Greater focus on Warm Homes Plus.**
- 5. Assembly scrutiny to ensure that the Warm Homes budget is spent to plan.**
- 6. Investigating the feasibility of extending energy brokerage schemes beyond the social housing sector.**
- 7. Extend energy brokerage into heating oil through oil clubs.**
- 8. Open a dialogue with oil suppliers to consider minimum order problems.**
- 9. Ensure oil stamp and payment schemes apply across Northern Ireland.**
- 10. The Northern Ireland Utility Regulator should examine the prospects of a good practice code similar to 'Preventing Debt and Disconnection' and whether it is applicable in Northern Ireland.**
- 11. Investigating whether a Kirklees or area-based approach could be used to tackle low energy efficiency and lower Warm Homes uptake in isolated rural areas.**
- 12. Examining whether energy efficiency ratings could be increased through a statutory requirement to meet a minimum standard before letting or re-letting a property.**
- 13. Promotion of the Landlords Energy Savings Allowance.**
- 14. Building regulations should be changed to ensure the optimum energy efficiency of all new houses built in Northern Ireland.**
- 15. Considering the scope for restoring Household Fuel Payments in the future.**
- 16. The Assembly should resist moves to reduce the Winter Fuel Payment.**

Citizens Advice Northern Ireland – A Cold House for Everyone?

Introduction

To say that fuel poverty² in Northern Ireland has been approaching crisis levels for some time would not be an understatement – worryingly, the prospects for a reduction in levels of fuel poverty over the coming months and years are not encouraging, particularly in the light of the recent wave of price increases announced by the major energy companies in Northern Ireland so far in 2011.

Fuel poverty is largely determined by income levels, fuel prices and energy efficiency.³ Real income has been squeezed in recent years as a result of the economic downturn and has actually fallen across the United Kingdom as a whole.⁴ With the UK Government's fiscal consolidation underway, there are an estimated £425 million of benefit entitlement reductions and tax increases in Northern Ireland⁵, which will place disposable income under further strain, as well as a real reduction to the Assembly's budget of 6.9% over the next four years.⁶ Northern Irish unemployment remains high at 7.1% and GDP growth is predicted at only 1.1% for 2011.⁷ Combined with rising oil prices due to political unrest in the Middle East, these issues will have serious ramifications for fuel poverty, which is already estimated at around 44% of households in Northern Ireland.⁸ The 2010/2011 winter in particular has highlighted how fuel poverty can affect some of the most vulnerable, such as children and those suffering from cancer, but CAB's findings indicate a problem which affects people across many sectors of society in Northern Ireland.

Citizens Advice deals with an extensive range of queries related to fuel poverty and the issue cuts across numerous policy areas. 55.8% of the issues dealt with by Citizens Advice relate to social security, with an additional 19.8% relating to debt, indicating a client base which is experiencing social need and likely to be vulnerable to fuel poverty. CAB staff encounter fuel poverty issues when they are advising and providing information on topics such as

- fuel arrears and debts;
- applications to the Social Fund;
- Winter Fuel Payments;
- the Warm Homes scheme;
- repairs to heating systems;
- And people simply enquiring if there is any help at all with their fuel bills.

² To be in fuel poverty, a household must spend over 10% of its income on all household energy (electricity and heating) to maintain an acceptable level of energy services in the home.

³ *Warmer Healthier Homes, Department for Social Development, 2011.*

⁴ *Statistical Bulletin: 4th Quarter 2010, Office for National Statistics, 2011.*

⁵ *Warmer Healthier Homes, Department for Social Development, 2011.*

⁶ *Comprehensive Spending Review, HM Treasury, 2010.*

⁷ *Quarterly Economic Overview Quarter 2 2011, Northern Bank, 2011.*

⁸ *House Condition Survey 2009, Northern Ireland Housing Executive, 2010.*

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This report presents the evidence collected from a survey of CAB clients, ranging from those who are vulnerable, to the unemployed, to even those in work who, for a number of reasons, are struggling to keep their homes warm, and will explore the suggested policy solutions. The report then goes on to make a series of recommendations to help alleviate the problem of fuel poverty in Northern Ireland.

Methodology

The findings of this report stem primarily from a survey of clients of Citizens Advice. The survey was conducted between February and March 2011 with responses from 24 Citizens Advice Bureaux across Northern Ireland. 386 clients of these bureaux responded anonymously to the survey, representing a broad cross-section of different circumstances in terms of location, income, employment, housing tenure and heating systems. The questionnaires were completed in the presence of advisers, with the adviser asking the client questions and completing the form. The survey results were supplemented with desk-based research and reports from individual bureaux over the last two years. The full survey results are available on request from Citizens Advice Regional Office.

*A disabled client of **Fermanagh CAB**, aged 87, lives on her own and has recently received a grant for a new oil central heating system. Despite the Winter Fuel and Cold Weather payments, her income is still too low to pay for heating for the whole winter and she has been forced to keep her house warm with just one electric heater. The CAB adviser has examined what other benefits the client may be entitled to in order to boost her income to afford heating oil.*

*A client of **Banbridge CAB** is a single mother and works part-time. Despite this, her income is too small to pay for the minimum order of heating oil, and her children are too old and her income not low enough to enable her to qualify for Cold Weather Payments. As a consequence of this, she must buy emergency oil heating drums when she can afford them, which means that she is paying more per unit of heating oil than if she could afford larger quantities and often goes without heat.*

*A client of **Coleraine CAB** works full time and has three young children. She is unable to afford coal or oil in the extended winter period and is under further pressure as her children are vulnerable to health problems. As she works full time she cannot qualify for any help paying these bills despite having young children and a low income.*

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Context

Energy Prices

Fuel poverty is determined by a combination of energy prices, incomes and energy efficiency. As was mentioned in the introduction, incomes have been falling or stagnating and prices have been increasing. According to figures from the Department of Energy and Climate Change, the price of heating oil in nominal terms across the United Kingdom has increased by around 28% between Q1 2010 and Q1 2011 (or 24.5% above the rate of inflation). Since 2009, the price of heating oil has increased by around 68% in nominal terms for the United Kingdom as a whole.⁹ The consequences of these significant increases in price are particularly felt in Northern Ireland, where 68.2% of households use oil-fired central heating.¹⁰ Gas prices have also increased, notably with Phoenix Gas' April 2011 announcement of a 39.1% increase in prices.¹¹ This leaves Phoenix Gas' prices still lower than the peak in mid 2008, but still around 34% higher than at the beginning of 2008. Despite this, as Figure 1 indicates, heating a home by using gas is still significantly cheaper than by oil. The Consumer Council suggests the difference is £1,082.53 on average¹², which is a significant percentage of the average annual income of around £23,000 in Northern Ireland.¹³ Gas heating, like electric, can be preferable for those on a low income, as payment can be made through a prepayment meter or direct debit, whereas oil must be purchased in bulk, often with a large upfront cost. Figure 1 also indicates that there can be large saving by buying oil in the larger quantity of 900 litres rather than 300. This has a lower cost per litre, but is more expensive for a single delivery, preventing many people from saving money in this way.

As the Utility Regulator has noted, for various reasons relating to geography, market size and location, and a limited resource endowment, Northern Ireland tends to have higher energy costs than the rest of the United Kingdom and much of Europe.¹⁴ Additionally, as the Department for Enterprise, Trade and Investment has noted, further extensions to the gas network in Northern Ireland are likely to be more 'economically challenging' than previously, as the distances increase and there are fewer large industrial loads.¹⁵

The consequence of this and the fact of much higher prices for energy 'off-grid' (such as heating oil), means that Northern Ireland may have a more 'structural' fuel poverty problem than the rest of the UK. Given that incomes in Northern Ireland also tend to be quite low relative to the rest of the UK (at gross average earnings of £440.80 a week compared to £498.80 for the UK as

⁹ *Quarterly Energy Prices, Department of Energy and Climate Change, 2011.*

¹⁰ *House Condition Survey 2009, Northern Ireland Housing Executive, 2010.*

¹¹ *Phoenix Gas puts prices up by 39% in Belfast and Larne, BBC News, 2011.*

¹² *The Price of Being Poor, The Consumer Council, 2011.*

¹³ *Statistical Bulletin for the Annual Survey of Hours and Earnings, Office for National Statistics, 2010.*

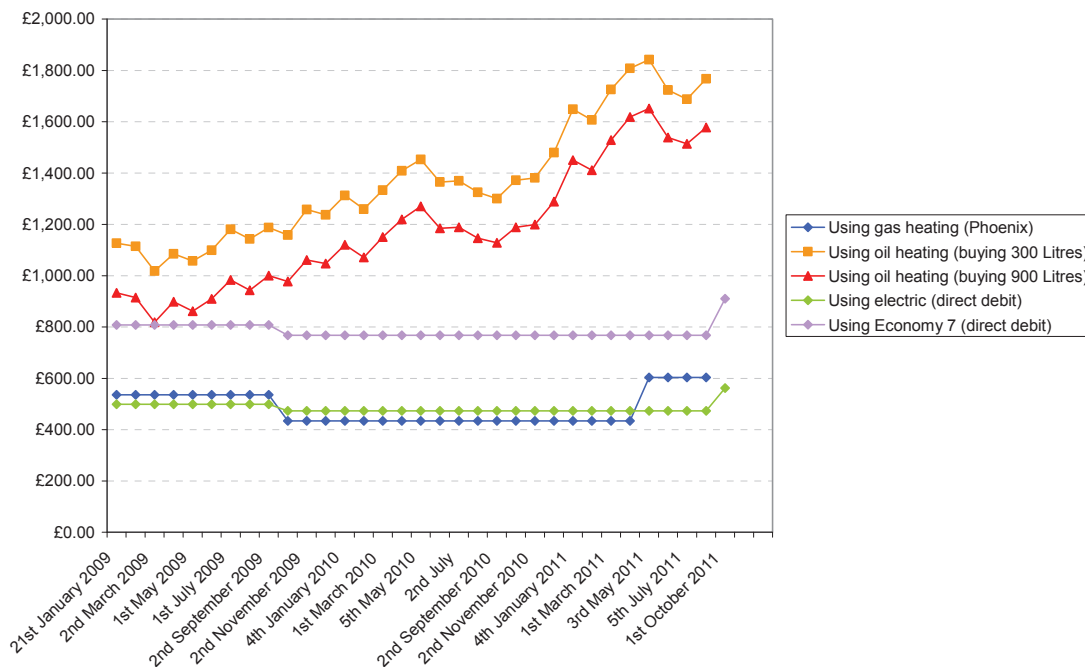
¹⁴ *NI Energy Prices: Background Briefing, Northern Ireland Authority for Utility Regulation, 2008.*

¹⁵ *Consultation on the potential for extending the natural gas network in Northern Ireland, Department of Enterprise, Trade and Investment, 2011.*

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a whole¹⁶) two of the three major determinants of fuel poverty (prices and incomes) are areas which the Northern Ireland Assembly has little power to influence. It should therefore be acknowledged that eliminating fuel poverty here will be highly unrealistic in the short to medium term. This has been reflected by the DSD’s concentration on energy efficiency, the third determinant of fuel poverty. The development of a severity index to target those who are in the greatest need is an implicit acknowledgement that fuel poverty is unlikely to be eliminated in the immediate future.

Figure 1. The cost of an annual fuel bill in Northern Ireland since 2009



Source: Consumer Council oil price survey, Phoenix Gas figures and the Department for Energy and Climate Change for electricity figures. This figure indicates the cost of purchasing the heating oil or gas for a home for an entire year at various points in time.

Policy Context

Currently there are two main policy initiatives for tackling fuel poverty through income maintenance. The first is the Winter Fuel Payment, which is an automatic payment of £200-£300 to anyone over the age of 60. In 2009/2010, the Winter Fuel Payment was worth nearly £69 million in Northern Ireland, and was paid to 313,542 people over 60¹⁷, and so represents a

¹⁶ Statistical Bulletin for the Annual Survey of Hours and Earnings, Office for National Statistics, 2010.

¹⁷ Social Fund Annual Report 2009/2010, Department for Social Development, 2010.

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significant source of help to many. But as figures from a Consumer Council report indicate, the Winter Fuel Payment is equivalent to only around 12% of an average annual total fuel bill for a dwelling with oil heating.¹⁸ Additionally, the value of the Winter Fuel Payment has declined relative to the price of oil and inflation. This is illustrated by the following table, which shows how much the Winter Fuel Payment would be if it were adjusted for various prices since 2008 (using the example of someone of pensionable age living alone under the age of 80). As can be seen, had the Winter Fuel Payment (at the new lower rate) kept pace with heating oil inflation since 2008, it would now be around 41% larger. The problem will only be exacerbated by the Coalition government's decision to remove the 'bonus' element of the Winter Fuel Payment introduced in 2008 from 2011 onwards, which was worth £50 to those under 80 and £100 to those over 80.

Index	Amount
Current	£200
Retail Prices Index Linked	£216.48
Consumer Prices Index Linked	£218.75
Linked to UK oil prices	£282.42

Source: Office of National Statistics, Department of Energy and Climate Change.

The second policy initiative is the Cold Weather Payment, which is also an automatic payment from the regulated Social Fund (rather than the discretionary Social Fund) of £25 per cold weather period to those who are disabled, are pensioners or have children and are on a low income. Specifically, claimants need to be in receipt of Income Support (if there is a disability or pensioner related premium) or income-based Jobseeker's Allowance. A 'cold weather period' is any seven day period with a mean daily temperature at or below freezing. This is the only additional support for fuel bills that people with disabilities or very low incomes receive.

Both the Winter Fuel Payment and the Cold Weather Payment are designed to target the most vulnerable, who have been defined as those over 60 and those with low incomes and disabilities or young children.¹⁹ Unfortunately the evidence collected by Citizens Advice shows that these measures are frequently inadequate for ensuring that people are capable of heating their homes. In addition, the findings suggest that these traditional definitions of vulnerability are too narrow, as increasingly those in low paid work and those with children also struggle to pay to heat their homes sufficiently.

Energy efficiency has become the main focus of policy both in Northern Ireland and the UK in general. This is due to the fact that energy efficiency is the contribution to fuel poverty that lasts – changes in price and incomes are transitory and contingent on other factors. As has been commented:

¹⁸ *The Price of Being Poor, The Consumer Council, 2011.*

¹⁹ *Warmer Healthier Homes, Department for Social Development, 2011.*

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“It is only the increased energy efficiency of the housing stock that results in the permanent treatment of fuel poverty. Increased incomes or reduced fuel costs are recurring costs that deal with the symptoms of fuel poverty rather than the cause.”²⁰

For improving energy efficiency, the main policy tool is the Warm Homes Scheme, which provides grants for efficiency improvements to people on certain qualifying means-tested and disability related benefits. There are two components: Warm Homes and Warm Homes Plus. The former offers a more moderate form of intervention, consisting of loft and cavity wall insulation, hot water tank jackets, energy efficiency advice and a benefit entitlement check. To qualify for Warm Homes, the applicant must be in receipt of a low income benefit (such as income-based Jobseeker’s Allowance, Pension Credit and Working Tax Credits), or an incapacity benefit such as Disability Living Allowance and Attendance Allowance.

Warm Homes Plus offers more substantive measures, mainly the installation of an efficient gas or oil-fired central heating system if the property previously had liquefied petroleum gas, solid fuel, Economy 7 or no existing heating system. Claimants must be in the private rented or owner occupier sector, and claiming a means-tested benefit such as income-based Jobseeker’s Allowance or Working Tax Credits. Following a report by the Northern Ireland Audit Office, which found that the working poor were being excluded and that the level of the non-fuel poor taking advantage of the scheme was high, the eligibility criteria was changed, so that Disability Living Allowance and Attendance Allowance were removed from Warm Homes Plus in order to include Working Tax Credits. However, the survey evidence presented below finds that the uptake of the scheme amongst those on means-tested benefits remains very low.

Another scheme for increasing energy efficiency is the Landlords Energy Savings Allowance. This is a £1,500 per property income tax deduction available to landlords who upgrade the energy efficiency of their housing stock.


Fuel Poverty Preliminary Review

The first Preliminary Review²¹ has raised some small controversy over the figure that 13% of households in Northern Ireland are in fuel poverty if a twice-median expenditure approach is utilised – similar to the original definition of fuel poverty. The Fuel Poverty Coalition has claimed this underplays the problem.²² This is essentially a question of whether fuel poverty should be considered an absolute concept, in which case it must be decided why the arbitrary cut off point is at 10%, or a relative concept which would require someone in Northern Ireland to be spending around 18% of their income on heating and electricity to be considered fuel poor. The latter is problematic in Northern Ireland if the higher energy prices lead to complacency towards levels of expenditure on heating which would be considered obscene in the rest of the

²⁰ Memorandum, Dr Brenda Boardman, Environmental Change Institute, 2010.

²¹ Defining Fuel Poverty in Northern Ireland: a Preliminary Review, Christine Liddell et al, 2011.

²² “Fuel Poverty crisis report ‘underplays extent of problem’”, Belfast Telegraph, 8 September 2011.

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United Kingdom. Therefore the Preliminary Review is right to recommend that the 10% cut off point is to remain the headline figure but that the localised twice-median figure should be used to gauge progress and indicate the differentiated severity of fuel poverty. There may be a presentational problem with referring to the twice-median figure as representing fuel poverty if the 10% cut off point is also being retained, so care should be taken to refer to the former as being 'extreme fuel poverty' or a similar form.

The review notes that the primary cause of fuel poverty in Northern Ireland has been the large increase in oil prices over the last number of years, and so recommends the division of fuel poverty by central heating type. It also makes the case for a lay definition, as well as a wide range of fuel poverty related concepts and definitions, such as energy security or the European Union Survey of Living Conditions.

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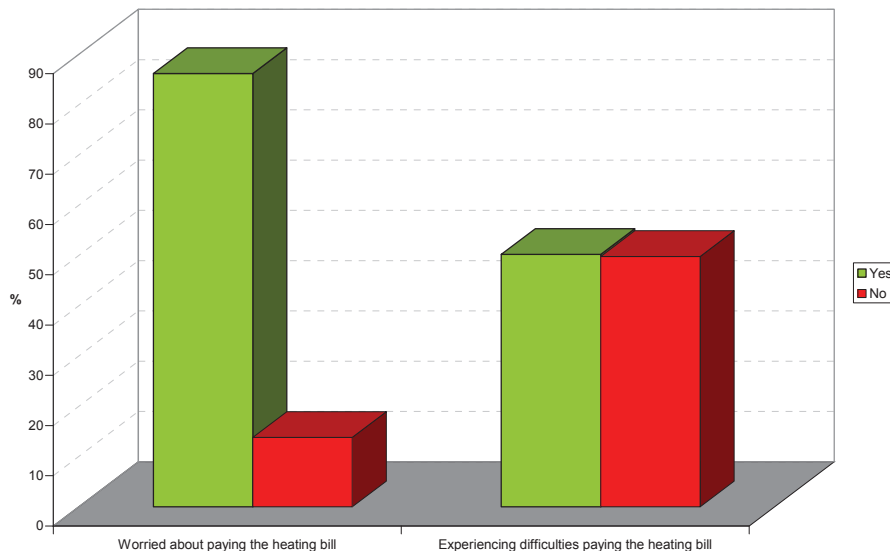
Main Findings

Difficulties paying for fuel are widespread

The survey of clients conducted by Citizens Advice found that 86% were worried about paying their heating bills, and 49% were worried ‘a lot.’ 50% of respondents have encountered some difficulty in actually paying their fuel bills. Even for those in full time employment, 40% are having difficulty paying their fuel bills, indicating a problem amongst the ‘working poor.’

These figures for how many people are worried or struggling to pay their fuel bills suggest that whilst fuel poverty is estimated at 44% of households²³, many more people are worried and so may be on the margins of fuel poverty. Lower incomes and high energy inflation could push the people on the margins into a situation of fuel poverty. Additionally, the research shows that a significant number of people are rationing their heat to the extent that they are not getting the warmth they need. 77% of clients surveyed reported that they had been using less heat than they need due to the price of fuel. This highlights the need to maintain an element of what the first Preliminary Review into fuel poverty calls “needs to spend.”²⁴ The prevalence of rationing suggests that these clients have a need to spend more of their income on heating to maintain adequate warmth, but reduce their heat usage as a coping strategy in the face of high prices. As the review notes, “losing ‘needs to spend’ from the definition will reduce fuel poverty rates in Scotland and Northern Ireland substantially more than in England and Wales.”²⁵

Figure 2. CAB clients worried about and experiencing difficulties paying the heating bill



²³ House Condition Survey 2009, Northern Ireland Housing Executive, 2010.

²⁴ Defining Fuel Poverty in Northern Ireland: A Preliminary Review, Christine Liddell et al, 2011.

²⁵ Ibid.

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Vulnerable households are forced to choose between ‘heating and eating’

Other figures from the CAB survey call into doubt the effectiveness of existing benefits and measures that are targeted towards the elderly and disabled. Amongst those of pensionable age (who are entitled to nearly all fuel poverty related benefits and schemes), 30% still have had to make the choice at some point between heating their homes and other essential items such as food. Amongst those CAB clients in the survey who registered as disabled, a startling 59% have had to make this choice, possibly as the only additional fuel payments disabled people receive are Cold Weather Payments which by their nature can be sporadic. This does not capture the full picture, as 76% of retired people and 90% of those who defined themselves as disabled or too sick to work in the CAB survey have had to ration their heat beyond what they need to stay warm. As the figure below indicates, the unemployed also have to make this choice in large numbers. Among the most vulnerable are those suffering from cancer (and qualify as disabled). According to recent research, people suffering from cancer are more likely to be in fuel poverty because of their increased need for heat.²⁶

*A client of the **CAB-MacMillan** outreach service was recently diagnosed with breast cancer. As a result of this, her heating needs have increased. She is under the qualifying age for the Winter Fuel Payment and so does not benefit from this scheme, though she can receive Cold Weather payments. The client is concerned at her ability to continue to heat her home.*

*An elderly client of **Larne CAB** is struggling to heat her home effectively due to a lack of central heating or insulation and wished to know whether there were any schemes which could help refurbish her home.*

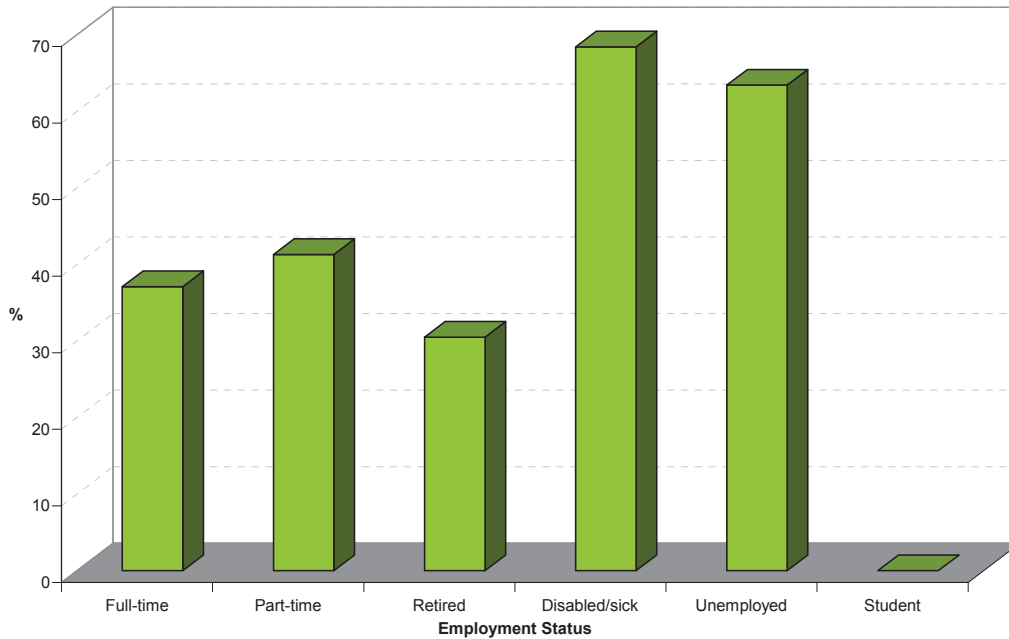
*A client of **Macmillan** who has kidney cancer is finding it very difficult to heat her home, despite receiving the Winter Fuel Payment and having the Warm Homes scheme examine the house.*

*Another **Macmillan** client, who is terminally ill with lung cancer, has heightened heat needs and has already used his Winter Fuel Payment to buy fuel, and is struggling to keep his house warm, and is forced to go to bed to stay warm.*

²⁶ ‘Cancer Patients twice as likely to fall into fuel poverty as the general population’, MacMillan Cancer Support, 2009.

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Figure 3. People choosing between heating and other essential items such as food at some point



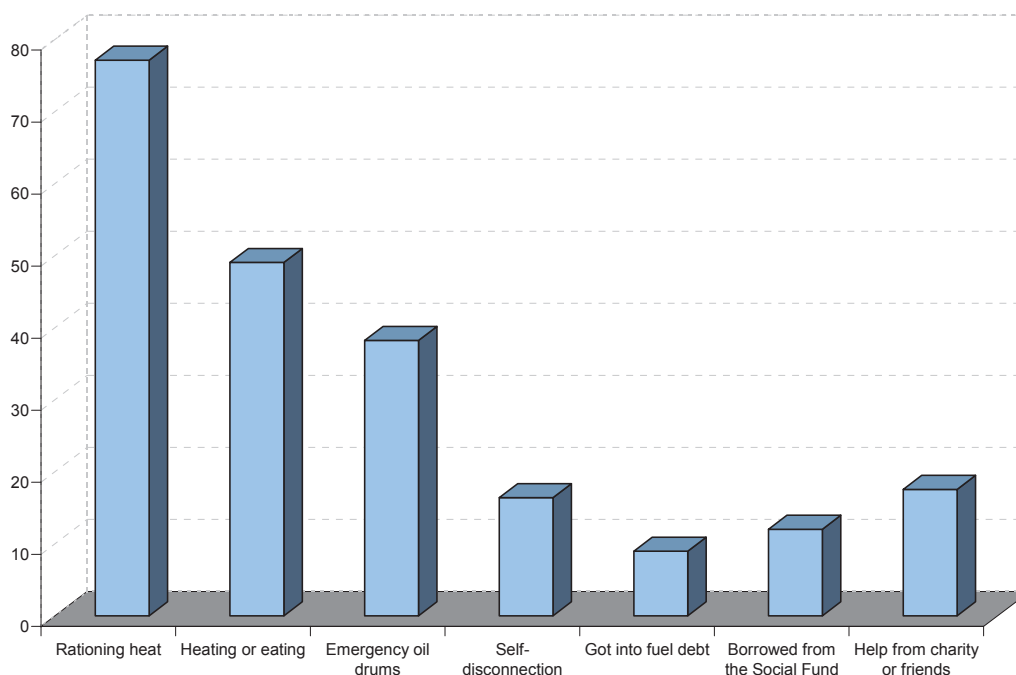
People resorting to extreme measures

The CAB survey found that increasingly, people resort to emergency measures to pay for fuel, particularly amongst the vulnerable. 12% of CAB clients surveyed have had to resort to borrowing from the Social Fund to pay for fuel. This can be either for a Budgeting loan if it is for the costs of non-mains fuels such as oil or coal; or a Crisis Loan for gas or electricity. Amongst disabled people or those too sick to work, this figure rises to 49%. From the survey results, the average amount that is borrowed to pay for fuel is £316.35. Reports from bureaux suggest that there is an occasional problem with members of the public being misinformed about eligibility to take out a Crisis Loan for fuel. A further 32% of disabled people and those too sick to work, as well as about one in ten elderly people, have had to borrow money from charities and relatives in order to pay for fuel according to the CAB survey. As an example of this, St Vincent de Paul spent £477,000 in 2009 on helping with fuel bills for those in need.²⁷ Figure 4 indicates the pervasiveness of having to take on debt or getting help from family and charities to A further 13% of CAB respondents who do not receive help with their fuel bills are in a marginal situation, i.e. just outside the scope of government help on an income of £16,190 - £17,190 a year.

²⁷ Annual Report, St Vincent de Paul, 2009.

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Figure 4. Percentage of CAB clients undertaking tough measures



A **Coleraine CAB** client was struggling so badly with oil heating costs to the extent that they entered the bureau to inquire about getting financial assistance with the heating bill from St Vincent de Paul or another charity.

Another **Coleraine CAB** client was turned down for a crisis loan to pay for heating oil and has been left without heat.

A client of **Portadown CAB** cannot qualify for a lower rate of recovery for arrears because she is not in receipt of Income Support. If her income was £3.80 a week lower, she would qualify, but instead is in a marginal situation with no help.

A client from **Banbridge** was refused a Crisis Loan for oil, which she had run out of, on the grounds that she had applied for a Crisis Loan for the same item two years previous, and was told that if she applied for a Crisis Loan for food she would likely be denied it. This was incorrect as the length of time for the last claim for oil was sufficiently long that a loan could be applied for again. The client was left in dire situation, having to choose between heating and eating.

A **Coleraine** client was disallowed her Employment and Support Allowance (ESA) and the loss of income left her unable to pay to heat her home, and so needed to apply for a Crisis Loan for both heating oil and food, but was told she could not apply for a Crisis Loan for this.

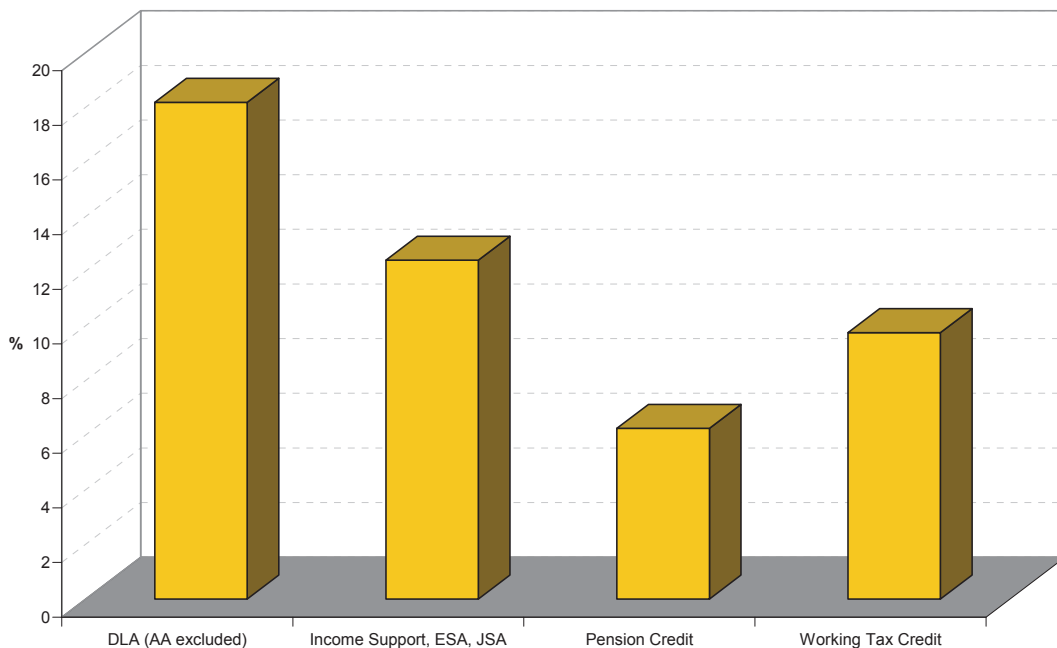
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A client of Lisburn CAB was waiting to hear back about an ESA application, but in the meantime had no income and so needed to apply for a Crisis Loan. The staff repeatedly refused to let her apply for one. Another Lisburn client was told that he should not bother applying for a Crisis Loan for fuel.

Poor Uptake of Warm Homes

The Warm Homes scheme is a central plank of the DSD’s strategy to improve energy efficiency across Northern Ireland. To qualify for a Warm Homes grant, a client must be on one of a number of means tested or disability benefits, such as Working Tax Credit or Pension Credit. However, this scheme appears to be consistently underused according to the CAB survey data. For instance, amongst those on Working Tax Credits, 91% have not applied to the Warm Homes scheme. For those on Pension Credit who are eligible, 92% have not applied. Figure 5 displays the uptake of the Warm Homes scheme by several types of qualifying benefit (which are mutually exclusive to prevent overlap **with the exception of a small number on DLA and Pension Credit**). It is clear that means tested benefits, particularly Pension Credit and Working Tax Credit, have lower uptake rates than Disability Living Allowance. This suggests a difficulty in reaching those on low incomes. This is particularly important in light of allegations around under spending in the Warm Homes scheme (see below). There are also occasional problems in the administration of the Warm Homes scheme and its benefit entitlements check which may harm attempts at improving energy efficiency and maximising incomes.

Figure 5. Percentage of CAB clients who have received work under the Warm Homes scheme by qualifying benefit



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*A **Newtownabbey CAB** client had been referred to Warm Homes six months earlier but had still not received a response. Whilst the client had changed his phone number in the interim, he had received no letter or any other attempt at communication. A **Downpatrick CAB** client was informed by the Warm Homes scheme that she would be contacted by a surveyor from Warm Homes within six weeks, but upon contacting Warm Homes again discovered that they had not passed her details onto a surveyor.*

*A **Newtownabbey CAB** client was told that she was eligible for a full Warm Homes grant but then was told that as the work had already been completed she could not get the money refunded. An **Antrim CAB** client was incorrectly advised by the Warm Homes scheme benefit check that she was entitled to child tax credits, whilst a **Strabane CAB** client was not told that he was entitled to a rates rebate. A **Dungannon** client was provided incorrect information by the Warm Homes benefit entitlement check with respect to the ESA and rates rebate he should get.*

Energy Broking for oil

The main heating system amongst CAB clients tends to be oil heating, with 65% of respondents using this, which corresponds with the House Condition Survey which found 68.2% of households in Northern Ireland use oil heating. This validates the concern within the DSD's recent strategy, Warmer Healthier Homes, with pursuing some form of regulation for the oil sector. Whilst the strategy stipulates an energy brokerage strategy to reduce prices, it does not extend this scheme to oil (it mentions that the Department has met with electricity and gas providers, but not oil providers - this may be difficult given its more competitive market structure). Nor does the energy brokerage strategy extend beyond the social housing sector. This raises concerns regarding its effectiveness in several ways. Even within the social housing sector, which as is noted in the strategy as having a high incidence of fuel poverty, nearly 42% of households use oil heating and so are not covered by the price side of this strategy.²⁸ With the majority of households in Northern Ireland relying on heating oil, a sizeable portion of the population remain neglected by this strategy. Furthermore, 76% of elderly CAB clients live in either owner-occupied housing or in the private rented sector. If this is representative of the population at large, it suggests the scheme will be limited in its ability to protect vulnerable people. The only commitment in the strategy which might influence oil prices is the proposed import levy on oil. This might be politically difficult, as an import levy would count as a barrier to trade within the EU and is therefore illegal, it would also need to be agreed at the EU level as a Common External Tariff to companies operating outside the common market under EU legislation. It is difficult to see how it would not be passed onto the consumer given the major determinant of the incidence of taxation is price elasticity, and most people cannot simply switch from using heating oil to another heating source. This would encourage importers to shift the costs onto consumers.

²⁸ House Condition Survey 2009, Northern Ireland Housing Executive, 2010.

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Increasing use of emergency oil heating drums

Another finding of evidence collected by Citizens Advice which gives cause for alarm is the rise in the use of emergency oil heating drums. Amongst respondents to the CAB survey who use oil heating, just over 38% had resorted to using small emergency oil drums due to being unable to afford an oil delivery. These are designed as short term measures and tend to be significantly more expensive per litre than buying in bulk from a supplier, but usage is becoming more widespread due to the minimum number of litres in these deliveries being simply too expensive for some clients. This is particularly worrying as those with the lowest incomes are being forced to purchase heating oil at a higher price per litre than those more capable of affording oil.

Energy Inefficiency is widespread

The Department for Social Development has announced that it will conduct an investigation into the feasibility of a boiler replacement scheme to help improve energy efficiency. This appears to be promising in light of CAB's evidence. 24% of respondents had a boiler which was older than 15 years, which suggests there could be significant energy efficiency gains. A further 27% were between 10 and 14 years old. This may understate the potential efficiency gains as a significant number of respondents were unaware of the boiler age, which is more likely in an older property with an inefficient boiler than in a new build. If the DSD is highly committed to 'removing energy inefficiency as a cause of fuel poverty'²⁹, then these findings suggest any boiler replacement scheme will need to have an ambitious scope.

Inefficient boilers are only one element of energy inefficiency in the home, and broader measures should also be considered. 49% of Citizens Advice clients feel that they would benefit from some energy efficiency advice, which has the underlying implication that they have not received such advice or are not aware of where it can be found. Again, 49% of respondents felt that their home could be better insulated, with a further 21% who do not know whether there is scope for improvement. Although energy advice is provided alongside the Warm Homes scheme, this is limited to only those in receipt of certain income related benefits, and suggests that the scope of advice provision is too narrow.

Arrears with pre-payment meters is a substantial problem for the vulnerable

An important issue, particularly amongst vulnerable demographics is that of self-disconnection and fuel debts and arrears. People who struggle to maintain regular payment schemes for gas or electricity due to financial or other circumstances often get a prepayment meter, from which arrears are recovered, often at rates which are unaffordable. Policy issues reported by bureaux indicate that the repayment rate of arrears can be as high as 80% on gas pre-payment meters. This can exacerbate the problem of self-disconnection, whereby an individual is still connected to the gas network but no longer purchases heating due to the cost. The survey results show that, amongst CAB clients with pre-payment meters, around 33% have been forced to resort to

²⁹ *Warmer Healthier Homes, Department for Social Development, 2011.*

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self-disconnection. This is normally a consequence of gas prices been unaffordable to low income consumers. This would not necessarily be revealed by fuel poverty figures, which deem an individual to be in fuel poverty if 10% or more of their income is spent on heating their home to an acceptable level. If individuals have self-disconnected, then they may not be spending 10% of their income on heating, arguably however they are still in a situation of fuel poverty as price and income constraints are preventing them from heating their homes to an appropriate level. Gas and electricity arrears are also the main social policy issue in fuel poverty reported by bureaux across Northern Ireland.

*A client of **Newtownabbey CAB** with physical health difficulties was in arrears and as such had a prepayment meter installed. However, every time he put £10 in gas, around £8 was removed as repayment for his arrears, a repayment rate of 80%. This meant that the client had to spend £70 a week to maintain adequate heat in his home.*

*A client of **Lisburn CAB** experienced significant stress as a result of her arrears repayment schedule. The client is in arrears after her abusive ex-partner tampered with the gas meter and the client was expected to pay back £92 per week in arrears, later reduced to £80 per week. The CAB adviser worked out the client was only capable of paying back £8 per week due to her low income and childcare needs.*

*A client of **North Belfast CAB** with a young child was required to repay her gas arrears at the rate of £45 per week, when the highest amount she could afford to pay and still be able to heat her home was £10 per week.*

*A client from **Lisburn** has five dependent children and was accused by Phoenix Gas of tampering with his gas meter. He was arrested by the PSNI but was found not guilty. The client entered a repayment scheme of £25 per week, but admitted he did not pay this over the summer as he did not need heat, but now Phoenix Gas refuse to connect him unless he pays £1200 up front – an amount he cannot afford as his only income comes from benefits. Phoenix Gas has refused to negotiate a new repayment scheme.*

9 % in fuel debt

Nearly 9% of clients who responded to the survey were in some form of arrears or debt for fuel, but the problem extends beyond gas and electric heating, as many of the respondents were taking out loans (often worth hundreds of pounds) or paying through their credit card or overdraft for oil. This highlights the need for both clearer and more context sensitive arrears repayments for gas, but which are also less arbitrary. The number of people in debt for oil payments suggests that incomes for a lot of families are not stretching far enough to cover oil, and highlights the need for action on price and incomes.

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There is a rural dimension to fuel poverty

Fuel poverty as a phenomenon has a distinct rural dimension, which has arguably not been best served by current and proposed policy measures. Whilst the headline figures of fuel poverty in rural and urban areas are likely not statistically significantly different from each other according to the House Condition Survey (42.8% for urban against 45.8%), this obscures the picture. When disaggregated, the incidence of fuel poverty is lower in small rural settlements (at 40.7%) than in district towns (45.3%), but the rate for isolated rural areas is the highest of any dwelling location at 51.1%.³⁰ This corresponds to research by the Northern Ireland Research and Statistics Agency (NISRA), which found an unclear picture between rural and urban (in that there was a higher rate of fuel poverty in the urban east than rural east, but that the reverse held in the west), but could establish that *“the housing stock in the open countryside is particularly associated with fuel poverty.”*³¹ Part of the reason for this is probably a consequence of isolated rural properties lacking heat island effects and an inability to connect to the gas network. The CAB survey figures show that there is no significant disparity between rural and urban individuals in terms of receiving fuel benefits, but this is likely a consequence of automatic payment of Winter Fuel Payment and Cold Weather Payments. There is a slightly larger proportion of individuals struggling to pay their fuel bills in rural areas (once terraced houses are excluded to get a better sample of isolated rural houses) than urban areas at 51% to 48.5%. Certain recommendations made by this report and by the Warmer Healthier Homes such as energy brokering and oil clubs are not appropriate for these isolated rural properties, as these solutions require localised collective action.

The Private Rented Sector is hard to reach

As the Northern Ireland Housing Condition Survey 2010 findings comment, the private rented sector is a fast growing sector, increasing as a proportion of the total housing stock by over 5% between 2006 and 2009.³² It has been considered by some to be the hardest sector to reach with policy measures.³³ This is confirmed by the CAB survey findings, which indicate that fewer tenants in the private rented sector are taking advantage of the Warm Homes scheme. Amongst people who have been in receipt of a Warm Homes or Warm Homes Plus grant (or are currently applying), 57.8% are owner-occupied dwellings whilst only around 21.1% are from the private rented sector. This is most likely a consequence of the greater incentive to improve energy efficiency in a home that the individual owns and is likely to be staying in for a longer time frame than a tenant.

³⁰ House Condition Survey 2009, Northern Ireland Housing Executive, 2010.

³¹ Fuel Poverty, Climate and Mortality in Northern Ireland 1980-2006, Northern Ireland Statistics and Research Agency, 2007

³² Northern Ireland Housing Condition Survey preliminary findings. Northern Ireland Housing Executive, 2009.

³³ The Long Cold Winter: Beating Fuel Poverty, ippr and National Energy Action, 2010.

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Recommendations

On some level, as has been acknowledged before, there are limits to the Assembly's ability to eliminate fuel poverty, particularly within the immediate future. Just under half of the CAB survey respondents attributed their inability to heat their homes to low income. For 20% of respondents, their existing debts and repayments on these were making purchasing fuel difficult. These issues are difficult for the DSD to directly influence. More promisingly, however, is that around 22% of respondents thought the issue was at least partly one of energy efficiency in their homes.

Warm Homes

There is some cause for concern that in a circumstance of 44% fuel poverty, people are not utilising the existing benefits. As was mentioned above, the vast majority of those on benefits eligible for Warm Homes are not applying for the scheme or have not had work carried out through the scheme. The figure is in excess of 90% for those on Working Tax Credit and Pension Credit. An issue was raised in the Assembly in early 2010 about an under spend in the Warm Homes scheme, with only £2.3 million of the available £20 million assigned to the scheme being spent in the first 8 months of that financial year³⁴. In the same Assembly debate the Minister claimed that the target number of 9,000 interventions was going to be met under budget suggests that the type of intervention was qualitatively different, presumably tending to be more limited advice interventions which cost less, than Warm Homes Plus interventions in which more expensive heating system replacements occur. Citizens Advice evidence suggests that this shortfall in substantial interventions is an issue of awareness, though changes in the eligibility criteria for the Warm Homes schemes may also explain the presumed qualitative change.

The criteria changed in 2009 so that non-means tested benefits such as Attendance Allowance and Disability Living Allowance (DLA) were excluded from Warm Homes Plus (in order to include Working Tax Credits), which tend to have a higher take-up rate than means tested benefits. If there is a chronic under-spend (the information does not appear to be available) in the Warm Homes Scheme, it may be worthwhile examining whether the eligibility criteria for Warm Homes Plus could be extended further, especially to those on DLA, as the figures above highlight the plight of disabled people in fuel poverty (with 59% having to choose between heating and eating). This might also provide some relief to cancer sufferers, whose own tendency towards fuel poverty has been highlighted by the recent research mentioned above. At any rate, measures need to be undertaken to expand participation in the scheme.

³⁴ *Debate on the Warm Homes Scheme, Private Members Bill, 2010.* <http://www.theyworkforyou.com/ni/?id=2010-01-19.4.1>

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Citizens Advice recommends:

- **Substantial promotion of the Warm Homes schemes.**
- **Re-extend the eligibility for the Warm Homes Plus scheme.**
- **Energy Efficiency advice provision should be extended and publicised.**
- **Greater focus on Warm Homes Plus**
- **Assembly Scrutiny to ensure that the Warm Homes budget is spent to plan**

Energy Brokerage

The energy brokerage proposals in Warmer Healthier Homes are designed to reduce the price of fuel. However, the proposals only extend to the social rented sector and seemingly only to gas and electricity, as explored above. Given that the DSD includes the elderly in its definition of vulnerability and that 76% of retired people do not live in the social housing sector, this may limit its effectiveness, as does the failure to extend it into oil. This may in part reflect the relative ease with which the scheme can operate; in other words, energy brokerage which requires collective action is easier when there is an existing unified authority (the Northern Ireland Housing Executive) and when there are few suppliers to negotiate with (Power NI (formerly NIE), Phoenix Natural Gas and firmus). Extending it to the fragmented private rented and owner-occupied and the competitive oil supplier sectors may be more difficult, but this is essential to form an effective policy solution, given that these make up the majority of households in Northern Ireland. This may involve supporting local councils or civil society groups to form these schemes, but this may lead to variable levels of support for people across Northern Ireland.

Additionally, an issue for many oil users appears to be the minimum order for oil being too expensive leading to a reliance on emergency oil heating drums. The DSD should negotiate with oil providers to see if there is any way around the minimum order problem, such as whether 'oil-sharing' schemes could be feasible in which people in the same neighbourhood can share an order to by-pass each individual's inability to pay for the whole minimum order. A scheme run by certain oil companies in England involves payments being made to the oil company over the entire year, so that the cost of the oil does not need to be footed all at once by the customer³⁵. This high upfront cost for a delivery is why many individuals take recourse to emergency oil barrels, and so could be reduced by the expansion of this practice. This is similar to the oil stamps scheme that runs in certain council areas in Northern Ireland (11 out of 26 council areas, with four administered by St Vincent de Paul), although these have a maximum amount of money that can be stored on them (£200) which limits their potential for budgeting, especially to buy 900 litres which tends to be cheaper than lower amounts. The limitation to the payment schemes is that the payment is frequently by direct debit, which may be an obstacle to certain

³⁵ *Heating oil Standard Note, House of Commons Library, 2011.*

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vulnerable customers who have no access to a bank account, and so may complement oil stamps schemes. However, currently oil stamp schemes and payment schemes operate on rather patchwork basis - existing only in some council areas and oil delivery areas. The DSD is therefore right to create a best practice guide and encourage roll-out of oil stamps across all council areas, but should ensure that no council area is left out before the next winter. The DSD should also consider whether payment schemes to avoid upfront payment should be more widely and consistently implemented and whether they represent value for money. Following this, further steps may be considered such as issuing a code of best practice collated from England, or making the offer of such schemes a statutory requirement.

Budgeting is only part of a response to fuel poverty in the oil heating sector, however, 47.8% of the reasons given for difficulties in paying for fuel in the Citizens Advice survey relate to prices being too high relative to incomes. Therefore the best strategy for Northern Irish consumers would be to develop the concept of oil clubs (or oil syndicates or co-operatives), whereby consumers pool together to get reduced prices in bulk. A feasibility survey on these co-operatives was conducted by the Northern Ireland Housing Executive, the Consumer Council and the Bryson charitable group, which found these and oil-sharing schemes were the most popular forms of brokering for home heating oil.³⁶ As these affect the price side of oil, priority should be given to their development. Citizens Advice in GB is currently compiling a code of best practice for the operation of these oil clubs, which may have applications in Northern Ireland.

These schemes can have significant reductions in prices. Oil clubs in England have reported savings that can vary from around 4.5% to 8% of the price of a delivery.³⁷ A saving of 8% on a (currently) typical oil bill of £1,767.07 will be £141.37. This can be a very worthwhile saving, particularly for those on low incomes. Consequently, the Department for Social Development should do what it can to encourage the development of oil sharing schemes, given the possible savings. This may involve providing start-up grants to help overcome any initial administrative costs, the dissemination of information and guidance to set up an oil club, or possibly retaining a member of staff to assist oil clubs with any problems they experience and to provide general advice.

In terms of general regulation, the Office of Fair Trading is conducting an investigation into the operation of the heating oil market and other off-grid energy sources which will be pertinent particularly to Northern Ireland.³⁸

Citizens Advice recommends:

- **Investigating the feasibility of extending energy brokerage schemes beyond the social housing sector**
- **Extend energy brokerage into heating oil through oil clubs**

³⁶ *Energy Brokering: People Power feasibility study. NIHE, Consumer Council and Bryson Charitable Group, 2010.*

³⁷ See, for instance, the Heating Oil Club (theheatingoilclub.co.uk) or Chieveley oil club (<http://www.mychieveley.co.uk/index.php?page=50>).

³⁸ *Off-grid Energy Market Study, Office of Fair Trading, 2011.*

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- **Opening a dialogue with oil suppliers to consider minimum order problems**
- **Ensure oil stamp and payment schemes apply across Northern Ireland**
- **Consider full regulation of the heating oil sector equivalent to that in the gas and electricity sector**

Pre-payment Arrears

As the evidence outlined in the previous section notes, there is a visible problem around arrears and fuel debts, often stemming from a lack of flexibility. This is an important issue as those in arrears often receive proportionately significantly less than what they pay into prepayment meters for heating. Part of the issue here seems to be around a lack of a consistent approach, as the suppliers negotiate a repayment plan with each individual. In England, Wales and Scotland, the utility regulator Ofgem has issued a best practice guide with respect to debt and disconnections³⁹. A key recommendation in this is that the recovery rate for fuel arrears is no more than the Fuel Direct level of £2.90 per week. If this limit were applied to the repayment rate for arrears in prepayment meters, it would help alleviate the problem of self-disconnection and the other issues, raised above. Following implementation of this code of practice in GB, there was a 16.4% decrease in disconnections; npower alone disconnected 43% fewer customers.⁴⁰ Ofgem notes that:

“The debt prevention guidelines go beyond existing obligations and encourage suppliers to consider new and innovative approaches to help consumers avoid getting into debt.”⁴¹

This does not assist in tackling fuel debts for those who use oil-fired heating, but these debts are often accumulated on credit cards and overdrafts and so can only be dealt with through action on prices and incomes, as well as debt advice. There may also be scope for a committed energy debt advice service, such as the initiative launched between EDF Energy and Citizens Advice in Great Britain.⁴²

Citizens Advice recommends:

- **The Northern Ireland Utility Regulator examines the prospects of a good practice code similar to ‘Preventing Debt and Disconnection’ and whether it is applicable in Northern Ireland.**

³⁹ *Preventing Debt and Disconnection, Ofgem.*

⁴⁰ *Domestic Suppliers' Social Obligations: 2007 Annual Report, Ofgem, 2007.*

⁴¹ *Preventing Debt and Disconnection, Ofgem.*

⁴² *‘EDF Energy to fund new Energy Debt Advice service to help customers with household debts’, Citizens Advice (GB), 2011.*

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Rural Dimension

As has been noted previously, certain actions to be taken by the DSD and recommendations made elsewhere in this report, such as energy brokerage and oil clubs to reduce prices, are not relevant to the isolated rural households which are highly susceptible to fuel poverty. As very few will be able to connect to the gas network, the percentage of these dwellings using oil-fired central heating will be high and without collective measures to reduce prices, there will be little chance for price reduction. Other measures such as oil stamps and payment schemes may be relevant in terms of helping these households to budget, though if they are 'transport poor' oil stamps may be more problematic. Energy efficiency and incomes must then become the priority for reducing fuel poverty in these areas. The former is particularly problematic for isolated rural dwellings; the House Condition Survey indicates that these households have an average SAP⁴³ rating of 49.78, which is the lowest of any dwelling location.⁴⁴ As a comparator, this is nearly ten points lower than the average rating in Belfast and around six points lower than the Northern Ireland average. The main initiative for increasing energy efficiency is the Warm Homes scheme, and the CAB survey finds a slightly lower uptake of this in rural areas (9% in rural areas compared to 12% in urban areas among clients surveyed). However, the definition of rural used in the survey includes small villages as well as isolated houses and so may understate the problem.

Therefore, given the high rate of fuel poverty in this category and the lowest average SAP ratings displayed, these areas should be targeted for energy efficiency measures in particular, through Warm Homes. These areas have often been considered very difficult to reach with means-tested benefits due to problems of identification and a culture of 'making do'.⁴⁵ Therefore these properties might be considered a valid target of a 'Kirklees' style intervention targeted towards isolated rural dwellings, which operates on an area-by-area basis to provide energy advice and free insulation. The use of the area approach might be considered appropriate on the basis of the difficulties in reaching these households through other means, and the great need for energy efficiency measures to reduce fuel poverty. There are fewer households than Kirklees approached: 102,500 isolated rural dwellings to the 133,700 that Kirklees Council assessed.⁴⁶ However, there are issues of cost and of course the spatially dispersed nature of these dwellings. If such an approach proved viable, then it could make a significant contribution to reducing fuel poverty. The first Preliminary Review on fuel poverty has recommended an areas-based approach⁴⁷ to operate parallel to the current individual approach to energy efficiency, and a rural fuel poverty strategy could fit within this context.

⁴³ Standard Assessment Procedure for energy efficiency.

⁴⁴ *House Condition Survey 2009, Northern Ireland Housing Executive, 2010.*

⁴⁵ *Draft Rural White Paper Action Plan Consultation Response, The Rural Community Network, 2011.*

⁴⁶ *Kirklees Warm Zone Final Report, Kirklees Council, 2010.*

⁴⁷ *Defining Fuel Poverty in Northern Ireland: A Preliminary Review, Christine Liddell et al, 2011.*

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Citizens Advice recommends:

- **Investigating whether a Kirklees or area-based approach could be used to tackle low energy efficiency and lower Warm Homes up-take in isolated rural areas**

Private Rented Sector and new builds

In light of the evidence above, more serious measures might need to be considered. Citizens Advice in GB has recommended that it should be made an offence to let or re-let a property which an Energy Performance Certificate (EPC) rating of less than 'E' in an attempt to raise standards in the sector⁴⁸. Citizens Advice believes similar measures should be investigated in Northern Ireland. Currently, all new build properties and properties for sale must provide an EPC, but this is purely to inform the buyer. This may be more appropriate for increasing the energy efficiency of this housing stock given the lower uptake for Warm Homes by this sector.

Another scheme which might be in need of greater promotion is the Landlords Energy Savings Allowance (LESA), which could help reach the private rented sector. Previous research has found that only about 0.2% of landlords have availed of this scheme.⁴⁹ Promoting this scheme could assist with the DSD's strategy of consolidating fuel poverty efforts around energy efficiency and address the neglect of the private rented sector in policy measures. As an income tax deduction, the cost is borne by HMRC and so the only cost to DSD is that of promotion.

The Warmer Healthier Homes strategy also proposes that "all new build Social Housing must comply with a minimum rating of level 3 in the Code for Sustainable Homes."⁵⁰ However, this neglects the private sector and this omission would reduce the efficacy of the strategy. For instance, in 2009-2010, there were 6,802 new private households compared to 1,625 in the social rented sector, equivalent to 3.8 new dwellings per 1,000 in the private sector and 0.9 per 1,000 in the social rented sector.⁵¹ There is a clear need to investigate greater energy efficiency regulations in the private sector.

Citizens Advice recommends:

- **Examining whether energy efficiency ratings could be increased through a statutory requirement to meet a minimum standard before letting or re-letting a property.**
- **Promotion of the Landlords Energy Savings Allowance**
- Building regulations should be changed to ensure the optimum energy efficiency of all new houses built in Northern Ireland.

⁴⁸ Citizens Advice respond to fuel poverty statistics, Citizens Advice (GB), 2011.

⁴⁹ Friends of the Earth, 2010. http://www.foe.co.uk/resource/briefing_notes/warm_homes_faqs.pdf

⁵⁰ Warmer Healthier Homes, Department for Social Development, 2011.

⁵¹ Northern Ireland Housing Statistics, Department for Social Development, 2010.

Citizens Advice Northern Ireland – A Cold House for Everyone?

Incomes


As has been a consistent theme throughout this report, for many individuals the main problem is that of low incomes. As Warmer Healthier Home notes, there are some £435 million worth of income reducing measures likely to affect Northern Ireland between 2011 and 2014, and the recession fighting fund set up by the Assembly will cover fewer than 5% of these reductions. The Assembly, with a view to tackling fuel poverty, but also for wider objectives, should continue to monitor the outcome of the pilot programme for the automatic payment options for Pension Credit being undertaken in England.

Given Northern Ireland's much higher rate of fuel poverty and the dependence on oil heating, the Assembly should make the case to Westminster for Winter Fuel Payments to have the bonus introduced in 2008 reinstated or for the measures to be index linked to account for the large increases in fuel poverty that occur in Northern Ireland as oil prices increase. Given the severity of the fuel poverty problem, it may be necessary for the Assembly to introduce these or similar measures itself.

Following the harsh winter in 2008/2009 with large increases in oil prices, the DSD introduced a Household Fuel Payment to help those on low incomes cope. The Department should consider a system whereby a similar payment is automatically paid to qualifying individuals if certain criteria relating to mean temperature or usage-weighted energy prices reach a certain threshold. This would be an acknowledgement of the difficulties that many individuals, particularly the vulnerable, have in paying fuel bills in Northern Ireland, particularly during prolonged cold spells or when oil prices are increasing. An income strategy such as this is necessary to help the most vulnerable in the short term, even if the main policy focus is on energy efficiency. Automatic payment might also ensure that it is paid during the winter when the bills are most needed rather than during the spring as was the case with the Household Fuel Payment in 2008/2009.

Citizens Advice recommends:

- **Considering the scope for restoring Household Fuel Payments in the future.**
- **The Assembly resists moves to reduce the Winter Fuel Payment.**

Citizens Advice Northern Ireland – A Cold House for Everyone? 

Conclusion

Fuel poverty is increasingly blighting Northern Irish society. If energy prices continue to increase as they have throughout 2011, then it may not be long before the symbolic level of 50% of households in fuel poverty is reached. When one in two households in Northern Ireland is paying a disproportionate amount of their income just to heat their homes, the crisis will be apparent.

This report has examined an emerging picture of desperation in Northern Ireland when it comes to the basic matter of being able to heat a home. As has been outlined, there is a general rationing of heat, people have been taking on debt or borrowing from families or charities, whilst others have been paying much more for oil because they cannot afford to buy in bulk. Particularly for the vulnerable, such as the disabled and those on low incomes, fuel poverty can induce stress and anxiety, as well as having to make very hard decisions – whether money should be spent on food or heating. This is a choice that no-one should have to make. This requires a change of mindset to ensure that tackling fuel poverty – and poverty in general – is at the forefront of the Assembly’s priorities.

Fuel poverty in Northern Ireland may not be eliminated for a very long time, if ever. But the responsibility of policy makers is to ensure that those least able to bear the financial, health and emotional costs of fuel poverty are safeguarded. Most of the recommendations outlined above would not require significant investment but could make all the difference to people fearing another cold winter.

Appendix A



Fuel Poverty Questionnaire

Ref: FP/11/

[for office use only]

Bureau Name: _____

Section 1: Client Profile

1. Gender

Male Female

2. Age

16 – 24 25 – 39 40 – 59

60 – 69 70 - 79 80+

3. Disabilities

Yes No If yes, please state nature:

4a. Family Status

Single Married/Co-habiting/Civil Partnership Lone Parent

4b. Children in the household

None Yes if yes, how many? _____

If yes, please state how many fall into each age category:

< 1	_____
1–5	_____
5–10	_____
10–16	_____
16+	_____

5a. Employment Status

Full-time employment Part-time employment Unemployed

Sick/Disabled Retired Student Other

32

(not able to work)

5b. Benefits

Is the household in receipt of any of the following benefits:

- | | | | |
|----------------------------------|--------------------------|--------------------------|--------------------------|
| Income Support/JSA/ESA | <input type="checkbox"/> | DLA/Attendance Allowance | <input type="checkbox"/> |
| Pension Credit | <input type="checkbox"/> | Working Tax Credit | <input type="checkbox"/> |
| Housing Benefit/
Rates Rebate | <input type="checkbox"/> | None | <input type="checkbox"/> |

Other

—

6a. Housing Tenure

- Owner-occupied Private-rented Housing Executive Living with parents
- Housing Association Other
-

6b. Housing Status

Does the client live alone?

Yes No If no, how many other people live in the house?

6c. Housing Type

- Detached Semi-detached Terraced Flat/Apartment

6d. Location

- Urban (city, large town, suburban)
- Rural (small town, village, country)

6e. Postcode of Property

Please provide the first 3 or 4 digits of the property (eg, BT7 or BT46):

6f. Age of Property

< 5 years old 5-20 years old 20-50 years old 50+ years old

7a. Heating System

Oil Gas Electricity Solid Fuel LPG Other

 (&Economy 7) (Coal/Wood)

7b. Payment Method

Pay As You Go/Prepayment Meter/ Direct Debit Fuel Direct
 Top Up/Keypad

Cash/Cheque/ Debit Card Credit Card Stamps

8. Roughly how much would the weekly household income be after tax and National Insurance? Please include all benefits.

/ week

9. How much does the household currently spend on heating per week?

/ week

Section 2: Issues with Energy Bills**1. Is the client worried about paying for their fuel bills?**

Yes, a little Yes, a lot No

2. Has the client had any problems paying their fuel bills?

Yes No

3. Has the client had to use less heat than they need because of the cost of their fuel bills?

Yes No

4. Has the client had to choose between paying for heating and paying for other essential items such as food?

Yes No If yes, what did they have to go without?

5. Has the client had to buy an emergency oil heating drum in the last twelve months due to being unable to afford an oil delivery?

Yes No Does not use heating oil

6. If the client is on a prepayment meter, have they resorted to 'self-disconnection' recently, i.e. been unable to afford heat and so gone without it?

Yes No Does not have a prepayment meter

7a. Is the client in arrears for fuel payments?

Yes No If yes, for which type(s) of fuel?

How much are the arrears?

7b. Is the client aware of the rate of recovery for these arrears?

Yes No

If yes, please state the rate of recovery:

7c. Does the client feel the rate of recovery is affordable?

Yes No

7d. Did the client or CAB adviser negotiate a lower repayment rate with the supplier?

Yes – client Yes - adviser No Didn't try Supplier refused

If yes, what is the lower rate?

8. Has the client been threatened with, or been, disconnected?Yes – threatened Yes – disconnected No If yes, why?
_____**9. If the client was threatened with disconnection, how long was s/he given to repay arrears before s/he would be disconnected?**Please state how long:
_____**Section 3: Maintenance and Repairs****1. Has the client's home had any work carried out on the heating system or any work on insulation/energy efficiency in the last three years, either by the client or by her/his landlord?**Yes No Doesn't know If yes, what? Boiler Replaced Boiler Repaired/ Insulation Energy Efficiency
ServicedOther?
_____**2. Was any of this work provided under the Warm Homes Scheme?**Yes - all Yes – part No Doesn't know **3. How old is the client's boiler?**15 years + 10 - 14 years 5 - 9 years Less than 5 years No boiler Don't know **4. If the client rents privately, has s/he experienced any difficulties in getting repairs to their heating system from their landlord, if required?**

Yes No Has not required repairs n/a (not privately rented)

5. Does the client believe that s/he has an inefficient boiler or that it needs replaced?

Yes No Doesn't know

6. Does the client believe that her/his home could be better insulated?

Yes No Doesn't know

7. Does the client feel that s/he would benefit from some energy efficiency advice?

Yes No Doesn't know

Section 4: Help with fuel bills

1. Does the client qualify for any help through the benefits system with her/his fuel bills?

Yes No

If no, is the client just outside the criteria for help with their fuel bills Yes
No

(ie, with a total household income of more than £16,190 and less than £17,190 per annum)

2. Is the client entitled to a Winter Fuel Payment?

Yes No

If yes, has the client received her/his Winter Fuel Payment? Yes No

3. Is the client entitled to receive Cold Weather Payments?

Yes No

If yes, did the client receive any cold weather payments in the last year? Yes No

If no, why not (eg, are they outside the postcode area?)

4. Has the client had to approach the Social Fund for help with fuel costs?

Yes No

Is yes, how much did s/he borrow?

5. Has the client been in receipt of a Warm Homes Scheme grant?

Yes - Warm Homes Yes - Warm Homes Plus No Currently applying

If the client is currently applying how long has s/he been waiting?

6. Has the client had to approach any other person/organisation, for example, a family member or St Vincent de Paul, for help with her/his fuel costs?

Yes No

Is yes, who and what help did they receive (type and amount of help)?

7. Is there a reason/reasons why the client is having difficulty in paying their fuel bills? (please tick all that apply)

Benefit levels too low <input type="checkbox"/>	Income from work too low <input type="checkbox"/>	No ability to make payments for fuel <input type="checkbox"/>
Has other debts <input type="checkbox"/>	Inefficient heating system <input type="checkbox"/>	Lack of insulation <input type="checkbox"/>

Other, please state reason:

Citizen Advice

Recommendations: A Cold House for Everyone? October 2011

1. Substantial promotion of the Warm Homes scheme.
2. Re-extend the eligibility of the Warm Homes Plus scheme.
3. Energy efficiency advice provision should be extended and publicised.
4. Greater focus on Warm Homes Plus.
5. Assembly scrutiny to ensure that the Warm Homes budget is spent to plan.
6. Investigating the feasibility of extending energy brokerage schemes beyond the social housing sector.
7. Extend energy brokerage into heating oil through oil clubs.
8. Open a dialogue with oil suppliers to consider minimum order problems.
9. Ensure oil stamp and payment schemes apply across Northern Ireland.
10. The Northern Ireland Utility Regulator should examine the prospects of a good practice code similar to 'Preventing Debt and Disconnection' and whether it is applicable in Northern Ireland.
11. Investigating whether a Kirklees or area-based approach could be used to tackle low energy efficiency and lower Warm Homes uptake in isolated rural areas.
12. Examining whether energy efficiency ratings could be increased through a statutory requirement to meet a minimum standard before letting or re-letting a property.
13. Promotion of the Landlords Energy Savings Allowance.
14. Building regulations should be changed to ensure the optimum energy efficiency of all new houses built in Northern Ireland.
15. Considering the scope for restoring Household Fuel Payments in the future.
16. The Assembly should resist moves to reduce the Winter Fuel Payment.
17. We believe that part of the solution to this issue lies outside Government, and that the Assembly should ask District Councils to co-ordinate local initiatives in the event of another arctic winter. These would include churches, voluntary organisations, sporting organisations and individuals. Initiatives could include, centres for people to keep warm, and receive hot food, donations of cash, food, clothing, systematic checking on neighbours, fuel clubs to organise a bulk purchase of coal or oil in a certain geographic area to reduce the cost of deliveries.

Consumer Council Briefing Paper

Social Development Committee Fuel Poverty Event November 2011

Introduction

Nearly one in two households are in fuel poverty in Northern Ireland. This is significantly higher than in Great Britain and the Republic of Ireland, where the fuel poverty levels are 13 per cent and 19 per cent respectively.

The higher rate in Northern Ireland is driven by several unique factors:

- Around 70 per cent of homes use home heating oil to heat their homes. Heating oil has the most volatile prices of any heating fuel. Its price has risen 69 per cent in the last two years.
- The overall cost of energy in Northern Ireland is double that of a household in Great Britain. The average annual heating oil and electricity bill here is £2,262. This compares with the highest annual dual¹ fuel bill in Great Britain of £1,100.
- In GB, ROI and the rest of the EU, lower energy prices are provided to households struggling to afford their energy costs. This can be done via energy brokering or social tariffs.
- In 2008, Douglas McIlDoon (the previous Utility Regulator) undertook a review of the electricity market in Northern Ireland. He concluded that energy prices were higher than they needed to be because “policy is confused and contradictory”.
- The recent interim review² of fuel poverty by John Hills highlights that living in a cold home has a series of effects on illness and mental health. Hill suggests more people die per year as a result of living in a cold home than are killed in traffic accidents. In Northern Ireland there is currently an average of 910 excess winter deaths per year, which compares to a level of 589 excess winter deaths here in 2001/01.

The Consumer Council, along with the Northern Ireland Fuel Poverty Coalition has called on the Northern Ireland Executive to:

- Develop a detailed and fully costed action-plan setting out how and when fuel poverty will be eradicated in Northern Ireland; and
- Provide support to all fuel poor households to stay warm until fuel poverty can be eradicated.

As part of this, the NI Executive can undertake immediate the following practical actions:

1. **Establish a Ministerial Task Force with a duty to eradicate Fuel Poverty in Northern Ireland:** the task force must focus on delivery and bring coherence to achieving clear targets to tackle fuel poverty. The Programme for Government should commit all Government Ministers to incorporate practical action plans on Fuel Poverty within their Department’s overall strategic plans.
2. **Area Based Insulation Programme:** the Warm Home Scheme should adopt an area based approach similar to that of the Kirklees Warm Zone, which helped three times as many homes as Warm Homes with the same budget.

1 87 per cent of households in Great Britain use Natural gas. A recent Department of Energy and Climate Change report showed the highest dual fuel bill in GB was in Cardiff at £1,100.

2 Interim report from UK Government independent review of fuel poverty conducted by John Hills, Director of the Centre for Analysis of Social Exclusion at the London School of Economics, - 19 October 2011

3. **Energy Brokering:** use the purchasing power of the Government's estate to negotiate lower heating oil, natural gas and electricity tariffs/prices for fuel poor households. Clear opportunities exist to work with private sector business and community based organisations to implement brokering schemes.
4. **Energy Regulation:** Re-examine the conclusions of the 2008 Douglas McIlldoon report into energy policy and regulation in Northern Ireland to see what further interventions can be made to reduce energy bills in Northern Ireland.
5. **Oil Regulation:** a recent OFT report³ said it was an “oddity” of the NI Market that the most common heating fuel, heating oil, is unregulated. The report stated more needed to be done in terms of policy intervention with heating oil in terms of fuel poverty (the oil industry does not make a contribution to fuel poverty measures), standards of conduct and protection from unfair trading.
6. **Examine incentives and schemes to encourage fuel poor households move to natural gas:** Consumer Council research shows that it costs a household £925⁴ per year more to heat a home with oil as compared to gas.
7. **Winter Fuel Payments:** The NI Executive needs to examine what financial support it can give people over 60 and other at risk groups, for example terminally ill cancer patients⁵, this winter.
8. **Benefit Uptake:** An estimated annual £73 Million in benefits goes unclaimed in Northern Ireland every year. The NI Executive must ensure that people eligible for existing benefits claim them.

3 Off Grid Energy, October 2011, OFT

4 Using average annual natural gas bill for Northern Ireland of £601 and average annual home heating oil bill of £1526. The gas bill uses a weighting of the number of customers in the Belfast licence area and the 10 Towns licence area, and of the gas consumption levels between different payment types and applies from the 1st October 2011. The home heating oil bill is based on the CCNI home heating oil survey using 5.25 fills of 500 litres on the spot price at week commencing 3rd October 2011.

5 Extending the Winter Fuel Payment to the estimated 600 cancer patients who are terminally ill would cost the NI Executive around £150,000 per year.

Disability Action

This document is available in a range of formats please contact us with your requirements.

Briefing Paper November 2011 Fuel Poverty & Disability

Disability Action is an organisation working with and for people with disabilities in Northern Ireland. As a campaigning body we work to bring about change and influence policy to ensure that people with disabilities are not disadvantaged in society and can make a valuable and valued contribution.

In order to assist understanding of the issues faced by our stakeholders we have produced a series of papers that outline the key concerns that we believe may impact on the lives of disabled people in Northern Ireland. This paper has been produced to provide information on the issues of fuel poverty for disabled people in Northern Ireland.

Introduction

Research by the Leonard Cheshire Disability in 2009 - Fuel Poverty and Disability, showed that disabled people spend more of their income on fuel and heating their home than households where there is not a disability.

A recent CAB survey found that among older people had to make a choice between heating and eating and other essential items such as food, a figure which increased to 59% of disabled people. The survey confirms the anecdotal evidence from Disability Action's Information Service.

The reasons disabled people are more likely to experience fuel poverty are:

- Disabled people are twice as likely to be unemployed as non-disabled people and are therefore more likely to be at home all day.
- Many health conditions are aggravated by the cold
- Disabled people may not have the option of moving to a more energy efficient home as it will need to be adapted for their needs.
- Disabled people have on average a 25% higher cost of living due to additional needs such as mobility, aids and care
- Levels of disability are higher in Northern Ireland than the rest of the UK.

Case Study

Mark is a fifty-five year old man, living on his own in a rural area in the North West. He has a disability and unfortunately knows all too well the effects of fuel poverty. Mark acquired his physical disability having fractured his spine. Prior to this accident, Mark had worked as a psychiatric nurse and in farming. However, Mark now experiences difficulty in getting around because of his disability and is unable to work.

Mark contacted Disability Action last year and we have been helping him to deal with the issue of fuel poverty. Mark relies solely on a coal fire to heat his home and his water. The definition of fuel poverty in Northern Ireland is a household which spends more than 10% of their income on all household fuel use. Mark was spending on average £20 on coal a

week, just over 21% of his weekly income, which meant he was severely fuel poor. This often increased to £30.00 a week in the winter months, almost 32% of his weekly income.

In September last year, Disability Action helped Mark to secure rates relief and the middle-rate care component of Disability Living Allowance (DLA). As a disabled person, DLA provides Mark with £47.80 a week, which is intended to help with the extra costs associated with having a disability, rather than everyday essentials.

Mark has had to make decisions about what essentials to buy - food or coal. Allocating the £20+ a week that he needs to heat his home, is a real struggle. The situation was made worse last December when the temperatures plummeted. Mark was snowed in and could not access the shops to buy food, water and coal. As a result Mark's health deteriorated in these cold conditions and he ended up in hospital with hypothermia and physical weakness.

Mark's case highlights the impact fuel poverty has on disabled people and demonstrates the effect it can have on disabled peoples' lives. Having to decide on whether to buy food or fuel should not be a decision that people should have to make in 2011.

Impact

The impact of fuel poverty for disabled people is demonstrated through Mark's experience. There are a number of impacts of fuel poverty which have been identified.

- Fuel poverty may make health conditions worse which impacts the individual and health and social care services due to an increase in demand for services.
- Fuel poverty is likely to lengthen recovery times of people with certain conditions and make existing problems worse.
- Carers may find it more difficult to care for someone in a cold home which may increase admissions to hospital and care homes.
- People experiencing fuel poverty are more likely to experience stress and anxiety and may result in mental ill health.

What is Needed?

Article 28 of the UN Convention on the Rights of Persons with Disabilities states that people with disabilities have the right to an adequate standard of living including, food, water and clothing, and to effective social protection including poverty reduction programmes.

The current fuel poverty reduction initiatives in Northern Ireland do not consider the particular needs of disabled people living here. The Northern Ireland Executive needs to do further research on the impact of disability fuel poverty in Northern Ireland to establish programmes and mechanisms to address the issue.

There are a number of initiatives which would be beneficial. These include:

- Continue to fund and deliver benefit uptake to ensure that people are aware of their benefit entitlement as increasing income goes some way in helping people with their fuel costs.
- Winter fuel payments should be extended to include disabled people on low incomes.
- The current list of eligible benefits for the Warm Homes Scheme excludes some disabled people on low incomes. The eligibility criteria should be broadened to ensure all disabled people who are living on low incomes can avail of the Warm Home Scheme.
- The introduction of Social Tariffs would be of benefit to many disabled people.
- The Regulator should work with the main providers to develop procedures which would help deal with issues regarding disconnection of customers experiencing fuel poverty.

The new Welfare Reform Bill will have a significant impact on the income levels of many disabled people. For example, the coalition government has stated that it wants to reduce spending on Disability Living Allowance (DLA) by 20%. If the income of disabled people who are currently in receipt of DLA or other benefits is further reduced the risk of poverty, and in particular fuel poverty will increase.

It is important that the Executive works with disabled people, carers and their representative organisations to find innovative solutions to reduce the fuel poverty of people with disabilities in Northern Ireland.

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This document is available in a range of formats please contact us with your requirements.

Energy Saving Trust

Energy Saving Trust submission to Committee for Social Development event 16 November 2011

FP is caused by three factors

1. the cost of fuel and electricity,
2. the energy efficiency of the property,
3. household income.

No one of these can be taken in isolation as being the cause of FP or indeed the cure. We must make the homes of those vulnerable to FP as energy efficient as possible, and we know what the options for physical improvements to homes are but we now need to focus on the other variables.

We need to ensure that householders are able to purchase fuel at the lowest price possible (via suitable tariffs etc., including options for purchasing oil that do not disadvantage those who cannot afford to buy large quantities in one go) and ensure that the household income is maximised via benefit entitlements where necessary.

There is also a real need to ensure that households are provided with support on budgeting and information on how best to control heating and lighting – for example; how to understand the time clock on a new boiler or being aware of making sure that the thermostat is turned up too high and the impacts that these can have. This is an area that we have not fully exploited - in terms of budgeting advice and ensuring that people are getting the most out of their energy efficiency improvements.

Firmus Energy

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Fuel Poverty Support Package

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page 1

Agenda

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- What is Fuel Poverty Support Package
- Process Overview
- Timescales
- Customer queries or complaints
- Progress Report

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page 2

Energy Efficiency Support Package



- The package is made up of the following:
 - Benefit Entitlement Check (BEC) and ongoing support to apply for any benefits the householder is entitled to
 - Referral to any energy efficiency scheme they qualify for
 - Energy and general budgeting advice including an assessment of gas and electricity bill



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page 3

Energy Efficiency Support Package

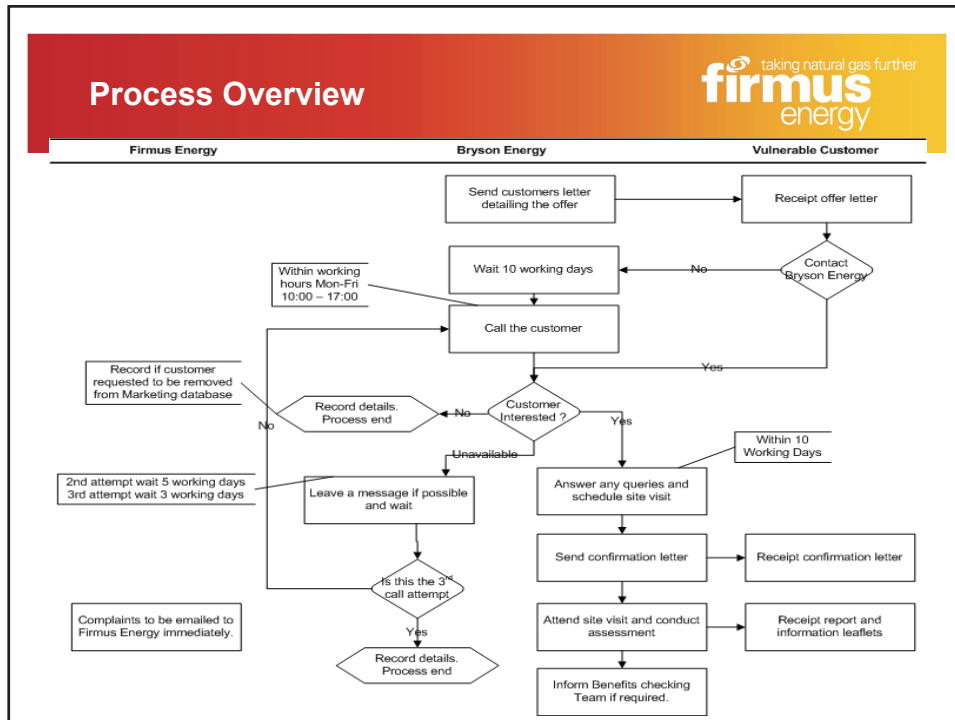


- Energy advice relevant to the property and the householders needs including checking thermostats and TRVs to ensure they are set correctly and the householder understands how to use them
- Fit 4 energy saving light bulbs if required
- Summary report on each visit including useful leaflets
- This package is offered to firmus energy's vulnerable customers.
- **There is no charge to the customer**
- Limited time offer



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page 4



Timescales



taking natural gas further

- **Media Announcement During September**
- **Pilot October - December**
- **Completion Report End of December**

"We recognise that this increase is difficult for all natural gas users coming into next winter, particularly our most vulnerable customers. With that in mind we have introduced a new scheme, in conjunction with Bryson Energy, which will offer additional support for our older customers and those on low incomes. Customers receiving the firmuscare+ scheme will be offered free and impartial energy advice, including help on how to use their heating system efficiently, a review of their current energy bills and referral to any energy efficiency schemes for which they may be eligible. They will also be offered a benefit entitlement check to ensure that they do not miss out on any benefits to which they are entitled. firmuscare+ customers will be contacted in the next few weeks about this new scheme."

Press Release

© firmus energy page 6

Customer queries or complaints



- Customer queries
Please direct the customer to Bryson Energy who are conducting the pilot on our behalf.

Dave Kydd the Project Manager
Telephone: 02890 734279



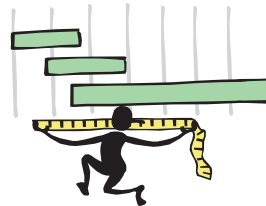
- There are zero customer complaints to date

Progress Report



- Project completed to date: 54%
 - Visits arranged in areas to date: 44%
 - Declined a visit in area to date: 14%
 - No contact after three attempts in area to date: 12%
 - Passed for Benefit Entitlement Check to date: 26%

- Total number of calls made : 543



Any Questions



Fuel Poverty Coalition



E-mail: info@fuelpovertycoalition.org.uk

Website: www.fuelpovertycoalition.org.uk

Twitter: <http://twitter.com/fuelpovertyni>

30 January 2012

Dr Kevin Pelan
Social Development Committee Clerk
Room 412
Parliament Buildings
Stormont
Belfast
BT4 3XX

Dear Kevin

Thank-you for the correspondence that you forwarded from the Minister for Enterprise, Trade and Investment regarding DETI's involvement in eradicating fuel poverty in Northern Ireland, following a briefing by the Northern Ireland Fuel Poverty Coalition on fuel poverty in Northern Ireland. We would like to clarify the Fuel Poverty Coalition's position.

As you may be aware the Northern Ireland Fuel Poverty Coalition was formed in November 2010 in response to the increasing levels of fuel poverty in Northern Ireland. The Coalition's aim is to drive forward the fuel poverty agenda in Northern Ireland in terms of both policy and practical initiatives.

To date over 150 organisations and MLAs from across Northern Ireland have joined the Coalition to call on the Northern Ireland Executive and Assembly to include within the Programme for Government a commitment to:

- Develop a detailed and costed action-plan setting out how and when fuel poverty will be eradicated in Northern Ireland; and
- Provide continued support to households in severe fuel poverty to stay warm until fuel poverty is eradicated.

Fuel poverty levels in Northern Ireland are considerably higher than in Great Britain and the Republic of Ireland.

	% of households in Fuel Poverty	% of households in Extreme Fuel Poverty
Northern Ireland¹	44	13
Great Britain	13	4
Republic of Ireland²	19	Not Available

Households in Northern Ireland also have higher energy bills than in Great Britain due to our reliance on home heating oil. Today, an average consumer in Northern Ireland using electricity and heating oil to heat and power their home will have an annual energy bill of £2,286³. In October 2011, the UK's Department of Energy and Climate Change reported⁴ the highest dual fuel bill in Great Britain was in Cardiff, where consumers pay between £1,073 and £1,175 per year for their energy⁵.

Since 2009, when the latest official government statistics on fuel poverty were calculated, Northern Ireland has suffered two of the coldest winters on record and experienced significant increases in energy prices:

- The cost of heating oil has risen 74 per cent;
- Electricity prices have risen by up to 18.8 per cent; and
- Natural Gas prices have risen by up to 39.1 per cent.

Fuel Poverty is a complex issue and is driven by a number of factors:

- Low Household Income;
- Poor Energy Efficiency; and
- High Energy Prices.

Under the current Northern Ireland Executive framework, low household income is the strategic responsibility of the Department for Social Development with their responsibility for social security benefits, pensions and child benefit. The Department for Social Development also has responsibility within the Executive for housing and energy efficiency.

The Department for Enterprise, Trade and Investment has strategic responsibility with the NI Executive to formulate and deliver the economic development in terms of energy in Northern Ireland.

¹ 2009 Northern Ireland House Condition Survey, Northern Ireland Executive. Since 2009, households in Northern Ireland have suffered two of the coldest winters on record and significant increases in energy prices.

² Scott, S et al. Fuel Poverty in Ireland. ESRI, October 2008.

³ As of 1 December – an average consumer in Northern Ireland would use five and a half 500 litre fills per year at an average cost of £1,698 and an average Power NI electricity bill is £588 per annum.

⁴ <http://www.decc.gov.uk/en/content/cms/statistics/publications/dukes/dukes.aspx>

⁵ 87 per cent of households in Great Britain use natural gas to heat their homes. 68 per cent of households use heating oil to heat their homes in Northern Ireland. The average electricity bill in GB is £530pa, compared to £588pa in NI.

Unfortunately within this policy framework, full consideration of the affordability and cost of energy to householders in Northern Ireland currently has not been addressed within the context of requiring consumers to pay more to meet energy policy objectives.

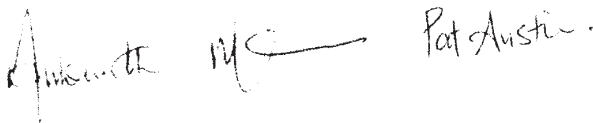
High fuel prices have a dramatic effect on the numbers in fuel poverty. Professor Christine Liddell in her Preliminary Review of Defining Fuel Poverty⁶ highlights the primary cause of fuel poverty in Northern Ireland has been the large increases in oil prices over the last number of years.

The Office of Fair Trading report on the off-grid energy market in the United Kingdom recognised that it was an “oddity” of the NI market that the most common household heating fuel, heating oil, is unregulated. Their report recognised that regulation of the industry would allow for initiatives to address fuel poverty and raise standards of conduct. It also set out that it was a matter for the NI Executive to consider whether further measures could be taken to support vulnerable consumers with the volatile and high cost of heating oil.

The Northern Ireland Fuel Poverty Coalition therefore reiterates its position that the NI Executive must develop comprehensive policies to reduce fuel poverty in Northern Ireland, and this will only be achieved if the affordability of energy (heating oil, electricity, and natural gas) to households here is systematically addressed.

The Northern Ireland Fuel Poverty Coalition would be keen to discuss with the members of the Enterprise, Trade and Investment and the Social Development Committees how the NI Executive could develop these issues and comprehensively fuel poverty in the final Programme for Government 2011-2015.

Yours sincerely



ANTOINETTE McKEOWN
Joint Chair

PAT AUSTIN
Joint Chair

On behalf of the Northern Ireland Fuel Poverty Coalition

⁶ Defining Fuel Poverty in Northern Ireland; a Preliminary Review, Christine Liddell et al. September 2011

Green New Deal

Northern Ireland Green New Deal Group

Briefing for Social Development Committee Fuel Poverty Event, 16 November 2011

THE GREEN NEW DEAL AND FUEL POVERTY

The Green New Deal proposes the energy retrofit of up to 60,000 homes over three years from April 2012. The programme will use £12 million allocated in the 2011-15 budget to lever total investment by householders of over £80 million.¹

The Green New Deal will impact on fuel poverty and health in four ways:

- higher indoor temperatures and therefore better health and well-being;
- a smaller proportion of household income spent on energy;
- the switch from solid fuel to cleaner sources of heating can have significant health impacts on whole communities when it is done at an areas-based level;
- employment created will remove many households from fuel poverty by virtue of income gains.

The Green New Deal will not tackle all fuel poverty in the owner-occupied sector, however. Pay-as-you-save loans will often not be suitable for households in severe fuel poverty if a very high proportion of energy savings are taken in improved comfort, leaving a shortage of cash savings to service a loan.

The Area-Based Approach

A unique feature of the Green New Deal is that it will take an area-based 'street by street' approach which will enable it to reach all fuel poor households and refer those that are eligible to Warm Homes and appropriate NISEP schemes.

This is very much a 'second-best' approach to the challenge of delivering an effective and efficient area-based fuel poverty programme, however. This is because different homes in the same street will be treated by a number of different providers: Warm Homes, Housing Executive, NISEP (several providers) and Green New Deal.

1 **The offer to householders:** The Green New Deal will offer a 'one-stop-shop' service for owner-occupied households comprising a menu of energy saving measures from which a package appropriate to the property and customer will be designed and delivered. A finance package including eligible grant funding and loan finance options will be offered. Installation, inspection and after sales service will be included in the deal.

Pay-As-You-Save is central to the proposal. Instead of paying for energy investments in their homes up-front, householders will be able to use the savings they make on their energy bills to repay a loan over a number of years. Usually they will see an immediate saving on their annual energy bill as well.

A mutual company: Established as a mutual company for customer benefit, the role of the Green New Deal Trust will be to assemble the necessary finance and outsource its application and administration to experienced partner organisations.

District Councils: Northern Ireland's councils have a new power to promote energy efficiency in domestic housing under Section 23 of the Housing (Amendment) Act (Northern Ireland) 2011. District Councils will be invited to propose neighbourhoods for Green New Deal projects and to form partnerships with Green New Deal 'Providers' selected through a procurement process.

A total of 50,000 homes will receive energy retrofits over three years. All will receive grants ranging from £150 for loft insulation to £5,000 for external wall insulation. Two thirds of households are expected to require pay-as-you-save loans.

Effective and Efficient Delivery

The solution is to integrate all programmes under the umbrella of the Green New Deal and to deliver via a single provider in any one area. An initial energy and means assessment would determine the level of support available (broadly equivalent to existing eligibility under the different schemes) but with more careful targeting of higher levels of grant support at those most in need.

This integrated area-based method will enable a systematic approach to both fuel poverty and general energy efficiency with households benefiting from the efficiency and economies of scale achieved.

There is an opportunity to move to this integrated approach by April 2013 at the latest with an expected review of Warm Homes contracts in mid 2012 and for the annual renewal of the NISEP schemes.

The Green New Deal should not be seen as a replacement for existing fuel poverty funding but as an important addition and an effective and efficient means of delivering all energy efficiency programmes.

Housing Council

Fuel Poverty

Fuel Poverty has been a matter of great concern to the Housing Council for some time. Last winter has increased the profile for this issue, however it is not being given the priority it deserves by government.

Predictions are that the weather conditions this winter will be more severe than last year. People are experiencing financial difficulties with the economic downturn, increased fuel prices, inflation and unemployment. As Northern Ireland has a significant 'older' population, a significant number are faced with the dilemma of 'heat or eat'.

The Housing Council are concerned that the level of winter fuel payment has been decreased and would like to see this decision by government reversed.

In relation to the cost of fuel – gas, oil, electricity, the Housing Council would like to see prices brought into line with the rest of the UK. The population in Northern Ireland are faced with higher prices for fuel and are being penalised for not being part of the mainland.

More initiatives need to be introduced and funded by the government to encourage people to upgrade the insulation of their homes, install double/triple glazing, and install more energy and cost efficient heating systems. The current Warm Homes Scheme should be expanded to include the installation of double glazing.

Likewise more initiatives to encourage the use of alternative fuel sources should be developed and supported by government grants to encourage people to reduce the carbon footprint and reduce emissions.

The level of government funding for social and affordable housing needs to be increased to allow for the upkeep of the investment made in improving properties in both the public and private sector. The focus over the past few years has been on the new build programme which has had the consequence of reduced capital funding for improvements schemes for social housing, improvement and renovation grants for properties in the private sector.

A significant improvement to housing conditions has been made over the past 40 years, and the Housing Council fully supports an increased and sustained level of funding for years to come.

The Housing Executive has recently developed a programme to install double glazed windows in all its properties over the next ten years. The Housing Council feel that this is an issue that needs to be addressed immediately and over a much shorter period of time. Government will therefore need to provide additional funding for this to be completed without impacting on other programmes to maintain or improve properties.

The Housing Council perceive a significant impact from welfare reform on those who are most vulnerable in our society. The Housing Council support a degree of regional control over the assessment of housing costs and local housing allowances. Also the Housing Council support the separation of payment for housing costs (Housing Benefit) from Universal Credit.

If Welfare Reform is to proceed, then government need to ensure that it is properly developed and implemented to ensure people are not losing out on benefit entitlement. The Housing Council is concerned about the introduction of Universal Credit, how this will be assessed and implemented at regional level.

In relation to Emergency Response by statutory agencies for the likes of severe winter weather, the Housing Council would like assurance that appropriate protocols are in place and that every effort is being made to ensure those who are most vulnerable are known to the relevant agencies.

Housing Rights Service



advocating | enabling | informing

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Social Development Committee fuel poverty event: Potential solutions to fuel poverty

Context

Housing Rights Service is the leading provider of specialist independent housing advice, training and information in Northern Ireland. It is through the experience of our clients in mortgage and rent arrears that we have witnessed the rise in households struggling financially to meet the increasing costs of the price of domestic energy.

A large number of our clients rely on oil to heat their homes which acts as a further barrier to affordability. Given the sharp increase in the price of oil, many of our clients now cannot afford to heat their homes. This coupled with the continuous increase of the price of living has stretched many families to the brink where they simply do not have the money to service to heat their homes during the winter months. This has left our clients advising us they have to do without heating for periods of time during winter and often rely on oil drums, at an inflated price, as they cannot afford a lump sum payment for a tank of oil. It is because of this that Housing Rights Service believes our clients require both short term solutions as well as long term solutions to help overcome fuel poverty and ensure they are able to access fuel at an affordable price.

Solutions

Short term

Access to a grant/ affordable loan for fuel

Some Credit Unions have initiatives designed to help people deal with the predicted upcoming winter cold snap. For example in Ballyhackamore, members of the Credit Union are entitled to take out a £500 Winter Fuel Loan to help ease the costs of keeping their homes warm in the coming months. The loan must be paid back within six months, at the rate of £19.85 per week.

Housing Rights Service believes that Government should help credit unions replicate this model across Northern Ireland to allow people to access an affordable loan to help them heat their homes. This solution would give people immediate access to monies and prevent them buying expensive oil drums or, in the worse case scenario, having to go without heat during the winter months.

Long term

Social tariffs

Housing Rights Service believes that some form of social tariff is needed in Northern Ireland, similar to what was introduced in 2011 in Great Britain. The introduction of a social tariff would present a long term solution to help eliminate fuel poverty in Northern Ireland,

effectively targeting those most disadvantaged in society and protecting them against unaffordable energy costs. As well as introducing a social tariff, Housing Rights Service would welcome broadening the criteria to help other vulnerable people, to include children and young people and those with long term health conditions.

Regulation of the oil industry

The price of oil has continued to increase at an alarming rate, meaning many of our clients simply cannot afford to heat their homes. Regulation of the oil industry would provide major benefits for the 70% of households who use oil to heat their homes in Northern Ireland. This would ensure that our clients are paying a fair price for oil and are afforded some protection against sharp increases in the price of oil and stabilise the market.

Support to switch to gas

Housing Rights Service believes the Government should examine incentives and schemes to help encourage households in Northern Ireland to move from oil to natural gas central heating. It is imperative that people are encouraged and given the necessary information to help them make informed choices.

Irish Congress of Trade Unions

Potential Solutions to Fuel Poverty in NI.

Irish Congress of Trade Unions Northern Ireland Committee (NIC) is the representative body for 36 Trade Unions with 250,948 members across NI. It is the largest civil society organisation in NI.

NIC recognises that there are major factors which contribute to fuel poverty in NI, these include:

- Poor household energy efficiency
- Low income
- Expensive fuel costs

NIC sets out very briefly below their strategy for eradicating fuel poverty in NI.

1. This issue must be a high priority for Government. Government must demonstrate by word and deed its commitment to the eradication of fuel poverty.
2. Better support and advice to be available and accessible to consumers. It is recognised that those most vulnerable are at most risk, for example those with disabilities, older people, the very young, those living in poverty. It is known that debt is an issue linked to fuel poverty with people borrowing money through friends, relatives and the social fund to pay for fuel. Rural areas are also an area of particular concern. Support and advice should also include making people aware of benefits that they are entitled to and that in many cases go unclaimed. NIC oppose the cuts in welfare benefits and believes that these cuts and fuel poverty are inextricably linked.
3. Better and more investment in insulating new housing, improvements in social housing stock, private sector grants, restoration of the cuts to winter fuel payments and a guarantee of cold weather payments.
4. Energy Bundling. Government should investigate with urgency purchasing the entire supply of home heating oil at discounted rates and provide it to suppliers on the basis of a fair and reasonable rate being charged.
5. Investigate the bundling of coal energy, as prices have remained relatively low (due to the geographic areas of sourcing coal as opposed to oil). This must be looked at fully incorporating the Green New Deal.
6. More investment in the 'new' energy sources, solar, hydro and wind. Making these sources more accessible and cheaper to the consumer, again these sources must be fully compliant with the Green New Deal.
7. NIC supports National Energy Action in its call for the provisions of the Energy Bill to be extended to NI this would enshrine in law a requirement of Energy Suppliers to provide help and assistance to customers with the aim to reducing fuel poverty. NIC supports NEA NI in its belief that the Northern Ireland Authority for Utility Regulation should hold similar powers outlined in the Energy Bill.

Pauline Buchanan
Equality and Social Affairs Officer
Irish Congress of Trade Unions.

Macmillan Cancer Support

Committee for Social Development Potential solutions to fuel poverty in Northern Ireland – 16 Nov 2011 Response from Macmillan Cancer Support

Key points

- The number of people living with cancer is growing. There are currently 55,000 cancer survivors in Northern Ireland and, if current trends continue, this is set to double by 2030.
- Cancer patients can feel the cold in particular due to the effects of treatment, being at home for longer & the potential drop in income during treatment.
- Macmillan paid out more than £306,860 in grants to cancer patients in Northern Ireland to help them meet the cost of home heating in 2010.
- This is a 52 per cent increase from 2005 when £202,150 was spent.
- Macmillan strongly welcomes the recent funding announcement by the NI Executive to help maximise benefits uptake in the hospital setting by people affected by cancer
- Macmillan wants the Northern Ireland Executive & Assembly to continue to press Westminster to keep the winter fuel allowance at previous levels.
- Macmillan would like the NI Executive to initiate a winter fuel allowance for people under the age of 60 with a terminal diagnosis of cancer

Contact

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National Energy Action



Social Development Committee Fuel Poverty Event: Potential solutions to fuel poverty

Summary

- **Local Area Based Approach**

It is imperative that we continue to advocate practical heating and insulation improvements as the most rational and sustainable approach to affordable warmth

This approach should prioritise those communities where reducing energy bills through energy efficiency measures will alleviate fuel poverty.

- **Government Scheme Eligibility and Effective Targeting of Government Spending**

The eligibility criterion for the Warm Homes Scheme has become increasingly restrictive. NEA NI believes there is a need for a level of flexibility to be built into such a Scheme.

- **Energy Brokering**

NEA Northern Ireland believes that this approach could assist with bringing about downward pressure on the cost of oil and call for greater investigation into the possibilities of energy brokering.



- **Social tariff**

NEA Northern Ireland has advocated for the introduction of a social tariff for many years. This is even more important now due to the erosion of the Winter Fuel Payment. We are calling on the Executive to introduce price support for financially disadvantaged older households and look to the Social Protection Fund to this end.

- **Implementation of an Oil 'Pay as you go' scheme**

NEA Northern Ireland are calling on government to develop a robust approach to Pay As You Go for oil to ensure that the householder is not penalised for smaller fills or is not reverting to oil drums in garage forecourts.

- **Northern Ireland Sustainable Energy Programme (NISEP)**

Every household in Northern Ireland contributes to the NISEP in the region of £5.00 per annum. We believe it is time to look at discussing the potential impact of an increase to this levy with the caveat of maintaining the current ring fencing of 80%.

- **Green technology – Development and Installation**

A continued reliance on finite fossil fuels can not be allowed to continue. Green technologies provide numerous possibilities for community style heating programmes which would have a positive impact on price.



Context

- **NEA – who we are**

National Energy Action Northern Ireland (NEA NI) is the leading fuel poverty charity working throughout the United Kingdom, with offices in each of the devolved administrations.

The most recent Northern Ireland House Condition Survey 2009, carried out by the Northern Ireland Housing Executive, states that 44% of households in Northern Ireland are now in fuel poverty¹. The Survey also indicates the differing levels of fuel poverty within housing tenures highlighting the fact that 40% of people living in owner occupied accommodation are in fuel poverty; 55% of people living in private rented accommodation are in fuel poverty and 51% of people living in social housing are in fuel poverty².

- **44% fuel poverty in Northern Ireland**

When Northern Ireland launched Ending Fuel Poverty: A Strategy for Northern Ireland in 2004 the solution was about simply installing a range of energy efficiency measures in households throughout Northern Ireland. For a few years the scale of fuel poverty fell significantly but the trend was quickly reversed when we witnessed our energy costs escalating at an unprecedented rate.

¹ Northern Ireland House Condition Survey 2009

² Northern Ireland House Condition Survey 2009



Campaigning for Warm Homes

Fuel poverty by nation – numbers and % of households ³			
England	Scotland	Wales	Northern Ireland
3,964,000 (18.4%)	770,000 (32.7%)	332,000 (26.0%)	302,000 (43.7%)

As highlighted above Northern Ireland outstrips its UK counterparts in relation to the size and scale of the problem. Additionally it should be noted that these figures represent a significant underestimate of the issue as they do not take account of the subsequent increases since 2009.

- **Highest rate in UK**

The distribution of fuel poverty in Northern Ireland is as follows:

Single adult households are heavily over-represented among fuel-poor households. This is mainly attributable to the lower household income available to such households because there is a single source of income and/or lower benefit entitlement.

The situation for **older single households** is stark with more than 80% being in fuel poverty. It should also be noted that older households, even where they comprise two persons, are as likely as not to be fuel poor.

Younger single adult households, including **lone parents**, are also extremely vulnerable to fuel poverty.

³ Because data collection is not synchronized the figures are not strictly comparable; for example, the Welsh statistics relate to 2008 whilst the other national surveys contain 2009 data.



Campaigning for Warm Homes

Fuel poverty by household type						
	Not fuel poor		In fuel poverty		Total	
	Number	%	Number	%	Number	%
Lone adult	25,690	27.8%	66,630	72.2%	92,320	100%
Two adults	80,090	77.5%	23,200	22.5%	103,290	100%
Small family	65,060	75.2%	21,490	24.8%	86,550	100%
Large family	61,020	85.6%	10,130	14.2%	71,150	100%
Large adult	69,580	86.9%	10,520	13.1%	80,100	100%
Two older	49,760	50.9%	48,000	49.1%	97,760	100%
Lone older	17,780	16.8%	88,340	83.3%	106,120	100%
Lone parent	20,170	37.2%	34,000	62.8%	54,170	100%
Total	389,150	56.3%	302,310	43.7%	691,460	100%

Northern Ireland has higher energy bills than England, Scotland and Wales. The majority (67 per cent) of households here use home heating oil to heat their homes and will typically have a combined oil and electricity bill of around £2,1144.

- **Northern Ireland has highest energy bills in the UK (higher than London)**

⁴ Average household electricity consumption of 3,300kWh and using five and a quarter 500 litre fills of oil per year.



A recent Department of Energy and Climate Change Report showed that the highest energy bill in Great Britain was in Cardiff where a household would typically spend around a £1,100 per year – which is £1,000 cheaper than the majority (67 per cent) of households in Northern Ireland, who are reliant on oil.

The size and scale of fuel poverty problem in Northern Ireland is real and growing. It is a complex problem and energy efficiency measures alone, while a key part of the solution, will not alone solve the issue.

The issue requires a coordinated strategy and a stand up commitment from the Northern Ireland Executive alongside a range of remedial policy interventions employed to take households out of the misery that is fuel poverty.

The outcome is morally the right thing to do but will also reap social and economic benefits for Northern Ireland.

The Problem

Cost/Price of Energy

Since 2009 Northern Ireland has witnessed the coldest winters on record while energy prices have continued to soar.

- Electricity
Electricity prices (Power NI and Airtricity) have risen by 18.6 per cent from 1st October 2011;



- Gas
Gas prices have risen by 39.1 per cent for Phoenix Supply customers and firmus energy customers in the Ten Towns outside Belfast experienced a 28.4 per cent increase on 1st October and a 35% increase in Belfast;
- Oil
The cost of heating oil has risen 63 per cent in the last two years;
- Coal
Coal prices also increased by between 4 and 10 per cent in September 2011; and
- Liquid Petroleum Gas
LPG increased by 9 per cent for Calor bulk prices in August 2011.

Prevalence of Oil for Domestic Heating

England, Scotland and Wales emphasise the significant difficulties faced by rural households off the mains gas network and the need for additional measures to support these households in the form of extension of the mains gas network and increased funding for renewables and other innovative technologies yet this is the case for the majority of households in Northern Ireland.

With almost 70% reliance on oil, Northern Ireland is predisposed to the problems of fuel poverty. This is a key to the problem and includes issues such as the installation of measures, the financial outlay for a fill of oil, and the unregulated nature of oil, all requiring action.



Excess Winter Mortality Rate

The cold kills. One of the UK Government accepted indicators of fuel poverty is the number of people who die in winter from cold related diseases such as heart attacks, strokes and respiratory disease. The forthcoming Surgeon General's report will indicate that currently there is an average of 910 excess winter deaths in Northern Ireland, which compares to a level of 589 excess winter deaths in 2000/015.

This is now a serious public health issue for Northern Ireland and as such requires intervention from the Department of Health.

Solutions

A Local Area Based Approach

It is imperative that we continue to advocate practical heating and insulation improvements as the most rational and sustainable approach to affordable warmth, whilst recognising the need for a range of interventions on household incomes and energy prices.

This position concentrates on the governments main strand to tackle fuel poverty, namely energy efficiency and attempts to highlight the need to tackle the issue using a local area based approach as opposed to the existing current approach of individual applications, individual processing of applications and individual installation of remedial measures by different funders/scheme managers. We believe that when we are looking at potential

5 Excess Winter Deaths Statistics are produced by Northern Ireland Statistics and Research Agency (NISRA) from data from Department of Health, Social Services and Public Safety produced by the five Health and Social Care Trusts in Northern Ireland.



fuel poverty existing in 50% of all households in Northern Ireland, this approach is now sub optimal, will and is contributing to higher costs and a lack of coherent delivery. The current system loses all the potential benefit of economy of scale.

The model for delivery under the Strategy should be an area-based scheme with the support of the community and local government. The operational governance could be local government or community led with the partnership of the managing agent. The key will be that it is locally led with local accountability.

The onus for the delivery could be placed on the local authority as the key point of delivery with a local community partnership to shape the scheme delivery.

It should prioritise those communities where reducing energy bills through energy efficiency measures will alleviate fuel poverty. Professor Christine Liddell has devised a model which she believes could identify such communities using a range of indices. This would therefore help us identify clusters within areas of 'cold spots' and fuel poverty. There are synergies here in relation to the carbon reduction targets and ease the burden of meeting national renewable targets.

We could take the Kirklees Model and provide all insulation free backing this up with the fact that we all contribute something to the levy or we target in a blanket way but provide something for everyone behind the door.

The approach provides a community focus on energy, creates momentum and de stigmatises current approaches. It is akin to a one stop shop and also can offer a raft of other services. It should offer impartial help and



Campaigning for Warm Homes

advice on energy use, payment methods, EPC assessment, benefits checks and other services such as smoke alarms etc

The approach should also help government with other targets and fits with the Green New Deal model.

While a local area based approach is advocated we still would require some flexibility to ensure that we can assist other vulnerable customers in different areas.

(It should be noted that Northern Ireland trail blazed the local area approach some time ago in Beechmount and Willowfield.)

Government Scheme Eligibility

It is imperative that Northern Ireland has and continues to have a statutory provision for the tackling of fuel poverty. The Warm Homes Scheme is an effective scheme and has played a significant role in ameliorating fuel poverty for vulnerable households in Northern Ireland. However, the eligibility criterion for the Warm Homes Scheme has become increasingly restrictive. NEA NI believes there is a need for a level of flexibility to be built into such a Scheme. There is also a major issue of broken systems and maintenance; there is no assistance available for those households who have broken heating system. This has become a growing issue and one that needs to be addressed if fuel poverty rates are to be reduced in the longer-term. A review was expected earlier this year to highlight these issues but nothing has transpired. While we are aware that the Scheme is working effectively, the formal review and problems due to changing eligibility criteria need to be highlighted and resolved. We recommend that is carried out with urgency.



Energy Brokering

An extensive piece of work has been conducted by the Northern Ireland Housing Executive, Consumer Council for Northern Ireland and Bryson Energy. The paper highlights the possible benefits and advantages of organising tenants in social housing to purchase oil for the same supplier in order to incur an advantageous deal on price due to the quantities of oil that would be delivered.

NEA NI believes that this approach could assist with bringing about downward pressure on the cost of oil and call for greater investigation into the possibilities of energy brokering.

Social Tariffs

Fuel-poor households in Northern Ireland also seem likely to lose out when the mandatory Warm Home Discount is introduced in GB. NEA Northern Ireland has advocated for the introduction of a social tariff for many years. This is even more important now that we see the erosion of the Winter Fuel Payment. We are calling on the Executive to introduce price support for financially disadvantaged older households and look to the Social Protection Fund to this end.

The introduction of an affordable warmth/social tariff could be a mechanism to help eliminate fuel poverty in Northern; indeed the fuel poverty taskforce included the issue of affordable warmth/social tariffs as a recommendation. NEA NI call on effective targeting of pensioners who receive guaranteed Pension Credit as a starting position. Older people have a particular set of energy needs that normally involve longer heating periods and the need for higher temperatures in the home.



Regulation of the Installation of Domestic Home Heating Systems

Oil stamp schemes have developed sporadically throughout Northern Ireland as a consequence of the size of the financial outlay for a fill of oil. While we recognise the difficulties with this approach and some of its shortcomings, it has been a short term solution to a long term problem. NEA NI are calling on government to develop a robust approach to Pay As You Go to enable budgeting for oil to ensure that the householder is not penalised for smaller fills or is not reverting to oil drums in garage forecourts. Additionally due to the 'unregulated' nature of the Oil industry, its structures have been difficult to influence. We would like to see some regulation of the installation of Oil heating systems, similar to that used for Gas heating installations with adequate heating controls. A standardized installation of Oil heating systems would help to raise the efficiency of the systems and so make them more cost effective for the domestic consumer. NEA NI would also encourage the maximization of potential connections to the existing Gas Network across Northern Ireland and future development to widen access. Gas is currently only available in a limited number of areas in Northern Ireland. It is interesting to note that in Great Britain, a 'Hard to Treat' household is one that has no access to Natural Gas as a domestic heating source.

Unless Oil is given serious consideration, we will continue to have 70% of all households classified as 'Hard to Treat'. The extension and maximization of connections to the Gas network would help to reduce fuel poverty.

The Northern Ireland Sustainable Energy Programme (NISEP)

Every household in Northern Ireland contributes to the NISEP in the region of £5.00 per annum. This pot equates to some £7million, of which 80% is ring fenced for fuel poverty. We believe it is time to look at discussing the



Campaigning for Warm Homes

potential impact of an increase to this levy with the caveat of maintaining the current ring fencing of 80%.

The concept of increasing the levy 'pot of money' will require careful consideration and agreement. If agreed we would consider a levy of circa £10 per annum with a plan to ensure the fuel poor are dealt with immediacy.

Green Technology – Development and Installation

The development of Green Technologies is one that NEA NI welcomes; a continued reliance on finite fossil fuels can not be allowed to continue. Such technologies provide numerous possibilities for community style heating programmes which would have a positive impact on price. However, NEA NI do not wish to see any additional financial burden placed on fuel poor households in order to finance the integration of renewable energy; this will only increase the levels of fuel poverty in Northern Ireland.

Newtownabbey Methodist Mission, Rathcoole, Newtownabbey

Note to Committee for Social Development

Rathcoole has long been identified as an area of need and the Mission as part of the community has tried to assist with general levels of poverty in this area.

One of the ways which we have found to be effective is to work closely with local partners who are in direct contact with those who are having financial difficulty. We have been able to build strong relationships with social workers, health visitors, and our local Citizen's Advice Bureau.

These "agents" make referrals to us on an ongoing basis but specifically at Christmas when we operate a scheme to help families and individuals who are in need.

In 2010 our scheme helped over 170 families in the general Rathcoole area at Christmas by providing a voucher which the families could "purchase" food through an agreement with our local Spar. This voucher could be used to top up electricity cards as well as buying food, leaving their own income to go towards oil/coal etc.

Throughout the year we also receive referrals for those who are in urgent need of help, usually from CAB and we provide a one off voucher again for use in the local Spar. This system works well because CAB carry out benefit checks to ensure that the people are receiving all eligible assistance before we are requested to help. This also ensures we are only helping genuine cases of need.

Our scheme in 2010 gave out almost £10,000 in aid and throughout the year helped 240 families. This is possible due to fundraising efforts and support from local businesses and individuals. We feel that we have been effective in helping those in greatest need because of the direct contact with those agencies on the ground.

This year we have also been requested to be a partner in the Heat or Eat campaign which uses similar criteria to identify those who are struggling financially. This scheme provides oil vouchers to help with the costs of heating at Christmas.

This type of direct help, targeted to 'those in real need' has proved to be successful and while it requires the involvement of statutory agencies and the voluntary sectors, it is reaching those in need. It is an effective system already operating and in terms of Government support this could be "good value for money" and has no associated costs other than any direct funding.

Fuel poverty is an increasing problem to our communities and much pressure is being put on families to be able to provide heat in their homes. We believe our scheme helps to tackle fuel poverty by alleviating the stress on families by providing crisis financial assistance in the form of the Voucher Scheme. This allows families to free up money in order to pay for fuel and helps the stress associated with such decisions and dilemmas.

Northern Council for Voluntary Action

Committee for Social Development Fuel Poverty Event 16 November 2011

NICVA - Summary of potential solutions to fuel poverty in Northern Ireland

In Northern Ireland, the number of households affected by fuel poverty has increased significantly in recent years. The rate of fuel poverty in Northern Ireland is now 44% (302,300 households), a rise from 34% (225,600 households) in 2006¹. This worrying trend, coupled with the adverse effects of the current economic downturn and proposed changes to welfare reform, make fuel poverty a priority issue that needs to be addressed.

NICVA would like to see a three pronged approach taken in regards to tackling fuel poverty;

- Make fuel more affordable
- Maximise benefit uptake for those most in need
- Ensuring houses are more energy efficient

NICVA welcomes the Committee for Social Development's identification of fuel poverty as an issue that requires urgent attention and views this submission as an opportunity to assist in addressing the problem.

Some of the potential solutions to fuel poverty in Northern Ireland are:

- Maximisation of benefit uptake – more needs to be done to encourage people to undertake benefits checks and benefits uptake, both by making the application system simpler and by developing the capacity of individuals in applying for benefits.
- Energy efficiency advice provision should be extended and publicised throughout Northern Ireland.
- Ensure that the Winter Fuel Payments scheme continues.
- Warm Homes schemes should continue and aim to reach those most in need.
- A regional retrofitting programme should be developed as part of the Green New Deal. NIE Energy (now Power NI) with DSD rolled out a pilot programme in 2008 as a preliminary trial and should be used as a basis for a region wide programme.²
- Government also needs to continue work with the energy industry to ensure consumers pay a fair price for fuel.
- 99 per cent of Northern Ireland energy needs are met by imported fossil fuels and this threatens our energy security. Therefore, priority (and financial resources) should be given to the development of local renewable energy resources from wind power, tidal power and biomass fuels. The government should develop a long term (ie 40 year) Energy Strategy which sets clear targets to reduce overdependence on fossil fuel and increase energy production for renewables.

1 Northern Ireland Assembly (2011) Research paper fuel poverty NIAR 411-11

2 Liddell, C, (March 2011) Hard to treat homes in Northern Ireland evaluation report, University of Ulster

To summarise, a recent Joseph Rowntree Foundation report on tackling fuel poverty³ informs us that as energy prices rise, fuel poverty can only be reduced by an intensified focus on the energy efficiency and energy bills of those in fuel poverty, especially low income vulnerable households. The long-term solution to fuel poverty, and one that also supports the objective of reducing carbon emissions, is to increase dramatically the energy efficiency of the houses of fuel-poor households.

This will help to alleviate the impact on financially disadvantaged households whilst ensuring equal access to the benefits of energy efficient policies and this should be a key element of the transition to a low carbon economy and society and one which NICVA fully endorses.

3 Eakins, P Lockwood, M, (October 2011) Tackling fuel poverty during the transition to a low carbon economy, Joseph Rowntree Foundation

Northern Ireland Federation of Housing Associations

Date: 7 November 2011

Subject: Suggestions for relieving fuel poverty in Northern Ireland

Credentials

Housing associations are independent voluntary organisations which provide decent affordable homes for about 34,000 households in N Ireland. The great majority of those households have low incomes, as is evidenced by the fact that 70% qualify for Housing Benefit.

Housing associations are leading the field in the development of energy-efficient homes but there is still a very long way to go to achieving Level 5/6 of the Code for Sustainable Homes.

Suggestions to Relieve Fuel Poverty in N Ireland

1. Increasing the energy efficiency of all new construction and renovation by continuing to enhance the Building Regulations
2. Providing enough grant to registered housing associations to enable them to exceed the Building Regulations in terms of energy efficiency
3. Urgently provide tangible financial and other support to start implementation of Northern Ireland's Green New Deal
4. Dramatically increase investment on renewable energy production that suits N Ireland's natural conditions
5. Implement a street by street door-knocking campaign in low-income areas to provide energy efficiency advice, benefits uptake and sign-posting to residents
6. Encourage tangible inter-Departmental co-operation that recognises that the benefits of one Department's investment programme may manifest themselves in a different government Department
7. Encourage the installation and use of Smart meters
8. Demand that DETI make maximum use of the lifting of the previous restrictions on the use of the European Regional Development Fund for energy improvement of housing
9. Maximise the uptake of budgeting schemes to help households meet their energy bills

Northern Ireland Catholic Council for Social Affairs

Briefing paper for Social Development Committee Fuel Poverty Event from the Northern Ireland Catholic Council on Social Affairs (NICCOSA)

About the Northern Ireland Catholic Council on Social Affairs

The Northern Ireland Catholic Council on Social Affairs is the Northern Ireland sub-committee of the Council for Justice and Peace of the Irish Bishops' Conference. With a membership of mostly lay Catholics with relevant experience and expertise, NICCOSA provides advice and support to the bishops of Northern Ireland on social, legal and political issues. The Council is chaired by Cardinal Seán Brady, Archbishop of Armagh and President of the Bishops' Conference, assisted by Bishop Noël Treanor.

In relation to issues of poverty NICCOSA is not a service provider, but works in consultation with other organisations which provide financial support and assistance to those affected, supporting this work through awareness-raising and advocacy to Government.

Responding to Fuel Poverty

NICCOSA's response to Fuel Poverty is situated in the context of its response to the wider issues of poverty and social exclusion as outlined in its 2010 publication *Challenging Poverty in Northern Ireland* (Belfast: St. Mary's University College, 2010). This report was produced in collaboration with St. Mary's University College, Belfast and the Society of St. Vincent de Paul (SVP) (a copy of the report can be accessed at www.catholicbishops.ie/niccosa).

The Council's response to these issues is based on a firm commitment to the common good – every member of our society needs to be supported in achieving his or her potential. Poverty in our society impoverishes everyone because it can cause those affected to feel isolated and can represent a significant barrier to their participation in society.

Fuel poverty is a particular concern, especially at the present time of year, because of its impact on some of the most vulnerable members of our society: children, older people and those experiencing ill-health. In 2010 SVP spent £619,000 on fuel for those in need. This amounted to a 30% increase on the amount provided in the previous year and represented 23% of all financial support provided by the Society.

In *Challenging Poverty in Northern Ireland*, NICCOSA advocates a partnership approach to addressing issues of poverty, involving collaboration between Government Departments, with community and voluntary organisations and with the people affected. In this light we welcome the leadership shown by the Social Development Committee in organising this Fuel Poverty event.

Solutions to Fuel Poverty

While urgent action specifically targeted at addressing fuel poverty is vital at the present time, NICCOSA wishes to stress that fuel poverty is only one symptom of the wider problem of poverty and social exclusion. In the long-term, levels of fuel poverty will only be reduced to the extent that we succeed in addressing the causes of poverty, ensuring that all members our society have an income that is sufficient to meet their basic needs.

In the medium term, initiatives aimed at engaging with fuel suppliers in order to allow people to save money towards the cost of their winter fuel throughout the year should be examined.

SVP operates an Oil Stamp Scheme in NI whereby people can buy stamps worth £5 each that are redeemable with oil suppliers (many local shops and Post Offices help by selling these stamps on behalf of SVP); in many cases SVP will also provide some of these stamps free of charge to people to help them get started saving. In 2010 the Oil Stamp Scheme had a turnover of £1.6m.

In the short term it is vital to ensure, firstly, that adequate support is available to protect those at risk of fuel poverty this winter. Secondly, this support needs to be easily accessible for those in need. Finally, there is a need to use all available mechanisms and structures – notably collaboration with community, voluntary and faith-based groups – to ensure that information about available supports and how to access them reaches those who are most vulnerable to fuel poverty.

Further Information

If you require any further information please contact the NICCOSA Research Coordinator:

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Northern Ireland Housing Executive

Briefing from Housing Executive - Fuel Poverty Event 16th November 2011

The definition of fuel poverty used by all Departments is: "A household is in fuel poverty if, in order to maintain an acceptable level of temperature throughout the home, it would have to spend more than 10% of its income on all household fuel". The term "all household fuel use" includes all fuel of any type, used for space heating and all electricity used for other purposes, such as water heating, cooking, lighting and use of appliances. Fuel poverty is therefore not simply about the ability to pay heating bills but also electricity bills. Fuel poverty has three main causes:

- Poor thermal efficiency of dwellings
- Low household income
- High fuel prices

It follows, therefore, that if a problem has three causes, action must be taken to deal with all three causes. Too often in the past, the focus has been on only the energy efficiency aspect of fuel poverty. But now there are many households in energy efficient dwellings who remain fuel poor due to low incomes and high fuel prices; The Housing Executive would suggest the following actions;

Energy Efficiency;

- Continue investment in insulation/high efficiency boilers across all tenures
- Encourage more householders to replace fossil fuel based heating systems with renewables such as wood pellet boilers
- Amend building regulations to demand higher levels of energy efficiency in future dwellings or when doing major upgrades to existing stock
- More R&D in alternative heating solutions for NI such as community based heating, locally produced geothermal heating or use of waste heat from power plants, industrial plants, etc...

Incomes

- Increase in basic state pension for those for whom this is their sole income
- Winter Fuel Payment should be increased – reinstate recent reduction
- Quantity of free fuel for pensioners in winter paid for by the Winter Fuel Payment. Rather than WFP being paid in cash, it is credited to either gas or electricity bills. Alternatively for customers preferring it to be spent on oil, could Govt broker deals on behalf of pensioners based on WFP
- Inflationary uplift linked to fuel prices for those on means tested benefit

Fuel Prices

- Government to use its purchasing power for its estate to broker deals on behalf of fuel poor
- Reduce or remove VAT on household energy
- Promote Pay as You Go system for oil heating.

Northern Ireland Oil Federation

Brief for Committee for Social Development

Introduction

The NIOF is a trade body representing the interests of local (Northern Ireland) fuel oil distributors who retail home heating fuel. This brief is in response to a call from DSD who are hosting a meeting with stakeholders with the aim of developing solutions to the issue of fuel poverty.

This paper will outline the current status of the local oil sector and their position in relation to fuel poverty.

Global market

The first point to realise is that oil is a globally traded product and daily price movements are recorded on Platts (an energy and commodity price service). Consumers often refer to movement in crude oil prices for comparison purposes but these are not directly relevant for home heating retail prices. The appropriate comparison is with movements in the prices of refined products/distillates.

These prices move daily and are impacted by global supply and demand, commodity indices, economic trading conditions and currency exchange. There will always be a lag between movements in crude prices and refined prices but supply and demand considerations may mean that they will not always mirror each other.

UK and Ireland

Nationally, the oil sector is probably the most taxed sector in the country. Duty on petrol and diesel coupled with VAT makes up almost 70% of the pump price (road fuels) and is a major contributor to Government funds and no doubt some of this money finds its way to fuel poor schemes. Gasoil and fuel oil are also heavily taxed via excise duty and this has caused major problems for farmers, schools and consumers who use gasoil for heating and has made oil as a heating source uncompetitive compared to natural gas which has no excise duty tax.

Looking specifically at home heat (kerosene) locally, wholesale prices are dictated by the major oil companies who supply Northern Ireland. The local distributor has no control over these price movements whatsoever; the price moves daily and is affected by global oil price movements referred to above. In recent years, currency speculation and movement has played a huge role in oil price movements. As all oil products are priced in dollars so large movements in currency exchange can have a huge impact on wholesale and retail prices.

Wholesale

Oil is brought into Northern Ireland by ship; there are currently three major terminals in Belfast and one in Londonderry. The major suppliers currently are BP; Texaco, Statoil with a small number of traders making up the remainder of supply especially during peak demand periods.

Product is sold on a daily platts price, with the majority of distributors now buying ex rack (from the terminal) due to the high volatility in fuel prices in recent years. Storing large quantities of fuel in a volatile market can be a high risk strategy for the smaller distributor.

Size and scale

NI has approx. 250 distributors catering for around 500,000 homes*. It is a highly fragmented but very competitive market with retail prices in the local market often being below the UK average.

This is substantiated in the regional summary for October 2011 (Sutherland) **the average cost for heating an average 3 bed house in the UK with oil is £1585 pa for a non condensing boiler and £1296 pa for a condensing boiler. The annual cost for NI is £1562 and £1278 respectfully; 1.4% below the national average.

*Figures from NIHE home condition survey 2010 ** Sutherland Tables (Independent Energy Consultants)

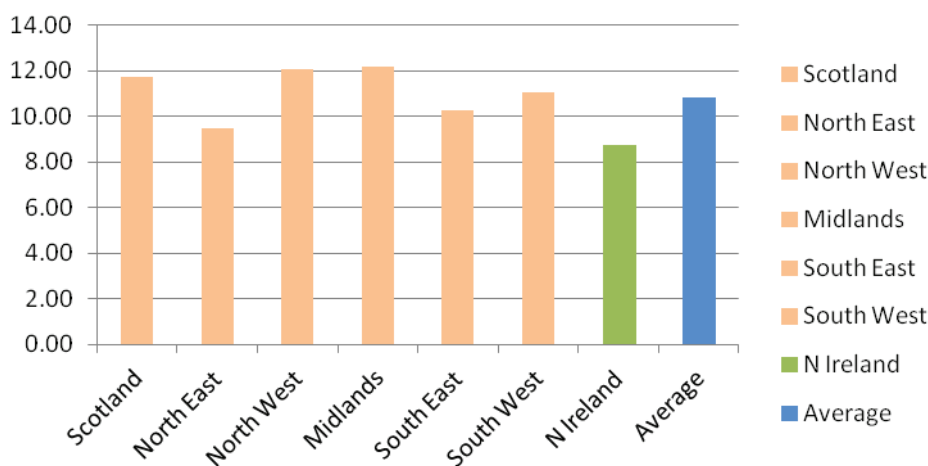
If we look at the ROI (at approx. 0.85 euro to pound) NI consumers buy kerosene some 10% cheaper than their ROI counterparts.

Kerosene is the product widely used for home heating purposes. The primary driver of

price increase is the crude oil price, which as reported by the OFT accounts for over 90 percent of the variation in the retail price of heating oil. The remainder is split between storage/ freight and VAT. This leaves approx. 8-10% for distribution costs and profit.

As can be seen below NI distributors are at the bottom of the table when it comes to profitability well and below the UK average; NI distributors receive the lowest return in the UK market hence offering better value to consumers.

Gross % return on retail price



Source; Fuel Price Totem 2009/10 AnDPublishing

Profitability

The reality is that while the price for all forms of energy has increased in recent years, local oil businesses in Northern Ireland have seen their percentage return drop steadily since the 1990s. This is despite the cost of running a distributor business rising steeply in recent times.

This point is explored in the following table; compared to the regulated sectors where a return is guaranteed for the energy provider, the returns in the local distribution sector are very low.

Company	Turnover (thousands £Stg)	Profit before Tax (thousands £Stg)	% return on T/O	Year End
Scottish Power Renewables	182,900	88,800	48	2009
Coolkeeragh	192,109	58,074	30	2009
AES Kilroot	130,881	36,793	28	2009
AES Ballylumford	165,847	42,861	25	2009
NIE	228,500	24,000	10	2011
Phoenix Supply Ltd	106,382	3,168	2.9	2009
Nicholl (Fuel Oils) Ltd	287,919	5,452	1.9	2010
Lissan Coal Co Ltd	250,659	4,479	1.8	2009
DCC Energy Ltd	224,990	3,009	1.34	2010
Maxol Direct Ltd	165,945	1,478	0.90	2009
AH Fuel Oils Ltd	70,782	303	0.43	2009

Source; Top 100 Companies – Ulster Business

From the table above it is clear that there is a marked difference between regulated fuels and non-regulated fuels (in terms of profitability). The regulated fuels benefit from a guaranteed return (as set by the Regulator) which is clearly much higher than the local distribution sector as evidenced by these results. It could be argued that market forces and competition has been beneficial for oil consumers locally as the evidence would suggest (and confirmed by the OFT) that competition has driven down price and returns in the oil market, compared to the regulated fuels.

The facts are that at the current level of return there is no opportunity for reinvestment in the local oil distribution business. This has severe implications for the future of a viable home heat sector in Northern Ireland. While our competitors are actively promoting energy efficiency and offering loans to consumers to benefit from best practice the local oil sector has not been able to develop such schemes due to limited profitability.

Fuel Poverty

There is little doubt that the impact of fuel poverty is felt across the Province and this has been exacerbated by the recent economic downturn and increasing energy costs. However, heating and insulation measures alone are not enough to move low-income families out of fuel poverty.

In recent years the oil trade (boiler manufacturers) has attempted to assist in the alleviation of fuel poverty by producing oil boilers that have increased efficiencies resulting in lower fuel bills and cleaner emissions. A modern condensing boiler offers an immediate 18% increase in efficiency over a similar standard non-condensing boiler.

The distribution industry has recognised that many oil customers moved from solid fuel and introduced an electronic pre-payment system to facilitate weekly payments. This assists customers who find difficulty with lump sum payments and permits budgeting. The industry in Northern Ireland has assisted customers who have presented themselves as ‘disadvantaged’ and provided fuel on a goodwill basis (with the client agreeing to a pre-payment scheme for future oil purchase).

The industry would welcome the introduction of a competent person's scheme or legislation to ensure that oil systems were installed correctly. Recent statistics from the NI House Condition Survey suggested that up to 75% of private sector installations are sub-standard. This has serious implications for efficiency and emissions. If such a scheme was extended to servicing major savings could be made by householders assisting the fight against fuel poverty and would assist reduce carbon emissions.

Potential Solutions for Fuel Poverty – Committee for Social Development

It has long been recognised that there are three factors to fuel poverty; the price of fuel, energy efficiency (house and heating appliance) and consumer income. While it is easy to blame the cost of the fuel, the reality is that without a combined approach to all the factors the problem will not go away.

If we examine the three factors –

Cost of fuel

This is outside of the control of the local oil sector. In a recent OFT report it states, “the primary driver of price increases is the crude oil price, which accounts for over 90 per cent of the variation in the retail price of heating oil”. Local oil distributors respond to international prices which move daily and have no control over wholesale prices.

There are measures that Government can take to reduce the cost of kerosene. This product currently attracts VAT at the rate of 5% in the UK and a proposal to Treasury that this could be removed for vulnerable/elderly consumers could be initiated.

Income

Consumer income is a Government matter and the oil sector cannot address this issue. Government locally and nationally needs to review the state pension, winter fuel payments and other measures to assist fuel poor clients that have not moved with inflation over recent years. A combination of advice on spending habits/prioritising of bills and grant aid towards insulation and heating measures will be required.

Efficiency

In recent years the oil sector has promoted condensing boilers that offer annual oil savings of approx.18%. This combined with efficiency measures (Including loft, cavity wall and heating controls) can substantially reduce the oil households annual spend.

Oil boilers are very efficient if installed and maintained correctly. According to SEDBUK (seasonal efficiency database) the most efficient boiler is an oil boiler with an efficiency rating of 93.3% and this compares favourably to the top natural gas boiler at 90.3% and LPG at 91.4%.

We encourage consumers to upgrade to oil condensing boilers and recent legislation has endorsed these appliances but there is limited enforcement of this regulation at a local building control level.

Looking to solutions the oil industry would be keen to explore;

Boiler scrappage – a Government scheme to encourage oil consumers to replace older inefficient appliances with modern condensing boilers – this would save consumers money immediately. This could be part funded by a levy on kerosene imports and discussions with DETI and DSD have started on this issue.

The Warm Homes Scheme provides a heating and insulation upgraded/install for fuel poor (receipt of benefits and pension credits) but there is no such scheme for the ‘working fuel

poor' earning in excess of £10K pa – serious consideration should be given to extension of this grant to families/individuals in working fuel poverty.

Winter fuel payment paid in the form of a fuel voucher redeemable against fuel only.

PAYG option for fuel poor/elderly clients. One of the hurdles to new oil consumers is the initial cost to fill the tank with oil. An initiative to offer PAYG option is currently with DSD and we would welcome support for this initiative in terms of DSD funding to minimise risk.

Budgeting advice – the NI consumer is very poor at budgeting for energy bills. Advice should be offered at all levels to enable consumers to budget for an oil fill using the numerous options available.

David Blevings
NIOF 14 Nov 2011

Older People's Advocate Office

Response to the Social Development Committee

Introduction

The cause of fuel poverty amongst older people is that so many of them have very low incomes, indeed many live entirely on the state pension which is not increasing to keep pace with the cost of fuel and food. The poverty faced by older people on a daily basis manifests itself in many different ways including:

- living in poorly maintained housing
- an inability to leave home which leads to isolation
- a deterioration in physical and mental health and wellbeing due to the environment
- having to make choices about eating or heating

1. Government Working in Partnership

Fuel poverty cannot be addressed in isolation but must be part of a package which addresses the other symptoms of and contributors to continuing poverty. This will require a commitment in the Programme for Government to develop cross-cutting, cross-departmental actions and programmes with clear measurable outputs to demonstrate how the negative impact of poverty is being reduced across groups such as older people.

2. Setting Targets and a Fuel Poverty Index to Better Target Resources

Clearer definitions of what poverty means in day to day living need to be developed so that those who are most at risk from the effects of poverty can be clearly identified and their needs addressed. This will include not only identifying those most in need but also taking account of those who in terms of assets fall just outside eligibility for additional benefits but who because they are asset rich but in reality are cash poor (perhaps by virtue of owning a property which is expensive to heat and run) may be even worse off than those who fall within the eligibility band.

3. Affordable Energy

Energy must be made more affordable by encouraging greater choice through the use of targeted grants to decrease dependency on oil and it should be a requirement of all new build that it provides such choice. The use of social tariffs should be tried.

4. Removing Energy Inefficiency as a Cause of Fuel Poverty

Further targeted programmes to insulate older properties particularly those 'Hard to Treat' properties built before 1919 should be implemented so that older people living in such houses can continue to live longer in their own homes without the crippling costs of fuel to heat such energy inefficient properties.

Phoenix Supply Ltd

Potential Solutions to Fuel Poverty

Accelerate Public Sector connections to the gas network

Gas has been made available to around 47,000 NIHE properties and there are around 35,000 already connected. The majority that remain unconnected use oil and electricity as their heat source.

Many of these tenants remain in fuel poverty and as an example the regulated tariff for natural gas compared to heating oil has been around 20% cheaper at present and over the last year it has been around 33% cheaper to use natural gas rather than home heating oil.

The Energy Saving Trust state that by installing a fully controlled high efficiency heating system you could save up to 40% of your heating bill if your existing system is more than 15 years old. In many cases the systems are approaching this age or beyond.

Add to this the convenience of using a Pay As You Go solution for payment and there is a very strong argument for accelerating the installation of natural gas to all public sector housing including housing associations.

Boiler Scrappage Scheme

N.I. was the only region in the UK not to launch a Boiler Scrappage Scheme backed by Government. Phoenix Natural Gas along with others in the Gas Industry combined their resources to fund a scheme for Greater Belfast. The scheme was very well received and sent a very important message that inefficient systems are wasteful of resources and the cost of running them are too high. The Boiler Replacement scheme introduced by the DSD falls under the Warm Homes scheme to help those that were close to meeting the criteria for a free system. The scheme introduced in the rest of the UK had much wider appeal and helped tackle fuel poverty on a wider basis.

Energy Performance Certificates

The introduction of energy performance certificates has been a positive move in helping homeowners understand the efficiency of a home they may acquire or rent. Whilst the report is helpful it lacks credibility in that no action is required to be taken if a home falls below acceptable standards. Legislation could be introduced that requires owners and Landlords to bring homes up to a decent standard before they are either sold or rented. This would have the impact of raising the standards of insulation as well as ensuring that they heating systems were up to standard. Individuals moving into these homes can then be assured that adequate measures have already been taken to improve the energy efficiency of the property and therefore energy bills will be kept to a minimum.

Housing Funded Through Benefits Offices

A large proportion of housing is funded through the Benefits Offices. There are no checks completed on the quality of the properties regarding the suitability for an individual or family regarding fuel poverty. All properties that are funded through this scheme need to be assessed to ensure they meet minimum standards for insulation and heating. Meeting the standard will reduce the costs to tenants and potentially reduce the number of people in fuel poverty.

Maximise Benefits Checks

A number of organisations have been established to provide advice on the levels of benefits that householders are entitled to. Work in this area needs to be improved as much of the advice provided requires action by individuals who are not able, in many circumstances, to complete the necessary administrative process to ensure that they are obtaining all the benefits that they may be entitled to. This would appear at this stage to be piecemeal and uncoordinated and commercial organisations would be keen to become involved in funding a more coordinated approach to this whole issue. There are vast arrays of schemes each with their own conditions that are not always easy to understand. Energy supply companies are well placed to establish a one stop shop that would deliver practical advice to customers. These companies are familiar with being able to explain complex issues to customers in an easily understandable manner and they have the systems and procedures available to allow for customer follow up to help ensure that those that are entitled to benefits actually receive them.

Power NI

Committee for Social Development – fuel poverty event

Power NI (the new name for NIE Energy) is a regulated energy supplier – we currently supply electricity to c700,000 homes in Northern Ireland under a price control. This price control currently regulates what costs we can charge and how much profit we can make (<£10 per customer).

Power NI's activity

Power NI is very focused on the issue of fuel poverty and endeavours to provide practical, tangible services to help support vulnerable customers – particularly those in fuel poverty. These include:

- The first supplier in the UK and Ireland to offer electricity through 'pay as you go' keypad with a discount; and remove standing charges which disproportionately impact on low income customers.
- The first supplier in the UK and Ireland to offer a mass market rollout of smart meters (keypad)
- We typically deliver practical energy saving measures to c6000 vulnerable homes throughout NI each year (through the NISEP scheme)
- We undertake trials and pilots which help to inform wider policy eg Hard to Treat homes, technology trials eg domestic Combined Heat and Power (CHP) and air source heat pumps.
- We provide energy saving bulbs and temperature cards to vulnerable customers through a network of voluntary and community groups.
- We provide practical support for homes who are struggling to pay for energy – a home visit with benefit check, help with forms, referrals to energy saving grants and advice on budgeting for energy.
- We have a voluntary policy to not disconnect domestic customers (unless there is a fraud/safety issue).
- We support Age NI to channel practical support to vulnerable customer in later life eg Spread the warmth campaign.
- We are a strong advocate for upstream competition in the electricity generation market to encourage lower wholesale electricity prices and an overall energy policy that promotes greater diversity of energy sources (including an efficient level of renewables).

Potential solutions

Power NI's approach is always to deliver practical and tangible solutions to customers. The current fuel poverty statistics are over used and not helpful in informing policy (the Hills Review highlights a number of inadequacies). It should be clear to policy makers and other stakeholders that any solutions carry a cost either to the tax payer, or as in GB, through energy bills – it is therefore imperative that solutions delivered are based on robust, factual analysis which will make a difference to those who are worst off and either alleviate or remove households from fuel poverty. Northern Ireland has a very different mix of energy use than GB, particularly for heating – we therefore should not replicate GB solutions but rather seek innovative tailored solutions for Northern Ireland.

Effective targeting

- Focus activity (income maximisation and energy efficiency packages) on those worst off ie lowest incomes, expensive to heat homes (whether social rented, private landlord or owner occupied)
- The challenge is effective targeting to ensure that precious resources are most effectively used. NI should explore ways of doing this cost effectively (it may require a home visit to determine SAP rating and household income).
- Power NI would be concerned that solely 'area based approaches' will provide assistance to many who are not in worst position, removing resources from those most in need of help.
- Work with those organisations who are already in touch with those in most severe fuel poverty eg Age NI, social housing providers, to channel appropriate support.

The heating market in Northern Ireland

Christine Liddell's work highlighted that oil heating is a major problem area:

- Customers in NI need a cost effective way to 'pay as they go' for oil (like Power NI's keypad meter) to suit those who live on a weekly income.
- Seek opportunities to move away from oil (eg biomass, ASHPs – both of which would attract the potential renewable heat incentive; or natural gas where available). The current NISEP funding calculations means that replacing oil heating does not meet the minimum cost effectiveness target – this should be reviewed to allow schemes like Power NI's Energy Saver Homes and Snug Plus grants to enable replacement of old and inefficient oil heating.
- Better utilisation of the current gas network – this has to be more cost effective than building a new network to wider areas.

Financial subsidies

Whilst financial subsidies are welcomed by customers, there are a number of limitations: - they have a one off limited benefit; are difficult to administer; aren't well targeted; and have no impact on fuel poverty statistics. Funding is better directed to practical measures such as home insulation which results in savings year after year (and makes homes warmer). Should government decide that direct subsidies are desirable; they should be administered through the social security system and funded through general taxation and not by customers of one particular energy industry.

Non standard technologies

Many homes (particularly in rural areas) have solid walls which are expensive to insulate – Power NI has been managing a limited solid wall insulation scheme for low income homes. There is a significant opportunity to do much more in this area – it is expensive but it brings significant benefits.

A more effective Single Electricity Market (SEM)

All electricity suppliers must buy their electricity through the SEM. The price of electricity fluctuates on a half hourly basis and is driven by a range of cost inputs including wholesale fuel costs. For suppliers to offer a stable tariff to customers, they must 'hedge' these SEM costs. However there is a shortage of hedging options in the market meaning the hedges that are available attract a premium which pushes end costs to customers up. Power NI would urge the relevant authorities to proactively deal with the general shortage of hedging products available in the market, and the timeliness, flexibility and accessibility of such hedges.

Joined up government policy

Government should be conscious that targets, relating to the development of a lower carbon economy, set in areas such as renewable output, smart metering etc may well have a significant impact on the final prices paid by consumers. The obvious outcome of a "lower carbon" strategy will be the reality that unknown and variable fossil fuel costs will be gradually replaced by more fixed, unavoidable costs required to pay for the capital investment required to support such a strategy.

To assist with arriving at an optimum outcome, Government needs to play a central role in ensuring that proper "joined up thinking" takes place and that the right conditions exist for efficient investment, including the avoidance of any unnecessary planning and regulatory risk, and that new infrastructure designs provide a sound technological and efficient basis to transition to a lower carbon energy solutions.

Public Health Agency

PHA briefing for Committee for Social Development- fuel poverty stakeholder event on 16th November 2011

Fuel Poverty & the Public Health Agency

1) **Key Figures for NI**

Definition: People are living in fuel poverty if they have to spend more than 10% of their income on heating and lighting their home to a reasonable standard of comfort.

'Warmer, Healthier Homes: A New Fuel Poverty Strategy for Northern Ireland' was produced by the Department for Social Development in March 2011.

The report states that...

- Today, more than 44% of people in Northern Ireland live in fuel poverty, a figure
- more likely to rise than fall.
- The recently published Northern Ireland House Condition Survey 2009 shows that 44% of households in Northern Ireland have to pay more than 10% of their income on energy costs. The World Health Organisation defines a satisfactory heating regime as 21oC in the living room and 18oC in other areas, although householders with specific needs may require different levels of heating.
- The number of people living in fuel poverty in Northern Ireland far exceeds the numbers in the other regions of Britain; however, an upward trend is evident in all regions.
- The 2009 House Condition Survey reported the level of fuel poverty in

Northern Ireland as 44% (302,310 households), a 10 percentage point increase from 34% (225,580 households) when the level of fuel poverty was last measured in 2006 by the House Condition Survey. The Survey reported the rate of fuel poverty in age groups 60 – 74 years as 53% and the rate of fuel poverty in 75 years plus age group was reported as 76%. The Survey also showed that 83% of older people who live alone need to spend more than 10% of their income on energy costs and therefore are living in fuel poverty.

2) **Public Health Implications of Fuel Poverty**

- Every year in Northern Ireland, approximately 1300 people die as a result of the cold. (NISRA) For every person who dies; another 8 people will require treatment by their GP or in hospital for cold-weather related illnesses.
- When people are exposed to the cold, they are at an increased risk of cardiac arrest, strokes, respiratory illnesses and falls. Those most vulnerable to the cold are older people, people with a disability and children.
- As energy costs have risen, heating and lighting one's home has become more expensive. This can be particularly difficult for those on low incomes living in poorly insulated houses with inefficient heating systems. As a result, living in a cold, damp home poses risks not only for a person's physical health but also for their mental wellbeing as the cost of heating may lead to debt or stress.
- Persistent cold, together with the financial worry of being able (or unable) to afford adequate heating, can cause depression. People in fuel poverty are 2.5 times more likely to report high or moderate stress than those able to afford their heating. (Chief Medical Officer's Annual Report for England, 2009)

- Households in Northern Ireland spend more than twice as much of their disposable income on energy than households in London and around 60% more than the UK average. (Warmer Healthier Homes, Department for Social Development 2010)

3) **Actions being taken by the PHA**

- The Public Health Agency invested £467,500 in 2010/11 to combat fuel poverty. The funding has enabled a number of households to receive assistance through energy efficiency advice, insulation measures, whole house solutions, awareness raising sessions, and referrals to grant schemes, access to benefits and development and implementation of local action plans for fuel poverty. This investment has levered substantial funding in energy efficiency grants for householders via the NIE Levy Fund and Warm Homes Scheme
- In addition a significant improvement in household income has been generated through benefit maximisation schemes throughout Northern Ireland as part of the Public Health Agency fuel poverty programmes.
- Additional leverage has also been made available through partnership working including £707,000 in 2010/11 from the Department of Agriculture to the PHA, in pursuit of joint outcomes, through the MARA project.

[The aim of the MARA Project is to improve the health and wellbeing of people living in the top 30% rurally deprived areas in Northern Ireland according to NISRA, by making them aware of, or helping them access, local services, grants or benefits. The households targeted incorporate older people, carers, disabled people, lone parents, ethnic minorities, lone adults, farming families and/or low income families. The programme has target over 4000 households.]

- The Public Health Agency has also established a Regional Fuel Poverty and Health Network whose aim is to develop a more strategic approach to fuel poverty and health across Northern Ireland.

4) **Potential Solutions to Fuel Poverty in Northern Ireland**

- a) Raise awareness of the health impacts of fuel poverty
 - Raise awareness of the links between fuel poverty, health and health inequalities
 - Increased awareness raising of fuel poverty and services/ support available with front line health staff and the community & voluntary sector to support effective targeting of existing / new fuel poverty programmes
- b) Actions to address income levels;
 - Continued effort to increase income levels for those living in fuel poverty, through benefit maximisation, access to grants, training and social economy/ employment initiatives and direct assistance, and continued implementation of the regional MARA scheme
 - The need for fiscal policy to afford protection to those in greatest need who are affected by fuel poverty
 - The need for consideration of the current level of welfare benefit payments for those at risk of fuel poverty
 - Create fair employment and good work for all through improved access to good jobs, reduction in long-term unemployment, make it easier for people who are disadvantaged in the labour market to obtain and keep work and improve quality of jobs
 - energy efficiency;
 - Decreasing levels of fuel poverty through energy efficiency awareness, signposting to services, access to grants and direct assistance schemes

- and fuel prices
 - Cross-departmental working to facilitate the achievement of affordable energy for households in Northern Ireland
 - Explore options for reducing fuel duty for Northern Ireland
- c) Collaboration and partnership working
- Continued commitment to cross-departmental, cross-sectoral working and partnerships to tackle high levels of fuel poverty in Northern Ireland through actions to address income levels, energy efficiency and fuel prices
 - Increased sharing of learning across organisations and departments and promotion of the positive impacts of fuel poverty programmes
 - The need for consideration of fuel poverty and associated issues within the context of carbon reduction and sustainability

Rural Community Network

Fuel poverty in NI: a rural perspective

- The winter of 2010-2011 was one of the coldest on record for Northern Ireland so it is not surprising that the cost of fuel continues to be a key issue for consumers. In rural areas this is exacerbated by the high dependency on home heating oil and the condition of some rural homes.
- Recent Government statistics show that fuel poverty levels in Northern Ireland are amongst the highest in Western Europe. Currently, 44 per cent of homes here struggle to heat their homes to adequate levels - this is three times as many homes as in England and nearly double the rates in both Scotland and Wales. The picture is even bleaker in rural areas of Northern Ireland, with 46 per cent of homes (95,640) living with the effects of fuel poverty.
- The main reason behind the high levels of fuel poverty in Northern Ireland is that the average household here spends £348 per year more on energy than the equivalent home in Great Britain. Rural homes generally do not have access to the natural gas network and therefore rural consumers are forced into buying more expensive types of fuel such as home heating oil, coal and Liquid Petroleum Gas (LPG). In fact, eight out of ten rural households in NI use oil to heat their home. This contributes significantly to the high levels of fuel poverty in rural areas as a household using oil to heat their home will spend almost £300 per year more on energy than a household using natural gas.
- Poor energy efficiency in homes is another cause of fuel poverty and contributes considerably to fuel poverty levels in NI rural households. The 2009 Housing Condition Survey showed that 63 per cent of NI homes built before 1919 were in fuel poverty. It is three times more likely that homes in rural areas of Northern Ireland will be built before 1919 and of a solid wall construction, which means that they are harder to treat with insulation measures and more expensive to heat.
- A third factor contributing to the high fuel poverty levels in rural areas is the lower income levels compared to urban areas . For example rural areas in Strabane, Moyle, Fermanagh and Cookstown have the lowest average weekly wages in NI. In addition, people in rural areas typically need to spend between 10 and 20 per cent more on everyday requirements than those in urban areas , mainly on higher transport and fuel costs.

Save the Children

Save the Children note for the Committee for Social Development's Fuel Poverty Event, 16 November 2011

Context

Extent of child poverty

Unlike rest of UK, recent official statistics show level of child poverty is increasing in NI.

Poverty is measured according to household income - but fails to take account of inflation which is making things much worse. Soaring energy costs are pushing low income families into more debt or forcing them to choose between heating and eating.

Levels of fuel poverty – the 2009 NIHE figures show 30% of children and young people are living in fuel poverty. 2011 figures are bound to be higher.

Impact of fuel poverty – research highlights the detrimental effect on infant cognitive development, on the respiratory and mental health of young people and adverse impacts on well being, opportunities to study and socialise with friends.

Priorities

1. Cross departmental action on fuel poverty in NI
2. Measures mitigating fuel poverty for families & children living in poverty (a severe weather winter fuel payment; social tariff; retrofitting insulation programmes)
3. Fuel brokering (supported and encouraged by NI Executive)
4. Regulation of the home heating oil industry in NI

Rationale for social tariffs - we note that poorer families are already paying considerably more for their energy than other families as they cannot advance payment discounts such as direct debit discounts and/or purchase oil by the drum, up to 3 times normal rates.

That's why fuel brokering becomes attractive. A not-for-profit energy brokering scheme could greatly reduce oil drum prices both directly and indirectly by increasing market competition.

Retrofitting, as part of a Green Deal, would provide jobs and reduce energy costs - both of which would mitigate child poverty.

Ulster Farmers Union

UFU suggested solutions to fuel poverty in Northern Ireland

The Ulster Farmers' Union (UFU) represents a major component of the Rural Community in Northern Ireland. Our members and associated family own or control the majority of land in Northern Ireland and play a vital role in the economy. Fuel Poverty is a major issue for rural dwellers and is increasingly impacting upon our members, the sustainability of their businesses and on local rural communities.

The UFU would like to make the following suggested solutions as to how we feel this problem can be mitigated against in rural areas;

1. **Re-opening and extending of the Farmhouse Insulation Scheme:** Farmhouses are often old, stone built properties that are poorly insulated. Previously, there was a Farmhouse Insulation scheme offered by NIE through a grant programme. This scheme offered percentage funding to farm houses to have insulation fitted which in turn made houses easier to heat, reducing demand for oil heating. This was a very effective and successful scheme and the UFU would suggest it was reopened and extended to include all rural homes.
2. **Grow the renewable energy sector:** There is a growing renewable energy sector in Northern Ireland particularly in wind and biogas energy production. If this is encouraged and barriers to entry are reduced, it has the potential to significantly reduce energy costs thus reducing fuel poverty. This is particularly relevant to rural areas where there is a lack of alternative choice due to lack of infrastructure e.g. natural gas.
3. **Rural Road fuel Scheme:** Rural dwellers are more likely to be dependent on cars given the limited choice of other means of travel and the necessity to travel to reach services which are being relocated and centralised to urban areas. Due to this dependency, when road fuel price rises rural dwellers have no alternative but to absorb these costs. To account for this, the UFU would suggest that government consider implementing a rural fuel duty rebate for rural dwellers.
4. **Price of road fuel:** As explained above, rural dwellers have a huge dependency on road fuel. This is also the case for farm businesses that have a huge reliance on rebated fuel to run agricultural equipment. Rebated fuel has also risen significantly in price which has substantially added cost to farm businesses. The UFU would suggest that government consider reducing the tax level imposed on white and red diesel to help reduce the price of fuel. Although this would mean reduced revenue for government, in the long term cheaper fuel would help alleviate fuel poverty and help businesses compete and thrive.

In addition, the UFU would suggest that more is done to ensure that fuel price is more consistent across NI. Rural areas, by virtue of their remote location and lack of competition, tend to have higher fuel prices in filling stations. The UFU would suggest cost of fuel is closely monitored to ensure a more consistent level of pricing across NI.
5. **Re-opening of grant scheme for alternative heat sources:** Previously, there was a scheme that offered grant funding towards alternative heat sources such as wood chip burners, solid wood burners etc. These grants proved to offer a very good alternative to oil fired heating reducing the reliance on expensive fossil fuels.

Utility Regulator

Northern Ireland Assembly Committee for Social Development Fuel Poverty Event

Background:

The Utility Regulator is a non-ministerial government department responsible for regulating the electricity and gas industries and water and sewerage services in Northern Ireland, to promote the short and long-term interests of consumers. We make sure that the utility industries in Northern Ireland are regulated and developed within Ministerial policy as set out in our statutory duties. While the Utility Regulator does not have a specific statutory duty in relation to fuel poverty, our main duty is to protect all customers. We are also required to have due regard for the interests of vulnerable customers, which in many instances would include those in fuel poverty. For this reason the Utility Regulator takes a keen interest in addressing fuel poverty. While the Utility Regulator does not hold the levers on many of the factors which influence fuel poverty we deliver on actions which help to mitigate the problem by protecting all electricity and gas customers, with due consideration for vulnerable customers.

We drive change such as the introduction of competition into the electricity and gas retail markets to benefit customers.

We deliver price controls where appropriate, which ensure that prices charged to all customers are as low as they can be.

We put safeguards into licences; for example preventing the disconnection of vulnerable customers in winter.

We deliver the Northern Ireland Sustainable Energy Programme (NISEP). The NISEP helps us to meet our duties to the environment and energy security. It also helps the vulnerable because 80% of the funding for the NISEP goes to provide energy efficiency measures for vulnerable customers.

Further work by the Utility Regulator

The Utility Regulator is committed to the implementation of 3rd European Energy Package in a manner which is tailored to the specific and unique circumstances facing Northern Ireland customers and in particular Northern Ireland's vulnerable customers.

The Utility Regulator has carried out a consultation on proposals to improve consumer protection under the Directive these include:

- 1) Increased transparency of information for all customers.
- 2) Easier switching for all customers to ensure they benefit from competition.
- 3) Increased consumer protection to help vulnerable customers avoid disconnection and self disconnection. For example limits on the level of debt which can be collected per pre payment meter top up.

We also work with government and stakeholders to bring forward and develop potential solutions which are cross cutting in nature.



Northern Ireland Assembly Committee for Social Development Fuel Poverty Event

16 November 2011

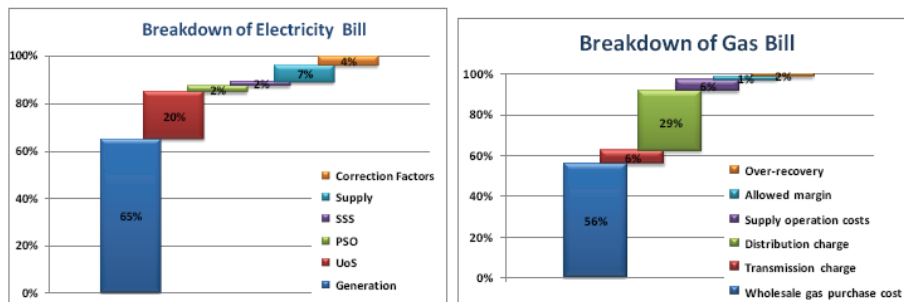
What do we do?



- Price Controls
- License Enforcement
- Promoting Competition
- Energy Efficiency

Breakdown of your bill

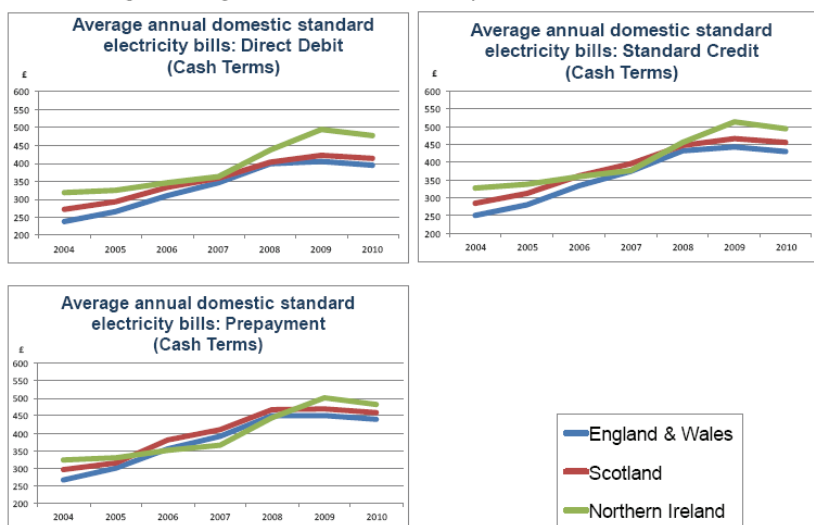
Figure 28 Make-up of regulated electricity and gas bill



Source: UR, Power NI and PSL

Electricity prices

Figure 31 Average annual domestic standard electricity bills for UK countries, in cash terms.

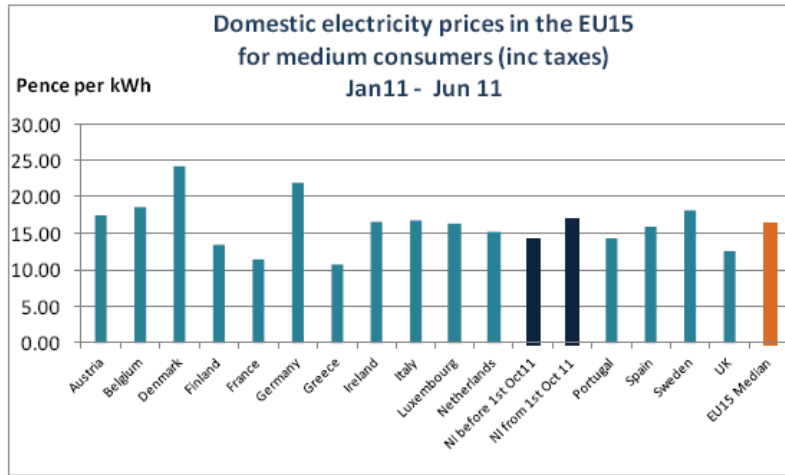


Source: DECC, Quarterly Energy Prices. September 2011

Electricity price comparison at EU level



Figure 32 Domestic price comparison at EU level.

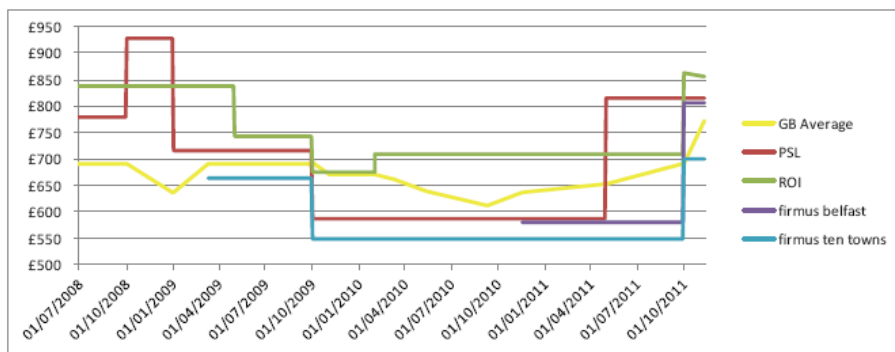


Source: Power NI and DECC (Eurostat)

Gas prices



Figure 34 Average annual bill for a gas customer on standard tariff: Northern Ireland, GB and ROI.

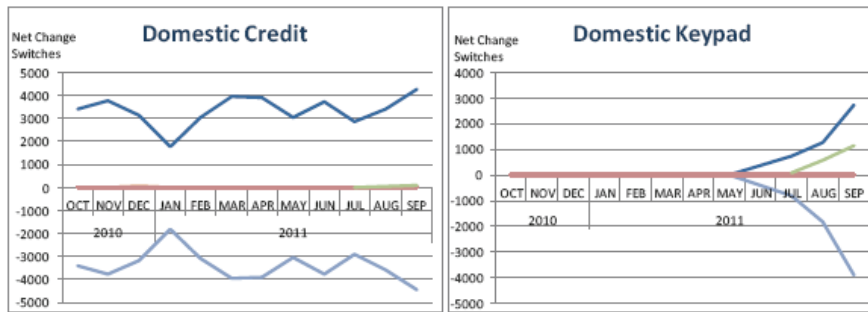


Source: UR

Electricity switching activity

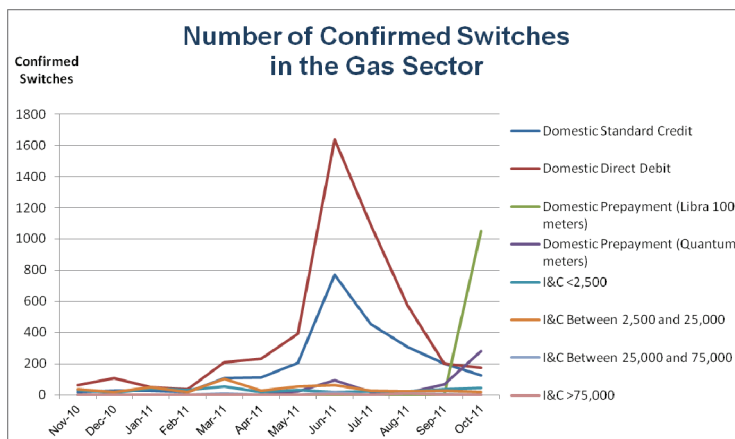


Figure 19 Evolution in electricity switching activity by market segments



Source: NIE T&D

Gas switching activity



Conclusion and Questions



- Changes in world energy prices continue to have a big impact on Northern Ireland consumers.
- In this context, the Utility Regulator continues to work to protect all customers in Northern Ireland.
- Of the three elements of fuel poverty, the Utility Regulator works mainly on electricity and gas prices, and on energy efficiency.



Northern Ireland
Assembly

Appendix 4

Thematic Action Groups

Thematic Action Groups

TAG 1 – OFMdfM with DSD

Membership: Comprised of stakeholders, officials from OFMdfM and DSD.

Key Theme: Building government, community and voluntary sector capacity for reducing and preventing fuel poverty

TAG 2 – DSD with DHSSPS

Membership: Comprised of stakeholders, officials from DSD with DHSSPS.

Key Theme: Customer engagement around energy efficiency and social inclusion (could include benefits, lifestyle, budgeting and smart metering)

TAG 3 – DETI with DFP

Membership: Comprised of stakeholders, officials from DETI and DFP

Key Theme: Energy brokerage and building corporate social responsibility (Oil, gas, electricity, building regulations, manufacturers etc.)

TAG 4 – DARD with DEL

Membership: Comprised of stakeholders, officials from DARD and DEL

Key Theme: Targeting – tackling and preventing Fuel Poverty using an area-based approach for one-stop service

TAG 5 – DoE with DFP

Membership: Comprised of stakeholders, officials from DoE and DFP

Key Theme: Developing policy synergies for reducing and preventing fuel poverty (EPC potential; carbon footprint; engaging high and middle income)



Northern Ireland
Assembly

Appendix 5

List of Stakeholders

List of Stakeholders

Table 1

Organisation:	Represented by:
Committee for Social Development	Mr Alex Maskey MLA (Chairperson)
Department for Social Development	Ms Heather Cousins Mr Jim Wilkinson Ms Eilish O'Neil
Access to Benefits	Mr Patrick Minne Ms Zoe Anderson
Citizens Advice Bureau	Mr Derek Alcorn
National Energy Action	Ms Pat Austin Mr David Crothers
Utility Regulator	Mr Shane Lynch Ms Sarah Brady
Rapporteur	Ms Eleanor Murphy

Table 2

Organisation:	Represented by:
Committee for Enterprise, Trade and Investment	Mr Alban Maginness MLA (Chairperson)
Department for Enterprise, Trade and Investment	Ms Fiona Hepper Mr Paul Dolaghan Ms Olivia Martin
Bryson Charitable Group	Mr John McMullan Mr Nigel Brady
Housing Rights Service	Ms Nicola McCrudden Ms Ruth Barry
Irish Congress of Trade Unions	Ms Pauline Buchanan
NI Oil Federation	Mr David Blevings Mr Paul Hackett
Rapporteur	Mr Aidan Stennett

Table 3

Organisation:	Represented by:
Committee for the Office of the First Minister and deputy First Minister	Mr Mike Nesbitt MLA
Department for the Office of the First Minister and deputy First Minister	Mr Joe Reynolds

Organisation:	Represented by:
Age Sector Platform	Mr Eddie Lynch Mr Francis Hughes
Consumer Council	Ms Antoinette McKeown Mr John French
Older Peoples Advocate	Ms Kate McCullough Ms Donna Heaney
Save the Children	Ms Anne Moore
Rapporteur	Ms Jane Campbell

Table 4

Organisation:	Represented by:
Committee for Agriculture and Rural Development	Mr Paul Frew MLA (Chairperson)
Department for Agriculture and Rural Development	Mr Keith Morrison Mr Paul Donnelly
Energy Savings Trust	Mr Patrick Thompson
Firmus Energy	Mr Michael Scott Mr Gary Swan
Methodist Church	Rev Billy Davison Mr Norman Hamilton
Ulster Farmers Union	Mr Harry Sinclair Ms Ruth Irvine
Rapporteur	Mr Mark Allen

Table 5

Organisation:	Represented by:
Committee for Health, Social Services and Public Safety	Ms Michelle Gildernew MLA (Chairperson)
Department for Health, Social Services and Public Safety	Dr Naresh Chada
Advice NI	Mr Bob Stronge
NI Housing Council	Mr James Brown Cllr Jenny Palmer
Macmillan Cancer Support	Ms Heather Monteverde
Public Health Agency	Dr Eddie Rooney Ms Colette Rogers
Rapporteur	Ms Janice Thompson

Table 6

Organisation:	Represented by:
Committee for the Environment	Ms Anna Lo MBE MLA (Chairperson)
Department for the Environment	Mr Tim Irwin Mr Brendan Forde
Age NI	Ms Anne O'Reilly
Chartered Institute of Environmental Health	Mr Gary McFarlane
Chartered Institute of Housing NI	Ms Jennifer Donald Mr David Little
NI Green New Deal Group	Mr John Woods
Rapporteur	Mr Des McKibbin

Table 7

Organisation:	Represented by:
Committee for Finance and Personnel	Mr Conor Murphy MLA (Chairperson)
Department for Finance and Personnel	Mr Seamus McCrystal
NI Federation for Housing Associations	Mr Christopher Williamson Ms Lucinda McMurrin
NI Housing Executive	Mr Stewart Cuddy Mr Noel Rice
Phoenix Gas	Mr David Strahan
Power NI	Mr Stephen McCully Ms Jenny Livingstone
Rapporteur	Ms Claire McCanny

Table 8

Organisation:	Represented by:
Committee for Employment and Learning	Mr Basil McCrea MLA (Chairperson)
Department for Employment and Learning	Ms June Ingram
Disability Action	Mr Kevin Doherty
NI Catholic Council for Social Affairs	Fr Tim Bartlett Mr Malachy McKernan
NI Council for Voluntary Action	Ms Lorraine Boyd
Rural Community Network	Mr Michael Hughes Mr Aidan Campbell
Rapporteur	Ms Fiona McConnell



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